

III. CHANGES IN SHARE CAPITAL AND MAJOR SHAREHOLDERS

(1) Changes in the share capital structure

During the six months ended 30 June 2004, changes in the share capital structure of the Company were as follow:

Unit: Share

	Beginning of the period	Share placement	Change (+/-) for the period			Sub-total	End of the period
			Bonus issue	Shares converted from public surplus fund	Others (debentures converted shares)		
I. Unlisted shares							
1. State-owned							
legal person shares	1,319,000,000	—	—	—	—	—	1,319,000,000
Total unlisted shares	<u>1,319,000,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,319,000,000</u>
II. Listed shares							
1. Renminbi ordinary shares	753,308,652	—	—	—	538,913	538,913	753,847,565
2. Overseas — listed foreign invested shares	890,000,000	—	—	—	—	—	890,000,000
Total listed shares	<u>1,643,308,652</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>538,913</u>	<u>538,913</u>	<u>1,643,847,565</u>
III. Total number of shares	<u>2,962,308,652</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>538,913</u>	<u>538,913</u>	<u>2,962,847,565</u>

Note: Explanation of the changes in total number of shares and share structure during the reporting period: the domestic Renminbi ordinary shares and the total number of shares increased by 538,913 shares was due to 538,913 shares issued for conversion of debentures during the reporting period. As at 30 June 2004, convertible debentures of the Company amounting to Rmb1,496,179,000 were converted into 453,847,565 shares of the Company; and convertible debentures amounting to Rmb3,821,000 remained outstanding for converting into shares of the Company.

(2) Details of major shareholders

- As at 30 June 2004, the total number of shareholders was 163,328, of which 282 were holders of H shares.
- Major shareholdings

As at 30 June 2004, the top 10 shareholders and the top 10 shareholders recorded in the register of shareholders of the Company and their respective shareholdings were as follows:

Name of shareholders	Increase/ decrease during the period (+/-)	Number of shares held at the end of the period (share)	As a percentage of total share capital (%)	Class of shares	Number of shares pledged or frozen (share)	Type of shareholders
Anshan Iron and Steel Group Complex	0	1,319,000,000	44.52	Not in circulation	0	State-owned shareholder
HKSCC Nominees Limited	+2,223,900	879,761,899	29.69	In circulation	Unknown	Foreign shareholder
銀河銀泰理財分紅證券投資基金	—	27,501,392	0.93	In circulation	Unknown	A shares
國信證券有限責任公司	—	20,450,132	0.69	In circulation	Unknown	A shares
銀豐證券投資基金	-324,789	19,400,538	0.65	In circulation	Unknown	A shares
漢興證券投資基金	-18,654,185	16,833,736	0.57	In circulation	Unknown	A shares
申萬巴黎盛利精選證券投資基金	—	12,518,887	0.42	In circulation	Unknown	A shares
全國社保基金一零一組合	+3,294,015	10,115,612	0.34	In circulation	Unknown	A shares
天元證券投資基金	-1,169,510	7,000,000	0.24	In circulation	Unknown	A shares
銀河穩健證券投資基金	+1,142,342	6,357,740	0.21	In circulation	Unknown	A shares
博時價值增長證券投資基金	—	5,313,612	0.18	In circulation	Unknown	A shares

Details of the connected relationship amongst, or concerted actions between, the above shareholders:

Anshan Iron and Steel Group Complex (“Angang Holding”), the largest shareholder of the Company, has no relationship with any of the other shareholders listed as the top 10 shareholders of the Company nor is Angang Holding a party to any concerted action described in the Administration Procedures for Information Disclosure in respect of Shareholding Movements in Listed Companies. 銀河銀泰理財分紅證券投資基金, 銀豐證券投資基金 and 銀河穩健證券投資基金 are owned by 銀河基金管理有限公司. The Company is not aware of any relationship between the other shareholders of the Company or whether such shareholders are parties to any concerted action.

3. Details of the controlling shareholder of the Company

The controlling shareholder of the Company is Angang Holding.

Legal representative:	Liu Jie
Year of incorporation:	1948
Scope of business:	Production of steel products, metal products (non-franchise), cast iron tubes, metal structures, metal wire and products, sintering and coking products, cement, power generation, metallurgical machinery and parts, electrical machinery, electricity transmission and supply and control facilities and meters, mining of iron and manganese ores, refractory earth and stone extraction.
Principal products:	Steel pressing products and metal products
Registered capital:	Rmb10,794,160,000
Shareholding structure:	Wholly-owned by the State

4. Other Legal person shareholders holding over 10% of the shares

HKSCC Nominees Limited holds 29.69% of the shares of the Company. HKSCC Nominees Limited acts as an agent.