

Changes in Share Capital Structure and Substantial Shareholders

JILIN CHEMICAL INDUSTRIAL COMPANY LIMITED Annual Report 2004

Changes in Share Capital Structure

For the year ended December 31, 2004

	As at January 1, 2004	Unit: '000 shares Par value: RMB1.00					Subtotal	As at December 31, 2004
		Increase/(decrease) during 2004						
		Share placing	Bonus	Transferred from premium	Additional issue	Others		
1. Unlisted shares								
Promoter shares of which:	2,396,300	-	-	-	-	-	2,396,300	
State-owned shares	2,396,300	-	-	-	-	-	2,396,300	
Domestic legal person shares	-	-	-	-	-	-	-	
Foreign legal person shares	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	
Subscribed legal person shares	-	-	-	-	-	-	-	
Employees' shares	-	-	-	-	-	-	-	
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>2,396,300</u>	
2. Listed shares								
Domestic listed RMB ordinary shares of which:	200,000	-	-	-	-	-	200,000	
Held by senior management	17.65	-	-	-	-	-	17.65	
Domestic listed foreign shares	-	-	-	-	-	-	-	
Overseas listed foreign shares	964,778	-	-	-	-	-	964,778	
Others	-	-	-	-	-	-	-	
Total listed shares	<u>1,164,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,164,778</u>	
3. Total number of shares	<u><u>3,561,078</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>3,561,078</u></u>	

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Share Issue and Exchange Listing

From January 1, 2002 to December 31, 2004, the Company has not issued additional shares. The following table sets out trading information of the Company's shares for the two years ended December 31, 2004:

Class	2004			2003		
	A shares (RMB)	H shares (HK\$)	ADSs (US\$)	A shares (RMB)	H shares (HK\$)	ADSs (US\$)
Open price as at January 1	4.78	1.74	24.29	4.90	0.59	7.40
The highest price during the year	6.54	2.95	37.21	5.87	1.72	22.84
The lowest price during the year	4.42	0.88	11.20	4.42	0.57	7.35
Close price as at December 31	5.61	2.80	35.56	4.78	1.53	20.34

Breakdown of Shareholders

As at December 31, 2004, the Company had a total of 66,466 shareholders, comprising 278 H shares shareholders, 66,187 A shares shareholders and one state-owned legal person shareholder.

The Ten Largest Shareholders of Unlisted Shares and Listed Shares

As at December 31, 2004, the ten largest shareholders of the Company were as follows:

Name of shareholders	Class	Number of shares held (shares)	Increase/ (decrease) during 2004 (shares)	Percentage of holding (%)
1. PetroChina Company Limited (holder of state-owned legal person shares) ³	A shares	2,396,300,000	–	67.2914
2. HKSCC Nominees Limited	H shares	819,844,699	7,524,000	23.0224
3. HSBC Nominees(Hong Kong) Limited	H shares	135,627,300	340,000	3.8086
4. Bank of China-Tong Sheng Securities Investment Funds	A shares	1,945,697	1,945,697	0.0546
5. Industrial and Commercial Bank of China-Buo Shi Shares and Securities Investment Funds	A shares	1,628,262	1,628,262	0.0457
6. Tong De Securities Investment Funds	A shares	1,495,641	1,495,641	0.0420
7. Zhang Li	A shares	1,470,000	1,470,000	0.0413
8. Qiao Liang	A shares	1,450,000	1,450,000	0.0407
9. Qiao Hong	A shares	990,000	990,000	0.0278
10. Qiu Mingsheng	A shares	893,570	893,570	0.0251

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Notes:

1. No connected relationship was found among the ten largest shareholders of unlisted and listed shares of the Company.
2. The Company's shares held by PetroChina Company Limited ("PetroChina") are unlisted shares, the rest of the shares of the Company are listed shares.
3. The legal representative of PetroChina is Mr. Chen Geng. 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 158,241,758,000 shares are state-owned shares and 17,582,418,000 shares are foreign invested shares (H shares and ADSs), representing 90% and 10% of the aggregate number of shares in issue, respectively. PetroChina's principal businesses consist of the exploration and production of crude oil and natural gas, crude oil refining, pipeline transportation and the production and sale of petrochemical products and natural gas products. No shares of the Company held by PetroChina were pledged in 2004.

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. Chen Geng is the legal representative of CNPC. The business scope of CNPC consists of exploration, production and sale of crude oil and natural gas, the production and sale of petroleum and petrochemical products, the transmission of natural gas, the construction of international and domestic petroleum projects, and the import and export of petroleum technology.

The above shareholders' interests as at December 31, 2004 had been recorded in the register of the Company kept pursuant to Section 336 of the Securities and Futures Ordinance.

As at December 31, 2004, there were no shareholders for whom HKSCC Nominees Limited and HSBC Nominees (Hong Kong) Limited acted as agents, whose shareholding accounted for more than 5% of the total number of issued H shares of the Company.

The Ten Largest Shareholders of Listed Shares

As at December 31, 2004, the ten largest shareholders of listed shares of the Company were as follows:

Name of shareholders	Class	Number of shares held (shares)
1. HKSCC Nominees Limited	H shares	819,844,699
2. HSBC Nominees(Hong Kong) Limited	H shares	135,627,300
3. Bank of China-Tong Sheng Securities Investment Funds	A shares	1,945,697
4. Industrial and Commercial Bank of China-Buo Shi Shares and Securities Investment Funds	A shares	1,628,262
5. Tong De Securities Investment Funds	A shares	1,495,641
6. Zhang Li	A shares	1,470,000
7. Qiao Liang	A shares	1,450,000
8. Qiao Hong	A shares	990,000
9. Qiu Mingsheng	A shares	893,570
10. Zhao Ying	A shares	880,000

Note: No relationship was found among the ten largest shareholders of listed shares of the Company, nor was concert action which falls under the description of the "Administration of Disclosure of Information on the Change of Shareholdings in Listed Companies Procedures" found. Neither is the Company aware of any relationship between the ten largest shareholders of listed shares of the Company and the ten largest shareholders or that they are parties to any concert action.

Change of Controlling Shareholder

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

Relationship between the Company and its Beneficial Controlling Shareholders

