

**2002 Annual Resolution Announcement for General Shareholders' Meeting  
by Beiren Printing Machinery Holdings Limited**

Share code: 600860 Share abbreviation: Beiren Share No.: Lin 2003-005

**BEIREN PRINTING MACHINERY HOLDINGS LIMITED**

(One share limited company registered & established in the People's Republic of China)

2002 annual resolution announcement for general shareholders' meeting

Our company and all members in the board of directors shall ensure that the contents in the announcement are true, accurate and complete, and shall take respective joint responsibility for any consequences resulting from the fake records, the misleading statements or the significant missing, which might be covered in the announcement.

**I. Information regarding the meeting convening and the attendance**

Beiren Printing Machinery Holdings Limited (hereinafter referred to "this company") has held 2002 annual general shareholders' meeting (hereinafter referred to "general shareholders' meeting") in Beiren Hotel, #48 south road, the 3<sup>rd</sup> eastern loop, Chaoyang district, Beijing, PRC. at 9:00am on June 12<sup>th</sup>, 2003. And ten shareholders and representatives of shareholder have attended this meeting. They held shares up to 250,052,160 shares, accounting for 59.25% in the overall capital share of this company, which complies with "Company Law" and relevant stipulations in Company Regulation. The meeting was presided over by Mr. Zhu Wu'an, the chairman of the board, with the presence of board of directors, supervisors, secretary of board of directors, and managers at high level.

**II. The deliberative situation of resolution**

Following proposals have been discussed and passed by full votes in the general shareholders' meeting:

(1) Routine proposals:

- 1、 Work report by board of directors in 2002;
- 2、 Work report by board of supervisors in 2002;
- 3、 Audited financial reports in 2002;
- 4、 Plan for profits distribution in 2002

In Year 2002, this company earns a net margin up to RMB 68.9407million as per the rules for accountants in China, draws a legal sinking fund up to RMB 6.6504 million by 10% and a legal public welfare fund up to RMB 6.6504 million by 10% as per stipulations specified in the "Company Regulations", plus the undistributed profit up to RMB 18.263 million in early 2002, the total distributable actual profits to shareholders shall be up to RMB 73.903 million. As per the resolution by the board of directors on April 17<sup>th</sup>, 2002, and after the approval in the general shareholders' meeting on June 11<sup>th</sup>, 2002, the undistributed profit in late 2001, and the deferred profit from Jan. 1<sup>st</sup>, 2002 to the time when A-shares share are increased, would be shared by the old & new shareholders. As another 22 million A-shares were increased from Dec. 26<sup>th</sup>, 2002 to Jan.7<sup>th</sup>, 2003, this company intended to distribute to each shareholder the cash bonus RMB 1.00 (including tax) every ten shares based on the already distributed amount as 422 million shares (calculated by RMB1 per share), the total distributed amount shall be up to RMB 42.2 million, and the remaining amount as RMB 31.703 million may be distributed in the coming years. In Year 2002, this company earns a net margin up to RMB 69.336 million as per the admitted rules for accountants in Hongkong, draws a legal sinking fund and a legal public welfare fund up to RMB 13.578 million, plus the undistributed profit up to RMB 18.977 million in early 2002, the total distributable actual profits to shareholders shall be up to RMB 74.735million. As the distributable profits within and out of China' territory are higher than intended distributable cash bonus RMB 42.2 million, which is in compliance with plans for profits distribution, in Year 2002, this company shall not increase capital share for overturn purpose with capital reserve.

5、 This company reengages Deqinhuayong Accountant Agency and Hongkong Deqin. Guanhuangchenfang Accountant Agency as accountants in 2003 within and out of China's territory respectively, and authorize the board

of directors to determine the proposals regarding the remuneration for the two agencies.

6、 Proposal for the management methods over collected capitals in this company.

7、 Proposal for “Salary &Evaluation Standard on board of directors, supervisors and managers at high level, and Competence Requirements when performing duties” made by the Salary &Evaluation Committee in this company.

(2) Special proposals

8、 Proposals amended as per Company Regulations

Besides above-said proposals in general shareholders’ meeting, following explanations are provided for the distribution of final dividend in Year 2002:

(1) The distribution of final dividend, as proposed by the board of directors in this company, shall end on December 31<sup>st</sup>, 2002, with the vale up to RMB 0.10 per share (including tax)

(2) Plans for H-shares &A-shares shareholder in this company, have been passed in the annual meeting for shareholders.

Regarding the method for the distribution of dividend, following announcements are hereby given by the board of directors in this company:

As per relevant stipulations, the dividend to be distributed for H-shares shareholder shall be calculated in RMB, and be paid in Hongkong dollars, the conversion formula is :

dividend amount in RMB

Converted price for dividend=-----

the average exchange ratio from one unit foreign currency to RMB  
as announced by people’s Bank of China  
within one week before Dividend Announcement Date

As for the distribution of dividend this time, the Dividend Announcement Date is June 12<sup>th</sup>, 2003, and the average exchange ratio from one unit foreign currency to RMB as announced by people’s Bank of China within one week before Dividend Announcement Date is that 1.00 HK dollar equal to 1.06 RMB, therefore, the final dividend gained from H-shares within this company shall be 0.094 HK dollars per share.

(3) As per relevant stipulations covered by Company Regulations, Bank of China (Hongkong) Trust Co., Ltd. has been entrusted to act as the collection agent for H-shares shareholder (ie. collection agency), which shall receive the dividend on H-shares distributed by this company on behalf of its shareholders, yet the collection agency is only one registered trust company in accordance with the rules for trustee in Hongkong. The check for H-shares interests shall be signed &issued by the collection agency and be sent via ordinary mail to H-shares shareholder in this company on July 31<sup>st</sup>, 2003 ( the day when dividends on H-shares are distributed by this company), with the mail-delay risks to be born by the mail receiver.

(4) A separate announcement will be provided regarding the dividend distribution method and relevant issues for A-shares shareholder.

### III. Attestation opinions provided by the lawyer

The annual general shareholders’ meeting has been notarized by Mr Lou Aidong, the lawyer with qualification for securities practice in Beijing Kangda Law Office, and a letter of legal opinions provided by him proves that: the convening and its procedure for the general shareholders’ meeting, the qualification for the members attending this meeting, as well as the voting procedure complying with relevant legal stipulations as specified in ”Company Law”, “Normative Opinions in General Shareholders’ Meeting for Listed Company”, and Company Regulations.

### IV. Catalogue for memorandum documents

- 1、 2002 annual resolution for general shareholders’ meeting by Beiren Printing Machinery Holdings Limited;
- 2、 A letter of legal opinions provided for the general shareholders’ meeting by Beijing Kangda Law Office.

As ordered by the board of directors

Rong Peimin

Board of directors, secretary of board of directors

June 12<sup>th</sup>, 2003