

III. CHANGES IN SHARE CAPITAL AND MAJOR SHAREHOLDERS

(1) Changes in the share capital structure

During the six months ended 30 June 2003, changes in the share capital structure of the Company were as follow:

Unit: Share

	Change (+/-) for the period						End of the period
	Beginning of the period	Share placement	Bonus issue	Shares converted from public surplus fund	Others converted (debentures converted shares)	Sub-total	
I. Unlisted shares							
1. State-owned							
legal person shares	1,319,000,000	—	—	—	—	—	1,319,000,000
Total unlisted shares	1,319,000,000	—	—	—	—	—	1,319,000,000
II. Listed shares							
1. Renminbi ordinary shares							
shares	751,873,679	—	—	—	702,995	702,995	752,576,674
2. Overseas — listed foreign invested shares							
invested shares	890,000,000	—	—	—	—	—	890,000,000
Total listed shares	1,641,873,679	—	—	—	702,995	702,995	1,642,576,674
III. Total number of shares							
shares	2,960,873,679	—	—	—	702,995	702,995	2,961,576,674

Note: Explanation of the changes in total number of shares and share structure for the period:

The domestic Renminbi ordinary shares and the total number of shares increased by 702,995 due to 702,995 shares issued for the conversion of debentures during the reporting period. As at 30 June 2003, convertible debentures of the Company of Rmb1,492,328,000 were converted into 452,576,674 shares of the Company; and convertible debentures amounting to Rmb7,672,000 remained outstanding to be converted into shares of the Company.

(2) Details of major shareholders

- As at 30 June 2003, the total number of shareholders was 215,844 of which 887 were holders of H shares.
- Major Shareholdings

As at 30 June, 2003, the top 10 shareholders of the Company recorded in the register of shareholders and their respective shareholdings were as follow:

Name of shareholder	Increase/ decrease during the period (+/-)	Number of shares held at the end of the period (shares)	Percentage (%)	Class of shares	Number of shares pledged or frozen (shares)	Type of shareholders
Angang Iron and Steel Group Complex ("Angang Holding")	—	1,319,000,000	44.54	Not in circulation	—	State-owned shareholder
HKSCC Nominees Limited	9,610,000	868,569,999	29.33	In circulation	Unknown	Foreign shareholder
漢興證券投資基金	—	35,487,921	1.20	In circulation	Unknown	
同益證券投資基金	—	16,114,466	0.54	In circulation	Unknown	
銀豐證券投資基金	—	15,017,221	0.51	In circulation	Unknown	
聯華行業成長證券投資基金	—	11,970,314	0.40	In circulation	Unknown	
普豐證券投資基金	9,787,340	11,293,676	0.38	In circulation	Unknown	
天元證券投資基金	9,947,810	10,447,810	0.35	In circulation	Unknown	
漢盛證券投資基金	—	8,019,709	0.27	In circulation	Unknown	
富國動態平衡證券投資基金	—	7,522,300	0.25	In circulation	Unknown	

Details of the connected relationship amongst, or concert actions of, the top 10 shareholders.

Angang Holding, the largest shareholder of the Company, has no relationship with any of the other shareholders listed as one of the top 10 shareholders of the Company nor is Angang Holding a party to any concert action as described in the Administration Procedures for Information Disclosure in respect of Shareholding Movements in Listed Companies. The Company is not aware of any relationship between the other shareholders of the Company or whether such shareholders are parties to any concert action.