

4. PROFILE OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(1) Shareholdings of directors, supervisors and senior management (A Shares)

Unit: share

Name	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase/ decrease	Reasons for the change
Zhu Yuanchao	1,000	1,000	0	—
Han Zhiqiao	1,000	1,000	0	—
Zhang Tiande	1,000	1,000	0	—
Gong Dan	1,000	1,000	0	—
He Jianhua	1,000	1,000	0	—
Gao Feng	0	0	—	—
Liu Hui	0	0	—	—
Jing Jiachuan	1,000	1,000	0	—
Chen Zhangwu	0	0	—	—
Xie Songlin	0	0	—	—
Zheng Peimin	0	0	—	—
Li Hongdong	1,000	1,000	0	—
Xiao Shuiquan	0	0	—	—
Zhou Xiaomin	0	0	—	—

1. Save as disclosed above, none of the directors, supervisors and senior management of the Company, as at 30 June 2005, had any interest or short positions in the shares, underlying shares and debentures of the Company or its associate corporations (within the meaning of the SFO), which were required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO, or to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

2. None of the directors, supervisors and senior management or their respective associates was granted by the Company or its subsidiaries any right to acquire or sell shares or debentures of the Company or had exercised any such right as at 30 June 2005.
3. Save for those set out in the register required to be maintained by directors and supervisors under Section 352 of the SFO, during the reporting period, the Company did not engage in any arrangement which would enable the directors or supervisors of the Company or their respective associates to acquire any interest in any shares or debentures of the Company, nor did the directors or supervisors had any interest which was required to be recorded in the register under Section 352 of the SFO.

(2) New appointment or dismissal of directors, supervisors and senior management of the Company

During the reporting period, there was no new appointment or dismissal of directors, supervisors and senior management staff in the Company

5. MANAGEMENT DISCUSSION AND ANALYSIS

(1) Discussion and analysis of the overall operations during the reporting period

During the first half of 2005, in line with the operation guidelines for 2005, the Company surmounted the difficulties of the undersupply of raw materials, on-streaming of major products and peak delivery of products. Being able to pay attention to production details, improving paces and efficiency, the Company accomplished all production and operation targets set for the first half of 2005. Production volume and sales revenue hit a new high as compared with the same period in previous years.