

YiChang HEC ChangJiang Pharmaceutical Co., Ltd.

Conditions and Procedures of the Nomination of Director Candidates

I. Conditions of the Nomination of Director Candidates

Director of YiChang HEC ChangJiang Pharmaceutical Co., Ltd. (the “**Company**”) (the “**Director**”) shall be elected or replaced by general meetings of the Company. When a general meeting is held by the Company, the board of directors (the “**Board**”), board of supervisors or shareholders who individually or in aggregate holding more than 3% of the shares of the Company may propose resolutions to the convener of the general meeting in relation to the election of Directors.

A candidate of Director must comply with the relevant qualification set out in the Company Law of the People’s Republic of China, the Articles of Association of the Company (the “**Articles**”) and other applicable laws and regulations. The Board shall have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business.

II. Procedures of the Nomination of Director Candidates

Each director candidate should be individually proposed. The intention to nominate a candidate as director and the written notice of such candidate regarding his willingness to accept the nomination shall be given to the Company no later than seven days prior to the date scheduled for such general meeting.

The details of the candidate of director shall be fully disclosed by a proposal of election of director, which shall at least include the following:

- (1) Personal information including but not limited to education background, work experience and other appointments;
- (2) Whether there is any connected relationship between him/her and the Company or the controlling shareholders and de facto controller of the Company;
- (3) The number of shares of the Company held by him/her; and
- (4) Whether subject to punishment by China Securities Regulatory Commission and other relevant securities regulatory authorities and sanctions by the stock exchange.

Where an appointment of director comes into effect upon the approval from the general meeting, an announcement must be published in accordance with the relevant listing rules.

The nomination committee of the Company is entitled to propose its nomination of director candidates to the Board according to the Articles, the Terms of Reference for the Nomination Committee of the Board of YiChang HEC ChangJiang Pharmaceutical Co., Ltd. and other applicable laws and regulations.

III. In case of any discrepancy between the Chinese and English versions of these Conditions and Procedures of the Nomination of Director Candidates, the Chinese version shall prevail.