

NOTICE OF THE ANNUAL GENERAL MEETING



Notice is hereby given that the Board of Directors (“Board”) of Guangshen Railway Company Limited (the “Company”) has resolved that the Annual General Meeting (the “AGM”) of the Company is to be held at the meeting room of the Company at 3/F, No. 1052 Heping Road, Shenzhen, Guangdong Province, the People’s Republic of China (“PRC”) at 9:00 a.m. on June 10, 2004 (Thursday) to consider and, if thought fit, to pass the following resolutions (apart from item 11 as a special resolution, all other items as ordinary resolutions):—

1. to consider and approve the work report of the Board of the Company for 2003;
2. to consider and approve the work report of the Supervisory Committee of the Company for 2003;
3. to consider and approve the audited financial statements of the Company for 2003;
4. to consider and approve the proposed profit distribution of the Company for 2003;
5. to consider and approve the budget of the Company for 2004;
6. to consider and approve the appointment of Mr. Wilton Chau as an independent non-executive director of the Company;
7. to consider and approve the termination of the engagement of Mr. Gu Hongxi as a supervisor of the Company;
8. to consider and approve the appointment of Mr. Tang Dinghong as a supervisor of the Company;
9. to consider and approve the appointment of Pan-China (Schinda) Certified Public Accountants as the PRC auditor of the Company for 2004 and to authorise the Board and the Audit Committee to determine their remunerations;
10. to consider and approve the appointment of PricewaterhouseCoopers (certified public accountants in Hong Kong) as the international auditor of the Company for 2004 to authorise the Board and the Audit Committee to determine their remunerations;
11. to consider and approve the amendments to the Articles of Association of the Company and to authorise the Board to file these amendments with the relevant departments of the PRC government upon approval;
12. to consider and approve any other businesses.

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INFORMATION ABOUT THE CANDIDATE OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Wilton Chau, age 42. Mr. Chau holds a bachelor degree in applied mathematics from University of Hong Kong, a LLB degree from University of Wolverhampton and a Master of Business Administration from the University of Wales. Mr. Chau is a fellow member of the Association of Chartered Certified Accountants, a member of Singapore Institute of Arbitrators and Council member of Hong Kong Biotechnology Association. Since 1987, Mr. Chau has served several financial institutions in various senior positions overseeing investment and development in railway, road and airport infrastructure projects. Mr. Chau is currently the chairman of QLeap Venture Limited.

INFORMATION ABOUT THE CANDIDATE OF SUPERVISOR

Tang Dinghong, age 55, is a member of the senior management of the Company. Mr. Tang graduated from Zhongshan University. He joined the railway departments in 1969 and had served in various senior managerial positions of Guangzhou Railway (Group) Company. Mr. Tang joined the Company in July 2003.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

In accordance with the amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Company intends to make corresponding amendments to Articles 72, 90, 94, 95 and 129. The proposals are as follows:

Article 72

The existing Article 72 be deleted in its entirety and replaced with the following:

“When shareholders (including proxies) vote at the shareholders’ general meeting, they shall exercise their voting rights according to the number of voting shares that they represent. Each share shall carry one voting right.

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 a particular resolution or restricted to voting only in favour of or 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.”

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Article 90

The existing Article 90 be deleted in its entirety and replaced with the following:

“Resolutions of a meeting of shareholders of different share categories may be passed only by more than two-thirds of the voting rights of that category represented at the meeting in accordance with Article 89.

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 a particular resolution in a class meeting or restricted to voting only in favour of or against any particular resolution in a class meeting, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.”

Article 94

The existing Article 94 be deleted in its entirety and replaced with the following:

“The Company shall establish a board of directors. The board shall be composed of 10 directors. The board shall have one chairman.”

Article 95

The existing Article 95 be deleted in its entirety and replaced with the following:

“Directors shall be elected at shareholders’ general meeting and serve a term of 3 years. A director may serve consecutive terms if re-elected upon the expiration of his term.

The period for lodgement of written notice of an intention to nominate a candidate of director and that of a willingness to accept the nomination by the candidate shall commence no earlier than the day after the despatch of the notice of the meeting for election of the relevant director and end no later than 7 days prior to the date of such meeting.

The chairman of the board shall be elected and removed by the approval of more than half of all the directors of the board. The chairman of the board shall serve a term of 3 years and may serve consecutive terms if re-elected upon the expiration of his term.

Subject to compliance with relevant laws and regulations, any director may be removed by ordinary resolution before the expiry of his term of office (but without prejudice to any claim for damages under any contract).

Directors need not be the shareholders of the Company.”

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Article 129

The existing Article 129 be deleted in its entirety and replaced with the following:

“The directors, supervisors, general manager, deputy general managers and other members of the senior management of the Company shall not direct any of its associates (which shall have the same meaning as in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) to do such things or take such actions that such directors, supervisors, general manager, deputy general manager or other members of the senior management are not allowed to do under any applicable law or regulation, the Articles of Association of the Company or otherwise.”

Notes:

- (1) Holders of the H Shares of the Company are advised that the register of members of the Company’s H Shares will be closed from May 11, 2004 to June 10, 2004 (both days inclusive), during which no transfer of H shares will be registered. To qualify for the final dividend, holders of H Shares must lodge the transfer documents together with the relevant share certificates with the Company’s registrar, Hong Kong Registrar Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong by no later than 4:00 p.m. on May 10, 2004. Holders of the Company’s H Shares whose names appear on the register of members of the Company on May 11, 2004, or their proxies, are entitled to attend the AGM by presenting their identity cards or passports.
- (2) Each shareholder entitled to attend and vote at the AGM may appoint one or more proxies (whether a shareholder or not) to attend the meeting and vote on his behalf.
- (3) Where a shareholder appoints more than one proxy, his proxies may only exercise the voting right when a poll is taken.
- (4) The instrument appointing a proxy must be in writing and signed by the appointer or his attorney duly authorized in writing. If the proxy form is signed by an attorney on behalf of the appointor, the power of attorney or other authority must be notarially certified. To be valid, the proxy form, together with a notarially certified copy of the power of attorney or other authority, must be delivered to the registered address of the Company not less than 24 hours before the commencement of the AGM or any adjournment thereof (as the case may be).
- (5) Shareholders who intend to attend the AGM are requested to deliver the attendance confirmation reply form to the registered office of the Company in person, by post or by facsimile on or before May 21, 2004. The return of the attendance confirmation reply form will not affect the right of the shareholders to attend and vote at the AGM.
- (6) The AGM is expected to last for half a day. Shareholders and proxies attending the AGM shall be responsible for their own traveling, accommodation and other related expenses.

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Registered Office of the Company:

No. 1052 Heping Road

Shenzhen, Guangdong Province

The People's Republic of China

Telephone: 86-755-25587920 or 25588146

Facsimile: 86-755-25591480

By Order of the Board

Guo Xiangdong

Company Secretary

Shenzhen, the PRC

April 20, 2004