

(1) CHANGES IN SHARE CAPITAL

1. Table of changes in the share capital of the Company

Unit: Share

	Beginning of the year	Increase/ (decrease) (+/-)	End of the year
1. Shares subject to trading moratorium	471,820,000	-35,900,000	435,920,000
State-owned shares	266,520,000	-266,520,000	0
Public legal person shares	205,300,000	+230,620,000	435,920,000
2. Shares not subject to trading moratorium	401,550,000	+35,900,000	437,450,000
Domestic listed A Shares	143,600,000	+35,900,000	179,500,000
Overseas listed H Shares	257,950,000	0	257,950,000
3. Total shares	<u>873,370,000</u>	<u>0</u>	<u>873,370,000</u>

Note:

- (1) On 10 February 2006, New Northeast Electric Investment Co., Ltd and Shenyang Xintai Shengda Equipment Co., Ltd has transferred the 230,000,000 shares and 36,520,000 state-owned legal person shares obtained through judicial auction on 25 February 2002 into social legal person shares upon approval from Liaoning Provincial State-owned Assets Supervisory and Administration Commission.
- (2) On 16 May 2006, approved by Shenzhen Stock Exchange, the Company implemented a reform scheme on equity distribution that the tradable share A shareholders could obtain 2.5 shares for each 10 shares they hold, and the share of consideration arrangement for non tradable shareholder were up to 35,900,000.

2. Issuing and listing of shares

The Company did not issue any shares in any form during the past three years prior to the end of the reporting period.

(2) INFORMATIONS OF SHAREHOLDERS

- 1. Total number of shareholders as at the end of the reporting period was 48,849, of which, 48,760 held A Shares and 89 held H Shares.**
- 2. Shareholdings of the top ten shareholders of the Company at the end of the reporting period**

(Unit: share)

Name of shareholders (Full name)	Increase/ decrease during the year	Number of shares held at the end of the year	percentage (%)	Types of shares	Number of shares pledged or frozen	Nature of shareholders
HKSCC Nominees Limited	0	257,950,000	29.54	Circulating	Unknown	H shares
New Northeast Electric Investment Co., Ltd.	-20,486,862	209,513,138	23.99	Non-circulating	84,514,817	State legal person shares
Shanghai Bao Yu Real Estate Investment Consultant Co., Ltd	-4,032,682	48,967,318	5.61	Non-circulating	No	State legal person shares
Shenyang Xintai Shengda Equipment Co.,Ltd.	-2,778,746	33,741,254	3.86	Non-circulating	No	State legal person shares
Shanghai Xin Rang Trading Co., Ltd.	-957,191	11,622,809	1.33	Non-circulating	No	State legal person shares
Shanghai Rongfu Indoor Decoration Co., Ltd.	-835,450	10,144,550	1.16	Non-circulating	No	State legal person shares
Shenyang Lida Construction Engineering Co., Ltd.	-760,883	9,239,117	1.06	Non-circulating	No	State legal person shares
Shanghai Kunling Industrial & Trading Co., Ltd.	-834,537	8,268,463	0.95	Non-circulating	1,410,000	State legal person shares
Shanghai Buxin Industrial & Trading Co., Ltd.	-608,707	7,391,293	0.85	Non-circulating	No	State legal person shares
Industrial Bank Shenyang Trust and Investment Ltd.	0	7,100,000	0.81	Non-circulating	No	State legal person shares

Explanation for the connected relationship
or action in concert among the top 10
shareholders

As far as the Company is aware, there are no connected relationships among
the top 10 shareholders or party acting in concert within the meaning of the
regulations on "The method of disclosure of information on changes in
shareholding of listed companies"

Note:

New Northeast Electric Investment Co., Ltd. pledged 33,802,817 non-circulating shares and 50,712,000 non-circulating shares separately with Shenyang Jindu branch of Huaxia Bank Co., Ltd of six months from 8 August 2006 and 18 September 2006. The total pledged amount is 84,514.817 non-circulating shares.

(2) INFORMATIONS OF SHAREHOLDERS (CONTINUED)

3. Information about the largest shareholder (CONTINUED)

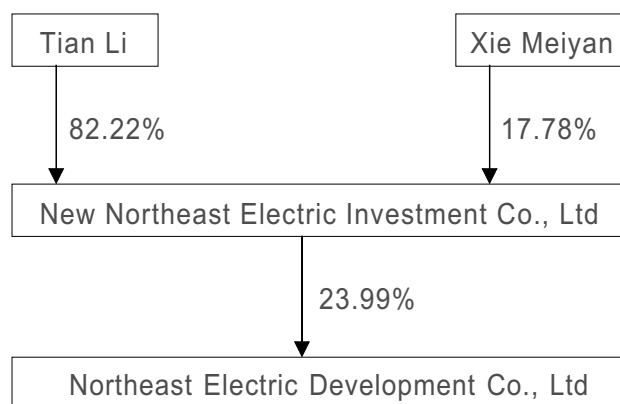
Name of the controlling Shareholder	New Northeast Electric Investment Co., Ltd.
Legal representative:	Tian Li
Incorporation date:	8 February 2002
Registered capital:	RMB135 million
Scope of business:	Investment holding, trading of motors and spare parts, electrical and mechanical equipment, metals and electrical appliances, wires and cables, electrical transmission and transformation equipment, building materials, ferrous materials, rubber products, plastic products, livestock produces, necessities products, wholesaling and retailing of knitting and weaving products; vehicles repairs and maintenance, science and technology development.

Apart from the Company, the controlling shareholder does not held more than 5% interests in any other listed companies.

4. Actual controller of the controlling shareholder of the Company

Ms. Tian Li, the natural person, contributed RMB111 million, representing 82.2% of the registered capital; and Ms. Xie Meiyuan, the natural person, contributed RMB24 million, representing 17.8% of the registered capital.

5. Framework of asset rights and controlling relationship between the Company and the actual controller



(2) INFORMATIONS OF SHAREHOLDERS (CONTINUED)

6. Shareholdings of the top 10 circulating shareholders

Name of shareholders (Full name)	Number of circulating shares held at the end of the year	Types of shares (A, B, H or others)
HKSCC Nominees Limited Shenyang Securities Registration Co. LTD.	255,449,998 733,606	H shares A shares
Wu Xueling	644,800	A shares
Gao Baochun	581,800	A shares
Chen Ziting	462,711	A shares
Peng Zhengkai	398,300	A shares
Liu Shengning	377,000	A shares
Wang Bin	313,500	A shares
Yu Dan	289,613	A shares
Wan Huiping	286,900	A shares

Explanation of connected relationship of the aforesaid shareholders and action in concert parties

The Company is not aware of any connected relationship among the top 10 circulating shareholders or party acting in concert.