

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2000 Annual General Meeting ("AGM") of the Company will be held on Monday, 18th June, 2001, at No.1 Beice, Yingfeng Erli, Yanshan, Fangshan District, Beijing 102500, the PRC at 9:00 a.m. for the following purposes:

1. to consider and approve the 2000 report of the Directors of the Company;
2. to consider and approve the 2000 report of the Board of Supervisors of the Company;
3. to consider and approve the audited financial statements of the Company as of 31st December, 2000;
4. to consider and approve the proposed profit appropriation plan of the Company for 2000;
5. to determine the remuneration of the Directors and Supervisors of the Company for 2001;
6. to consider and approve the appointment of Arthur Andersen & Co. (certified public accountants in Hong Kong) as the Company's auditors for the fiscal year 2001, and to authorise the Directors of the Company to determine their remuneration;
7. to consider and pass the following resolution as a special resolution:

That the exercise by the Board of Directors of the Company, during the Relevant Period, of all the powers of the Company to separately or concurrently allot and issue domestic invested shares or overseas listed foreign invested shares which shall not exceed twenty per cent. (20%) of each of the total number of issued domestic invested shares and overseas listed foreign invested shares, respectively, be and is hereby generally and unconditionally approved.

For the purpose of this special resolution, "Relevant Period" means the period from the date of the passing of this resolution until the earliest of:

- (1) the conclusion of the next AGM of the Company; or
 - (2) the expiration of the period within which the next AGM of the Company is required by law or the Articles of Association of the Company to be held; or
 - (3) the date on which the authority granted by this resolution is revoked or varied by a special resolution of the members of the Company at a general meeting; and
8. to transact any further business, if necessary.

By Order of the Board of Directors
Du Guosheng
Chairman

12th April, 2001, Beijing, The PRC

The Registered Office :
No. 1 Beice, Yingfeng Erli,
Yanshan, Fangshan District,
Beijing 102500, PRC

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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 the close of business on 18th May, 2001 are entitled to attend the AGM upon presentation of their passports or other identity papers.
- (B) The Register of Members of the Company will be closed from 19th May, 2001 to 18th June, 2001 (both days inclusive), during which time no H share transfer will be effected. In order to qualify for the final dividend, all share transfer accompanied by the relevant share certificates must be lodged, duly completed, with the Company's registrars, HKSCC Registrars Limited of 2nd Floor, Vicwood Plaza, 199 Des Voeux Road, Central, Hong Kong, not later than 4:00 p.m. on 18th May, 2001.
- (C) Each shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies, whether they are members or not, to attend and vote on his behalf at the AGM.
- (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, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified. To be valid, the notarially certified power of attorney, or other documents of authorisation, and the form of proxy must be delivered to the registered office of the Company at No.1 Beice, Yingfeng Erli, Yanshan, Fangshan District, Beijing 102500, the PRC not less than 24 hours before the time appointed for the holding of the AGM.
- (F) Shareholders intending to attend the AGM should return the accompanying reply slip attached in this Annual Report to the Secretary's Office of the Company before 29th May, 2001 in person or by mail, cable or facsimile. Returning the proxy form on the back of the reply slip will not affect shareholders' rights to attend in person.
- (G) The AGM is expected to last half a day. Shareholders attending the AGM 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