

(III) Change of shareholders' equity during the period under review (RMB'000)

Item	Capital	Capital Reserve	Surplus reserve fund	Statutory public welfare fund	Retained earnings (accumulated loss)	Total of Shareholders' equity
Opening balance	494,678	651,977	99,696	33,019	105,515	1,351,865
Additions	-	-	1,498	166	1,664	3,162
Deductions	-	-	-	(433)	(726,203)	(726,203)
Closing balance	494,678	651,977	101,194	32,752	(619,024)	628,825

Cause of change:

Additions of surplus reserve fund during this reporting period was mainly due to the waiver of enterprise income tax, the deduction mainly represented the newly purchased medical treatment equipments for staff of the Company and apartment for couples married at mature ages out of statutory public welfare fund in this period.

Additions of retained earning (accumulated loss) represented prior year adjustments to past results due to waiver of enterprise income tax whereas deductions represented loss of this period.

C. Changes of share capital and shareholders**(I) Share capital change****1. Share issue**

As at 31st December 2000, no arrangement was made by the Company for further issue of any new shares derivatives, bonus shares, rights shares or conversion of shares from reserves, since the issue of 157,398,000 new H shares on 3rd August 1993 and 126,479,500 new A shares on 22nd September, 1993.

2. Summary of trading of shares

The trading of the listed shares of the Company is summarised as follows:

	A shares	H shares
Highest traded price in the year	RMB7.88 per share	HK\$0.67 per share
Lowest traded price in the year	RMB4.68 per share	HK\$0.32 per share
Closing price on the last trading day at the end of the year	RMB7.79 per share	HK\$0.455 per share
Total number of shares traded in the year	744,003,700 shares	142,591,200 shares
Total trading amount in the year	RMB5,068,918,900	HK\$74,720,300

3. Share capital structure

The Company had made no arrangement for the issue of new shares, bonus shares, rights shares, conversion from reserves, splitting or consolidation of shares for the year of 2000. Accordingly, there was not any change in the share capital of the Company as at December 2000. The share capital structure of the Company is set out in the following table:

Unit: share

	At the beginning of the year	Right issue	Movements during the year (+, -)				Sub-total	At the end of the year
			Bonus issue	Conversion from reserves	Others			
(I) Unlisted shares								
(1) Promoter's Shares	210,800,080							210,800,080
Including:								
State-owned shares	210,800,080	-	-	-	-	-	-	210,800,080
Domestic legal person shares	-	-	-	-	-	-	-	-

Consolidated Statement of Movements in Equity Other Than Those Arising From Capital Transactions With Shareholders and Distributions to Shareholders/ Consolidated Statement of Recognised Gains and Losses

Foreign legal person shares	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
(2) Subscribed legal person shares	-	-	-	-	-	-	-
(3) Employee shares	-	-	-	-	-	-	-
(4) Preference shares or others	-	-	-	-	-	-	-
Total unlisted Shares	210,800,080	-	-	-	-	-	210,800,080
(II) Listed shares							
(1) PRC listed domestic shares	126,479,500	-	-	-	-	-	126,479,500
(2) PRC listed foreign shares	-	-	-	-	-	-	-
(3) Overseas listed foreign shares	157,398,000	-	-	-	-	-	157,398,000
(4) Others	-	-	-	-	-	-	-
Total listed shares	283,877,500	-	-	-	-	-	283,877,500
(III) Total number of shares	494,677,580	-	-	-	-	-	494,677,580

(II) *Shareholders*

1. *Number of shareholders*

As recorded in the register of members of the Company on 31st December 2000, the number and class of shareholders were as follows:

Classification	Number of shareholders
Holders of State-owned shares	1
Individual holders of A Shares	76,024
Holders of H Shares	453
Total	76,478

2. *Substantial Shareholdings*

(I). For the year ended 31st December 2000, the names of the top 10 shareholders and the amount of their respective shareholdings at the end of year were as follows:

No	Name	Share Class	Number of shares at the end of year	Percentage (%)
1	CHINA STATE SHIPBUILDING CORPORATION	State-owned Shares	210,800,080	42.61
2	HKSCC NOMINEES LIMITED	H Shares	133,814,799	27.05
3	HSBC NOMINEES (HONG KONG LIMITED)	H Shares	6,714,000	1.36
4	CHAN CHEUK SANG	H Shares	2,000,000	0.40
5	TONG WAN LUNG	H Shares	1,052,000	0.21
6	TONG WAN SANG DAVID	H Shares	932,000	0.19
7	EASTERN HIGHLAND LIMITED	H Shares	700,000	0.14
8	EAST HARBOUR LIMITED	H Shares	700,000	0.14
9	JIANG TAO	A Shares	700,000	0.14
10	MOK YEE CHOR	H Shares	500,000	0.10

3. China State Shipbuilding Corporation (“CSSC”) is the representative holder of the State-owned shares, which Consolidated Statement of Movements in Equity Other Than Those Arising From Capital Transactions With Shareholders and Distributions to Shareholders/ Consolidated Statement of Recognised Gains and Losses

accounted for 42.61% of the shares of the Company. Mr. Chen Xiaojin is its legal representative. The business of CSSC includes: shipbuilding, ship-repairing, manufacturing and export/import of marine equipment, diversified business such as other steel structure manufacturing and international cooperation, joint venture, financing, technology trading and exchange workforce exportation etc. None of the Company's shares held by CSSC was pledged during the reporting period.

4. Apart from the top 10 shareholders disclosed above, as at 31st December 2000, the Company had not received any notice from H shareholders whose shareholding reached the level required to be disclosed under the Hong Kong "Securities (Disclosure of Interests) Ordinance" ("SDI Ordinance").

D. Brief of Annual General Meeting

1999 Annual General Meeting

1. Related information of Annual General Meeting

The 1999 Annual General Meeting of the Company was held at the conference hall of the Company, 40 South Fangcun Main Road, Guangzhou, PRC in the afternoon of 16th June 2000. 9 shareholders and proxies of shareholders attended in person or by proxy this meeting, representing 344,239,279 shares, and 69.59% of the total share capital of the Company, which fulfilled the requirement of the "Company Law" and the Articles of Association of the Company in respect of holding general meetings. The following resolutions were considered and approved in the meeting.

- (1) The report of the Board of Directors for the year of 1999;
- (2) The report of the Supervisory Committee for the year of 1999;
- (3) The audited Financial Reports for the year of 1999;
- (4) The profit distribution for the year of 1999, non-profit distribution and non-conversion to shares for the year of 1999;
- (5) The re-appointment of Yangcheng Certified Public Accountants Company Limited and PricewaterhouseCoopers as the Company's statutory and international auditors respectively for the year of 2000, and the authorization of the Board to determine their remuneration.

2. The resolutions passed at the annual general meeting were announced on Shanghai Securities News and Hong Kong Commercial daily and iMail on 19th June 2000.