

Change in Share Capital and Shareholders

4.1 Share changes

Unit: share

Item	Before change		Increase / (decrease)					After change	
	Number	New Percentage	Bonus issue	Share Converted from issue	reserve	Others	Sub-total	Number	Percentage
I. Share subject to trading moratorium	400,000,000	57.14%	0	0	0	-220,981,758	-220,981,758	-179,018,242	35.80%
1. State-owned shares	0	0	0	0	0	0	0	0	0
2. State-owned legal person shares	400,000,000	57.14%	0	0	0	-220,981,758	-220,981,758	-179,018,242	35.80%
3. Other domestic shares	0	0	0	0	0	0	0	0	0
Including: shares held by domestic corporations	0	0	0	0	0	0	0	0	0
shares held by domestic individuals	0	0	0	0	0	0	0	0	0
4. Foreign invested shares	0	0	0	0	0	0	0	0	0
Including: shares held by overseas corporations	0	0	0	0	0	0	0	0	0
shares held by overseas individuals	0	0	0	0	0	0	0	0	0
II. Share not subject to trading moratorium	300,000,000	42.86%	0	0	0	+21,000,000	+21,000,000	321,000,000	64.20%
1. Ordinary domestic shares	50,000,000	7.14%	0	0	0	+21,000,000	+21,000,000	71,000,000	14.20%
2. Domestically listed foreign invested shares	0	0	0	0	0	0	0	0	0
3. Overseas listed foreign invested shares	250,000,000	35.72%	0	0	0	0	0	250,000,000	50%
4. Others	0	0	0	0	0	0	0	0	0
III. Total shares	700,000,000	100%	0	0	0	-199,981,758	-199,981,758	500,018,242	100%

Note: During the reporting period, the Company implemented the Share Reform and solved the fund appropriation by its holding company and related parties by ways of using shares for debt discharging. Details are set out in the section of Share Reform and Arbitration under Significant Events of the annual report.

The number of shares with trading moratorium held by the top ten shareholders

No.	Name of holders of shares subject to trading	Number of shares subject to trading moratorium held	Time available for trading	Number of new shares available for trading	Trading moratorium
1	China Luoyang Float Glass (Group) Company Limited ("CLFG")	379,000,000	8 June 2007 8 June 2008 8 June 2009	35,000,000 35,000,000 309,000,000	CLFG undertook that it will not sell or transfer original non-circulating shares of the Company held by it within 12 months since the day they granted status of listing. Following the expiry of above period of trading moratorium, the proportion of the number of shares for listing and trading on Stock Exchange will not exceed 5% and 10% within 12 months and 24 months respectively.

Change in Share Capital and Shareholders *(Continued)*

4.2 Table of the top ten shareholders and top ten shareholders circulating shares of the Company

Total number of shareholders As at 31 December 2006, there were 20,110 shareholders, including 1 state-owned legal person shareholder, 20,030 shareholders of 'A' shares and 80 shareholders of 'H' shares.

Shareholdings of the top 10 shareholders

Name of shareholder	Nature of shareholder	Percentage	Number of shares held	Number of shares subject to trading moratorium held	Number of shares pledged or frozen
China Luoyang Float Glass (Group) Company Limited ("CLFG")	State-owned legal person share	35.80%	179,018,242	179,018,242	Nil
HKSCC Nominees Limited	Foreign shareholder	49.33%	246,656,998	0	Unknown
Zhang Lei	Others	0.17%	868,518	0	Unknown
HSBC NOMINEES (HONG KONG) LIMITED	Foreign shareholder	0.11%	570,000	0	Unknown
Yuan Guozhen	Others	0.079%	400,000	0	Unknown
Zhou Shuihang	Others	0.078%	390,652	0	Unknown
Liang Jieyun	Others	0.078%	390,188	0	Unknown
CHUK YEE MEN LIZA	Foreign shareholder	0.075%	374,000		Unknown
Xia Ruizhi	Others	0.059%	300,000	0	Unknown
WONG MING SHUN	Foreign shareholder	0.056%	280,000	0	Unknown

Shareholdings of the top 10 holders of circulating shares

Name of shareholder	Number of shares not subject to trading moratorium shares held	Type of shares
HKSCC Nominees Limited	246,656,998	Overseas listed foreign shares
Zhang Lei	868,518	Ordinary shares denominated in Rmb
HSBC NOMINEES (HONG KONG) LIMITED	570,000	Overseas listed foreign shares
Yuan Guozhen	400,000	Ordinary shares denominated in Rmb
Zhou Shuihang	390,652	Ordinary shares denominated in Rmb
Liang Jieyun	390,188	Ordinary shares denominated in Rmb
CHUK YEE MEN LIZA	374,000	Overseas listed foreign shares
Xia Ruizhi	300,000	Ordinary shares denominated in Rmb
WONG MING SHUN	280,000	Overseas listed foreign shares
Xie Renrong	267,500	Ordinary shares denominated in Rmb

Explanations on connected relationship or action in concert of the above shareholders There is no connected relationship or action in concert as defined by Regulations for Disclosure of Changes in Shareholding of Listed Companies 《上市公司股東持股變動信息披露管理辦法》 among the top ten shareholders of the Company, including CLFG and shareholders of circulating shares. The Company is not aware of any parties acting in concert or any connected relationship among the shareholders of circulating shares, other shareholders of circulating shares.

Note: Nature of shareholder includes State-owned shareholder, Foreign shareholder and Others. Type of shares includes Ordinary shares denominated in Rmb, Domestic listed foreign shares, Overseas listed foreign shares and Other.

Change in Share Capital and Shareholders *(Continued)*

4.3 Information about the controlling shareholder and the other de facto controllers

4.3.1 Specific information about the controlling shareholder and the other de facto controllers

CLFG was established in April 1991 and its legal representative is Liu Baoying. Its registered capital is Rmb1,286.74 million and its shareholders include Luoyang Assets Management Company, China Hua Rong Assets Management Company, China Changcheng Assets Management Company, China Dongfang Assets Management Company, China Xinda Assets Management Company and China Xinxing Construction Material (Group) Company holding 80.27%, 8.55%, 5.44%, 3.10%, 1.94% and 0.70% of shares respectively. Its principal activities include production of glass and related materials, manufacturing of assembly equipment and intensive glass processing. Import, export and domestic sales of glass, processing technology, design and sub-contracting of engineering works, labour export, provision of industrial production materials (excluding those under control of the state), technological services, consultation service and goods transportation.

There were no changes in controlling shareholdings during the reporting period.

Information on the de facto controller of the Company

洛陽市國資國有資產經營有限公司 (Luoyang State Capital State-Owned Assets Operation Company Limited) was established on 26 October 2001. Its legal representative is Xiong Wenbo and registered capital amounted to Rmb2,360 million. It is a state-owned sole proprietorship limited liability company and is granted the right to operate state-owned asset.

4.5.2 Figure of equity interests and controlling relationship between the Company and de facto controllers.

