

Chapter IV Directors, Supervisors, Senior Management and Staff

Section I Directors, supervisors and senior management

1. The following is a list of all current directors, supervisors and senior management and their biographical information:

Executive directors

Mr. Liu Haitao, aged 42, post-graduate and Senior Engineer, has been Director of the Company since June 2001. He has also been the Chairman of the Board since 30th December 2005. Since 1992, he has been Deputy Chief, Deputy Factory Manager, Factory Manager and Deputy Secretary of the Party Committee of production office of Zhengzhou Textile Machinery Factory, Chairman of Zhengzhou Hongda New Textile Machinery Co., Ltd.. Mr. Liu was also the General Manager and Secretary of the Party Committee of Zhengzhou Textile Machinery Joint Stock Co., Ltd. He has been Deputy General Manager of China Hengtian Group Company since November 2004 and Deputy General Manager of China Textile Machinery (Group) Company Limited since December 2004. Since October 2005, he has been Vice-chairman, General Manager and Deputy Secretary of the Party Committee of China Textile Machinery (Group) Company Limited, and has been Director and General Manager of China Hengtian Group Company since September 2006.

Mr. Ye Maoxin, aged 44, post-graduate and Senior Engineer, has been Director of the Company since August 1998. He has been Vice-chairman of the Board since 30th December 2005 and General Manager of the Company since August 2000. He is also the Chairman of the Company's subsidiaries of Qingdao Hongda Textile Machinery Co., Ltd., Shenyang Hongda Textile Machinery Co., Ltd., Changde Textile Machinery Co., Ltd., Wuxi Textile Technology Testing Co., Ltd., Beijing Jingwei Textile Machinery New Technology Co., Ltd., Shanghai Weixin Electrical & Machinery Co., Ltd., Hong Kong Huaming Co., Ltd., Beijing Jingpeng Investment Management Co., Ltd., and Zhengzhou Hongda New Textile Machinery Co., Ltd., and is the Director of Tianjin Hongda Textile Machinery Co., Ltd., Shanxi Jingwei Heli Machinery Manufacture Co., Ltd., Shanghai Jingwei Dongxing Blowing Carding Machinery Co., Ltd. and Hongda Research Institute Co., Ltd.. Mr. Ye held the positions of Deputy Chief, Chief and Assistant to Factory Manager of Technical Section of Jingwei Textile Machinery Plant and Manager of Department of Chemical Fibre and Machinery, Deputy General Manager and Standing Deputy General Manager of the Company respectively since 1990.

Mr. Fan Xinmin, aged 56, university graduate and Senior Economist, has been the Vice-Chairman of the Board since March 2000. Since 1983, Mr. Fan held positions including Deputy Secretary and Secretary of The Seventh Workshop of Jingwei Textile Machinery Plant, and Deputy Secretary of the Disciplinary Committee, Head of Parts and Components Factory No. 5, Deputy General Manager of Labour Service Company of the Factory, Factory Manager of Components General Factory and General Manager and Deputy Secretary of the Party Committee of its Labour Service Company, Deputy Factory Manager of Jingwei Textile Machinery Plant, Deputy Secretary of Party Committee and Secretary to the Disciplinary Committee, Secretary of the Party Committee of the Company, Acting General Manager, and General Manager and Secretary of the Party Committee of Jingwei Machinery (Group) Company Limited. He has been Deputy General Manager of China Textile Machinery (Group) Company Limited since August 2001, and has been Assistant to the General Manager of China Hengtian Group Company since December 2005.

Mr. Yan Fuquan, aged 43, university graduate, PhD student and Senior Accountant. He was a Supervisor of the Company from August 2001 to 13th April 2006. He has been a Director of the Company since April 2006. Since 1992, Mr. Yan was the Deputy Director of Chief Accountant Office, Head of Finance Department, Chief Accountant, Secretary of the Party Committee and Factory Manager of Hengyang Textiles Machinery Factory. Since June, 2004, he has been Chief Accountant of China Hengtian Group Company and has become Director and Chief Accountant of China Textile Machinery (Group) Company Limited since December 2004.

Mr. Liu Hong, aged 47, post-graduate and Senior Economist, has been Director of the Company since August 2001. Since 1992, Mr. Liu had held positions of Assistant to Factory Manager, Deputy Factory Manager, Acting Factory Manager, Secretary of the Party Committee, Factory Manager of Yichang Textile Machinery Plant and Director and Vice-Chairman of China Textile Machinery (Group) Company Limited. He has been Deputy General Manager of China Textile Machinery (Group) Company Limited since October 1997, and Deputy General Manager of China Hengtian Group Company since September 2006.

Mr. Shi Tinghong, aged 44, university graduate, EMBA Program participant, Senior Economist and Senior Information Manager. He has been a Director of the Company since June 2005. Since 1992, Mr. Shi was the Production Director, Corporate Management Director, Deputy Factory Manager, Factory Manager of Handan Textiles Machinery Factory, General Manager of Hongda Chemical Fibre Technological Equipment Co., Ltd., Director of Strategic Management Department and Assistant to General Manager of China Textile Machinery (Group) Company Limited. Since December 2005, he has been the Director of Strategic Management Department of China Hengtian Group Company. He has also been the Secretary to the Board of Directors of China Hengtian Group Company since January 2007.



Section I Directors, supervisors and senior management (continued)

1. The following is a list of all current directors, supervisors and senior management and their biographical information: (continued)

Executive directors (continued)

Mr. Yao Yuming, aged 45, post-graduate and Senior Accountant, has been Director and Financial Controller of the Company since August 1995 and Standing Deputy General Manager of the Company since August 2000. He is also the Director of the Company's subsidiaries of Zhengzhou Hongda New Textile Machinery Co., Ltd., Qindao Hongda Textile Machinery Co., Ltd., Shenyang Hongda Textile Machinery Co., Ltd., Tianjin Hongda Textile Machinery Co., Ltd., Changde Textile Machinery Co., Ltd., Wuxi Jingwei Textile and Technology Testing Co., Ltd., Shanxi Jingwei Heli Machinery Manufacture Co., Ltd., Beijing Jingwei Textile New Technology Co., Ltd., Shanghai Jingwei Dongxing Blowing Carding Machinery Co., Ltd., Shanghai Weixin Machinery and Electrical Co., Ltd., Shanghai Chuangan Commercial and Trading Co., Ltd., Hongda Research Institute Co., Ltd. and Zhengzhou Hongda Non-woven Fabric Engineering and Technology Co., Ltd., Beijing Jingpeng Investment Management Co., Ltd. as well as Director and General Manager of Hong Kong Huaming Co., Ltd.. Since 1990, he had been the Director of the Finance Office, Assistant to the Factory Manager and Director of the Factory's Finance office of Jingwei Textile Machinery Factory, as well as Financial Controller and Manager of the Finance Department of the Company.

Mr. Zhang Jianguo, aged 54, university graduate and Economist, has been Director of the Company since November 1999. Mr. Zhang is also the Secretary of the Party Committee of Tianjin Textile Machinery Plant, Chairman and Secretary of the Party Committee of Tianjin Hongda Textile Machinery Co., Ltd.. Since 1976, he had been Deputy Supervisor of 2nd workshop, Deputy Head of Production Office, Supervisor of Assembling Workshop, Manager of Branch Factory of Jin'er, Assistant of Plant Manager, Deputy Plant Manager, Plant Manager and Secretary of the Party Committee of Tianjin Textile Machinery Plant.

Independent Non-Executive Directors

Mr. Wang Zengjing, aged 73, post-graduate and professor, has been Independent Non-Executive Director of the Company since June 1999, and is also Chairman of China Fashion Colour Association and Vice-Chairman of China Small to Medium Enterprises International Cooperation Association. Mr. Wang was the professor of People's University of China and the professor and post-graduate tutor of Harbin Polytechnic University, Director-General of State Economic Commission, Director-General of State Planning Commission, General Manager of China New Technology Investment Company, Vice-Minister of Ministry of Textile Industry, Member of Finance and Economic Committee of the 8th National People's Congress and Chairman of Supervisory Committee of China Worldbest Group Co. Ltd..

Mr. Kon Hiu King, Kenneth, aged 44, graduated from Middlesex University in the United Kingdom with a Bachelor's Degree in Business Studies. He has been Independent Non-Executive Director of the Company since June 1999. He has been involved in the planning of many large-scale investment and development projects in the PRC and Hong Kong and has nearly 20 years of experience in investment and management in manufacturing industries and property development. He also has extensive experience in securities trading, corporate finance, mergers and acquisitions and corporate restructuring. He is Deputy Managing Director of Dan Form International Limited, and Dan Form Group Limited. He is also General Manager of Dan Form (Hong Kong) Limited, a wholly-owned subsidiary of Dan Form Holdings Co., Ltd..

Mr. Gao Yong, aged 53, university graduate, has been Independent Non-Executive Director of the Company since August 2004. He is currently Vice-Chairman of the PRC Textile Industry Federation, Chairman of the council member of the China Federation of Textile Machinery Industry, Director of International Trade Office of PRC Textile Industry Federation, and is currently an Independent Director of China Textile Machinery Co. Ltd. and Shanghai No. 2 Textile Machinery Co. Ltd.. Mr. Gao has been Head of and Deputy Director-General of the former State Textile Equipment Department and Executive Vice-President of China Textile Enterprises Federation since 1993.

Mr. Chen Zhong, aged 50, PhD in Economics and researcher, has been Independent Non-Executive Director of the Company since August 2004. He is Executive Vice-President of China Textile Enterprises Federation, Member of Appraisal Committee on Management of National Natural Science Foundation, Vice-Chairman of China Youth Entrepreneur Association, part-time Professor of Jilin University and the University of Industry and Commerce of Beijing. Since 1985, Mr. Chen had been Director of Research Department of China Enterprises Association, Publisher of China Enterprise News, Secretary-General of China Business Management Science Foundation, Deputy Secretary-General and member of the Party Committee of People's Government of Chongqing.

Section I Directors, supervisors and senior management (continued)

1. The following is a list of all current directors, supervisors and senior management and their biographical information: (continued)

Independent Non-Executive Directors (continued)

Mr. Yu Shiquan, aged 40, university graduate, PRC Certified Public Accountant, Registered Tax Advisor, Economist and Accountant, has been Independent Non-Executive Director of the Company since June 2004. Mr. Yu had worked in State Tax Bureau of Huaying City in Sichuan Province, Huaying Tax Firm, Huaying CPA Firm, Dongguan Qingxi Auditor's Firm in Guangdong Province, Sichuan Xingguang CPA Firm and State-owned Enterprises Supervisory Committee's Office respectively, as Deputy Head, Head and Secretary, and has been an Officer of State-owned Enterprise Supervisory Committee under the State Council. He is also an Independent Director of Tibet Shengdi, Co. Ltd. (a listed company on the Shanghai Stock Exchange), China Great Wall Computer Shenzhen Co., Ltd. (a listed company on the Shenzhen Stock Exchange) and Huafang Co., Ltd. (a listed company on the Shanghai Stock Exchange).

The Company has received from each independent non-executive Director an annual confirmation letter confirming their independence in accordance with Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). The Board considers that the independent non-executive Directors are in compliance with Rule 3.13 of the Listing Rules, and are considered to be independent.

Supervisors

Mr. Wang Tiankai, aged 60, university graduate and Senior Engineer, has been Chairman of the Supervisory Committee of the Company since August 2004. Since 1985, Mr. Wang had been Deputy General Manager and a member of Party Committee of Shanxi Textile Industrial Corporation, Deputy General Director and a member of the Party Committee of Shanxi Economics and Trades Committee, Deputy-General and Director-General of Technology Development Department of Ministry of Textile Industry, Director of Planning and Development Department of China Textile Federation, Director of China Textile Constructions and Planning Institute, Deputy Director and a member of the Party Committee of State Administration of Textile Industry, and Chairman (at Vice-Ministerial grade) of Supervisory Committee on State's Key and Major Enterprises, General Manager and Secretary of the Party Committee of China Hengtian Group Company and Chairman of China Textile Machinery (Group) Company Limited. Since September 2006, he has been Chairman, Deputy Secretary of the Party Committee of China Hengtian Group Company.

Ms. Peng Zeqing, aged 54, university graduate and Senior Political Worker. Since June 2005, she has been Vice-chairman of Supervisory Committee of the Company. Ms. Peng is currently Deputy Secretary of the Party Committee, Secretary of Disciplinary Committee and Chairman of Labour Union of the Company. Since 1990, Ms. Peng had been the Deputy Factory Manager, Deputy Secretary and Secretary of the Party Committee of Yichang Textile Machinery Factory and Chairman and Deputy Secretary of the Party Committee of Yichang Textiles Machinery Co., Ltd.

Mr. Tu Kelin, aged 55, holder of MBA and Senior Political Worker. From August 2001, Mr. Tu has been Supervisor of the Company. Since 1985, Mr. Tu had been the Deputy Director and Director of Tools Department of Zhengzhou Textile Machinery Factory, Factory Manager and Secretary of the Party Committee of Henan Textiles Machinery Factory and Assistant to General Manager and Head of Human Resources Department of China Textile Machinery (Group) Company Limited. From September 2001, he has been the Deputy Secretary of the Party Committee and Secretary of Disciplinary Committee of China Textile Machinery (Group) Company Limited, and Deputy Secretary of Disciplinary Committee of China Hengtian Group Company since December 2005.

Mr. Sun Jie (deceased), aged 45, university graduate. He had been Director of Human Resources Department of China Hengtian Group Company since December 2005. Since 1997, he was the Director of Office, Assistant to General Manager and Director of Human Resources Department and Member of Disciplinary Committee of China Textile Machinery (Group) Company Limited. Mr. Sun Jie deceased of illness on 23rd July 2006, and the Company is seeking a proper candidate to be proposed for approval at the next general meeting in order to make up the quorum of Supervisors.

Mr. Dong Min, aged 50, post-graduate of business administration and Mechanical Engineer. Since June 2005, he has been Supervisor of the Company. Since 1993, Mr. Dong was the Director of Marketing Department, Deputy Factory Manager of Xianyang Textile Machinery Factory and General Manager of Xianyang Textile Machinery Manufacturing Co. Ltd. Since April 2002, he had been Assistant to General Manager of the Company and has been General Manager of Textile Engineering Department of the Company since January 2003.



Section I Directors, supervisors and senior management (continued)

1. The following is a list of all current directors, supervisors and senior management and their biographical information: (continued)

Supervisors (continued)

Mr. Lian Jianhua, aged 47, university graduate and Senior Accountant. He has been Supervisor of the Company since August 2004. Mr. Lian is also currently the Head of the Strategic Management Department of the Company, Director of the Company's subsidiary of Zhengzhou Hongda Non-woven Fabric Engineering and Technological Co., Ltd., Supervisor of Beijing Jingwei New Technology Co., Ltd., Chairman of Supervisors of Shanghai Weixin Electrical & Machinery Co., Ltd. etc. Since August 1986, Mr. Lian had been Auditor of Auditing Office of Jingwei Textile Machinery Plant, Deputy Director of Supervisory and Auditing Department, Supervisor of the Auditing Office, Chief Accountant of Shanxi Textile Machinery Plant of Jingwei Textile Machinery Plant etc.

Mr. Bao Weiguo, aged 56, university graduate and Political Worker. He has been Supervisor of the Company since August 2001. From October 1988, Mr. Bao had held various positions such as the Party Official of the Security Department of Jingwei Textile Machinery Plant, Party Secretary of the Second Sub-Plant, Cooling & Forging Factory and Secretary of the Party Committee of Heli Company, Vice-Secretary of the Disciplinary Committee of Jingwei Machinery (Group) Co., Ltd. and the Company, Director of the Supervisory Department of Jingwei Machinery (Group) Co., Ltd. as well as Leader of Preparatory Team and Deputy Secretary of Disciplinary Committee of the Labour Union of the Branch of the Company.

Deputy General Managers

Mr. Wang Weizhi, aged 49, university graduate and Senior Political Worker. Mr. Wang is currently the Director of Beijing Jingwei Textile Machinery New Technology Co., Ltd., and Shangxi Jingwei Heli Machinery Manufacture Company Limited, subsidiaries of the Company etc. Since June 1999, Mr. Wang had been the General Manager, Deputy Secretary of the Party Committee and Chairman of the Board of Jingwei Machinery (Group) Co., Ltd. and Director of the Company. Since June 2002, he has been Deputy General Manager of the Company.

Mr. Lin Jianwang, aged 51, post-graduate and Senior Engineer. Mr. Lin is currently Director of the Company's subsidiaries, namely, Qingdao Hongda Textile Machinery Co., Ltd., Shenyang Hongda Textile Machinery Co., Ltd., Wuxi Jingwei Textile Technology Testing Co., Ltd., Beijing Jingwei Textile Machinery New Technology Co., Ltd., Shanghai Weixin Electrical & Mechanical Co., Ltd., Zhengzhou Hongda Non-woven Fabric Engineering and Technological Co., Ltd. etc. Since September 1993, Mr. Lin has been Chief Engineer of Qingdao Textile Machinery Factory. From March 2000, he has been Director and General Manager of Beijing Jingwei Textile Machinery New Technology Co., Ltd. Since August 2000, he has been Deputy General Manager of the Company.

Mr. Liu Xianming, aged 44, post-graduate and Senior Engineer. Mr. Liu has been General Manager of the Company since June 2006 and had held positions as Director, Deputy Factory Manager and Factory Manager of Technology Renovation Office of Shenyang Textile Machinery Plant since 1995, and had been Secretary of the Party Committee of Shenyang Textile Machinery Plant and Chairman and Secretary of the Party Committee of Shenyang Hongda Textile Machinery Co., Ltd., and Director, Vice-chairman of Supervisory Committee and Assistant to General Manager of the Company.

Mr. Shi Jianping, aged 44, university graduate, Senior Engineer. He has been Deputy General Manager of the Company since June 2005. Since February 1995, Mr. Shi had been the Deputy Factory Manager of Qingdao Textile Machinery Cooling Branch Factory, General Manager of Precision Factory, the General Manager of Qingdao Hongda Textile Machinery Co., Ltd., the Factory Manager and Secretary of the Party Committee of Qingdao Textile Machinery Factory, Vice-chairman and Secretary of the Party Committee of Qingdao Hongda Textile Machinery Co., Ltd. and Supervisor and Assistant to General Manager of the Company. Mr. Shi is also Vice-chairman of Qingdao Hongda Textile Machinery Co., Ltd., a subsidiary of the Company.

Company Secretary

Mr. Ye Xuehua, aged 42, post-graduate and Senior Engineer. In July 1990, Mr. Ye joined Jingwei Textile Machinery Plant. He has been Secretary to the Board since March 2000 and he had been Director of General Manager Office of the Company during the period from September 2000 to August 2002.

Section I Directors, supervisors and senior management (continued)**2. Term of office, interest in share capital and remuneration of Directors, Supervisors and senior management**

Name	Position	Gender	Age	Term of office	Number of shares held at beginning of the year (share)	Number of shares held at the end of the year (share)	Reasons for change	Total remuneration received from the Company during the reporting period (RMB'000)	Received from the shareholder or other associated unit
Liu Haitao	Chairman	Male	42	30/12/2005–15/8/2007	–	–	–	–	Yes
Zhang Jie	Former Director	Male	45	15/8/2004–13/4/2006	–	–	–	–	Yes
Ye Maoxin	Vice Chairman General Manager	Male	45	30/12/2005–15/8/2007 14/8/2000–	10,214	11,440	Consideration for Share Segregation Reform	480	No
Fan Xinmin	Vice-Chairman	Male	56	15/8/2004–15/8/2007	–	–	–	–	Yes
Yan Fuquan	Director Former Supervisor	Male	43	13/4/2006–15/8/2007 15/8/2004–13/4/2006	–	–	–	–	Yes
Liu Hong	Director	Male	47	15/8/2004–15/8/2007	–	–	–	–	Yes
Shi Tinghong	Director	Male	44	9/6/2005–15/8/2007	–	–	–	–	Yes
Yao Yuming	Director, Chief Financial Controller, Standing Deputy General Manager	Male	45	15/8/2004–15/8/2007 15/8/1995– 14/8/2000–	9,200	10,304	Consideration for Share Segregation Reform	470	No
Zhang Jianguo	Director	Male	54	15/8/2004–15/8/2007	–	–	–	364	No
Wang Zengjing	Independent Non-executive Director	Male	73	15/8/2004–15/8/2007	–	–	–	30	No
Kon Hiu King, Kenneth	Independent Non-executive Director	Male	44	15/8/2004–15/8/2007	–	–	–	30	No
Gao Yong	Independent Non-executive Director	Male	53	15/8/2004–15/8/2007	–	–	–	30	No
Chen Zhong	Independent Non-executive Director	Male	50	15/8/2004–15/8/2007	–	–	–	30	No
Yu Shiquan	Independent Non-executive Director	Male	40	15/8/2004–15/8/2007	–	–	–	30	No
Wang Tiankai	Chairman of Supervisory Committee	Male	60	15/8/2004–15/8/2007	–	–	–	–	Yes
Peng Zeqing	Vice-chairman of Supervisory Committee	Female	54	9/6/2005–15/8/2007	–	–	–	363	No
Tu Kelin	Supervisor	Male	55	15/8/2004–15/8/2007	–	–	–	–	Yes
Sun Jie (deceased)	Supervisor	Male	45	13/4/2006–15/8/2007	–	–	–	–	Yes
Dong Min	Supervisor	Male	50	9/6/2005–15/8/2007	–	–	–	251	No
Lian Jinhua	Supervisor	Male	47	15/8/2004–15/8/2007	–	–	–	164	No
Bao Weiguo	Supervisor	Male	56	15/8/2004–15/8/2007	–	–	–	89	No
Wang Weizhi	Deputy General Manager	Male	49	5/6/2002–	–	–	–	364	No
Lin Jianwang	Deputy General Manager	Male	51	14/8/2000–	–	–	–	403	No
Shu Hong	Former Deputy General Manager	Female	44	14/8/2000–13/3/2006	–	–	–	147	No
Liu Xianming	Deputy General Manager	Male	44	9/6/2005–	3,000	3,360	Consideration for Share Segregation Reform	367	No
Shi Jianping	Deputy General Manager	Male	44	9/6/2005–	–	–	–	375	No
Ye Xuehua	Company Secretary	Male	42	15/8/2004–15/8/2007	–	–	–	168	No

The total remuneration received from the Company by all Directors, Supervisors and senior management during the reporting period:

4,155

**Section I Directors, supervisors and senior management (continued)****2. Term of office, interest in share capital and remuneration of Directors, Supervisors and senior management (continued)**

Save as disclosed above, as at 31st December 2006, none of the Directors, Supervisors, senior management and their respective spouses or children under the age of 18 had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (as defined in Part XV of the Securities and Futures Ordinance), nor had any of them been granted any rights or short positions to subscribe for any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the Securities and Futures Ordinance) which was required to be recorded in the register established and maintained in accordance with section 352 of the Securities and Futures Ordinance or required to be notified to the Company and The Stock Exchange of Hong Kong Limited in accordance with Model Code for Securities Transactions by Directors of the Listed Issuers. During the reporting period, none of the Directors, Supervisors or senior management had any material interests in the contracts executed by the Company or its subsidiaries.

3. Mechanism for determining remuneration of the Directors, Supervisors and senior management

On 16th June 2004, the general meeting of the Company approved the establishment of the Personnel Nomination and Remuneration Committee of the Board of Directors of the Company as well as the adoption of the “Implementation Rules and Regulations of the Personnel Nomination and Remuneration Committee of the Board of Directors”. Accordingly, the Personnel Nomination and Remuneration Committee of the Board of Directors of the Company determined remuneration package based on the major scope of work, job duty, importance of the positions of the Directors, Supervisors and senior management and salary level of relevant positions compared with similar positions in other relevant enterprises.

4. Resignation and election of Directors, Supervisors and senior management**1) Resignation of Directors, Supervisors and senior management**

Name	Original Position	Reason for the resignation
Zhang Jie	Director	Job rotation
Yan Fuquan	Supervisor	Change of job duties
Sun Jie (deceased)	Supervisor	Deceased of illness
Shu Hong	Deputy General Manager	Resignation

2) Election of Directors, Supervisors and senior management

Name	Position
Yan Fuquan	Director
Sun Jie (deceased)	Supervisor

Note: On 30th December 2005, the Board of the Company approved the resignation of Mr. Zhang Jie as an Executive Director of the Company due to job rotation. On 13th April 2006, as approved at the First Extraordinary General Meeting of the Company of 2006, Mr. Zhang Jie ceased to be an Executive Director of the Company, Mr. Yan Fuquan ceased to be the shareholder representative Supervisor of the Company and he was elected as the Executive Director of the Company, and Mr. Sun Jie was elected as the shareholder representative Supervisor. The resolutions were effective from the date of passing of the same at the Extraordinary General Meeting. On 23rd July 2006, Mr. Sun Jie deceased of illness, and the Company is seeking a proper candidate for approval at the next general meeting in order to make up the quorum of Supervisors.

Section II Staff

As at 31st December 2006, the total number of staff of the Group was 12,514, among which 411 and 922 and 889 were at the senior, middle and junior levels respectively, and 2,691 received tertiary education or above. Amongst the staff in the Group, 1,582 were engaged in technical, scientific research and development, 496 in sales and marketing, 466 in operations and management, 8,517 in production and 1,453 in others. In addition, the number of retired staff of the Group was 3,886 for the year ended 31st December 2006.