

BRIEF OF GENERAL MEETINGS

(I). INFORMATION OF ANNUAL GENERAL MEETING ("AGM")

The Company held its 2004 AGM at the conference room of the Company at 40 South Fangcun Main Road, Guangzhou, the PRC on May 27, 2005. Seven shareholders including proxies attended the AGM and they held in aggregate 221,277,343 shares of the Company which represent approximately 44.73% of the total number of shares of the Company with voting right. Ms. Zhang Zhenya, a lawyer from Guangdong Z&T Law Firm, witnessed the AGM. Guangdong Z&T Law Firm issued its legal opinions.

Pursuant to the reply slips received by the Company from shareholders, the number of voting shares represented by shareholders who indicated their intention to attend the AGM (either in person or by proxies) was less than half of the total number of voting shares of the Company. Accordingly, the Company issued the second notice of the AGM on May 13, 2005. According to Article 59 of the Articles of Association of the Company, the AGM may be held on May 27, 2005 as scheduled after the second notice has been issued.

The fourth term of the Board of the Directors and the Supervisory Committee expired in 2005. The 2004 AGM elected the fifth term of the Board of Directors and the Supervisory Committee, and Mr. Chen Jingqi, Mr. Wang Xiaojun, Mr. Mak, Kin Kwong, Peter were elected to be new directors and Mr. Liu Shibai elected as new supervisor. Mr. Wang Yi, Mr. David Hon To, Yu and Mr. Philip Pak Yiu, Yuen retired as directors of the Company, and Mr. Chen Jingqi retired as supervisor of the Company upon conclusion of the AGM.

The resolutions passed at the 2004 AGM were announced on Shanghai Securities News, Hong Kong Commercial Daily and China Daily (overseas version) on 30th May 2005.

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(II). INFORMATION OF THE FIRST 2005 EXTRAORDINARY GENERAL MEETING ("EGM")

The Company held its 2005 EGM at the conference room of the Company at 40 South Fangcun Main Road, Guangzhou, the PRC on October 10, 2005. Seven shareholders including proxies attended the EGM and they held, in aggregate, 225,900,202 shares of the Company which represent 45.67% of the total number of shares of the Company with voting right. Ms. Zhang Zhenya, a lawyer from Guangdong Z&T Law Firm, witnessed the AGM. Guangdong Z&T Law Firm issued its legal opinions.

As the number of voting shares represented by shareholders who had indicated their intention to attend the EGM was less than one half of the Company's total number of voting shares, the Company issued the second notice of EGM on September 23, 2005. According to article 59 of the Articles of Association of the Company, the EGM may be held as scheduled after the second notice has been issued. The EGM approved the resignation of Mr. Hu Guoliang as director due to work relocation and elected Mr. Li Zhushi as director of the Company.

The resolutions passed at the 2005 EGM were announced on Shanghai Securities News and Hong Kong Commercial Daily and China Daily (overseas version) on October 11, 2005.