

SUMMARY OF GENERAL MEETING

(I) Annual General Meeting of 1999

On 25th May 2000, Thursday, the Company held the Annual General Meeting of 1999 ("General Meeting") at Jiangsu Communications Building, 69 Shigu Road, Nanjing, Jiangsu, the PRC.

The following resolutions were reviewed and duly passed as Ordinary Resolutions at the General Meeting:

1. THAT the annual report of the Board as at 31st December 1999 be approved.
2. THAT the report of Supervisory Committee as at 31st December 1999 be approved.
3. THAT the audited accounts and the auditors' report for the year ended 31st December, 1999 be approved.
4. THAT approval be given for the re-appointment of Arthur Andersen • Hua-Qiang Certified Public Accountants and Arthur Andersen as the Company's PRC auditor and Hong Kong auditor for the year 2000, and that the Board be authorised to determine the auditors' fee.
5. THAT approval be given for the distribution scheme in respect of its final dividends of the Company for the year 1999, with the payment of RMB 0.80 in cash for each ten shares to shareholders whose names appeared on the register of shareholders on 25th April 2000.
6. THAT the special resolution made at the sixth General Meeting on the issue of 1,500,000,000 A shares and the amendment of the articles of association of the Company be reviewed and approved(note); and that following the successful listing of A shares, new and existing shareholders be entitled to all of the accumulated unappropriated profits.
7. THAT the third Board of Directors and Supervisory Committee be elected.

The resolutions of the General Meeting were published in China Securities Daily, South China Morning Post and Hong Kong Economic Times respectively on 26th May 2000.

(Note: Following the successful listing of A shares, the Company has amended the relevant provisions of the articles of association pursuant to the resolution passed on the general meeting, and the amendments were approved by the board of directors at 11th April 2001.)

(II) The First Extraordinary General Meeting of 2000

On 10th October 2000 (Tuesday), the Company held the First Extraordinary General Meeting of 2000 at Jiangsu Communications Building, 69 Shigu Road, Nanjing, Jiangsu, the PRC.

The following resolutions were reviewed and approved as Ordinary Resolutions at the First Extraordinary General Meeting:

THAT the appointment of Mr. Zhang Jun Yuan as the director of the Company and the signing of service contract be approved.

The resolutions of the Extraordinary General Meeting were published in China Securities Daily, South China Morning Post and Hong Kong Economic Times respectively on 11th October 2000.

(III) Election and Replacement of Directors and Supervisors

1. The Company held the General Meeting of 1999 on 25th May 2000. The members of the Third Board of Directors and Supervisory Committee were elected by voting by the existing shareholders.

The Board of Directors consists of: Mr. Xu Hua Qiang, Mr. Li Da Peng, Mr. Zhang Quan Geng, Mr. Liu Bu Cun, Ms. Fan Yu Shu, Mr. Yue Jia Hua, Mr. Wang Zheng Yi, Ms. Xu Yi Qun; and independent non-executive directors Ms. Zhang Yong Zhen and Mr. Fang Keng. The Board elected Mr. Xu Hua Qiang as Chairman of the Board.

The Supervisory Committee consists of: Mr. Zhong Zhang Wan, Mr. Jia Da Kang, Mr. Geng Liu Yu, Mr. Wu Zang Ping, Mr. Xing Guo Qiang. The Supervisory Committee elected Mr. Zhong Zhang Wan as Chairman of the Committee.

2. On 10th October 2000, the Company held the First Extraordinary General Meeting of 2000, at which the appointment of Mr. Zhang Jun Yuan as a Director of the Company was approved. And the Third session of the Third Board of Directors Meeting was held to approve Mr. Xu Hua Qiang's resignation from the position of Director and Chairman of the Company due to his retirement. Mr. Zhang Jun Yuan was elected the Chairman of the Board of Directors of the Company.