

### III. MOVEMENTS OF SHARE CAPITAL AND STATUS OF SHAREHOLDERS

#### (I) Changes in share capital

Unit: share

	Before change		Issue of new shares	Bonus issues	Increase (+) / decrease (-)		Others	Sub-total	After change	
	Number	Percentage (%)			Conversion from reserve				Number	Percentage (%)
I. Shares subject to trading moratorium										
1. State-owned shares										
2. State-owned legal person shares	250,000,000	59.24	—	(27,360,000)	—	—	(27,360,000)	222,640,000	52.76	
3. Other domestic shares										
Including: domestic legal person shares										
Domestic public shares										
4. Foreign shares										
Including: Overseas legal person shares										
Overseas public shares										
Total of shares subject to trading moratorium	250,000,000	59.24	—	(27,360,000)	—	—	(27,360,000)	222,640,000	52.76	
II. Circulating shares not subject to trading moratorium										
1. Renminbi Ordinary shares	72,000,000	17.06	—	(27,360,000)	—	—	27,360,000	99,360,000	23.54	
2. Foreign shares listed domestically										
3. Foreign shares listed overseas	100,000,000	23.70	—	—	—	—	—	100,000,000	23.70	
4. Others										
Total circulating shares not subject to trading moratorium	172,000,000	40.76	—	27,360,000	—	—	27,360,000	199,360,000	47.24	
III. Total shares	422,000,000	100.00	—	—	—	—	—	422,000,000	100.00	

#### Approval of changes in share capital

The Company's Share Segregation Reform Proposal was approved by the State-owned Assets Supervision and Administration Commission of Beijing Municipal government on 14 March 2006 and by the meeting of shareholders' relating to the share reform on 20 March 2006, pursuant to which holders of non-circulating shares shall allocate 27,360,000 shares as consideration to holders of circulating shares for the listing status of non-circulating shares, i.e. 3.8 shares shall be granted for every 10 circulating A shares.

#### Transfer of shares

On 24 March 2006, the Company received the Notice on Implementation of the State-owned Share Reform Proposal by Beiren Printing Machinery Holdings Limited (the "Notice") from Shanghai Stock Exchange. In accordance with the Notice, the Company completed the Share Reform on 31 March 2006 and the transfer of shares requiring change.

(II) Shareholders

1. Number of shareholders and their shareholding

Total number of shareholders at the end of the reporting period 33,855 (including 33,750 holders of A shares and 105 holders of H shares)

Unit: Share

Particulars of the top ten shareholders

Name of shareholder	Type of shareholder	Percentage to total share capital (%)	Number of shares held	Increase (+) / decrease (-) during the period	Number of shares subject to trading moratorium	Number of shares pledged or frozen
Beiren Group Corporation	Legal person shareholder	52.76	222,640,000	(27,360,000)	222,640,000	None
HKSCC NOMINEES LIMITED	Foreign shareholder	23.17	97,769,199	522,000	0	Unknown
HSBC NOMINEES (HONG KONG) LIMITED	Foreign shareholder	0.17	702,000	0	0	Unknown
HAU HONG REAL ESTATE	Others	0.12	503,300	17,500	0	Unknown
朱子允	Others	0.09	400,072	400,072	0	Unknown
KUI KAU YU	Foreign shareholder	0.09	400,000	0	0	Unknown
朱乃洪	Others	0.09	380,000	289,980	0	Unknown
韋延珍	Others	0.09	364,500	364,500	0	Unknown
李喜鳳	Others	0.08	331,200	331,200	0	Unknown
薛映梅	Unknown	0.07	303,034	303,034	0	Unknown

Particulars of the top ten holders of shares not subject to trading moratorium

Name of shareholder	Number of shares not subject to trading moratorium	Class of shares
HKSCC NOMINEES LIMITED	97,769,199	Foreign shares listed overseas
HSBC NOMINEES (HONG KONG) LIMITED	702,000	Foreign shares listed overseas
HAU HONG REAL ESTATE	503,300	Renminbi Ordinary shares
朱子允	400,072	Renminbi Ordinary shares
KUI KAU YU	400,000	Foreign shares listed overseas
朱乃洪	380,000	Renminbi Ordinary shares
韋延珍	364,500	Renminbi Ordinary shares
李喜鳳	331,200	Renminbi Ordinary shares
薛映梅	303,034	Renminbi Ordinary shares
鄭靜	275,000	Renminbi Ordinary shares

Connected relationship among the aforesaid shareholders or any party acting in concert

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

The Company is not aware of any connected relationship between the top ten holders of shares not subject to trading moratorium and the top ten shareholders or any party acting in concert.

Notes:

- (1) 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.
- (2) 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.
- (3) None of the shareholders holding 5% or more of the Company's shares are in position where their shares have been pledged or frozen.
- (4) There was no change in respect of shareholders holding 5% or more of the Company's shares.
- (5) 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.
- (6) There is no provision for pre-emptive rights under the PRC laws or the Articles of Association of the Company.
- (7) As of 30 June 2006, the Company did not issue any convertible securities, options, warrants or any other similar right.

2. Number of shares held by the top ten holders of shares subject to trading moratorium

Unit: share

No	Name of shareholder subject to trading moratorium	Number of shares held subject to trading moratorium	Shares subject to trading moratorium available for trading		Trading moratorium
			Time for trading	Number of new shares available for trading	
1	Beiren Group Corporation	222,640,000	31 March 2007	11,132,000	Beiren Group will not trade and transfer the non-circulating shares held by it within 12 months from the day of implementation of the share reform plan. Within 12 and 24 months, respectively, subsequent to the aforesaid undertakings period, the number of the originally non-circulating shares subsequently listed for trading on the stock exchange would not exceed 5 percent and 10 percent, respectively, of the total number of shares of the Company. It also undertook that the selling price of shares listed on the stock exchange during the period of trading moratorium shall not be lower than 110% of the weighted average price of circulating A Shares of 30 business days before the announcement of the share reform plan (RMB4.29/share).
			31 March 2008	22,264,000	
			31 March 2009	222,640,000	

3. 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.