

## SHARE CAPITAL, SUBSTANTIAL SHAREHOLDERS AND DIRECTORS', CHIEF EXECUTIVE OFFICERS' AND SUPERVISORS' INTERESTS IN SECURITIES

### *Share Capital*

	As at 30 June 2004 Number of shares (Unaudited)	As at 1 January 2004 Number of shares (Audited)
State-owned legal person shares	743,870,000	743,870,000
Overseas listed foreign Shares (H shares)	453,872,000	453,872,000
Total	<u>1,197,742,000</u>	<u>1,197,742,000</u>

*Note:* There was no change in share capital of the Company during the six months ended 30 June 2004 and during the period from 30 June 2004 to the reporting date.

### *Substantial Shareholders*

As at 30 June 2004, the following parties held an interest of 5% or more in the issued share capital of the Company or its subsidiaries according to the Company's records:

Name of shareholder	Class of shares	Number of shares held	Shareholding percentage
Great Wall Group	State-owned legal person shares	743,870,000	62.11%
The Hong Kong and Shanghai Banking Corporation Ltd	H	64,195,000	5.40%

Save as disclosed above and so far as the Directors, chief executive officers and supervisors of the Company are aware, as at 30 June 2004, no other person (other than the Directors, chief executives or supervisors of the Company as disclosed below) had an interest or short position in the Company's shares or underlying shares (as the case may be) which are required to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or which was otherwise a substantial shareholder (as such term is defined in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules")) of the Company.

*Directors', Chief Executive Officers' and Supervisors' Interests in Securities*

As at 30 June 2004, the interests of the Directors, chief executive officers and supervisors of the Company in the shares of the associated corporations of the Company (as defined in Part XV of the SFO) were as follows:

*1. Personal Interests*

<b>Name of Director</b>	<b>Number of Shares held</b>	<b>Approximate percentage of total issued share capital</b>
Mr. Lu Ming	63,600 employee shares of CGC	0.01%
Mr. Tam Man Chi	714,025 employee shares of Kaifa	0.097%
Ms. Huang Rongfang	63,600 employee shares of CGC	0.01%
	218,512 assigned Legal Person Shares of Kaifa	0.029%

*2. Corporate Interests*

<b>Name of Director</b>	<b>Number of shares held</b>	<b>Approximate percentage</b>
Mr. Tam Man Chi	68,952,000 Legal Person Shares of Kaifa (Note 1)	9.41%

*Note:*

- Broaddata (H.K.) Limited ("Broaddata") held 9.41% of the overseas legal person shares in Kaifa. Flash Bright International Limited held 61.76% shares in Broaddata. Mr. Tam and his spouse held 100% equity shares in Flash Bright International Limited.

Save as disclosed above and so far as the Directors, chief executive officers and supervisors of the Company are aware, as at 30 June 2004, no other Directors, chief executive officers or supervisors of the Company had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (as defined in Part XV of the SFO) which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such Director, chief executive or supervisor is taken or deemed to have under such provisions of the SFO) of which was required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which was otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules.

## **CHANGES OF BOARD OF DIRECTORS AND MEMBERS OF SUPERVISORY COMMITTEE**

The 2003 annual general meeting of Great Wall Technology Company Limited was held on 21 June 2004 and the following resolutions were passed:

- (1) the election of Mr. Chen Zhaoxiong as an executive director of the Company;
- (2) the re-elections of Mr. Lu Ming, Mr. Tam Man Chi, Ms. Hoang Rongfang, Mr. Qiao Zhong Tao and Mr. Gao Keqin as executive directors of the Company and Mr. Li Sanli, Mr. Chang Zhenming and Mr. Li Xiaoru as independent non-executive directors of the Company; and
- (3) the elections of Mr. Diao Guoxin, Mr. Li Ruiyue and Mr. Qi Maojun as supervisors of the Company.

## **PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE GROUP**

During the Period, neither the Company nor its subsidiaries purchased, sold or redeemed any listed securities held by them.

## **CODE OF BEST PRACTICE**

The Board is not aware of any matter that does not comply with the “Code of Best Practice” as set out in Appendix 14 of the Listing Rules for the six months end 30 June 2004.

For the six months end 30 June 2004, the Company has adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code For Securities Transactions by Directors of Listed Issuers. The Company having made specific enquiry of all directors and supervisors, its directors and supervisors have complied with the required standard set out in the Model Code Securities Transactions by Directors of Listed Issuers and its code of conduct regarding directors’ securities transactions.

## **AUDIT COMMITTEE**

The audit committee has reviewed with management, the Group’s accounting principles and practices and discussed auditing, internal controls and financial reporting matters, including these unaudited interim results. In addition, the Group’s external auditors have reviewed these unaudited interim results in accordance with the Statement of Auditing Standards 700 issued by the Hong Kong Society of Accountants.

By Order of the Board

**Chen Zhaoxiong**

*Chairman*

19 August 2004