

### **(I) Appointment or dismissal of directors, supervisors and senior management during the Reporting Period**

On 25 April 2006, the Eighth Meeting of the Third Session of the Board of Directors appointed Mr. Lee Kwok Ming as the senior finance manager and Hong Kong qualified accountant of the Company for a term of service from 1 May 2006 to 30 April 2007. An announcement was made in respect of the aforesaid matter on 26 April 2006.

On 25 April 2006, the Eighth Meeting of the Third Session of the Board of Directors agreed to nominate Mr. Chan Yuk Tong as a candidate for independent non-executive director of the Company, which was approved by the 2005 annual general meeting of the Company held on 16 June 2006. The term of Mr. Chan's office is from 16 June 2006 to 30 April 2007. Announcements were made in respect of the aforesaid matter on 26 April, 28 April and 17 June 2006.

The term of service of Mr. Kuang Bingwen, an independent non-executive director of the Company, was terminated on 16 June 2006, on which date he ceased to be an independent non-executive director.

### **(II) Interests of the directors and supervisors**

For the six months ended 30 June 2006, none of the directors and supervisors of the Company, nor any of their respective associates held any interests in the shares and debentures or other interests of the Company or its associated corporations, nor have they been granted or exercised any interests to subscribe for shares or debentures of the Company or its associated corporations, which are required to be recorded in the register kept and maintained in accordance with section 352 of the SFO that came into effect on 1 April 2003.

During the Reporting Period, none of the directors and supervisors of the Company had any material interests in any contracts entered into by the Company or its subsidiaries.

### **(III) Code on Corporate Governance Practices**

For the six months ended 30 June 2006, the Board is not aware of any information which would indicate that the Company did not comply with the code provisions (the "Code Provisions") of the Code on Corporate Governance

## Directors, Supervisors, Senior Management and Staff

Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### **(IV) Model Code**

The Company has adopted a code of practice with standards not lower than those prescribed in the Model Code as set out in Appendix 10 of the Listing Rules for securities transactions by directors. Pursuant to the specific enquiries made by the Company, all Directors confirmed that they had complied with the Model Code in relation to securities transaction by Directors during the Reporting Period.

### **(V) Employees and remuneration**

As at 30 June 2006, the Group had a total of 15,679 employees whose aggregate remuneration for the Reporting Period amounted to RMB176,775,544.