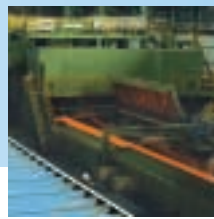


Movements in Share Capital and Shareholding Structure

1. MOVEMENT IN THE COMPANY'S SHARES (UNIT: SHARES)

	Prior to current movements	Placement	Current movements (+, -)				Sub-total	After current movements
			Bonus issues	Transferred from reserves	Additional issues	Others		
I. Unlisted shares								
1. Promoter's shares								
Including:								
State-owned shares	4,034,560,000	-	-	-	-	-	-	4,034,560,000
Share owned by domestic legal persons	-	-	-	-	-	-	-	-
Shares owned by foreign legal persons	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
2. Issued legal person shares	87,810,000	-	-	-	-	-	-	87,810,000
3. Shares held by employees	-	-	-	-	-	-	-	-
4. Preferred shares and others	-	-	-	-	-	-	-	-
Total unlisted shares	4,122,370,000	-	-	-	-	-	-	4,122,370,000
II. Listed shares								
1. A shares	600,000,000	-	-	-	-	-	-	600,000,000
2. B shares	-	-	-	-	-	-	-	-
3. H shares	1,732,930,000	-	-	-	-	-	-	1,732,930,000
4. Others	-	-	-	-	-	-	-	-
Total listed shares	2,332,930,000	-	-	-	-	-	-	2,332,930,000
III. Total number of shares	6,455,300,000	-	-	-	-	-	-	6,455,300,000

There was no movement in the share capital of the Company during the three year ended 2003.



2. SHAREHOLDERS

- (1) As at the end of the reporting period, the Company had a total of 159,362 shareholders, including 152,845 A share holders and 6,517 H share holders.
- (2) Shareholding of the 10 largest shareholders as at the end of the reporting period:

Magang (Group) Holding Company Limited, originally named as Maanshan Magang Holding Company (“Magang Holding”), held 4,082,330,000 A shares of the Company, of which 4,034,560,000 A shares were held on behalf of the State (representing approximately 62.5% of the total share capital of the Company) and 47,770,000 were legal person A shares (representing approximately 0.74% of the total share capital of the Company), which were the same as the previous reporting period. The Group was established on 1 September 1993 as a solely state-owned enterprise. The legal representative of the Group is Mr. Gu Jianguo. The Group had a registered capital of RMB6,298,290,000. Its principle operations and products are: mining and sorting of mineral products; construction engineering design; construction; property development; integrated technology service; domestic trading; food and beverages; production services; mechanical and electrical equipment manufacturing; and metal products. Other shareholders who were among the 10 largest shareholders of the Company were as follows:

Name of shareholders	Type of shareholders	Class of shares	Number of shares held (share)	As a percentage of total share capital (%)	Increase (decrease) from the beginning of the year
HKSCC Nominees Limited	Foreign shareholders	Circulating	1,615,168,997	25.021	54,495,000
HSBC Nominees Limited	Foreign shareholders	Circulating	32,834,000	0.509	3,234,000
Tong Sheng Securities Investment Fund	Not applicable	Circulating	24,356,564	0.377	Not applicable
The Industrial and Commercial Bank of China – Tong Yi Securities Investment Fund	Not applicable	Circulating	20,366,924	0.316	Not applicable
Bank of Communications – Han Xing Securities Investment Fund	Not applicable	Circulating	18,196,517	0.282	Not applicable
Shanghai Quan Long Shiye Company Limited	Not applicable	Non-circulating	9,800,000	0.152	0
Guo Yuan Securities Limited Liability Company	Not applicable	Circulating	8,666,180	0.134	Not applicable
Jiang Nan Securities Limited Liability Company	Not applicable	Circulating	7,102,543	0.110	Not applicable
Tong Zhi Securities Investment Fund	Not applicable	Circulating	7,055,243	0.109	Not applicable

Note 1: The Holding was not related to the other nine shareholders, nor were they parties acting in concert. Tong Sheng Securities Investment Fund, Tong Yi Securities Investment Fund and Tong Zhi Securities Investment Fund were under the management of Chang Sheng Fund Management Company Limited. However, the Company is not aware of whether the other nine shareholders were related to each other or whether they were parties acting in concert.

Movements in Share Capital and Shareholding Structure (continued)

Note 2: No shares held by the Holding during the reporting period were pledged, held in lien or placed in custody, but the Company is not aware whether shares held by other shareholders interested in 5% or more of the Company's shares were pledged, held in lien or placed in custody.

Note 3: HKSCC (Nominees) Limited held 1,615,168,997 shares of the Company on behalf of multiple clients.

Note 4: Save as disclosed above, as at 31 December 2003, the Board of Directors are not aware of any parties or its associated companies who had any interests in or short positions of shares or underlying shares of the Company which was required to be recorded pursuant to Section 336 of the Securities and Futures Ordinance.

(3) Shareholding of 10 largest holders of shares in circulation at the end of the reporting period:

Name of shareholders	Types of shares	Number of shares held (share)
HKSCC Nominees Limited	H shares	1,615,168,997
HSBC Nominees Limited	H shares	32,834,000
Tong Sheng Securities Investment Fund	A shares	24,356,564
The Industrial and Commercial Bank of China – Tong Yi Securities Investment Fund	A shares	20,366,924
The Bank of Communications – Han Xing Securities Investment Fund	A shares	18,196,517
Guo Yuan Securities Limited Liability Company	A shares	8,666,180
Jiang Nan Securities Limited Liability Company	A shares	7,102,543
Tong Zhi Securities Investment Fund	A shares	7,055,243
The Bank of Communications – Hai Fu Tong Jing Xuan Securities Investment Fund	A shares	6,114,245
China Construction Bank – Bo Shi Yu Fu Securities Investment Fund	A shares	4,665,414

Note: Tong Sheng Securities Investment Fund, Tong Yi Securities Investment Fund and Tong Zhi Securities Investment Fund were under the management of Chang Sheng Fund Management Company Limited. However, the Company is not aware of whether there are connected relationships among the 10 largest holders of shares in circulation, or whether they were parties acting in concert.