

# Directors, Supervisors, Senior Management and Staff

## 1. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### Directors

**Mr. Gu Jianguo**, aged 51, became Director and Deputy General Manager of the Company in September 1993. He was appointed Vice Chairman and General Manager of the Company in July 1995 and became General Manager of Magang Holding and Chairman of the Company in June and July 1997, respectively. In September 1998, Magang Holding was restructured into Magang (Group) Holding Company Limited and Mr. Gu was appointed General Manager of Magang (Group) Holding Company Limited. He has ceased to be General Manager of the Company since September 1999. Mr. Gu held 2,900 shares in the Company.

**Mr. Gu Zhanggen**, aged 57, was previously a Supervisor of the Supervisory Committee and Chairman of the labour union of the Company. He was appointed Secretary of the Party Committee of Magang Holding and the Company, and Deputy General Manager of Magang Holding in June 1997 and Vice Chairman and Director of the Company in September 1997. In September 1998, Magang Holding was restructured into Magang (Group) Holding Company Limited and Mr. Gu was appointed Secretary of the Party Committee and Deputy General Manager of Magang (Group) Holding Company Limited. Mr. Gu held 2,900 shares in the Company.

**Mr. Zhu Changqiu**, aged 58, became Deputy General Manager of the Company in June 1997 and has been Director and General Manager of the Company since September 1999.

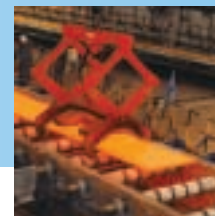
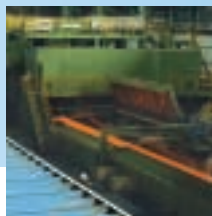
**Mr. Shi Zhaogui**, aged 59, was appointed Director and Deputy General Manager of the Company since September 1993. He was appointed Deputy General Manager of Magang (Group) Holding Company Limited and has ceased to be Deputy General Manager of the Company since September 1999. Mr. Shi held 2,900 shares in the Company.

**Mr. Wang Rangmin**, aged 61, was appointed Director of the Company in September 1997. He was appointed Deputy General Manager of Magang (Group) Holding Company Limited between September 1998 and May 2003. He has ceased to be Director of the Company since 10 June 2003.

**Mr. Zhao Jianming**, aged 50, was appointed Deputy General Manager of the Company and Secretary of the Party Committee of the Company in June 1997 and has been Director of the Company since September 1997. He also holds the office of Secretary of the Party Committee of Magang (Group) Holding Company Limited. Since September 1999, he has ceased to be Deputy General Manager of the Company.

**Mr. Su Jiangang**, aged 49, became Secretary to the Board of Directors of the Company in September 1993. He was appointed Chief Economist in June 1997 and Director of the Company in September 1997 and Deputy General Manager of the Company in September 1999. Mr. Su held 2,900 shares in the Company.

**Mr. Gao Haijian**, aged 47, was appointed Deputy General Manager of the Company in June 1997. He has been Director of the Company since September 1999.



## 1. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT (continued)

### Independent Directors

**Madam Cheng Shaoxiu**, aged 61, is Chief Accountant of Anhui Guoyuan Holding (Group) Company Limited. She has been Independent Director of the Company since September 1999.

**Mr. Wu Junnian**, aged 38, is currently a lawyer of Taiji Law Firm in Shanghai. He has been Independent Director of the Company since September 1999.

**Mr. Shi Jianjun**, aged 49, is Executive Vice Principal of Nanjing University, Chief Accountant, Professor and tutor to doctoral candidates. He has been Independent Director of the Company since September 2002.

**Mr. Chan Yuk Sing**, aged 42, is a practicing lawyer in Hong Kong and a partner of NORTON ROSE. Mr Chan has been Independent Director of the Company since September 2002.

### Supervisors

**Mr. Gao Junsheng**, aged 50, was appointed Assistant Office Director in October 1993 and subsequently became Office Director. He was elected Supervisor and Chairman of the Supervisory Committee of the Company in June 2001.

**Mr. Li Kezhang**, aged 56, has been Deputy Secretary of the Party Committee and Chairman of the labour union of the Company since June 1997. He was appointed Supervisor of the Company in September 1997. He is also Deputy Secretary of the Party Committee and Chairman of the labour union of Magang (Group) Holding Company Limited.

**Mr. Dou Qingxun**, aged 54, Deputy Secretary of the Party Committee and labour union chairman of the Company's train wheels and tyres subsidiary. Mr Dou became a Supervisor of the Company in September 2002.

### Independent Supervisors

**Mr. Wang Xiaoxin**, aged 48, is currently Deputy President of China Construction Bank, Anhui provincial branch. He has been Supervisor of the Company since September 1999.

**Mr. Jiang Yulin**, aged 46, is currently Deputy President of Industrial and Commercial Bank of China, Anhui provincial branch. He has been Supervisor of the Company since September 2002.

**Madam Tang Xiaoqing**, aged 46, is currently Deputy President of Bank of China, Anhui provincial branch. She has been Supervisor of the Company since September 2002.

In accordance with the Articles of Association sections 87 and 113, the term of office for all directors and supervisors is three years. The term of office for all directors and supervisors is from 1 September 2002 to 31 August 2005.

# Directors, Supervisors, Senior Management and Staff (continued)

## 1. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT (continued)

### Senior management

**Mr. Hui Chigang**, aged 50, was appointed Assistant to the General Manager of the Company in August 1999, and Deputy General Manager of the Company in June 2001.

**Mr. Shi Xiongliang**, aged 51, was appointed Deputy Chief Engineer of the Company in August 1999, and Deputy General Manager and Chief Engineer in June 2001.

**Mr. Qi Sihua**, aged 44, was appointed Deputy Director and Head of Academic Department of Hefei Economic and Technology Institute in July 1988 and director-grade Party Officer of China Science and Technology University in December 1998. He has been Deputy General Manager of the Company since August 2002.

Save as disclosed above, as at 31 December 2003, none of the directors, supervisors or their respective associates had any interests or short positions in the share capital or relevant share capital of the Company or any of its associated corporations. It was required to be reported in accordance with Section 352 of the Securities and Futures Ordinance.

During the year, none of the Company's directors, supervisors or their respective spouses or minor children received any benefits from any rights granted to them to acquire shares in or debentures of the Company, nor were there any exercising of such rights by any such persons. Neither the Company, the Company's subsidiaries, the Holding nor any of the Holding's subsidiaries had taken part in any arrangements that allow directors and supervisors to benefit from acquiring shares in or debentures of any other corporations.

All members of the senior management are appointed by the Board of Directors with a term running from the date of appointment to 31 August 2005.

There were no changes in the holdings of the Company's shares by the Company's Directors, Supervisors and senior management.

## 2. EMOLUMENTS FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

In accordance with "Implementation Method of Annual Salary System for Operators of State-owned Enterprises of Maanshan City" issued by Maanshan Municipal Government, the directors, supervisors and the senior management of the Company has adopted an annual salary system. Annual salaries will be paid after the annual audit. The forecasted total emoluments for directors, supervisors and senior management for 2003 are RMB4,995,302, of which three will receive an annual salary between RMB550,000 and 650,000 each; six between RMB450,000 and RMB550,000 each; one under RMB450,000. The forecasted total emoluments for the three highest paid directors and the two highest paid senior management are RMB1,890,000 and RMB1,000,000, respectively. The annual salaries are expected to be tax inclusive. When the directors, supervisors and senior management receive their annual salaries, they should each pay individual income tax at the statutory rate.

Independent directors and independent supervisors of the Company received an annual allowance of RMB15,000 each and RMB12,000 each, respectively, from the Company.

## 2. EMOLUMENTS FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT (continued)

Present directors Shi Zhaogui, Zhao Jianming and former director Wang Rangmin received their emoluments from the Holding instead of the Company.

In December 2003, the directors, supervisors and senior management received their annual salaries for 2002 as well as a portion of their salaries for 2001, amounting to RMB3,727,674 and RMB2,865,770, respectively. After deduction of the individual income tax and the risk deposits, they received a total of RMB3,004,368 and RMB2,345,707, respectively.

## 3. PERSONNEL MOVEMENT

On 10 June 2003, Mr. Wang Rangmin reached the age of retirement. He has requested to resign from the office as the Company's director. After discussion, the Board of Directors has accepted Mr. Wang's resignation.

## 4. EMPLOYEES

As at the end of 2003, the Group had a total of 45,738 employees, of whom 37,269 were workers at production lines, 414 were sales representatives, 2,636 were technicians, 305 were financial staff, 3,023 were administrative staff and 2,091 were other personnel. There were 6.74% of employees who had post-graduate qualifications or above. There were a total of 19,750 retirees.