

Summary of Shareholders' Meeting

The Company issued a notice to hold its 2000 AGM on 13 April 2001 and the 2000 AGM was held at the Conference Centre of Yihua Hotel of the Company in Yizheng City, Jiangsu Province, PRC on 5 June 2001. Shareholders and their authorised representatives, holding 3,736,129,798 shares representing 93.40 per cent of the Company's total issued shares were present at the 2000 AGM, the quorum of the meeting was formed in accordance with the Articles of Association of the Company and the Company Law.

The 2000 AGM considered and passed the Report of the Board for the year 2000, the Report of the Supervisory Committee for the year 2000, the report of the Independent Supervisors, the Audited Financial Statements and the Report of the Auditors of the Company for the year 2000, the proposed scheme of profit distribution of the Company for the year 2000, the re-appointment of KPMG Huazhen and KPMG as domestic and international auditors of the Company respectively for the year 2001, and that the Board was authorised to fix the remuneration of the auditors, and the special resolution regarding that the Company can through placing or public offering, during the relevant period, either separately or concurrently, representing not more than twenty per cent of each of the existing issued domestic capital shares and overseas listed foreign capital shares.

The resolution announcement of the 2000 AGM was disclosed in the following newspapers – China Securities, Shanghai Securities News, Securities Times, Hong Kong Economic Times and South China Morning Post on 6 June 2001.