

III. CHANGE IN SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS

1 CHANGES IN THE STRUCTURE OF SHARE CAPITAL OF THE COMPANY

In the reporting period, there was no change in the total number of shares and the structure of share capital of the Company by way of issuance of bonus shares, creation of capital, issuance of new shares, conversion of convertible bonds into shares or otherwise.

2 PROFILES ON SHAREHOLDERS

- As at 30th June 2002, the number of shareholders of the Company was 60,364, of which there were 60,253 shareholders holding A Shares of the Company and 111 shareholders holding H Shares of the Company.
- At the end of reporting period, the top ten shareholders of the Company and their respective shareholdings are as follows:

Name of Shareholder	At the end of reporting period		Percentage of the total capital (%)	Pledged or frozen
	No. of shares held	Change (shares)		
1. HKSCC Nominees Limited	255,239,998	+164,000	29.22	No
2. Shenyang Northeast- Electrical Holding Company	230,000,000	+230,000,000	26.33	No
3. Northeast Electrical Transmission and Transformation Equipment Group Corporation	114,000,000	-266,520,000	13.05	Frozen
4. Shenyang Xintai Shengda Equipment Co., Ltd.	36,520,000	+36,520,000	3.04	No
5. Shanghai Rongfu Indoor Decoration Co., Ltd.	10,980,000		1.26	No
6. Shanghai Kunling Industrial & Trading Co., Ltd.	8,020,000		0.92	No
7. ICBC Shenyang Trust & Investment Company	7,100,000		0.81	No
8. Shanghai Zhizhen Investment Consultation Co., Ltd.	5,530,000		0.63	No
9. Shenzhen Shekou Industrial Zone	4,970,000		0.57	No
10. Shanghai Kangrong Science & Technology Development Co., Ltd.	4,000,000		0.46	No

Note:

- None of the above 10 shareholders are associated with each other.
- During the reporting period, there was change in the shareholding of shareholders of the Company. On 25 February 2002, 266,520,000 State-owned legal person shares in the Company held by its original controlling shareholder, Northeast Electrical Transmission and Transformation Equipment Group Corporation Limited ("NET") were auctioned by the presiding Court. The winning bidders completed the formalities of change of equity interests on 5 March 2002. Shenyang Shengang Industrial Company Limited (currently named as "Shenyang Northeast-Electrical Holding Company") currently holds 230,000,000 shares of the Company and has become the single largest shareholder of the Company. (Please refer announcements published on 8 March 2002 on selected newspapers).



Profile on the single largest shareholder of the Company:

Shenyang Northeast-Electrical Holding Company was incorporated 8 February 2002. Its legal representative is Madam Tian Li (田莉女士) with registered capital of RMB76 million. The shareholding structure of the Company is as follows: Shenyang Shengang Electric Power Investments Ltd (瀋陽沈港電力投資有限公司) invested RMB52 million and Shenzhen Dongrun Investment Company Limited (深圳市東潤投資有限公司) invested RMB24 million. Scope of the business is trading of motors and spare parts, electrical and mechanical equipment, and building materials, ferrous materials and science development.

Madam Tian Li, aged 39, is currently the chairman of Shenyang Northeast-Electrical Holding Company. Madam Tian Li previously held the positions of Secretary Appointed by the Committee at Northeast Pharmaceuticals Group Corporation Shenyang Phial factory and Office Head and the General manager at Shenyang Shengang Foreign Trade Company Limited.