



Brief on General Meetings

1. During the reporting period, the Company held one extraordinary general meetings and an annual general meeting.

The notice of the 2003 Annual General Meeting (the "AGM") published in the PRC and Hong Kong on 23 April 2004, and a written notice of the 2003 AGM was dispatched to overseas shareholders whose names appeared on the register of members. The AGM was held at the Conference Room of the Company on 4th Floor, Xigong District, Luoyang Municipal, Henan Province on 10 June 2004 at 9:00 a.m., and was attended by shareholders and proxies representing 400,011,200 shares or 57.14% of the total share capital of the Company. The report of the Board of Directors, the report of the Supervisory Committee, the audited financial report and the proposed profit distribution of the Company for 2003; the re-appointment of KPMG Huazhen and KPMG as the Company's PRC and international auditors respectively for the year 2003 were approved thereat, and the Board of Directors was authorised to fix their remuneration. The announcements of the resolutions passed at this AGM were published in China Securities Journal, Shanghai Securities News, Sing Tao Daily and The Standard (in English) on 11 June 2004.

2. Change of the Company's directors and supervisors

The eighth meeting of the fourth Board of Directors of the Company as held on 22 April 2004, consented on the resignation of Mr. Wang Yongxin as Vice Chairman and director of the Company, the dismissal of Mr. Gao Tianbo as the Chief Financial Officer and Mr. Cao Mingchun as Deputy General Manager of the Company; the Company highly appreciated and expressed heart-felt gratitude to the outstanding contributions made by the three directors Mr. Wang Yongxin, Mr. Gao Tianbo and Mr. Cao Mingchun to the Company. The meeting also consented on the election of Mr. Zhu Leibo as Vice Chairman of the Company; the appointment of Mr. Cao Mingchun as the Chief Financial Officer of the Company; the nomination of Mr. Ding Jianluo as candidate for director of the Company and be proposed to the election at the 2003 AGM.

The 2003 AGM approved the resolution in relation to the additional appointment of Mr. Ding Jianluo as director. Please refer to Chapter X "Directors, Supervisors and Senior Management" for details of the existing directors and supervisors of the Company.