

## NOTICE OF ANNUAL GENERAL MEETING

---

NOTICE IS HEREBY GIVEN that the 2003 Annual General Meeting of the Company will be held on Friday, 18 June 2004, at No.1 Beice, Yingfeng Erli, Yanshan, Fangshan District, Beijing, the PRC at 9:00 a.m. sharp to consider, approve and authorize the following matters:

**As general resolutions:**

1. to consider and approve the 2003 report of the Board of Directors of the Company;
2. to consider and approve the 2003 report of the Board of Supervisors of the Company;
3. to consider and approve the audited financial statements of the Company for the year ended 31 December 2003;
4. to consider and approve the proposed profit appropriation plan of the Company for 2003;
5. to determine the remuneration of the directors and supervisors of the Company for 2004;
6. to consider and approve the appointment of KPMG and KPMG Huazhen as the Company's international and domestic auditors, respectively, for the fiscal year 2004, and to authorize the Board of Directors of the Company to determine their remuneration; and
7. to transact any further business, if necessary.

# NOTICE OF ANNUAL GENERAL MEETING

## As special resolutions:

To consider and approve the amendments to the Articles of Association of the Company in accordance with Appendix 3 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules"). Details of the amendments to the Articles of Association are set out as follows:

- (1) That the following be added to Article 72 as its paragraph 2:

"Where any shareholder is, under the Listing Rules (as such term is defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited), required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted."

- (2) That paragraph 2 of Article 95 be deleted and replaced by the following:

"The minimum length of the period, during which notice to the Company of the intention to propose a person for election as a director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least 7 days. The aforesaid period for lodgment of the notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting."

- (3) That the following be added to Article 104 as its paragraph 4:

"Subject to the exceptions set out in Note 1 of paragraph 4(1) of Appendix 3 to the Listing Rules, a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates (as such term is defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) has a material interest nor shall he be counted in the quorum present at the same board meeting."

By Order of the Board of Directors

**Du Guosheng**

Chairman

2 April 2004, Beijing, the PRC

The Registered Office:

No. 1 Beice, Yingfeng Erli,  
Yanshan, Fangshan District,  
Beijing, the PRC  
Postal Code: 102500

## NOTICE OF ANNUAL GENERAL MEETING

### Notes:

- (A) Holders of the Company's overseas listed foreign invested shares (in the form of H Shares) whose names appear on the Register of Members of the Company at close of business on Tuesday, 18 May, 2004 are entitled to attend the Annual General Meeting upon presentation of their passports or other identity papers documenting their authorization.
- (B) According to the Company's Articles of Association, the register of members of the Company will be closed 30 days before the date of the Annual General Meeting; therefore, such register will be closed from Wednesday, 19 May 2004 to Friday, 18 June 2004 (both days inclusive), during which time no H share transfer will be affected.
- (C) Each shareholder who has the right to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies, whether they are members or not, to attend and vote on his behalf at the Annual General Meeting.
- (D) A proxy of a shareholder who has appointed more than one proxy may only vote on a poll.
- (E) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney. If that instrument is signed by an attorney of the appointor, the power of attorney must be notarially certified. To be valid, the notarially certified power of attorney and the form of proxy must be delivered to the registered office of the Company not less than 24 hours before the time appointed for the holding of the Annual General Meeting.
- (F) Shareholders intending to attend the Annual General Meeting should return the reply slip for attending the Annual General Meeting to the Secretary's Office of the Company before Friday, 28 May 2004 personally or by mail, cable or facsimile.
- (G) Shareholders attending the Annual General Meeting are responsible for their own transportation and accommodation expenses.
- (H) The details of the Secretary's Office of the Company are as follows:

No. 1 Beice, Yingfeng Erli,  
Yanshan, Fangshan District,  
Beijing, the PRC  
Postal Code: 102500  
Tel : (8610) 6934-5924  
Fax : (8610) 6934-5448