



北人印刷機械股份有限公司

BEIREN PRINTING MACHINERY HOLDINGS LIMITED

(a joint stock limited company established in the People's Republic of China)

(Stock Code: 187)

NOTICE OF 2004 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Board of Directors of Beiren Printing Machinery Holdings Limited has decided to convene the 2004 Annual General Meeting as follow:-

- 1) Time of the Meeting: Wednesday, 9:30 a.m. on 8 June 2005
- 2) Place of the Meeting: Multi-purpose Conference Hall of the Company at 2/F, No. 6 Rong Chang Dong Street, Economic and Technological Development Zone, Beijing, the People's Republic of China
- 3) Purposes of the Meeting:
 - (i) Ordinary resolutions:
 - (a) To consider the Company's 2004 Board of Directors' Working Report;
 - (b) To consider the Company's 2004 Supervisory Committee's Working Report;
 - (c) To consider the Company's 2004 audited Financial Statements;
 - (d) To consider the Company's 2004 Profit Distribution Plan;
 - (e) To consider the resolution of approving the reappointment of Deloitte Touche Tohmatsu CPA LTD. and Deloitte Touche Tohmatsu, Certified Public Accountants of Hong Kong, to be the domestic and overseas auditors of the Company respectively in 2005, and to authorise the Board of Directors to fix their emoluments;
 - (f) Approval of the re-election of the Board;
 - (g) Approval of the re-election of the Supervisory Committee;
 - (h) Approval of the remuneration of the directors and supervisors and the entering of contracts in writing.
 - (ii) Special resolutions:
 - (a) To consider the resolution in relation to amendments to the Company's Articles of Association;
 - (b) Approval of "Rules of Procedures for Board of Directors";
 - (c) Approval of the general mandate for prolongation of additional issue of H shares for one year.
- 4) Attendees of and Attendance at the Annual General Meeting:
 - (a) The directors, supervisors and senior management of the Company;
 - (b) Shareholders appear on the Register of Members of the Company at the close of business on 9 May 2005 had the right to attend 2004 annual general meeting after completion for registration procedures.
 - (c) Shareholders or proxies appointed who intend to attend the meeting are requested to deliver the reply slip of attending to the Company before 19 May 2005. The reply slip may be delivered in person, by post or facsimile.
 - (d) Holders of the Company's H shares should note that the Company will be closed from 9 May 2005 to 7 June 2005(both days inclusive), during which time no H Shares transfers will be effected. Holders of H Shares who preferred to allotment of dividend of the period, transfer documents together with the related shares must be lodged with the share register of the Company by 6 May 2005 before 4:00p.m. The address is Hong Kong Registrars Limited, Room 1712-1716, 17F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The registration date for equity of holders of A Shares, method and time for distribution of dividend will be announced separately.
 - (e) Holders of legal shares should attend the meeting by legal representatives or proxies appointed by legal representatives. For those legal representatives who attend the meeting should show his own identity cards, valid certificates and shareholding certificates which can proof the qualification of his legal representatives. While appointing proxies to attend the meeting, the proxies should show identity card of the legal representative, the written instruments of proxy issued by legal representative of legal shareholder unit according to laws and shareholding certificate.
 - (f) Each shareholder who is entitled to attend and vote at the Annual General Meeting may appoint one or more proxies (the proxy / proxies need(s) not be a shareholder of the Company) to attend and vote on his or her behalf at the Annual General Meeting.
 - (g) For shareholders who appoint more than one proxy, his proxies can only exercise his voting right by way of poll.
 - (h) The instrument appointing a proxy / proxies must be in writing under the hand of the appointer or his attorney authorized in writing. If that instrument is signed by an attorney of the appointer, the power of attorney authorizing that attorney to sign, or other document of authorization, must be notarially certified. To be valid, the notarially certified power of attorney, or other document of authorization, and the form of proxy must be delivered to the registered address of the Company not less than 24 hours before the time appointed for the holding of the Annual General Meeting.

5) Other matters:

The Company's registered address: No. 6 Rong Chang Dong Street, Economic and Technological Development Zone, Beijing.

Contact telephone : 010-67802565
Fax : 010-67802570
Postal code : 100176
Contact person : Rong Peimin

The Annual General Meeting is expected to last for half a day. Attendees should provide for their own accommodation and travelling expenses.

By order of the Board
Rong Peimin

Executive Director and Company Secretary

22 April 2005

Notes :

1. Biographies of Directors and Independent Directors candidates is set out in Appendix 1 accompanying 2004 Annual Report.
2. Biographies of Supervisory Committee candidates is set out in Appendix 2 accompanying 2004 Annual Report.
3. Proposed amendments to the Articles of Association is set out in Appendix 3 accompanying 2004 Annual Report.
4. Proposed prolongation of additional issue of H shares for one year is set out in Appendix 4 accompanying 2004 Annual Report.

Appendix 1:

Biographies of Directors and Independent Director Candidates

Director candidates:

Mr Zhu Wuan, Chinese nationality, aged 57, an MBA holder and a senior economist. Mr Zhu was the Deputy General Manager of Beiren Group Corporation in 1992; a Director and Deputy General Manager of the Company in 1993; and a Director, Secretary to the Board of Directors and Deputy General Manager of the Company in 1996. He is currently the Chairman of Beiren Group Corporation, the Chairman and the Chief Executive Officer of the Company. He is in charge of the Company's overall strategic management and has over 30 years' experience in corporate management and 10 years' knowledge and skills in administering and running a listed company.

Mr. Lu Changan, Chinese nationality, aged 57, a postgraduate and a senior economist. Mr Lu was the Head of Corporate Management Office of Beiren Group Corporation in 1992; Chief Economist of Beiren Group Corporation and a Director of Beiren Printing Machinery Holdings Ltd. in 1993; Deputy General Manager of Beiren Printing Machinery Holdings Ltd. in 1996; and General Manager of Beiren Printing Machinery Holdings Ltd. in 1998. He is currently the General Manager of Beiren Group Corporation. He has been working for Beiren Group Corporation for over 30 years and has over 30 years' experience in corporate management.

Mr. Wang Guohua, Chinese nationality, aged 42, an MBA holder and a senior economist. Mr Wang was the Deputy Head of Institute of Printing Machinery of Beiren Group in 1992; Chief Engineer of Beiren Group Corporation in 1995; Director and Chief Engineer of Beiren Printing Machinery Holdings Ltd. in 1996; and Head of Beijing Research Institute of Printing Machinery in 1997. He is currently the Director and General Manager of Beiren Printing Machinery Holdings Ltd. He has been engaged in product design and technical management for a number of years.

Mr. Yu Baogui, Chinese nationality, aged 56, a post-secondary graduate and a political work engineer. Mr Yu was the Chairman of the Labour Union of Beiren Group Corporation in 1993 and a Director of Beiren Printing Machinery Holdings Ltd. in 1996. He is currently the Chairman of the Labour Union of the Company. He has over 10 years' experience in production management and employees' relations.

Mr Yang Zhendong, Chinese nationality, aged 41, Chief Engineer, a university graduate and a senior engineer; Deputy Chief of Design Office of Research Institute of Beiren Group Corporation in 1992 and Deputy Chief of Research Institute of Beiren Printing Machinery Holdings Ltd. in 1998. He has been the Chief Engineer of Beiren Printing Machinery Holdings Ltd. since 2000.

Mr. Deng Gang, Chinese nationality, aged 40, is a postgraduate and a senior engineer. He was a deputy head of Techniques Division of Beijing No. 1 Machine Tool Plant in 1994, a deputy factory manager of Beijing No. 1 Machine Tool Plant in 1997, and the factory manager of Beijing Construction Machinery Plant in 1999. Currently he is the head of Human Resources Department of Beijing Mechatronics Holding Company Limited. Mr. Deng has experience and ability in various fields including, marketing, human resource management.

Mr. Jiang Jianming, Chinese nationality, aged 50, is a university graduate and a senior accountant. He was a deputy head of Financial Division of Beijing No. 1 Machine Tool Plant in 1990, the head of Financial Division of Beijing No. 1 Machine Tool Plant in 1993, the deputy head of Asset Management Department of Beijing Mechatronics Industry Holding (Group) Company Limited in 1996, and the head of Asset Management Department of Beijing Mechatronics Industry Holding (Group) Company Limited in 1997. He is currently the head of Audit Department of Asset and Finance of Beijing Mechatronics Holding Company Limited. Mr. Jiang has extensive experience in corporate financial management and capital operation.

Independent Director candidates:

Mr. Wu Wenxiang, Chinese, Male, aged 70. Mr Wu was graduated from the People's University of China with major in industrial statistics. He is a senior economist. Mr Wu had worked as the general manager and chairman of China Printing Holding Company, a member of the printing technology equipment coordination team of the National Economic Commission, the secretary general and vice-chairman of China Printing and Equipment Machinery Industrial Association, the vice-chairman of standing committee for the Supervisors and Consultants Committee of China Printing Museum, He was accredited as outstanding contribution expertise of the State and was granted special subsidy in 1992. Mr Wu is the chairman of China Printing Technology Association, the vice-chairman of China Publishing Workers Association, and the vice-chairman of China Packaging Technology Association. In 1995, Mr Wu was in charge of research and production of national drawings printed by plastic seal on soft paper and obtained the national patent right. In 1997, Mr Wu was awarded the Hua Sheng Prize, the highest prize for the printing industry in the PRC.

Mr. Wu Hongzuo, from the Hong Kong Special Administrative Region, aged 59, an independent non-executive Director, Chairman of the Nominee Committee and a member of the Remuneration and Monitoring Committee, graduated from the Faculty of Law at the University of Hong Kong and a practicing lawyer. He dealt with legal and labour affairs in the Legal Department and Judicial Department of the Hong Kong Government. He worked as a practicing lawyer from 1988 to 2001, dealing with legal matters such as corporate finance and mergers and acquisitions. From 1991, he acted as executive Directors for a number of companies such as North Sea Group Co., Ltd. (a Hong Kong listed company), Capital Citybus Limited (a British public bus company), etc., and has over 10 years' experience in corporate finance, project planning, corporate management, etc. He currently focuses on investment management business and is an executive Director of New Ocean Green Energy Holdings Ltd. (a Hong Kong listed company) and Prime CCIF Capital Limited as well as an executive member of the Shenzhen Association for Sino-foreign Entrepreneurs.

Ms. Li Yijing, Chinese nationality, aged 54, a postgraduate and a certified accountant. She was a teacher in the Party's School of Beijing Construction Materials Bureau; a Supervisor and Deputy Headmaster of the Research Office of the Party's School of Beijing Mechanical Bureau; and Deputy Chief Accountant of Beijing Zhongpingjian Accountants Firm. She has been a delegate to the 10th National People's Congress of Beijing since 1998 and a member of the 7th Beijing Municipal Committee of the Association for China Democratic Foundation since 1997.

Mr. Shi Tiantao, Chinese nationality, aged 43, is a doctorate in laws. He is currently a professor and a tutor of doctorate candidates in School of Law of Tsinghua University, and a standing council member of the Society of China Commercial Laws. Mr. Shi has been engaged in teaching and research of corporate law, securities law and finance law. He was a visiting researcher in East Asia Politics and Economics Institute (Singapore) in 1995 and a visiting professor in School of Law of Stanford University.

Appendix 2:

Biographies of Supervisory Committee Candidates

Mr Xiao Maolin, Chinese nationality, aged 56, a postgraduate and an economist. Mr Xiao was the Director of the Office of Party Committee of Beiren Group Corporation and an Assistant to the Secretary of the Party Committee in 1991; as well as Secretary of the Party Committee of Beiren Group Corporation and Chairman of Supervisory Committee of Beiren Printing Machinery Holdings Ltd. He is currently the Deputy Secretary of the Party Committee and Secretary of Discipline Committee of Beiren Group Corporation. He has been working for more than 30 years in Beiren Group Corporation and has over 20 years' experience in corporate management.

Mr Xue Kexin, Chinese nationality, aged 40, a postgraduate and an economist. Mr Xue was an Assistant to the Director of Production and Technical Safety Office of the Company and an Assistant to the Factory Manager of Multi-coloring Press Factory. He is currently the Head of the Corporate manager of poly-business department of the Company. He has been engaged in production and strategic management and financial analysis for a long period of time. He has rich corporate management experience and financial analysis capabilities.

Mr Tian Furen, Chinese nationality, aged 57, a secondary technical graduate and a senior technician. Mr Tian has been working in Beiren Group Corporation for 30 years. He has been a model worker of the Company and has been a staff representative for a long period of time. He has rich experience in handling and maintaining welfare benefits of staff.

Appendix 3:

Proposed amendments to the Company's Articles of Association:

Article 51 is amended as:

Controlling shareholders and ultimate controller of the Company have the duty to act in good faith towards the Company and public shareholders of the Company. Controlling shareholders should strictly exercise their rights as contributors in accordance with the laws. Controlling shareholders shall not take advantage of connected transactions, profit distribution, asset restructuring, external investment, capital appropriation and loan guarantee to the detriment of the legal interests of the Company and public shareholders, nor shall they make use of their position as controlling shareholders to harm the interests of the Company and public shareholders.

Four articles are proposed to be added to follow Article 87:

- Article 1 The implementation or proposal of the following matters are subject to and conditional upon approval at the shareholders' general meeting and they shall be passed with more than half of the votes held by public shareholders who participate in the poll.
1. issue of new shares to public shareholders (inclusive of issue of 20% or more of overseas listed foreign shares or other certificates in the nature of securities), issue of convertible bonds and placing shares to original shareholders (exclusive of undertakings made by controlling shareholders for full subscription by cash before convening of the meeting.);
 2. Substantial asset restructuring involving acquisition(s) at a total consideration representing a premium exceeding 20% or more of the audited net book value of assets acquired;
 3. Shareholders repaying debts due to the Company with their equity interests in the Company;
 4. Subsidiaries which have significant impact on the Company seek listing overseas;
 5. Any matters having significant impact on the interests of public shareholders in the course of development of the Company.
- The Company shall provide an internet platform for the shareholders to vote with the condition of sufficient technical support in relation to the abovementioned matters at the shareholders' general meeting.
- Article 2 Should any event referred to in the preceding Article occurs, after the notice of shareholders' general meeting has been issued, the Company shall issue a notice of the shareholders' general meeting again within three days from the date of registration of shares.
- Article 3 The Company shall use all means and channels, including the use of modern information technology to provide a voting platform via the Internet, to enhance the public shareholders' participation rate at shareholders' general meetings, presupposed by the legibility and validity of the meeting.
- Article 4 The board of Directors, independent non-executive Directors and shareholders who meet the relevant stipulated conditions are entitled to collect proxy from other shareholders at the shareholders' general meeting. The collection of such proxy shall be without consideration, and sufficient information shall be disclosed to the proxy.

Article 110 is amended as:

Guarantee of the Company to outsiders shall be approved by more than two-thirds of the all members of the board of Directors or be subject to the approval at the shareholders' general meeting. The Company shall not directly or indirectly provide guarantee for debt of any party with assets-liabilities ratio exceeding 70%.

The total amount of external guarantees determined by the Board of Directors shall not exceed 5% of the net asset value published in the financial statements for the latest financial year, otherwise the amount in excess shall be subject to approval at the general meeting.

A single guarantee or guarantees for a single party shall not exceed 5% of the net asset value published in the financial statements for the latest financial year.

The total amount for external guarantees of the Company shall not exceed 50% of the net asset value published in the financial statements for the latest financial year.

Article 113 is amended as:

The Chairman of the Board is entitled to exercising the following power:

- (1) to preside over general meetings and to convene and preside over the Board meetings and to take charge of the daily work of the Board;
- (2) to supervise and examine the execution of the resolutions of the Board meeting;
- (3) to exercise the certain power of the Board according to the authorization of the Board in the adjournment of the Board meeting;
- (4) to sign share certificates, corporate debenture and other valuable securities of the Company;
- (5) to nominate the candidates for the general manager, the secretary to the Board and financial controller;
- (6) to sign the documents of appointment and removal of senior management members including the general manager, the deputy general manager, the secretary to the Board and financial controller of the Company according to the determination of the Board;
- (7) to sign important documents of the Board and other documents that shall be signed by the legal representative of the Company;
- (8) to exercise the powers of the legal representative;
- (9) to exercise special disposal powers that are conferred compliant to laws, administrative regulations and interests of the Company on matters of the Company in case of force majeure emergencies such as extraordinarily serious natural calamities, and provide post-event reports to the Board and the shareholders' general meeting;
- (10) to exercise other powers vested by the Board.

In event that the Chairman is unable to exercise his power, the Chairman may designate a vice chairman to exercise such powers on the Chairman's behalf.

Article 114 is amended as:

The Board shall convene at least four regular meetings per annum, with one meeting each quarter convened by the Chairman. The notice for a meeting shall be served to all Directors fourteen (14) days prior to the convening of such a meeting.

The Chairman of the Board shall convene an extraordinary meeting of the Board within three (3) business days in case of any of the following circumstances:

- (1) when deemed as necessary by the Chairman of the Board;
- (2) when proposed jointly by more than one-third of the Directors;
- (3) when proposed by the Supervisory Committee;
- (4) when proposed by the general manager; and
- (5) when proposed jointly by more than one half of the independent non-executive Directors.

Article 115 is amended as:

All the agenda and relevant documents of the regular meeting of the Board shall be in time served to all Directors at least three (3) days prior to the scheduled date of convening the Board meeting and the meeting of committees thereunder.

The notice of convening of an extraordinary meeting of the Board shall be served in the same way as the notice of convening of such a meeting, provided that the time limit of the former shall be within nine (9) days prior to the date of meeting.

In case of participation in effect and without objection to not being served with the notice to meeting prior to or upon his participation, the Director shall be deemed as if he has been served with the notice of meeting.

Chapter XI of the original Articles of Association headed "Independent Non-executive Directors" be amended as follows:

- Article 1 Independent non-executive Directors shall represent one-third or more of the Board of Directors of the Company, including at least one accounting expert. An independent non-executive Director shall perform his duties faithfully to protect the Company's interests especially the legal interests of public shareholders from damage.
- An independent non-executive Director shall perform his duties independently and not be affected by the Company's substantial shareholders, de facto controller or any of entities or individuals that is interested in the Company or its substantial shareholders or de facto controller.
- Article 2 The Board of Directors or Supervisory Committee or shareholders individually or jointly holding 1% or more of shares in the Company are entitled to nominate candidate of independent non-executive Director to be elected at the general meeting.
- Article 3 Major connected transactions, appointment or dismissal of the auditors are subject to prior consent by more than half of the independent non-executive Directors for consideration of the Board of Directors. Proposal of the independent non-executive Directors to the Board of Directors for convening an extraordinary general meeting and a meeting of the Board of Directors, and to openly collect voting rights from other shareholders before the convening of general meeting are subject to approval by more than half of the independent non-executive Directors. Upon their unanimous consent, independent non-executive Directors may independently appoint external auditors and consultant for auditing and consultancy of specific matters at the expenses of the Company.

- Article 4 In addition to the duties set out in the preceding article, independent non-executive Directors are also responsible for providing their independent opinions to the Board of Directors or general meetings on the matters below:
- (1) nomination, appointment and dismissal of Directors;
 - (2) appointment or dismissal of senior management members;
 - (3) remuneration of Directors and senior management members;
 - (4) borrowings or other capital transactions, existing or newly occurred, made between the Company and the shareholders, de facto controllers of the Company and their connected parties involving the amounts more than RMB3,000,000 or 5% of the latest audited net assets value of Company, and whether the Company has adopted any effective measures to recover the arrears;
 - (5) any matter deemed by independent non-executive Directors as possibly infringing the rights of minority shareholders;
 - (6) other matters specified in the Articles of Association.

The categories of opinions to be duly made by the independent non-executive Directors in respect to the above-mentioned matters are: consent; qualified opinion and the reasons thereto; objection and the reasons thereto; unable to present opinions and the obstacles thereto.

In event that relevant matters fell into discloseable information, the Company shall announce the opinion of independent non-executive Directors. If no consensus is reached by independent non-executive Directors, the Board of Directors shall disclose the opinions of each Independent Director respectively.

Article 4 Independent non-executive Directors shall attend meetings of the Board of Directors on time, and shall conduct active investigation to obtain information required for resolutions and keep informed of the production and operation of the Company. Independent non-executive Directors shall submit an annual work report of all independent non-executive Directors, with statement of their performance of duties, to the annual general meeting.

For independent non-executive Directors who have failed to attend the meeting of the Board of Directors in person for 3 times, the Board of Directors shall propose to the general meeting to remove them.

- Article 5 The Company shall establish a work system for independent non-executive Directors. The Secretary to the Board of Directors shall assist and cooperate with independent non-executive Directors in their discharge of duties. The Company shall ensure that independent non-executive Directors are entitled to same access to information as other Directors, and are provided with relevant and timely materials and information as well as regular reports about the operation situation of the Company and opportunities for field visits as necessary.

- Article 6 The term of independent non-executive Directors shall be the same as other Directors of the Company, and they may offer themselves for re-election upon expiry of their term, but the term for any consecutive appointments shall not exceed six years. Prior to expiry of their term, independent non-executive Directors shall not be dismissed without proper reasons. In case of an independent non-executive Director being dismissed prior to expiry of his term, the Company shall disclose it as a special discloseable matter.

- Article 7 An independent non-executive Director may tender his resignation before expiry of his term. In such a case the independent non-executive Director shall submit to the Board of Directors a letter of resignation containing statements on any event which relating to his resignation or in his opinion is necessary to bring to the attention of the shareholders and creditors of the Company.

Should the resignation of an independent non-executive Director result in the number of independent non-executive Directors or members of the Board of Directors falling below the quorum as required by laws or the Articles of Association, the independent non-executive Director shall continue to perform his duties in accordance with the laws, administrative regulations and the Articles of Association until the independent non-executive Directors who are elected in the by-election assume their offices. In such a case the Board of Directors shall convene a general meeting within two months to elect independent non-executive Directors. Independent non-executive Directors may cease to perform their duties if a general meeting is not held within the two months' period.

The following article be added after Article 133 of the original Articles of Association:

The Company shall take initiatives in optimising the investor relation management system to consolidate its communication with shareholders especially public shareholders through various channels. The secretary to the Board of Directors is responsible for the specific work in relation to investor relation management of the Company.

The following article be added after Article 183 of the original Articles of Association:

The Company shall attach importance to reasonable return to investors while distributing profit. Recommendation of nil profit distribution in cash by the Board of Directors shall be justified and disclosed in the regular reports and the independent non-executive Directors shall give their independent opinion thereon. In case of fund appropriated by a shareholder in violation of regulations, the Company shall make a deduction to the cash dividend distributable to such a shareholder to repay the fund appropriated thereby.

The following article be added after Article 217 of the original Articles of Association:

Rules of Procedures for General Meetings, Rules of Procedures for Meetings of the Board of Directors and Rules of Procedures for Meetings of Supervisory Committee are appendices of the Article of Association.

Other relevant articles of the original Articles of Association be sequentially renumbered and the contents of certain articles be adjusted in accordance with the foregoing amendments.

Appendix 4:

Proposed prolongation of additional issue of H shares for one year

In compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Company Law of the PRC and other applicable rules and regulations of the PRC and subject to the approval being obtained from the relevant authorities of the PRC, authorizing the Board to issue new overseas listed foreign shares ("H Share") of RMB1 each, which shall be not exceeding 20% of the total number of H Shares in issue from the date of passing of the special resolution to the date of 2005 Annual General Meeting; or such mandate shall remain in effect until revoked or varied by a special resolution passed at a general meeting, and approving the Board to exercise all the powers to allot and issue new H Shares on such terms and conditions as the Board may determine, the authority of the Board shall include (without limitation):

- (i) the full power to deal with the matters in relation to all the applications in respect of the issue of new shares;
- (ii) the determination of the number of new shares to be allotted or issued and their issue price;
- (iii) the determination of the opening and the closing dates for the issue of new shares;
- (iv) the determination of the number of new shares (if applicable) to be issued to the existing shareholders;
- (v) the making or grant of offers, agreements and options which might require in the exercise of such powers;
- (vi) the making of amendments to the Articles of Association of the Company accordingly and doing all the relevant matters and acts;
- (vii) the handling of any other matters in relation to the issue of new shares.

This resolution will be proposed at the 2004 Annual General Meeting for consideration and approval by shareholders by way of special resolution.