

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2002 Annual General Meeting ("AGM") of the Company will be held on Friday, 27 June 2003, at No.1 Beice, Yingfeng Erli, Yanshan, Fangshan District, Beijing 102500, the PRC at 9:00 a.m. sharp for the following purposes:

1. to consider and approve the 2002 report of the Board of Directors of the Company;
2. to consider and approve the 2002 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 2002;
4. to consider and approve the proposed profit appropriation plan of the Company for 2002;
5. to determine the remuneration of the Directors and Supervisors of the Company for 2003;
6. to consider and approve the proposal on the candidates for the new Directors and Supervisors;
7. to consider and approve the appointment of KPMG and KPMG Huazhen as the Company's international and domestic auditors, respectively, for the fiscal year 2003, and to authorise the Directors of the Company to determine their remuneration;
8. to transact any further business, if necessary.

By Order of the Board of Directors

Du Guosheng

Chairman

11 April 2003, Beijing, the PRC

The Registered Office:

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

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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 close of business on 27 May, 2003 are entitled to attend the AGM upon presentation of their passports or other identity papers and documents of authorisations.
- (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 AGM, which is from 28 May 2003 to 27 June 2003 (both days inclusive), during which time no H share transfer will be effected.
- (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 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 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 7 June 2003 personally 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) 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