
DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Directors and Senior Management

The following table provides information about our Directors and our senior management.

Name	Age	Position
Ma Chunji	53	Chairman
Cai Dong	43	Executive Director and President
Wang Haotao	43	Executive Director and Vice President
Wei Zhihai	52	Executive Director and Vice President
Wang Guangxi	53	Executive Director and Vice President
Tong Jingen	45	Executive Director and chief economist
Wang Shanpo	42	Executive Director and chief engineer
Shao Qihui	72	Independent Non-executive Director
Lin Zhijun	52	Independent Non-executive Director
Ouyang Minggao	48	Independent Non-executive Director
Hu Zhenghuan	72	Independent Non-executive Director
Chen Zheng	61	Independent Non-executive Director
Li Xianyun	75	Independent Non-executive Director

Executive Directors

Ma Chunji (馬純濟), aged 53, is the Chairman of our board. Mr. Ma is a senior economist with over 30 years' experience in government, corporate management and strategic planning. Mr. Ma graduated from the Central Party College (中央黨校) in 1995 with a diploma in economic management. He is currently the vice-chairman of China Association of Automobile Manufacturers (中國汽車工業協會) and a member of the Tenth National People's Congress. Mr. Ma joined us in August 2000. Mr. Ma received a "National Model Worker" award from the State Council in 2005. In 2006, he was conferred a lifetime membership at the World Confederation of Productivity Science (世界生產力科學院). He is also the Chairman of our Parent Company. Prior to joining us, Mr. Ma had been vice mayor of Jinan Municipal Government, the head of Jinan Auto Accessory Works (濟南汽車配件廠), which is independent from us, the director of the Economic Committee of Jinan (濟南市經委), and deputy commissioner of Jinan Mechanics and Industrial Bureau (濟南市機械工業局).

Cai Dong (蔡東), aged 43, is our executive Director and president. Mr. Cai is a senior engineer with an executive MBA degree from Nankai University (南開大學). He joined Jinan Auto Manufacturing Factory in 1983 and later leads our research and development, production and marketing. He received an "Outstanding National Entrepreneur" award conferred jointly by the China United Enterprises Association (中國企業聯合會), China Entrepreneurs Association (中國企業家協會) and China Enterprise Management Science Foundation (中國企業管理科學基金會) in April 2006. Mr. Cai was previously director of the technology center of our Parent Company. Mr. Cai was a director, chief engineer and the general manager of our Parent Company from 2001 to 2007.

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Wang Haotao (王浩濤), aged 43, is our executive Director and vice president. Mr. Wang is an engineer with extensive experience in business development. Mr. Wang graduated from Shandong Agricultural Machinery College (山東農業機械學院) with a diploma in machinery engineering in 1987. He joined the Parent Company in 1987. Mr. Wang is currently the vice general manager and director of our Parent Company as well as the chairman of Sinotruk Jinan Truck Company. He was the director of business development and international cooperation department of our Parent Company from 1994 to 1998, the deputy general manager of our Parent Company in 2001 and the chairman of CNHTC Jinan Bus Co., Ltd. in 2002.

Wei Zhihai (韋志海), aged 52, is our executive Director and vice president. Mr. Wei graduated from Tsinghua University with a diploma in legal studies in 2005. Mr. Wei is a senior economist with over 20 years of experience in business development and corporate management. He joined us in 2004 and was appointed the chairman of Sinotruk Shandong Import & Export Company in the same year. Mr. Wei is the chairman of Sinotruk Hong Kong International Investment Company. Prior to joining us, Mr. Wei was the deputy director of the Economic Committee of Jinan, and the head of Jinan No. 4 Machine Tool Works (濟南第四機床廠). Mr. Wei was a director and the deputy general manager of our Parent Company from 2004 to 2007.

Wang Guangxi (王光西), aged 53, is our executive Director and vice president. Mr. Wang graduated from Shandong Economic Management Cadres College (山東經濟管理幹部培訓學院) with a diploma in economic management in 1994. Mr. Wang is a senior accountant with over 20 years of experience in financial management and internal control. He joined us in 2000 and is currently also the deputy general manager, chief accountant and director of our Parent Company. Prior to 2000, Mr. Wang had been the director of the finance department and deputy chief accountant of Jinan Auto Accessory Works. Mr. Wang was responsible for our accounting and financial functions during the Track Record Period.

Tong Jingen (童金根), aged 45, is our executive Director, company secretary and chief economist. Mr. Tong graduated with a master's degree in engineering from Tsinghua University in 1989. Mr. Tong is a senior economist with approximately 20 years of experience in corporate management and business development in the automotive industry. He joined Jinan Auto Manufacturing Factory in 1983 and was the chief economist and director of our Parent Company from July 2002 to April 2007. Mr. Tong was the deputy director of the corporate management department of Jinan Motor Vehicle Company (濟南汽車製造總廠) from 1995 to 1996, and was the deputy manager of sales department of our Parent Company from 1998 to 2001. Mr. Tong was a non-executive director of Weichai Power from 2003 to 2006.

Wang Shanpo (王善坡), aged 42, is our executive Director and chief engineer. Mr. Wang graduated with a master's degree in engineering from Shandong Industrial University (山東工業大學) in 1984. Mr. Wang is a senior engineer with approximately 20 years of experience in automotive research and development and engineering. He joined the Parent Company in 1984 and was the chief engineer of our Parent Company. Mr. Wang was the director of Sinotruk Technical Center from 1999 to 2000.

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Independent Non-executive Directors

Shao Qihui (邵奇惠), aged 72, is our independent non-executive Director. Mr. Shao is a senior engineer who has extensive experience in engineering. Mr. Shao has designed and invented lever vehicle steering with variable transmission ratio and processing machine tools and was among the first professionals awarded with “Outstanding Contributor” by the State. Mr. Shao currently is a member of the Standing Committee of the Chinese People’s Political Consultative Conference, the honorary chairman of the Society of Automotive Engineers of China (中國汽車工程學會), a member of the PRC State Commission of Science and Technology (中國國家科學技術委員會) and the honorary chairman of the Federation of Machinery Industry of China (中國機械工業聯合會). He was the Governor of Heilongjiang Province from 1989 to 1994 and the head of the State Bureau of Mechanical Industry (國家機械工業局) from 1998 to 1999.

Lin Zhijun (林志軍), aged 52, is our independent non-executive Director. Mr. Lin graduated from Xiamen University in 1982 with a master degree in economics and later received a Ph.D. degree in Economics from Xiamen University (廈門大學) in 1985. He is a member of the American Certified Public Accountants (AICPA), the Chinese Institute of Certified Public Accountants (CICPA) and the Certified Management Accountants of Australia (CMA). He is currently a professor and the head of the department of Accountancy and Law in the Hong Kong Baptist University. Mr. Lin was previously an auditing staff at an international accounting firm (Touche Ross International, now known as “Deloitte Touche Tohmatsu”) in Toronto, an associate professor of economics in Xiamen University, and a professor in accountancy of Lethbridge University in Canada. Mr. Lin currently is an independent non-executive director of China Everbright Limited, a company whose securities are listed on the Stock Exchange.

Ouyang Minggao (歐陽明高), aged 48, is our independent non-executive Director. Professor Ouyang graduated from the Technical University of Denmark with a Doctorate degree in engineering in 1993. He is one of the nationally recognized experts in the area of strategic development of automobile technology and energy. He is currently a Standing Member of the Chinese People’s Consultative Conference (全國政協常委), dean of the department of automotive engineering in Tsinghua University and director of the National Laboratory of Automobile Safety and Energy Saving (汽車安全與節能國家重點實驗室). In addition, he is also an executive member of the Society of Automobile Engineering of China (中國汽車工程協會). Professor Ouyang has extensive experience in the research and development in automobile energy and new engines and has worked over 30 patents. Mr. Ouyang has been granted various awards for his inventions, including “Award for Originality” for electronically controlled diesel oil injection system.

Hu Zhenghuan (胡正寰), aged 72, is our independent non-executive Director. Professor Hu graduated from University of Science and Technology Beijing (北京科技大學, formerly Beijing Institute of Metallurgy 北京鋼鐵學院) in 1956. Professor Hu has been the vice-dean of the mechanical engineering department in Beijing University of Technology (北京工業大學), the head of Mechanical Engineering Research Centre, the head of the Research Centre of Parts Rolling and a council member of China Engineering Society (中國機械工程協會). Professor Hu has been granted various awards,

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including the “State Outstanding Technical Officer”, “Technology Achievement” and “State Outstanding Contributor”. Professor Hu was elected the member of the Chinese Academy of Engineering (中國工程院) in 1997 and has been one of the core members engaged in the research of parts rolling technology in China since 1958.

Chen Zheng (陳正), aged 61, is our independent non-executive director. Mr. Chen graduated from the Beijing University of Technology (北京工業大學) in 1970 with a bachelor degree in mechanical engineering. Mr. Chen has over 30 years of experience in the mechanical design and automotive engineering field. He has been the deputy head of the technology division of China Auto Parts and Accessories Corporation (中國汽車零部件工業公司), the department head of the international cooperation department of China National Automotive Industrial Corporation (中國汽車工業總公司), the vice general manager of China National Automotive Industry Import and Export Corporation (中國汽車工業進出口公司) and the vice chairman of the board of directors of China Automotive Finance Company Limited (中汽財務有限責任公司).

Li Xianyun (李羨雲), aged 75, is our independent non-executive director. Mr. Li graduated from the Jilin University of Technology (吉林工業大學) in 1956 with a bachelor degree in automotive engineering. Mr. Li has been an engineer of Beijing Automotive and Tractor Research Laboratory (北京汽車拖拉機研究所) and Changchun Automotive Research Institute (長春汽車研究所), the chief engineer of China Auto Parts and Accessories Corporation (中國汽車零部件工業公司) and the senior engineer of China Automobile Industry Federation (中國汽車工業聯合會). He has substantial experience in the research and development of automobile technology and corporate strategic management. Mr. Li has been appointed as one of the members of the expert committee of China Association of Automobile Manufacturers (中國汽車工業協會) since 2004.

Company secretaries and qualified accountant

Mr. Tong Jingen (童金根), aged 45, is our executive Director and Company Secretary. Please refer to the paragraph headed “Executive Directors” above.

Mr. Kwok Ka Yiu (郭家耀), aged 42, is our company secretary, qualified accountant and financial controller. Mr. Kwok has nearly seven years of audit experience in one of the prestigious international audit firms, KPMG and over ten years of financial and accounting experiences with companies listed on the Stock Exchange. Mr. Kwok holds an MBA degree from the University of Hong Kong and is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Kwok joined us in May 2007.

Rule 8.12 Requirements

Rule 8.12 of the Listing Rules requires a new applicant for a primary listing on the Stock Exchange to have sufficient management presence in Hong Kong, which normally means that at least two of the new applicant’s executive directors are ordinarily residents in Hong Kong.

Our board of Directors does not have two executive Directors who are ordinarily residents in Hong Kong. Our central management and operation are based in Jinan, Shandong Province, PRC.

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Since our principal business operations are located in the PRC, our senior management based in the PRC. Our joint company secretary, Mr. Kwok Ka Yiu, and one independent non-executive Director, Mr. Lin Zhijun, are ordinarily residents in Hong Kong. Our executive Director, Mr. Tong Jingen travels frequently between Hong Kong and the PRC.

Given that our central management and operations are based in the PRC, we consider that it would be practically difficult and commercially unfeasible for us to comply with the requirements of rule 8.12 of the Listing Rules. We have applied for, and the Stock Exchange has granted a waiver from strict compliance of rule 8.12 of the Listing Rules subject to the following conditions:

- (a) we will appoint two authorized representatives pursuant to rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that we comply with the Listing Rules at all times. The two authorized representatives to be appointed are Mr. Tong Jingen and Mr. Kwok Ka Yiu. Both of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a short period of time upon request and will be readily contactable by telephone, facsimile or e-mail. Each of the two authorized representatives has been duly authorized to communicate on our behalf with the Stock Exchange;
- (b) both our authorized representatives have the telephone and fax numbers and e-mail addresses of all members of our Board (including the independent non-executive Directors) and our senior management and are able to contact promptly at all times as and when the Stock Exchange wishes to contact them for any matters;
- (c) all our Directors are in possession of valid travel documents which will enable them to travel to Hong Kong and meet the Stock Exchange at short notice; and
- (d) we will retain CICC Hong Kong and JPMorgan as the compliance advisers pursuant to rule 3A.19 of the Listing Rules at least for a period of one year from the Listing Date until the date on which we have fully complied with rule 13.46 in respect of our first full year financial results after the Listing Date. The compliance advisers will act as our channel of communication with the Stock Exchange in addition to our authorized representatives.

Rule 8.17 Requirements

According to rule 8.17 of the Listing Rules, the secretary of our company must be a person who is ordinarily resident in Hong Kong and who has the requisite knowledge and experience to discharge the functions of secretary of a listed company and who (a) is a member of The Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a professional accountant; or (b) is an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions as a company secretary of a listed company.

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Mr. Tong Jingen has approximately 20 years of experience in corporate management and business development. Through active and substantive participation in the Global Offering, he has acquired knowledge in, among others, the Listing Rules. Given that Mr. Tong has extensive experience in corporate management and is familiar with the corporate management of companies incorporated in the PRC, we appointed Mr. Tong as our joint secretary to facilitate and co-ordinate the corporate management between our company and our PRC subsidiaries.

To enhance Mr. Tong's knowledge and familiarisation of the applicable rules and regulations in Hong Kong, we have further appointed Mr. Kwok Ka Yiu, who possesses the formal qualifications required under rule 8.17(2) and (3) of the Listing Rules, as our joint company secretary to work closely with and assist Mr. Tong in discharging his duties as our company secretary and acquiring the relevant knowledge. Subject to the terms and conditions of the service agreement, we intend to appoint Mr. Kwok for a term of three years. During Mr. Kwok's engagement period, he will ensure that at all times he will be able to provide assistance to Mr. Tong and Mr. Tong will actively and substantially participate in the secretarial and legal issues. Mr. Tong will attend secretarial training courses provided by recognised professional bodies and will seek advice and assistance from our legal advisers and compliance adviser. Upon the expiry of the three-year period, we will further evaluate the then qualifications and experience of Mr. Tong to determine and demonstrate to the Stock Exchange if Mr. Tong has satisfied the requirements stipulated under rule 8.17 of the Listing Rules.

We have therefore applied for and the Stock Exchange has granted a waiver from strict compliance of rule 8.17 of the Listing Rules.

Board Committees

Strategy and investment committee

We established a strategy and investment committee within our Board on July 26, 2007 with written terms of reference. The primary duties of the strategy and investment committee are to make our long-term tactical plan and business development strategies.

The strategy and investment committee currently has seven members, namely Ma Chunji, Cai Dong, Shao Qihui, Ouyang Minggao, Hu Zhenghuan, Wang Haotao and Wang Shanpo. Ouyang Minggao, Shao Qihui and Hu Zhenghuan are our independent non-executive Directors. The chairman of this committee is Ma Chunji.

Audit committee

We established an audit committee within our Board on July 26, 2007 with written terms of reference in compliance with the Listing Rules. The primary duties of the audit committee are to review and supervise our financial reporting process and internal control system.

The audit committee currently has five members, namely Lin Zhijun, Chen Zheng, Ouyang Minggao, Wang Guangxi and Tong Jingen. Lin Zhijun, Ouyang Minggao and Chen Zheng are our independent non-executive Directors. The chairman of this committee is Lin Zhijun. With his past

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working experience as an auditor and his academic background in finance and accounting, we are of the view that Mr. Lin has the appropriate accounting and financial expertise as required under Rule 3.10(2) of the Listing Rules. In addition, Ouyang Minggao and Chen Zheng have extensive expertise in the industries.

Remuneration committee

We established a remuneration committee within our Board on July 26, 2007 with written terms of reference. The primary duties of the remuneration committee are to evaluate the performance of our senior management and make recommendations on their remuneration. The remuneration committee also monitors the remuneration and other benefits we provide to our Directors.

The remuneration committee currently has five members, namely Chen Zheng, Lin Zhijun, Li Xianyun, Wei Zhihai and Tong Jingen. Chen Zheng, Lin Zhijun and Li Xianyun are our independent non-executive Directors. The chairman of this committee is Chen Zheng.

Compensation

The aggregate amounts of salaries, pension scheme contributions, other allowances and benefits-in-kind paid by us to our Directors and senior management members for 2004, 2005, 2006 and the nine months ended September 30, 2007 were approximately Rmb 7.1 million, Rmb 5.2 million, Rmb 5.5 million and Rmb 4.6 million, respectively. No other payments were paid or were payable by us or any of our subsidiaries to our Directors or senior management members during the Track Record Period.

Employees

We believe that our management and key employees represent some of the most talented and experienced executives and employees in the heavy truck industry in China. We conduct periodic reviews of our employees' job performance and we determine salaries and discretionary bonuses based upon these reviews. We have entered into employment contracts (which include compensation clauses), and confidentiality agreements with key management personnel and technicians.

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As of September 30, 2007, we employed 13,944 people at our management offices, manufacturing facilities and branch offices throughout China. The table below sets forth the number of our employees by function as of the time indicated:

	As of September 30, 2007	
	Number	% of total
Management	118	0.8
Sales and distribution	912	6.5
Marketing	34	0.2
Technology and engineering	1,714	12.3
Research and development	370	2.7
Manufacturing	8,567	61.5
General and administrative	2,229	16.0
Total	13,944	100.0

In order to efficiently manage our workforce, we also retain qualified employment agencies in China to select contract employees who possess the skills and experience that we require. The number of our contract employees fluctuates with our production requirements. As of September 30, 2007, we had approximately 7,700 contract employees, mainly as manufacturing workers and technicians on the production front. As of the same date, we had approximately 2,229 employees in general and administrative, representing 16.0% of our total number of employees. The employees in this category primarily comprise the management, accounting, purchasing, logistics and human resource personnel at our subsidiaries, and general supporting employees who are responsible for security, warehouse, office maintenance and other operational matters.

For 2004, 2005, 2006 and the nine months ended September 30, 2007, we incurred staff costs of Rmb 575.6 million, Rmb 565.1 million, Rmb 749.5 million and Rmb 813.0 million, respectively, representing 5.7%, 6.2%, 5.9% and 5.0% of our revenues during those respective periods. The income of our senior and mid-level managers generally consists of a basic salary and a performance based bonus or deduction.

We believe that we have a good working relationship with our employees. We have not experienced any significant labor disputes or any difficulties in recruiting staff for our operations. Our employees are not a party to any collective bargaining agreements, but are represented by labor unions organized under the PRC laws and regulations.

Employee benefits

As required by PRC regulations, we participate in various employee benefit plans that are organized by provincial and municipal governments, including housing, maternity, workers' compensation, unemployment and pension benefit plans. We are required under PRC law to make contributions to these benefit plans based on percentages ranging from 40.8% to 47.7% of the salaries, bonuses and certain allowances of our employees other than contract employees, up to a maximum

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amount specified by the relevant local governments from time to time. A participating employee of the retirement plan is entitled to a pension equal to a fixed proportion of the prevailing salary at the participating employee retirement date. The total amount of contributions we made to such mandatory employee benefit plans for 2004, 2005, 2006 and the nine months ended September 30, 2007, was approximately Rmb 60.8 million, Rmb 49.9 million, Rmb 82.0 million, and Rmb 93.0 million, respectively. We are not required to contribute to the employee benefit plans for our contract employees, which are the responsibilities of the employment agencies through which we retain these contract employees.

Compliance Advisors

We will appoint CICC Hong Kong and JPMorgan to be our Compliance Advisors upon listing in compliance with Rules 3A.19 of the Listing Rules. We will enter into a compliance advisors' agreement with the Compliance Advisors prior to the listing date, the material terms of which are as follows:

- we will appoint CICC Hong Kong and JPMorgan as our joint Compliance Advisors for the purpose of Rules 3A.19 of the Listing Rules for a period commencing on the date of listing of our Shares on the Stock Exchange and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the financial year ending December 31, 2008, or until the agreement is terminated, whichever is earlier; and
- the Compliance Advisors will provide us with services, including providing us with proper guidance and advice as to compliance with the requirements under the Listing Rules and applicable laws, rules, codes and guidelines.