

Directors, Supervisors and Senior Management

I. BASIC INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Unit: Share Currency: RMB

Name	Position	sex	Age	Beginning date of term	Number of shares held at the start of the period	Number of shares held at the end of the period	Total remuneration received from the Company during the reporting period (RMB'0000)	Whether to receive remuneration from shareholder entities or other related parties
Liu Shigang	Director	Male	58	2005-12-28	—	—	—	Yes
Zhu Yuanchao	Chairman	Male	49	2005-12-28	1,000	1,000	18.56	No
Li Hongdong	Director	Male	56	2005-12-28	1,000	1,000	14.85	No
Gong Dan	Director and Deputy General Manager and the Secretary to the Board of Directors	Male	43	2005-12-28	1,000	1,000	14.85	No
Han Zhiqiao	Director and General Manager	Male	47	2005-12-28	1,000	1,000	18.56	No
Fu Haibo	Director	Male	41	2005-12-28	—	—	—	Yes
Chen Zhangwu	Independent Director	Male	60	2005-12-28	—	—	3	No
Zheng Peimin	Independent Director	Male	34	2005-12-28	—	—	3	No
Xie Songlin	Independent Director	Male	64	2005-12-28	—	—	3	No
Wang Wanling	Supervisor	Female	49	2005-12-28	—	—	6.55	No
Fang Yunfu	Supervisor	Male	43	2005-12-28	—	—	7.56	No
Wen Bingyou	The Chairman of the Supervisory Committee	Male	51	2005-12-28	—	—	—	Yes
Zhang Tiande	the Deputy General Manager of General Affairs	Male	52	2000-11	1,000	1,000	14.85	No
He Jianhua	Deputy General Manager	Male	43	2001-01	1,000	1,000	14.85	No
Liu Hui	Deputy General Manager	Male	40	2002-12	—	—	14.85	No
Xia Xiaoqiang	Deputy General Manager	Male	42	2005-12	—	—	8.65	No



Directors, Supervisors and Senior Management *(continued)*

I. BASIC INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT *(continued)*

- (1) Save as disclosed above, none of the directors, supervisors and senior management of the Company, as at 31 December 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 nor had they exercised any such right as at 31 December 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.

Introduction of directors, supervisors and senior management:

Directors:

Mr. Liu Shigang, holds the position of Director of the Company, Vice Chairman of the Board and Vice Secretary to the Party Committee of DEC Group. He graduated from the faculty of management engineering of Hefei Industrial University and specialized in industrial management engineering. In 1975 he held the position of Deputy Workshop Director, Workshop Director and Secretary to the Party Committee, Vice Chairman of Labour Union. Since 1982, he has been Vice Secretary to the Party Committee and Deputy Factory Head of DFEW as well as Vice Chairman of Dongfang Electrical Machinery Company Limited. In July 2000, Mr. Liu was transferred to work as Vice Chairman and Vice Secretary to the Party Committee of DEC Group. Currently, He also holds the title of Senior Engineer.

Mr. Zhu Yuanchao currently acts as Chairman of the Board of the Company, Secretary to the Party Committee and Factory Head of Dongfang Electrical Machinery Works. He graduated from the faculty of Electrical Engineering of Hefei Industrial University and specialized in electrical engineering. He joined DFEW in 1982 and has long been engaged in electrical machinery design and technology management. He had been the Deputy Section Head of Electrical Equipment Department, Deputy Officer of the Chief Engineer Office, Deputy Chief Engineer, Deputy General Manager and Chief Engineer, Vice Chairman and General Manager of the Company, Vice Secretary to the Party Committee and Deputy Factory Head of DFEW. He holds the title of Senior Engineer.

Mr. Li Hongdong holds the position of Director and Chairman of Labour Union of the Company, the Deputy Secretary to the Party Committee and Secretary to Discipline Committee and Chairman of Labour Union of DFEW. He graduated from Xian Jiaotong University specialising in welding. Between 1985 and 1988, he was enrolled in the Central Party College where he obtained a distance learning degree in Political Party Management. Between September 1992 and December 1994, he was enrolled in the Sichuan Party College where he obtained a distance learning undergraduate degree in Economics and Management. He joined DFEW in 1969 and was mainly engaged in welding workmanship and corporate management. He had been the Deputy Head and Head of the Organization Department and Deputy Chairman and Chairman of Labour Union of DFEW and Chairman of Supervisory Committee of holding company. Currently, Mr. Li holds the title of Senior Engineer.

Mr. Gong Dan currently acts as Director, Deputy General Manager and Secretary to the Board of Directors of the Company. He graduated from Anhui Industrial College specialising in casting. He attended the postgraduate program in the Faculty of Economic Management of Sichuan University where he specialised in modern economic management in 1994 and graduated in 1997. He joined DFEW in 1983 and mainly involved in young workers management and organisation of work of departments. He had been Vice Secretary and Secretary to the League Party Committee, Officer of the Young Workers' Office, Head of Organization Department as well as Director, Deputy General Manager and Secretary to the Board of Directors of the Company. He holds the title of Senior Engineer and Senior Accountant.

Mr. Han Zhiqiao is currently the Director and General Manager of the Company. He graduated from the faculty of Hydroworks of Shaanxi Machinery College and specialized in hydroelectric power-generating equipment. He joined DFEW in 1983 and has long been engaging in product sales and technological service. He had been the Deputy Section Head, Section Head, Deputy Department Head, Assistant to the General Manager, Deputy General Manager and Deputy General Manager (General Affairs) of the Sales Service Department and General Manager and Deputy Director. Concantly, he holds the title of Senior Engineer.

Directors, Supervisors and Senior Management *(continued)*

I. BASIC INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT *(continued)*

Introduction of directors, supervisors and senior management: *(continued)*

Directors: *(continued)*

Mr. Fu Haibo is currently the Director of the Company and Officer of the office of strategic development committee of DEC Group. He graduated from Zhejiang University with a master's degree in economics. He had been Deputy Section Head of the office of assets management committee of DEC Group, Assistant to Officer of Assets Office and Deputy Officer. Since July 2000, he has been officer of the Strategic Development Committee of DEC Group. He holds the title of Senior Economist.

Mr. Chen Zhangwu is currently Independent Director, a member of the Party Committee of Tsinghua University, Secretary to the Party Committee of the Economic Management Faculty and a professor in economics. He graduated from the Engineering Physics Faculty of Tsinghua University where he specialized in engineering and obtained a master degree in accelerator physics from Engineering Physics Faculty of Tsinghua University. He had been a member to the Party Committee of Engineering Physics Faculty of Tsinghua University, Secretary to the Group Committee, Vice Secretary to the Party Committee of Modern Applied Physics Faculty of Tsinghua University, the Deputy Dean of the Economic Management Faculty and Deputy Secretary to the Party Committee of Tsinghua University.

Mr. Zheng Peimin is currently Independent Director of the Company, Chairman of Shanghai Realize Investment Consulting Company Limited (上海榮正投資諮詢有限公司), and independent director of Lianoning Times Garments I/E Inc. (遼寧時代服裝進出口股份有限公司) and Black Peony (Group) Company Limited (黑牡丹(集團)股份有限公司). He graduated from the School of Economics Management School of Tsinghua University, where he majored in Management Information System and obtained a MBA.. He has been a project manager in Trust & Investment Company of the People's Insurance Corporation of China (中國人保信託投資公司).

Mr. Xie Songlin is currently Independent Director of the Company, a member of the 10th National Committee of Chinese People's Political Consultative Conference, a consultant of State Power Grid Corporation, and also a senior consultant of the Association of Chief Accountants in China (中國總會計師協會). He graduated from Electricity Generating major of Power Department in Shaanxi Industry University (now known as Xi'an Jiaotong University (西安交通大學)). He has been the Head of Electricity Bureau of Yiyang, Hunan Province (湖南益陽電業局), Deputy Head of Electricity Department of Hunan Province (湖南省電力局), Deputy Head of Power Administration Bureau of Central China, Deputy Head of Auditing Bureau of Energy Ministry, Chief Officer of Electricity Department and Administration Officer, Officer of Financial and Economic Department, General Economist, Chief Accountant, a member of Party Branch, and Deputy General Manager of State Power Corporation. He holds the title of Senior Economist.

Supervisors:

Ms. Wang Waning is currently Supervisor and the Officer of the Disciplinary and Inspection Department of the Company, the Deputy Secretary to the Disciplinary Committee, the Officer of the Disciplinary Office and the Disciplinary and Inspection Department of DFEW. She graduated from the faculty of Machinery Manufacture of Jiangsu Industry College where he specialized in Machineries. She joined DFEW in 1980, and had been Deputy Officer of the Disciplinary Office, Secretary to the Disciplinary Committee and the Party Branch Committee of DFEW, Deputy Section Head of the Disciplinary Office and the Disciplinary and Inspection Department. She holds the title of engineer.

Fang Yunfu is currently Supervisor and Officer of the Auditing Committee of the Company and Officer of the Auditing Committee of DFEW. He graduated from Deyang Machinery Manufacturing School specializing in accounting and in 1987 graduated from Distance Learning School of Shenyang Machinery and Electronic College specializing in Industrial and Financial Accounting. He joined DFEW in 1980 and had long been engaged in finance and corporate management. He had been Depute Section Head of Factory Office, Deputy Head and Head of Financial Department, Deputy Department Head, Deputy Chief Accountant and Deputy Department Head of Financial Department, Deputy Department Head of Corporate Management Department, Deputy Officer of the Board Office, Department Office and Asset Office and Deputy Head of Audit and Review Committee. He holds the title of Senior Accountant.

Wen Bingyou is currently Chairman of Supervisory Committee of the Company, a member of Party Branch and Leader of Disciplinary Team. He graduated from Xi'an Jiaotong University majoring in boiler design and manufacturing. He had been Deputy Head of Water-cooled Wall Workshop of Dongfang Boiler Factory, Deputy General Head of Dongfang Boiler Industrial Company, Manufacturing Head and Secretary to Party Branch Committee of Dongfang Boiler (Group) Company Limited, Vice Chairman of Board of Directors and General Manager of Dongfang Boiler (Group) Company Limited, General Economist of DFEW. He holds the title of Senior Engineer.

Directors, Supervisors and Senior Management *(continued)*

I. BASIC INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT *(continued)*

Introduction of directors, supervisors and senior management: *(continued)*

Senior Management:

Mr. Zhang Tiande is currently Deputy General Manager (General Affairs) of the Company. He graduated from Huabei Hydro Power College where he specialized in hydropower generating equipment. He joined DFEW in 1971 and has long been engaged in product technological service and production management. He had been the Deputy Section Head, Section Head and Deputy Department Head of the Sales Service Department, Production Head of the Company, and the Chairman and the General Manager of Dongfang Electrical Machinery Large and Medium AC/DC Electrical Motors Company Limited. He holds the title of Senior Engineer.

Mr. He Jianhua is currently Deputy General Manager and Chief Engineer of the Company. He graduated from the Faculty of Electrical Engineering of Chongqing University where he specialized in electrical engineering. He attended the master postgraduate program in Huazhong Polytechnic University between September 1987 and July 1990 where he specialized in Electrical Engineering and obtained a master's degree. He joined DFEW in 1984 and has long been engaged in design of electrical machinery and technological development. He had been Deputy Section Head, Deputy Chief Designer and Section Head, Deputy Chief Engineer of the Company, and Chief Designer and Deputy Department Head of the Electrical Equipment Department. He holds the title of Senior Engineer.

Mr. Liu Hui is currently Deputy General Manager of the Company. He graduated from Nanjing Mechanical College and obtained a Master of Business Administration (MBA) in April 2001 from Xinan Jiaotong University. He joined DFEW in 1985 and has long been engaged in production, personnel and resource management. He had been the Deputy Factory Manager of Casting Branch Factory and Officer of the molding assembly line and Secretary to the Party Branch Committee, Deputy Department Manager of Human Resources Department, Department Head of Resource Purchasing Department, the Deputy Chief Economist and Department Head of Resource Purchasing Department of the Company. He holds the title of Senior Engineer.

Mr. Xia Xiaoqiang is currently Deputy General Manager of the Company. He graduated from Hefei Industrial University and obtained a Master of Business Administration (MBA) in April 2002 from Xinan Jiaotong University. He had been Deputy Officer of Factory Officer of DFEW, Deputy Officer of General Manager Office and Officer of Foreign Affairs of holding company, Officer and Secretary to Party Branch Committee, Secretary to Party Branch Committee and Deputy Factory Head of Welding Branch Factory, Secretary to Party Branch Committee and Deputy Factory Head of Heavy Metalic Branch Factory, Chairman of Metalic Structure Company, Secretary to Party Branch Committee, Assistant to General Manager and Officer of General Manager Office of holding company, Section Head of Corporate Management Section and Secretary to Party Branch Committee. He holds the title of Senior Engineer.

II. PARTICULARS OF TENURE OF OFFICE IN SHAREHOLDERS ENTITIES

Name	Name of shareholder	Position	Beginning date of term	As Whether to receive emoluments and allowances
Liu Shigang	DFEW	Vice Chairman and Deputy Secretary to Party Committee	July 2000	Yes
Fu Haibo	DFEW	Officer of Strategic Development Committee Office	July 2000	Yes
Wen Bingyou	DFEW	A member of the Party Committee and Leader of Disciplinary Team	June 2004	Yes

Tenure of office in other entities

As at the end of the reporting period, none of the directors, supervisors and senior management served in other entities.

Directors, Supervisors and Senior Management *(continued)*



III. REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. Directors, Supervisors who did not receive remuneration and allowances in the Company

Names of Directors, Supervisors who did not receive remuneration or allowance from the Company

Whether he or she received remuneration or allowances in shareholder entities or other connected entities

Liu Shigang
Fu Haibo
Wen Bingyou

Yes
Yes
Yes

Prior to the establishment of the Remuneration Committee at the end of the reporting period, remuneration to Directors, Supervisors and Senior Management of the Company is subject to direct management and assessment by DEC during the reporting period. The incentive system and assessment method are determined by the DEC.

IV. MOVEMENT OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Position	Reason for resignation
Zhang Tiande	Director	Change of Board Session
He Jianhua	Director	Change of Board Session
Liu Hui	Director	Change of Board Session
Jin Jiachuan	Director	Change of Board Session

Directors, Supervisors and Senior Management *(continued)*

V. DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

At the end of the year or at any time during the year, none of the directors or supervisors was materially interested directly or indirectly in any contract of significance of the Company except the service contract mentioned below.

VI. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS IN SUBSCRIPTION FOR SHARES OR DEBENTURES

At no time during the year was the Company a party to any arrangements to enable the directors or supervisors of the Company to obtain benefits by means of the acquisition of shares in or debentures of the Company or any other legal body corporate.

VII. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each of the directors and supervisors has entered into a service agreement with the Company. Save as aforementioned, none of the directors or supervisors has a service contract with the Company which is not determinable by the Company within one year without the payment of compensation (other than statutory compensation).

VIII. EMPLOYEES

As at 31 December 2005, the number of employees on register was 7,083.

Structure of employees

1. Professional structure

Category of professional structure	Headcount
Production employees	4,296
Sales employees	173
Technicians	837
Finance employees	44
Administrative employees	456

2. Education background

Category of education background	Headcount
Master degree and above	43
Bachelor degree	880
Tertiary degree	1,233
Technical middle school and below	4,927

3. Employees' remuneration and training

The Company adopted a performances - linked remuneration system. The system consists of 4 units including basic salary, seniority salary, position salary and performance salary, plus allowances. Basic salary and seniority salary are guaranteed incomes paid according to attendance, whereas position salary and performance salary are incentive based which are payable according to employers' position and performance.

The Company implemented training courses for all staff, proactively established a "learning" organization, and continuously enhanced the overall calibre of its establishment. In 2005, the training focus was on the required skills for the posts and safety and quality consciousness. A comprehensive training has been started during the year for all staff members.

4. Retirement Benefits Plan

Particulars of the retirement benefits plan of the Company are set out in Note 34 to the financial statements prepared under HK GAAP.