

Notice of 2003 Annual General Meeting

Notice is hereby given that the 2003 Annual General Meeting (the "AGM") of Shenzhen Expressway Company Limited (the "Company") will be held at the conference room of the Company at 19/F, Tower A, United Plaza, No. 5022 Binhe Road North, Shenzhen, on 23rd April 2004 (Friday) at 10:00 a.m. for the following purposes:

- 1 To consider and approve the report of the Directors for the year 2003;
- 2 To consider and approve the report of the Supervisory Committee for the year 2003;
- 3 To consider and approve the audited accounts for the year 2003;
- 4 To consider and approve the proposed distribution scheme of profits for the year 2003 (including declaration of the final dividend);
- 5 To consider and approve the budget plan for the year 2004;
- 6 To consider and approve the emoluments of the directors and supervisors for the year 2004;
- 7 To consider and approve the re-appointment of Messrs. PricewaterhouseCoopers (Certified Public Accountants, Hong Kong) as the international auditors and PricewaterhouseCoopers Zhong Tian CPAs Co., Ltd. as the statutory auditors of the Company, respectively, and to authorise the Board of directors of the Company to fix their remuneration;
- 8 To consider and approve the amendment to the articles of association of the Company as a special resolution.

That Articles 12,66(2),81,92,95 and 105 of the articles of association of the Company are replaced in their entirety with the following:

[Article 12 The business scope included: investment, construction, operations, and management of highways and roads; imports and exports business (in compliance with the qualification certificate).

Article 66(2) In the event that a shareholder of the Company is a recognized clearing house (as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or a clearing house as recognized by the laws of the jurisdiction where the securities of the Company are listed ("Clearing House"), it may appoint a proxy (or proxies) it considers appropriate to attend any general meeting or class meeting of the Company. The proxy form to appoint such proxy (or proxies) shall set out the number and class of shares such proxy (or proxies) is (are) authorized for. The person (or persons) so authorized is (are) entitled to exercise the right of and on behalf of the Clearing House (or its nominee) as if such shareholder is an individual shareholder of the Company.

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Article 81 Where a resolution on a connected transaction is put to vote at the shareholders' general meeting, each shareholder involved in the connected transaction shall abstain from voting and the votes represented by such shareholders shall not be counted into the total number of effective voting shares. The voting of uninterested shareholders shall be disclosed fully in the notice of the resolutions of shareholders' general meeting. In the event the shareholder involved in the connected transaction cannot be abstained from voting due to unusual circumstances, the Company may continue the voting according to the usual procedures after obtaining the consent of the relevant authorities. A detailed statement thereof shall be provided in the notice of the resolutions of shareholders' general meeting.

Save and except the Company's commercial secrets which cannot be disclosed in the shareholders' general meeting, the Board of Directors and the Supervisory Committee shall reply to the enquiries and proposals of the shareholders and make explanations.

Where any shareholder is, under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 92 The directors shall be elected or replaced at the shareholders' general meeting and their term of office shall be three years. Upon the expiry of the term, a director shall be eligible for re-election and re-appointment. The relevant notice to nominate the director in writing shall be lodged seven days before the shareholders' meeting and the candidate is allowed to issue a notice to the Company acknowledging his intention to be elected. The election of the director shall adopt the accumulated voting system whereby, on election of the directors, the number of votes of each shareholder equals to the number of shares that he holds multiplies the number of directors he has the right to elect. Each shareholder may elect a director by using all the votes that he holds or may allocate his votes to all the candidates or elect two or more candidates by using all his votes. The candidate with more votes will be elected. The voting on the election of independent directors and non-independent directors shall be conducted separately.

Commencing on the second date after the dispatch of the notice of the meeting appointed for election of director(s), a shareholder is entitled to lodge a notice in writing to the Company to nominate directors, the period (during which the candidate is allowed to issue a notice to the Company acknowledging his intention to be elected) for lodgment of such notice shall be 7 days. In any event, the aforesaid period shall end seven days before the date of such meeting;

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- Article 95 (1) The board of directors shall not, without the prior approval of shareholders in a general meeting, dispose or agree to dispose of any fixed assets of the Company where the aggregate of the amount or value of the consideration for the proposed disposition, and the amount or value of the consideration for any such disposition of any fixed assets of the Company that has been completed in the period of four (4) months immediately preceding the proposed disposition, exceeds 33 per cent of the value of the Company's fixed assets as shown in the last balance sheet placed before the shareholders in general meeting.

For the purpose of this Article, disposition includes an act involving some transfer of an interest in property other than by way of provision of security.

- (2) The validity of a disposition by the Company shall not be affected by the breach of the first paragraph of this Article.
- (3) The Company shall obtain the written consent of more than two third of the members of the Board of Directors or the approval of the shareholders at general meeting prior to its giving any guarantee of the liabilities of an external party. The Company shall not provide any guarantee, direct or indirect, of the liability of any entities with a gearing ratio of over 70%. No guarantee shall be provided for any controlling shareholder, any affiliate in which the Company holds less than 50% interests, any unincorporated entity or any individual. The aggregate amount of all guarantees provided by the Company shall not exceed 50% of its total net assets as shown in the combined financial statements for the latest financial year.

- Article 105 When the board is resolving a matter which a director is interested in, such director shall not be present and shall not have any right to vote. Such director shall not be counted in the quorum of the relevant meeting. If the number of disinterested directors in the meeting is less than half of the number of the directors, the interested directors can attend and vote and be counted the in quorum of the meeting approval from relevant supervising authorities are obtained. The Company shall explain the matter in the relevant announcement.

Directors shall abstain from voting at the board meeting on any matter in which any of his associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) has a material interest and are not to be counted towards the quorum of the relevant board meeting.”]

and authorize the board of directors to file the amended articles of association of the Company with the relevant government authorities of the PRC.

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- 9 To consider and approve the Company's proposed change as a Sino-foreign investment joint stock limited company;
- 10 To consider and, if thought fit, pass the following special resolution to authorize the Board of directors to repurchase H Shares of the Company up to a maximum of 10 per cent. of the aggregate nominal value of the H Shares in issue of the Company:

"THAT:

- (a) subject to paragraphs (b) and (c) below, the Relevant Period (as defined in paragraph (d) below) during which the Board of directors may exercise all the powers of the Company to repurchase H Shares in issue of the Company on The Stock Exchange of Hong Kong Limited ("SEHK"), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the SEHK or of any other governmental or regulatory body be and is hereby approved;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at (aa) the extraordinary general meeting for holders of overseas listed foreign shares of the Company to be held on 23rd April 2004 (or on such adjourned date as may be applicable); and (bb) the extraordinary general meeting for holders of domestic shares of the Company to be held on 23rd April 2004 (or on such adjourned date as may be applicable);
 - (ii) the approvals of the China Securities Regulatory Commission and any other regulatory authorities as required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
 - (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 25 of the articles of association of the Company;

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- (d) for the purpose of this special resolution, "Relevant Period" means the period from the passing of this special resolution until whichever is the earlier of;
 - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorized to:
 - (i) make such amendments to the articles of association accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares of the Company as contemplated in paragraph (a) above; and
 - (ii) file the amended articles of association of the Company with the relevant governmental authorities of the PRC."

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- 11 To consider and approve the following resolutions as special resolutions:
- (a) subject to any governmental and/or regulatory approval under the applicable law, issue, allot, and deal with additional overseas shares of the Company (not exceeding 20 per cent of the aggregate nominal amount of the limited foreign shares in issue as at the date of passing of the shareholders' special resolution); and
 - (b) if applicable, amend the Company's Articles of Association accordingly, subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the PRC Company Law (as may be respectively amended from time to time) as well as approval from the relevant PRC government authorities.

By Order of the Board
Zhang Rong Xing
Director & Company Secretary

Shenzhen, the PRC, 5th March 2004