

III. MOVEMENTS OF SHARE CAPITAL AND STATUS OF SHAREHOLDERS

(I) Changes in share capital

During the reporting period, there was no movement in the total number of shares and the share capital structure of the Company.

(II) Shareholders

- As at 30 June 2005, the total number of shareholders of the Company was 36,663, of which 36,553 were holders of A Shares and 110 were holders of H Shares.
- Shareholding of the top ten shareholders during the reporting period

Unit: share

Name of shareholders (full name)	Increase (+)/ decrease (-) during the period	Number of shares held at the end of the period	Percentage to share capital (%)	Type of shares (circulating or non- circulating)	Shares pledged or frozen	Type of shareholders (state-owned or foreign shareholders)
Beiren Group Corporation	0	250,000,000	59.24	Non-circulating	Nil	Legal person shareholder
HKSCC NOMINEES LIMITED	-50,000	97,289,199	23.05	Circulating	Unknown	Foreign shareholder
HSBC NOMINEES (HONG KONG) LIMITED	0	702,000	0.17	Circulating	Unknown	Foreign shareholder
HUI KAU YU	0	400,000	0.09	Circulating	Unknown	Foreign shareholder
WONG CHUNG KING	0	298,000	0.07	Circulating	Unknown	Foreign shareholder
魏鵬	285,000	285,000	0.07	Circulating	Unknown	Public shareholder
王麗莉	246,000	246,000	0.06	Circulating	Unknown	Public shareholder
KWAN KAM ON	38,000	228,000	0.05	Circulating	Unknown	Foreign shareholder
王倩倩	130,800	195,111	0.05	Circulating	Unknown	Public shareholder
鄒靜	162,900	162,900	0.04	Circulating	Unknown	Public shareholder

Connected relationship among the top ten shareholders or any party acting in concert

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

- Among the top ten shareholders of the Company, Beiren Group Corporation is the controlling shareholder of the Company, the shares held by which are non-circulating shares.
- HKSCC NOMINEES LIMITED held shares on behalf of its clients and the Company has not been notified by HKSCC NOMINEES LIMITED that there were any holders of H Shares who held more than 5% of the total share capital of the Company.
- None of the shareholders holding 5% or more of the Company's shares are in position where their shares have been pledged or frozen.
- There was no change in respect of shareholders holding 5% or more of the Company's shares.
- Save as disclosed above, as far as the Directors are aware, none of the persons (other than a Director or chief executive of the Company) has any interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance ("SFO") or as otherwise required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.
- Purchase, sale or redemption of the Company's listed securities

During the reporting period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares.
- Pre-emptive rights

There is no provision for pre-emptive rights under the PRC laws and the Articles of Association of the Company.
- Convertibles, options, warrants or other similar rights

As of 30 June 2005, the Company did not issue any convertible securities, options, warrants or any other similar right.

2005 Interim Report

3. Shareholding of the top ten holders of circulating shares

Name of shareholder	Number of shares held at the end of the period	Type of shares (A, B, H Shares or others)
HKSCC NOMINEES LIMITED	97,289,199	H Shares
HSBC NOMINEES (HONG KONG) LIMITED	702,000	H Shares
HUI KAU YU	400,000	H Shares
WONG CHUNG KING	298,000	H Shares
魏鵬	285,000	A Shares
王麗莉	246,000	A Shares
KWAN KAM ON	228,000	H Shares
王倩倩	195,111	A Shares
鄒靜	162,900	A Shares
張鳳海	150,000	A Shares

Connected relationship among the top ten holders of circulating shares

The Company is not aware of any connected relationship among the top ten holders of circulating shares or any party acting in concert.

Connected relationship between the top ten holders of circulating shares and the top ten shareholders

The Company is not aware of any connected relationship between the top ten holders of circulating shares and the top ten shareholders.

4. Changes in controlling shareholder and de facto controller

There was no change with respect to the controlling shareholder and the de facto controller of the Company during the reporting period.