

## 1. ANNUAL GENERAL MEETING

The Board of Directors of Jiaoda Kunji High-Tech Company Limited (the "Company") held the 2003 Annual General Meeting at 23 Ciba Road, Kunming, Yunnan Province, the People's Republic of China on 9th June, 2004. Mr. Yue Huafong was unable to attend the Annual General Meeting due to business affairs. Mr. Zhang Hanrong, the Deputy Chairman, was appointed as the chairman of Annual General Meeting and hold the meeting.

Shareholders intended to attend the meeting represent a total of 152,283,844 shares with voting rights, which constitute 62.15% of the total shares of the Company and satisfy the requirements of Articles of Association of the Company and the Company Law of the People's Republic of China. Therefore, this annual general meeting has been effective. Shareholders actually attending the annual general meeting of the Company represent a total of 120,007,400 shares with voting rights, which constitute 48.98% of the entire issued shares capital of the Company.

The 5 resolutions of the Annual General Meeting were passed as ordinary resolutions, the shareholders casted their votes on each item. The result in all 5 resolutions was as follows: For: 120,007,400 votes, against: 0 vote, abstain: 0 vote.

The following resolutions were passed unanimously as ordinary resolutions at this Annual General Meeting:

- (1) Approved the Directors' Report for the year 2003;
- (2) Approved the Supervisory Committee's Report for the year 2003;
- (3) Approved the Annual report and the notes for the year 2003;
- (4) Approved the Company's scheme of profit appropriation for the year 2003;
- (5) Approved the re-appointments of Messrs. Deloitte Touche Tohmatsu and Xian Xigema Certified Public Accountants Firm Limited as the Company's auditors for the year 2004 and to authorise the Directors to determine their remunerations.

On 10th June, 2004, the Company published the resolutions of the 2003 Annual General Meeting in the China Securities Daily, Shanghai Securities Daily, Wen Wei Po and China Daily.