

### III. Changes in Share Capital and Shareholding of substantial Shareholders

#### (1) Changes in Share Capital

During the reporting period, there was no change in share capital of the Company.

- (2) As at 30th June 2002, the number of shareholders of the Company was 27,019, of which there were 26,963 shareholders holding A Shares of the Company and 56 shareholders holding H Shares of the Company.

#### (3) Shareholding of substantial shareholders

As at 30th June 2002, the top ten shareholders of the Company and their respective shareholdings are as follows:

Name of Shareholder	Type of shares	As at the end of the reporting period	
		No. of shares held	Percentage of the total capital(%)
(1) Panda Electronics Group Limited	State-owned shares	355,015,000	54.20
(2) HKSCC Nominees Limited	H shares	240,096,899	36.66
(3) Han Ding Fund	A shares	703,494	0.107
(4) Nan Fang Stable Fund	A shares	653,762	0.10
(5) Yu Yang Fund	A shares	638,533	0.097
(6) Tse Wing Pak	H shares	550,000	0.084
(7) Han Xing Fund	A shares	500,051	0.076
(8) AIA (Shanghai)	A shares	364,737	0.056
(9) Tong Zhi Fund	A shares	309,650	0.047
(10) Hau Tai Securities	A shares	272,000	0.042

*Note:*

- (1) During the reporting period, there was no change in controlling shareholders of the Company. Among the shareholders named above, Panda Electronics Group Limited ("PEGL") is the company which holds shares for the State. Such shares are 355,015,000 state-owned shares which are neither listed nor circulating, representing 54.20% of the total issued share capital of the Company.
- (2) HKSCC Nominees Ltd. holds 240,096,899 H Shares of the Company, which represents 36.66% of the total issued share capital of the Company. Of which, Morgan Stanley Dean Witter Investment Management Company held 37,431,000 H shares of the Company through HSBC (Nominees) Ltd., which represented 15.47% of the total H shares and 5.71% of the total shares capital of the Company. Save as above, the Company is not aware of any individual client holding more than 10% of share capital issued by the Company.
- (3) H or A Shares from the second to the tenth top shareholders are offered to the public as circulating shares.
- (4) The top ten shareholders are neither strategic partners of the Company nor connected with the Company.