



GUANGDONG KELON ELECTRICAL HOLDINGS COMPANY LIMITED
廣東科龍電器股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

NOTICE IS HEREBY GIVEN that the board of directors of Guangdong Kelon Electrical Holdings Company Limited (the "Company") has decided to hold the 2002 Annual General Meeting (the "AGM") of the Company at 10:00 a.m. on Sunday, 18 May 2003, at the Meeting Room of the Company's head office, No. 8 Ronggang Road, Ronggui, Shunde, Guangdong Province, the People's Republic of China to deal with the following matters:

- (1) to consider and approve the 2002 Report of the Directors of Guangdong Kelon Electrical Holdings Company Limited;
- (2) to consider and approve the 2002 Report of the Supervisory Committee of Guangdong Kelon Electrical Holdings Company Limited;
- (3) to consider and approve the 2002 audited financial statements of Guangdong Kelon Electrical Holdings Company Limited;
- (4) to consider and approve the proposal for the distribution of 2002 profit;
- (5) to consider and approve the proposal to utilize the Company's statutory common reserve and capital reserve to make up for the Company's accumulated losses; and
- (6) to consider and approve the proposal to change the Company's independent non-executive director.

By the order of the Board of
Guangdong Kelon Electrical Holdings Company Limited
Gu Chu Jun
Chairman

Shunde, the PRC, 31 March 2003

NOTICE OF 2002 ANNUAL GENERAL MEETING

Notes:

- (a) Holders of the Company's shares whose names appear on the register of members of the Company as at the close of business on 18 April 2003 will be entitled to attend the AGM or any adjournment thereof if they complete and return the attendance confirmation slip for receipt by the Company on or before 28 April 2003 (9 a.m. – 5 p.m.). Please refer to the attendance confirmation slip for details.
- (b) Persons holding H shares of RMB1.00 each of the Company ("H Shares") should note that the register of members of H Shares will be closed from 18 April 2003 to 18 May 2003 (both days inclusive), during which period no share transfer will be effected.
- (c) A shareholder entitled to attend and vote at the AGM may appoint a proxy or proxies (whether he or she is a shareholder of the Company or not) to attend and vote instead of him or her. Each shareholder (or his/her proxy or proxies) shall be entitled to cast one vote for each share held. The completion and deposit of a form of proxy will not preclude any shareholder from attending and voting at the AGM or any adjournment thereof.
- (d) Shareholders must appoint a proxy or proxies in writing. Such instrument should be signed by the person appointing the proxy or proxies or by his or her authorised attorney. If the form of proxy is signed by an attorney, the document appointing the attorney must be certified by a notary. To be valid, a notarially certified power of attorney or other authority (if any) and the form of proxy must be received by the Secretary's Office 24 hours prior to the commencement of the AGM. A form of proxy for use at the AGM will be despatched to the shareholders in due course.
- (e) The AGM is expected to last for half a day. Shareholders attending the AGM will be responsible for their own transportation and accommodation expenses.
- (f) The address of the Secretary's Office is:

The Secretary's Office of the Board of Directors of Guangdong Kelon Electrical Holdings Company Limited

No. 8 Ronggang Road
Ronggui, Shunde
Guangdong Province

Tel : (86-765) 8362570
Fax : (86-765) 8361055
Post code : 528303
Contact person : Zhong Liang, Yu Wan Li

PROFILE OF THE INDEPENDENT NON-EXECUTIVE DIRECTOR

Xu Xiaolu

Mr. Xu was born in June 1956 and belongs to the Hui nationality. He graduated from the Faculty of Finance and Trade (財政貿易系) of Beijing Economic Institute in July 1982.

Mr. Xu held various positions in the finance bureau of 中國石油天然氣總公司 (Ministry of Petroleum Industry) as deputy section chief, section chief and head of division from July 1982 to May 1993. He worked in CNPC (Hong Kong) Limited from May 1993 to December 1999. During this period, he served in the company as an executive director from 1993 to 1996, as the managing director from 1996 to 1997, and as the vice-chairman and general manager from 1997 to 1999. From December 1999 to June 2000, Mr. Xu served in PetroChina Company Limited as the assistant secretary for the board of directors, authorised representative in Hong Kong and investor relations officer. He joined Sino Infotech Holdings Limited as a managing director since July 2000.