

III. Details of Share Capital Structure and Shareholdings of substantial shareholders

1. CHANGES IN SHARE CAPITAL STRUCTURE

<i>unit=number of shares</i>			
	At 1st January, 2001	Movement during the period	At 30th June, 2001
A. Non-trading shares			
1. Promoters' capital			
Included:			
State-owned shares	102,397,700	(71,052,146)	31,345,554
Domestic legal person shares	-	-	-
Foreign legal person shares	-	-	-
2. State-owned legal person shares	-	71,052,146	71,052,146
3. Legal person shares	17,609,700	-	17,609,700
4. Internal employees shares	-	-	-
5. Preference shares or others	-	-	-
Total non-trading shares	120,007,400	-	120,007,400
B. Trading shares			
1. Shanghai listed shares (A shares)	60,000,000	-	60,000,000
2. Shenzhen listed shares (B shares)	-	-	-
3. Hong Kong listed shares (H shares)	65,000,000	-	65,000,000
4. Others	-	-	-
Total trading shares	125,000,000	-	125,000,000
C. Total shares	245,007,400	-	245,007,400

Note: As at 30th June, 2001, there is no change in the total number of shares of the Company, totalling 245,007,400 shares. During the period, Yunnan Provincial People's Government has transferred 71,052,146 State-owned shares to Xian Jiaotong University Industrial (Group) Incorporation. Yunnan Provincial People's Government reduced its shareholdings to 31,345,554 State-owned shares, representing 12.79% of the total number of shares of the Company and 71,052,146 State-owned legal person shares owned by Xian Jiaotong University Industrial (Group) Incorporation, representing 29% of the total number of shares of the Company. Other than that, there is no change in the share capital structure, 17,609,700 shares were legal person shares representing 7.2 % of the total number of shares of the Company; 60,000,000 public shares (A shares) representing 24.5% of the total number of shares of the Company; 65,000,000 foreign shares (H shares) representing 26.5 % of the total number of shares of the Company.

2. SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

Name of shareholder	Types of shares	Number of shares held	Shareholding percentage (%)
Xian Jiaotong University Industrial (Group) Incorporation (State-owned legal person shares)	A shares	71,052,146	29
HKSCC Nominees Limited	H shares	63,263,999	25.82
Yunnan Provincial People's Government (State-owned shares)	A shares	31,345,554	12.79
Kunming Jinghua Company (legal person shares)	A shares	17,609,700	7.2
Yutun Trade	A shares	1,050,007	0.4
Guo Xin Securities	A shares	1,036,100	0.4
Chen Wenneng	A shares	498,365	0.2
Hu Fuqi	A shares	491,670	0.2
Xiao Dezhen	A shares	476,656	0.2
Tian Yunhua	A shares	475,902	0.2

Save as disclosed above, as at 30th June, 2001, there were no other shareholders whose shareholdings exceed the amount requires to be disclosed pursuant to Article 60 of "Administration of the Issuing and Trading of Shares Provisional Regulation" and Issue No.3 of "The Content and Format of Disclosure of Information by Listed Companies (the Content and Format of Interim Report)" of the PRC. And in accordance with Section 16(1) of the Securities (Disclosure of Interests) Ordinance of Hong Kong, the Company was not aware of any interests representing 10% or more of the Company's issued share capital.

3. NONE OF THE SHARES HELD BY LEGAL SHAREHOLDERS WHO HOLDS OVER 5% OF THE TOTAL SHARES WAS PLEDGED OR FROZEN.