

Overview of the Shareholders' General Meetings

The Company held two Shareholders' General Meetings in 2003, including 2002 Annual General Meeting and 2003 Extraordinary General Meeting:

1. In respect of convening and holding of Annual General Meeting 2002, the Company published the time, place, resolutions to be considered and approved and other businesses together with the notice of general meeting by way of announcements on Shanghai Securities, Hong Kong Wen Wei Po and The Standard on 21st February 2003. The notice of general meeting had also been sent by pre-paid post to the H Share shareholders of the Company.

The Company held the Annual General Meeting 2002 (the 11th Shareholders' general meeting of the Company) at 4/F., Conference Room, Tianjin Capital Environmental Protection Company Limited, 45 Guizhou Road, Heping District, Tianjin, the PRC on 8th April 2003. There were shareholders holding 861,900,000 shares, representing 64.80% of the total number of the Company's shares, present in person or by proxy at the Annual General Meeting in compliance with the relevant provisions of the Company Law and Articles of Association. The meeting was chaired by Ms. Ma Bai Yu, the Chairman of the Company. Certain directors, supervisors and senior management officers attended the meeting. The solicitor and notary of the Company was present in the meeting. The procedures for convening the meeting were in compliance with the requirements of the Company Law of the PRC and the Articles of Association of the Company.

The Meeting considered and passed the following resolutions by votes:

- I. As ordinary resolutions:
 1. To consider and approve the Annual Report of the Company for the year 2002.
 2. To consider and approve the Accounts of the Company for the year 2002, audited by the domestic and international certified public accountants.
 3. To consider and approve the Report of Directors of the Company for the year 2002.
 4. To consider and approve the Financial Report of the Company for the year 2002 and Financial Budget for the year 2003; To consider the proposal in respect of the Profit Appropriation Plan of the Company for the year 2002.
 5. To consider and approve the proposals relating to the reappointment of PricewaterhouseCoopers Zhong Tian Certified Public Accountants Co., Ltd. and PricewaterhouseCoopers in Hong Kong as the domestic and international auditors of the Company.
 6. To consider and approve the operating and development plans of the Company for 2003.
 7. To consider and approve the Report of the Supervisory Committee for the year 2002.

8. To consider and approve the resolution for loans application for the three construction-in-progress projects including Xianyanglu Sewage Water Treatment Plant passed in the 27th meeting of the Second Board.
 9. To consider and approve the proposal relating to the extension of the validity period for the issue of the A Shares Convertible Bonds of the Company.
- II. As special resolutions:
- a. To consider and approve the proposal in respect of the amendments of the "Rules Governing the Procedures for Operating the Meeting of the Board of Directors" of the Company.
 - b. To consider and approve the proposal on the grant of mandate to the Board for the allotment and issue of new shares (H Shares).

The announcement of the resolutions of the Annual General Meeting was published on Shanghai Securities, Hong Kong Wen Wei Po and The Standard on 9th April 2003.

2. In respect of convening and holding of the Extraordinary General Meeting for 2003, the Company published the time, place, resolutions to be considered and approved and other businesses together with the Notice of Extraordinary General Meeting by way of announcements on Shanghai Securities, Hong Kong Wen Wei Po and The Standard on 4th November 2003. The Notice of Extraordinary General Meeting had also been sent by pre-paid post to the H Shares' shareholders of the Company.

The Company held the Extraordinary General Meeting for 2003 at the Conference Room on the 4th Floor of Tianjin Capital Environmental Protection Company Limited at 45 Guizhou Road, Heping District, Tianjin, the PRC on 20th December 2003. The Extraordinary General Meeting was attended by members of the Company in persons or by proxies holding approximately 860,561,000 shares, representing approximately 64.70% of the Company's share capital. The meeting was chaired by Ms. Ma Bai Yu, the Chairman of the Company. The directors, supervisors and certain senior management officers attended the meeting. The solicitor of the Company was present in the meeting. The procedures for convening the meeting were in compliance with the requirements of the Company Law of the PRC and the Articles of Association of the Company.

- I. Ordinary resolutions passed by poll at the EGM were as follows:
1. Six nominees were elected as members of the third Board of Directors(one of whom is Ms. Ma Baiyu) of the Company and Mr. Ko Po Ming was elected as an independent non-executive director of the third Board of Directors of the Company.
 2. The proposal in respect of the remuneration for members of the third Board of Directors of the Company was considered and approved.

3. The proposal in respect of the application of Mr. Wang Zhanying for the resignation as a supervisor of the Company was considered and approved.
 4. Four nominees including Mr. Zhang Wenhui were elected as supervisors of the third Supervisory Committee.
- II. Special Resolutions passed by poll at the EGM were as follows:
1. The proposal in respect of the amendment of the "Rules Governing the Procedures for Operating the Meeting of the Board of Directors" was considered and approved.
 2. The proposal in respect of the amendment of the "Rules Governing the Procedures for Operating the Shareholders' General Meeting" was considered and approved.
 3. The proposal in respect of the amendment to the Articles of Association of the Company was considered and approved.

The announcement of the results of the Extraordinary General Meeting was published on Shanghai Securities, Hong Kong Wen Wei Po and The Standard on 23rd December 2003.

3. Election and change of directors and supervisors:

The proposal in respect of the election of six nominees, including Ms. Ma Baiyu, Mr. Gu Qifeng, Mr. An Pindong, Mr. Wang Zhanying, Ms. Fu Yana, Mr. Tan Zhaofu, as members of the third Board of Directors, and the election of Mr. Ko Po Ming as an independent non-executive director of the third Board of Directors of the Company was considered and approved by poll in the EGM of the Company held on 20th December 2003. The proposal in respect of the application of Mr. Wang Zhanying for the resignation as a supervisor of the Company was considered and approved. The proposal in respect of the election of four nominees, including Mr. Zhang Wenhui, Mr. Wen Qiuli, Mr. Nie Youzhuang and Ms. Hou Xiaojian, as supervisors of the third Supervisory Committee was considered and approved.

For the profile of the relevant Directors and Supervisors, please refer to the announcement and the annex regarding the resolutions passed at the 33rd Meeting of the second Board of Directors published on Shanghai Securities Newspaper dated 25th October 2003, Hong Kong Wen Wei Po and the Standard dated 27th October 2003.