

Changes in Share Capital Structure and Shareholding

Changes in Share Capital Structure

	As at January 1, 2002	Unit: '000 shares Par value: RMB1.00 Increase/(decrease) during 2002					Subtotal	As at December 31, 2002
		Share placing	Bonus	Transferred from premium	Additional issue	Others		
Unlisted shares								
1. Promoter shares	2,396,300	-	-	-	-	-	-	2,396,300
of which:								
State-owned shares	2,396,300	-	-	-	-	-	-	2,396,300
Domestic legal person shares	-	-	-	-	-	-	-	-
Foreign legal person shares	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
2. Subscribed legal person shares	-	-	-	-	-	-	-	-
3. Employees' shares	-	-	-	-	-	-	-	-
4. Preference shares and others of which:								
Transferred or placed shares	-	-	-	-	-	-	-	-
Total unlisted shares	<u>2,396,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,396,300</u>
Listed shares								
1. Domestic listed RMB ordinary shares	200,000	-	-	-	-	-	-	200,000
of which:								
Held by senior management	14.20	-	-	-	-	(3.55)	(3.55)	10.65
2. Domestic listed foreign shares	-	-	-	-	-	-	-	-
3. Overseas listed foreign shares	964,778	-	-	-	-	-	-	964,778
4. Others	-	-	-	-	-	-	-	-
Total listed shares	<u>1,164,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,164,778</u>
Total number of shares	<u>3,561,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,561,078</u>

Share Issue and Exchange Listing

According to a document Zheng Jian Fa Xing Zi (1999) No. 156 issued by the China Securities Regulatory Commission, the Company issued an additional 150,000,000 A shares on January 27, 2000 at an issue price of RMB3.3 per share. The additional shares (excluding the shares held by senior management) were listed and commenced trading on Shenzhen Stock Exchange on March 10, and May 11, 2000, respectively. Following the additional issuance of A shares, the total share capital increased to 3,561,078,000 shares from original 3,411,078,000 shares.

Breakdown of Shareholders

As at December 31, 2002, the Company had a total of 65,565 shareholders, comprising 640 H shareholders, 64,924 A shareholders and one state-owned shareholder.

Substantial Shareholders

As at December 31, 2002, the ten largest shareholders of the Company were as follows:

	Name of shareholders	Class	Number of shares held (shares)	Increase/ (decrease) amount (shares)	Percentage of holding (%)
1.	PetroChina Company Limited (holder of state-owned legal person shares)*	A shares	2,396,300,000	–	67.2914
2.	HKSCC NOMINEES LIMITED	H shares	802,832,699	2,454,000	22.5400
3.	HONG KONG & SHANGHAI BANKING CORPORATION (NOMINEES) LIMITED	H shares	135,095,300	20,000	3.7900
4.	NORTHWEST SECURITIES COMPANY LIMITED	A shares	3,351,074	3,351,074	0.0501
5.	LIU WU RONG	A shares	2,575,609	2,575,609	0.0900
6.	ZHANG LI	A shares	1,600,000	1,600,000	0.0449
7.	WANG YAN E	A shares	1,596,500	1,596,500	0.0448
8.	QIAO LIANG	A shares	1,480,000	1,480,000	0.0416
9.	CHEN YU	A shares	1,200,000	1,200,000	0.0337
10.	DAI YU MIAO	A shares	1,023,300	1,023,300	0.0287

Note: No relationship was found among the ten largest shareholders of the Company.

* The legal representative of PetroChina Company Limited (“PetroChina”) is Mr. Ma Fucai. PetroChina was established on November 5, 1999 and has a registered capital of RMB175,824,176,000. The total share capital of PetroChina is 175,824,176,000 shares, of which state-owned shares amounted to 158,241,758,000 shares and foreign invested shares (H shares and ADSs) amounted to 17,582,418,000 shares, accounting for 90% and 10% of the total shares in issue, respectively. PetroChina’s principal businesses consist of the exploration and production of crude oil and natural gas, crude oil refining and marketing of refined products, the production and marketing of petrochemical products and the supply, transmission and marketing of natural gas. No shares of the Company held by PetroChina were pledged in 2002.

China National Petroleum Corporation (“CNPC”) is the controlling shareholder of PetroChina, holding 90% of the total share capital of PetroChina. CNPC was established in July 1998 with a registered capital of RMB114.9 billion. Mr. Ma Fucai is the legal representative of CNPC. The principal businesses of CNPC consist of the exploration, production, marketing of crude oil and natural gas, the production and sale of petroleum and petrochemical products, the transmission of crude oil and natural gas, the construction of international and domestic petroleum projects, and the import and export of petroleum technology.

The above shareholders’ interest as at December 31, 2002 had been recorded in the register of the Company kept pursuant to Section 16(I) of the Securities (Disclosure of Interests) Ordinance.

As at December 31, 2002, there were no shareholders for whom HKSCC Nominees Limited and Hongkong & Shanghai Banking Corporation (Nominees) Limited acted as agents, whose shareholding accounted for more than 10% of the total number of issued shares of the Company.

Change of Controlling Shareholder

During the reporting period, there was no change of controlling shareholder of the Company.