

3. CHANGES IN SHARE CAPITAL AND SHAREHOLDINGS OF MAJOR SHAREHOLDERS

A. Changes in share capital

- During the report period, there was no change in the total number of shares or the shareholding structure of the Company.
- Shareholding structure

Unit of share: 1,000 shares; Par value: Rmb1 per share

Classification	At the beginning of the period	Changes during the report period	At the end of the period	Proportion
a. Non-circulating shares				
(1) Issuer legal person shares	1,680,000	0	1,680,000	42%
(2) Social legal person shares	720,000	0	720,000	18%
Total number of non-circulating shares	2,400,000	0	2,400,000	60%
b. Circulating shares				
(1) Domestic listed Rmb "A" shares	200,000	0	200,000	5%
(2) Overseas listed foreign capital "H" shares	1,400,000	0	1,400,000	35%
Total number of circulating shares	1,600,000	0	1,600,000	40%
c. Total number of shares	4,000,000	0	4,000,000	100%

B. Shareholdings of major shareholders

- At 30 June 2001, according to the lists of A and H shareholders of the Company, there were 92,144 shareholders in the Company, including 90,511 shareholders holding domestic circulating A shares, 2 shareholders holding legal person A shares and 1,631 shareholders holding overseas H shares.
- At 30 June 2001, the shareholdings of the top ten major shareholders of the Company were as follows:

Name of shareholders	Classification	Number of shares held ('000 shares)	Percentage to share capital (%)	Increase/(decrease) of number of shares during the report period* ('000 shares)
China Petroleum & Chemical Corporation ("Sinopec")	A share	1,680,000	42.00	0
HKSCC (Nominees) Limited	H share	1,340,854	33.52	4,250
China International Trust and Investment Corporation ("CITIC")	A share	720,000	18.00	0
Shandong Security Headquarters	A share	6,708	0.168	-
HSBC Nominees (Hong Kong) Limited A/C BR-13	H share	2,074	0.052	-
Cheung Chak Sun	H share	1,700	0.043	-
HSBC Nominees (Hong Kong) Limited A/C BR-16	H share	1,516	0.038	-
HSBC Nominees (Hong Kong) Limited A/C BR-12	H share	1,484	0.037	-
Li Jing	A share	1,460	0.037	-
HSBC Nominees (Hong Kong) Limited A/C BR-49	H share	1,088	0.027	-

* Increase/(decrease) in number of shares during the report period represents the increase/(decrease) in number of shares held by shareholders whose shares accounted for more than 5 per cent of the Company's shares.

3. The shares held separately by Sinopec and CITIC have not been pledged or frozen during the report period.

C. Purchase, sale or redemption of the Company's listed securities

During the report period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

D. Directors', Supervisors' and Senior Management's interests in Shares

Details of A shares of the Company held by the Directors, Supervisors of the third term and Senior Management as at 30 June 2001, which are subject to the disclosure requirements under the Securities (Disclosure of Interests) Ordinance ("the SDI Ordinance") of Hong Kong, and under the PRC laws and regulations, are set out below:

A. Directors

Name	Number of A shares held for personal interests
Fu Xing-tang	0
Sun Zhi-hong	0
Qian Heng-ge	2,000
Xu Zheng-ning	2,600
Xiao Wei-zhen	0
Yao Han-chong	0
Wang Wen-jie	0
Long Xing-ping	0
Ye Zong-shan	0
Zhao Shu-ming*	0
Chu Su-hua*	0

* Independent Director

B. Supervisors

Name	Number of A shares held for personal interests
Huang Gui-geng	2,300
Zhou Wen-fei	0
Chen Jian	0
Li Feng-ming**	0
Huang Zhi-wei**	0

** Independent Supervisor

C. Senior Management

Name	Number of A shares held for personal interests
Ling Ai-bao	2,600
Shen Xi-jun	0
Li Ren-yan	0
Zhou Xin-hua	0
Tom C.Y.Wu	0

There was no change in the number of the Company's shares held by the Directors, Supervisors of the third term and Senior Management during the report period.

Other than as stated above, no Directors, Supervisors and Senior Management had any interests, whether beneficial or non-beneficial, in the issued share capital of the Company, or other associated corporations (within the meaning of the SDI Ordinance) during the report period.

E. Directors', Supervisors' and Senior Management's rights to acquire shares and debentures

At no time during the report period under review was the Company, any of its parent companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors, Supervisors or Senior Management of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.