



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)

**ANNOUNCEMENT IN RELATION TO RESOLUTIONS PASSED AT
THE 2003 ANNUAL GENERAL MEETING**

The Company and all the members of the Board confirm the truthfulness, accuracy and completeness of the contents of this announcement, and jointly accept responsibility for any false representation, misleading statements or material omissions contained herein.

I. CONVENING AND ATTENDANCE OF THE MEETING

Beiren Printing Machinery Holdings Limited (the "Company") held its 2003 Annual General Meeting ("AGM") at the Multi-purpose Conference Hall of the Company at 2/F, No. 6 Rong Chang Dong Street, Beijing Economic and Technological Development Zone, Beijing, the People's Republic of China at 9:30 a.m. on 24 May 2004. The meeting was attended by 13 shareholders and proxies representing 264,636,560 shares, which constitute 62.71% of the total share capital of the Company. It was in compliance with the relevant provisions of the Company Law and the Company's Articles of Association. The meeting was presided by Mr. Zhu Wuan, Chairman of the Board. The Company's directors, supervisors, company secretary and senior management were present at the meeting.

II. CONSIDERATION OF MOTIONS

The following resolutions were considered and unanimously passed at the AGM:

1. Ordinary Resolutions:

- (a) The Company's 2003 Board of Directors' Working Report;
- (b) The Company's 2003 Supervisory Committee's Working Report;
- (c) The Company's 2003 audited Financial Statements;
 - (i) The audit report issued by Deloitte Touche Tohmatsu, Shanghai, Certified Public Accountants
 - (ii) The audit report issued by Deloitte Touche Tohmatsu, Certified Public Accountants of Hong Kong
- (d) The Company's 2003 Profit Distribution Plan;

The Company recorded a net profit of Rmb82,047,800 for 2003 calculated according to the PRC Accounting Rules and Regulations. In accordance with the provisions of the Company's Articles of Association, 10% amounting to Rmb10,723,600 was contributed to the statutory surplus fund and Rmb8,567,300 was contributed to the statutory public welfare fund. Together with the undistributed profit of Rmb31,702,800 at the beginning of the year, profit distributable to shareholders amounted to Rmb94,459,800. Pursuant to a Board resolution passed on 30 March 2004 and based on 422,000,000 shares (of par value Rmb1.00 each) in issue, the Company proposed to carry out distribution of a cash dividend of Rmb0.8 (inclusive of tax), totalling Rmb33,760,000, to all shareholders for every 10 shares held, and the balance of profit amounting to Rmb60,699,800 will be retained for distribution in the subsequent years. The Company recorded a net profit of approximately Rmb96,148,000 for 2003 calculated according to the accounting principles generally accepted in Hong Kong. After contribution of approximately Rmb19,290,000 to the statutory surplus fund and the statutory public welfare fund, and together with the undistributed profit of approximately Rmb48,470,000 at the beginning of the year, profit distributable to shareholders amounted to approximately Rmb125,328,000. As the amounts of profit distributable to domestic and overseas shareholders are more than the proposed cash dividends of Rmb33,760,000, they were in compliance with the profit distribution plan. There will be no increase in the Company's share capital converting from capital reserve for the year 2003.

- (e) The resolution in relation to reappointment of Deloitte Touche Tohmatsu, Shanghai, Certified Public Accountants, and Deloitte Touche Tohmatsu, Certified Public Accountants of Hong Kong, as the domestic and international auditors of the Company for 2004 respectively, and the Board was authorized to fix their emoluments;
- (f) The motion on adding Mr. Wu Wenxiang as an independent non-executive director of the Company and his allowance will be paid according to the subsidy plan for independent non-executive Directors of the fourth Board of Directors.

2. Special Resolution:

- (a) The resolution in relation to amendments to the Company's Articles of Association;
- (b) The resolution in relation to the granting of a general mandate for issue of the Company's new shares (H shares)

Apart from the above-mentioned AGM resolutions, details regarding the distribution of final dividends for the year 2003 are explained as follows:

- (1) The proposed distribution of final dividends of RMB0.08 per share (inclusive of tax) for the year ended 31 December 2003 by the Board of Directors of the Company to holders of H shares and A shares of the Company was passed at the AGM.

In connection with the method for distribution of dividends, the Board of Directors of the Company announces as follows:

In accordance with the relevant regulations, dividends payable to holders of the Company's H shares shall be calculated in Renminbi and paid in Hong Kong dollars. The formula for calculating dividends is:

$$\text{Dividend in foreign currency} = \frac{\text{Dividend in Renminbi}}{\text{The mean of the exchange rates for each unit of the foreign currency against Renminbi as announced by the People's Bank of China for the calendar week preceding the date on which such dividends are declared by the Company}}$$

For the purpose of this distribution of dividends, the dividend was declared on 24 May 2004. The mean of the exchange rates for each unit of the foreign currency against Renminbi as announced by the People's Bank of China for the calendar week preceding the date on which the dividend was declared was HK\$1.00 against RMB1.06. As such, the final dividend per H share of the Company should be HK\$0.075.

- (2) Pursuant to the relevant provisions of the Articles of Association of the Company, the Company has appointed Bank of China (Hong Kong) Trustees Limited, registered under Trustee Ordinance, as receiving agent (the "Receiving Agent") for holders of H shares to receive on their behalf dividends as declared by the Company in respect of H Shares. The cheques for dividends of the Company's H shares will be signed and issued by the Receiving Agent and mailed by ordinary mail to holders of the Company's H shares at their own risk on 23 July 2004 (i.e. the date of distribution of dividends for the Company's H shares).
- (3) Further announcement will be made by the Company in relation to distribution of dividends to holders of the Company's A shares and the matters in connection therewith.

III. PRESENCE OF LAWYER

The AGM was witnessed by Mr. Xiao Gang of Beijing Kanda Law Office, who presented a legal opinion concluding that the convening and the procedures for holding of the AGM, the eligibility of the persons who attended the AGM and the voting procedures therefor were in compliance with the relevant provisions of the Company Law, the Standard Opinion for Shareholders' Meetings of Listed Companies and the Company's Articles of Association.

IV. DOCUMENTS AVAILABLE FOR INSPECTION

1. Resolutions passed at the 2003 Annual General Meeting of the Company;
2. The legal opinion issued by Beijing Kanda Law Office in respect of the AGM.

By Order of the Board
Rong Peimen
Director and Company Secretary

24 May 2004