

# CHANGES IN SHARE CAPITAL AND SHAREHOLDERS

## 1. TABLE OF CHANGES IN SHARE CAPITAL OF THE COMPANY

*Unit: Shares*

|                                    | Beginning of<br>the year | Increase/(decrease)<br>during the year | End of<br>the year |
|------------------------------------|--------------------------|--|--------------------|
| I. Non-trading shares              |                          |  |                    |
| 1. Promoter's shares               |                          |  |                    |
| Comprising:                        |                          |  |                    |
| Stated-owned shares                | 31,345,554               |  | 31,345,554         |
| Domestic legal person shares       | —                        | —                                      | —                  |
| Overseas legal persons             | —                        | —                                      | —                  |
| 2. Domestic legal person<br>shares | 71,052,146               | —                                      | 71,052,146         |
| 3. Legal person shares             | 17,609,700               | —                                      | 17,609,700         |
| 4. Internal employees shares       | —                        | —                                      | —                  |
| 5. Preference shares               | —                        | —                                      | —                  |
| Comprising: Convertible shares     | —                        | —                                      | —                  |
| Total non-trading shares           | 120,007,400              | —                                      | 120,007,400        |
| II. Trading shares                 |                          |  |                    |
| 1. Renminbi ordinary shares        | 60,000,000               | —                                      | 60,000,000         |
| 2. Domestic listed foreign shares  | —                        | —                                      | —                  |
| 3. Overseas listed foreign shares  | 65,000,000               | —                                      | 65,000,000         |
| 4. Others                          | —                        | —                                      | —                  |
| Total of trading shares            | 125,000,000              | —                                      | 125,000,000        |
| III. Total                         | 245,007,400              | —                                      | 245,007,400        |

## 2. ISSUED SHARE CAPITAL

| Types of Shares                          | A Share                                      | H Share   |
|--|--|---|
| Date of issue                            | 3rd December, 1993<br>to 18th December, 1993 | 26th November, 1993                                 |
| Place of Listing                         | Shanghai Securities Exchange                 | The Stock Exchange of<br>Hong Kong Limited          |
| Issue price                              | RMB4.43 per share                            | RMB2.2 per share<br>(payable in HK\$1.98 per share) |
| Number of shares issued                  | 60,000,000 shares                            | 65,000,000 shares                                   |
| Date of Listing                          | 3rd January, 1994                            | 7th December, 1993                                  |
| Number of shares<br>approved for listing | 60,000,000 shares                            | 65,000,000 shares                                   |

# CHANGES IN SHARE CAPITAL AND SHAREHOLDERS

## 3. SHAREHOLDING OF THE COMPANY

- (1) As at 31st December, 2002, the Company has 30,009 shareholders. Including were 29,855 shareholders of A shares and 154 shareholders of H shares.
- (2) The top ten shareholders of the Company as at 31st December, 2002 were as follows:

| Name  | Number of shares held at the end of the year | Number of shares held at the beginning of year | Type of shareholders (State or foreign shareholders) | Proportion (%) |
|---|--|--|--|----------------|
| Xian Jiaotong University Industrial (Group) Incorporation | 71,052,146 shares                            | 71,052,146 shares                              | A Shares (State owned shares)                        | 29             |
| HKSCC Nominees Limited                                    | 63,497,999 shares                            | 63,197,999 shares                              | H shares (overseas listed foreign shares)            | 25.9           |
| Yunnan Provincial People's Government                     | 31,345,554 shares                            | 17,609,700 shares                              | A shares (State owned shares)                        | 12.8           |
| Kunming Jinghua Company                                   | 17,609,700 shares                            | —  | A shares (domestic legal person shares)              | 7.19           |
| Tian Yunhua   | 441,000 shares                               | —  | A shares (domestic legal person shares)              | 0.18           |
| Yang Shi  | 256,605 shares                               | —  | A shares (domestic legal person shares)              | 0.11           |
| Zhao Guifen   | 170,000 shares                               | —  | A shares (domestic legal person shares)              | 0.07           |
| Liu Bangfu  | 160,310 shares                               | —  | A shares (domestic legal person shares)              | 0.07           |
| Liu Yan   | 142,800 shares                               | —  | A shares (domestic legal person shares)              | 0.06           |
| Hu Yonggin  | 140,000 shares                               | —  | A shares (domestic legal person shares)              | 0.06           |

## CHANGES IN SHARE CAPITAL AND SHAREHOLDERS

Other than the substantial shareholders disclosed above as at 31st December, 2002, there were no other shareholders whose shareholdings exceeded the amount required to be disclosed under Article 60 of “Administration of the Issuing and Trading of Shares Provisional Regulations” of the PRC and Issue No., 2 of “The Content and Format of Disclosure of information of Annual Report of the Listed Companies” (Amended in 2002) and the register of substantial shareholders maintained under Section 16(1) of the Securities (Disclosure Interests) Ordinance of Hong Kong (“SDI Ordinance”) showed that the Group was not notified of any interests representing 10% or more of the issued share capital of the Company.

There are 4 top 10 largest shareholders holding 5% or more of the Company’s shares. They are the Xian Jiaotong University Industrial (Group) Incorporation (“Jiaotong Group”) which holds the State owned legal person shares; Yunnan Provincial People’s Government (“Yunnan Government”) which holds the state owned shares; Kunming Jinghua Company which holds the legal person shares. All of the shares held by these shareholders are non-tradable and are not mortgaged and not designated. Also these shares have not been frozen. HKSCC Nominees Limited which holds overseas listed shares (H shares) of the Company.

None of the top ten largest shareholders of the Company have relationship with each other and the Company does not notify by its shareholders that there is any relationship between the shareholders of non-trading shares, the shareholders of the state owned shares and the public shareholders.

### (3) Substantial shareholders

The largest shareholder of the Company, Jiaotong Group, has held approximately 29% of the total number of issued share capital of the Company.

Jiaotong Group is a wholly owned subsidiary of Xian Jiaotong University. Jiaotong Group was incorporated in 1994. The legal representative of Jiaotong Group is Mr. Wang Jianhua. The registered capital of Jiaotong Group is RMB 30 million. Jiaotong Group is engaged in the electricity, energy, electronic, resources, production of knit, electromechanical products, medical equipment, biochemical, raw materials, and environment industries. It also engaged in the network construction, production and sales of product and technology services.

- (4) Other shareholders who hold more than 10% of the total number of the issued share capital of the Company is the Yunnan Government which holds 12.8% of the total number of the issued share capital of the Company.