



Summary of Shareholders' Meeting

1. The Company issued a notice to hold its 2002 AGM on 12 May 2003 and the 2002 AGM was held at the Conference Centre of Yihua Hotel of the Company in Yizheng City, Jiangsu Province, PRC on 26 June 2003. Shareholders and their authorised representatives, holding 3,743,224,797 shares representing 93.58 per cent of the Company's total issued shares were present at the 2002 AGM, the quorum of the meeting was formed in accordance with the Articles of Association of the Company and the Company Law.

The 2002 AGM considered and passed the Report of the Board for 2002, the Report of the Supervisory Committee for 2002, the Report of the Independent Supervisors, the Audited Financial Statements and the Report of the Auditors of the Company for 2002, the scheme of profit distribution of the Company for 2002, the re-appointment of KPMG Huazhen and KPMG as domestic and international auditors of the Company respectively for 2003, 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 2002 AGM was disclosed in China Securities, Shanghai Securities News, Securities Times, Hong Kong Economic Times and South China Morning Post on 27 June 2003.

2. The Company issued a notice of the EGM on 11 November 2003 and the EGM was held at the Conference Centre of Yihua Hotel of the Company in Yizheng City, Jiangsu Province, PRC on 27 December 2003. Shareholders and their authorised representatives, holding 3,746,317,199 shares representing 93.66 per cent of the Company's total issued shares were present at the EGM, the quorum of the meeting was formed in accordance with the Articles of Association of the Company and the Company Law.

The EGM approved the agreement entered into by the Company and Zhenhai on 10th November, 2003 for the purchase of PX from Zhenhai (the "Agreement") and the transactions under the Agreement and an authorisation to the Directors to do all such acts in connection with the Agreement and all transactions thereunder, including the submission of the relevant waiver application to the HKSE (the "Waiver Application") and cap amount under the Waiver Application.

The resolution announcement of the EGM was disclosed in Hong Kong Economic Times and South China Morning Post on 29 December 2003, and in China Securities, Shanghai Securities News and Securities Times on 30 December 2003.