

# Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting, 2000 of Anhui Expressway Company Limited (the "Company") will be held at 9:00 a.m. on 28th April, 2001 (Saturday) at the conference room of the Company at 8 Meiling Avenue, Hefei, Anhui, the PRC.

The forthcoming Annual General Meeting shall deal with the following matters:

1. To examine and approve the working report for the year 2000 of the Board of Directors;
2. To examine and approve the working report for the year 2000 of the Supervisory Committee;
3. To examine and approve the audited financial report for the year 2000;
4. To examine and approve the profit appropriation proposal for the year 2000;
5. To examine and approve the resolution for authorizing the Board of Directors to decide whether or not to pay the interim dividend for the year 2001;
6. To examine and approve the appointment of the auditors for the year 2001 and to authorize the board of directors to determine their remuneration;
7. To examine and approve the passing of the following resolutions as special resolutions:
  - I. "That the Articles of Association of the Company be amended by adopting the following articles to replace Article 1, Article 3, Article 16, Article 23, Article 24, Article 98, Article 123, Article 124 and Article 203 (the amendment to Article 16 requires the approval from State Administration for industry and Commerce of Anhui Province and this amendment is only finalised upon approval from State Administration for Industry and Commerce of Anhui Province:

Article 1 The Company is a joint stock limited company established in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law") and the "State Council Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies" (hereinafter referred to as the Special Regulations") and other relevant laws and administrative regulation of the People's Republic of China ("PRC").

The establishment of the Company has been approved by the State Commission for Restructuring the Economic System ("State Restructuring Commission") under document number Ti Gai Sheng [1996] No. 112. The Company was established by the promotion method and was registered on 15th August 1996 with the Anhui Provincial Administration for Industry and Commerce and has obtained a business licence. The Company's business licence is 14897308-7. The number of the Company's business licence was changed to 3400001300169 by registration with State Administration for industry and Commerce of Anhui Province in December 1996,

The promoter of the Company is Anhui Expressway Holding Corporation.

## Notice of the Annual General Meeting (Cont'd)

Article 3 The legal address of the Company: 669 Changjiang West Road, Hefei City, Anhui Province, the People's Republic of China.

Postal code: 230088

Telephone number: 0551-3433722

Facsimile number: 0551-3434602

Article 16 The scope of the Company's operation shall be that approved by the companies registration authorities.

The scope of the Company's operations includes:

The construction, design, supervision, toll collection, maintenance and repair, management, technical consultancy, advertising and ancillary services of high grade highways, first-aid service, road transport, warehouse operation, repair of motor vehicles. machinery parts and equipment, construction and renovation, and sale of construction materials, research, manufacture, develop and sale of new technological products.

Article 23 The total number of ordinary shares which may be issued by the Company at the time of its establishment as approved by the State Restructuring Commission was 915,600,000 shares. Such 915,600,000 shares were issued to the promoter and represents 100 per cent. of the total number of ordinary shares which could be issued by the Company. Such shares were held by Anhui Expressway Holding Corporation. Pursuant to a transfer agreement entered into by Anhui Expressway Holding Corporation and Hua Jian Transportation Economic Development Centre on 21st January, 2001, with the approval of Cai Guan Zi [1999] No. 156 issued by the Ministry of Finance, Anhui Expressway Holding Corporation is holding 538,740,000 shares, representing 58.84% of the issued ordinary shares of the Company, where Hua Jian Transportation Economic Development Centre is holding 376,860,000 shares, representing 41.16% of the issued ordinary shares of the Company.

Article 24 The Company may, after its establishment and conversion into a public subscription company upon the approval of the State Restructuring Commission, issue 493,010,000 overseas listed foreign shares, representing approximately 35 per cent, of the total number of ordinary shares which may be issued by the Company (as enlarged by the issue of such shares).

The structure of the share capital of the Company shall be: 1,408,610,000 ordinary shares of which 538,740,000 shares are held by the promoter. Anhui Expressway Holding Corporation, 376,860,000 shares are held by Hua Jian Transportation Economic Development Centre and 493,010,000 shares will be held by holders of overseas listed foreign shares.

Article 98 The Company shall establish a board of directors which shall consist of 9 to 11 directors. The board of directors shall have a chairman and not more than 2 vice-chairmen.

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Article 123 The supervisory committee shall consist of 3 to 5 supervisors, one of whom shall be the chairman of the supervisory committee. The supervisors shall be appointed for a term of three years and may be re-elected to serve consecutive terms.

The appointment and removal of the chairman of the supervisory committee shall be decided by two thirds or more of the supervisors.

Article 124 The supervisory committee shall be composed of two to four representatives of shareholders and one representative of employees. The representatives of shareholders shall be elected and removed by the shareholders in general meeting and the representative of employees shall be elected and removed by the employees of the Company on a democratic basis.

Article 203 Any amendment to provisions included in these Articles based on the provisions in the Mandatory Provisions shall become effective only after the approval of the companies supervisory department authorised by the State Council and the approval of the China Securities Regulatory Commission; and registration of changes shall be effected in accordance with law in respect of any amendments which affect any registered particulars of the Company;

and the board of directors of the Company be authorized to report the amendments relating to the Articles of Association to relevant authorities for record."

- II. (A) Subject to paragraphs (C) and (D), pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and the Company Law of the People's Republic of China, the exercise by the Directors of the Company of all the powers of the Company to allot or issue new shares, either separately or concurrently during the Relevant Period and the exercise of powers by the Directors to determine the terms and conditions for the allotment or issue of new shares including the following terms are hereby generally and unconditionally approved:
- (a) class and quantity of the new shares to be issued;
  - (b) issue price of new shares;
  - (c) the starting and closing time for the issue;
  - (d) class and quantity of the new shares to be issued to existing shareholders; and
  - (e) to make or grant offers, agreements and options which might require the exercise of such powers;
- (B) the approval in paragraph (A) shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might be exercised after the end of the Relevant Period;
- (C) the aggregate nominal amount of overseas listed foreign shares and domestic shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (A), otherwise than pursuant to issue of shares by conversion of the statutory

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common reserve into capital in accordance with the Company Law of the People's Republic of China and the Articles of the Company, shall not exceed twenty percent (20%) of each of the existing issued domestic shares and overseas listed foreign shares of the Company;

- (D) the Directors of the Company have to comply with the Company Law of the People's Republic of China and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and to obtain the approval of the China Securities Regulatory Committee and other relevant authority of the People's Republic of China upon the exercise of the powers pursuant to paragraph (A) above;
  - (E) for the purpose of this resolution: "Relevant Period" means the period from the passing of this Resolution until whichever is earlier of:
    - (a) the conclusion of the next annual general meeting of the Company; and
    - (b) the revocation or variation of the authority given under this Resolution by a special resolution of the shareholders in general meeting.
  - (F) the Directors of the Company, subject to the approval of the relevant authority and in accordance with the Company Law of the People's Republic of China, be authorized to increase the registered share capital of the Company to the respective amount upon the exercise of the powers pursuant to paragraph (A) above, but the registered share capital shall not exceed RMB1,690,332,000.
  - (G) subject to the approval of the listing of and permission to deal with the H Shares in the share capital of the Company, which are intended to be issued by the Company, by the Listing Committee of the Stock Exchange of Hong Kong Limited and the approval of China Securities Regulatory Committee to issue the said shares, the Board of Directors be authorized to make the appropriate and necessary amendments to the Article 23, Article 24 and Article 27 of the Articles of the Company reflect the alteration of the share capital of the Company."
8. Subject to the passing of the above-mentioned Resolution 7, to consider and approve the appointment of Mr. ZHANG Wen Sheng and Ms. CHEN De Hong as the director of the Company with a term of office from the date of appointment to 16th August, 2002, and to authorize the board of directors to finalize the terms of the directors' service contracts;
9. Subject to the passing of the above-mentioned Resolution 7, to consider and approve the appointment of Ms. YAN Yu Hong as the supervisor of the Company with a term of office from the date of appointment to 16th August, 2002, and to authorize the board of directors to finalize the terms of the supervisors' service contracts;
10. Other business.

By Order of the Board

**Xie Xin Yu**

*Company Secretary*

12th March, 2001

## Notice of the Annual General Meeting (Cont'd)

Notes:

### I. Eligibility for attending the Meeting

Holders of H Shares who hold H Shares of the Company at the close of trading on 26th March, 2001 (Monday) with their names appeared on the register of Hong Kong Registrars Limited shall have the right to attend the Annual General Meeting upon completion of the registration procedure.

### II. Registration Procedure for attending the Annual General Meeting

1. Holders of H Shares who wish to attend the Meeting should lodge their duly completed return slips attached, together with the copies of transfer instruments, share certificates or share transfer receipts and the copies of their own identity cards with the Company at its registered address before 8th April, 2001 (Sunday) (but without prejudice to their rights of attending). In case a shareholder wishes to appoint a proxy, a power of attorney and a copy of the identity card of such proxy are required to be sent together to the Company.
2. The methods by which all necessary instruments for registration required to be sent to the Company at its registered address by the shareholder may either be in person, by mail or by fax. Upon receipt of all necessary instrument for registration, the Company shall perform the registration procedure for attending the Annual General Meeting for the shareholders, and the copies of passes will be sent by mail or fax. The shareholders shall attend the Meeting with official passes which can be exchanged by the copies or the facsimiles of such passes.

### III. Appointment of a proxy

1. Any shareholder who is eligible to attend the Annual General Meeting and to vote thereat shall have the right to appoint in writing one or more persons (who may not be a member) as his proxy to attend the Meeting and to vote therein.
2. The appointment of proxy shall be made by an instrument signed by the appointor (shareholder) or the authorized agent. In the event that such instrument is signed by a person authorized by the appointor, an authorization or other authority that authorizes such signatory shall be notarized. To be valid, such notarized authorization or other authority together with the instrument shall be deposited at the H Share registrar and transfer office, Hong Kong Registrars Limited 24 hours before the time for holding the Annual General Meeting.
3. In case more than one proxy are appointed by a shareholder, such proxies may exercise their voting rights only when the relevant resolution is put to the vote on a poll.

### IV. It is expected that the Annual General Meeting will take half a day. The shareholders and any proxy who attend the Annual General Meeting may incur accommodation and travelling expenses at their own costs.

### V. The Resolution of the paragraph 2 of Resolution no.7 serves to enable the Directors to allot or issue new shares as and when the Company required and subject to the conditions of the PRC and foreign capital market being favorable. With reference to the resolution, the Board of Directors wish to state that they have no immediate plans to allot or issue any new shares pursuant to the relevant mandate.

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- VI. The register of H Shareholders of the Company will be closed for transfer of shares from 27th March, 2001 (Tuesday) to 27th April, 2001 (Friday), both dates inclusive. Dividends of H Shares will be paid to H Shareholders whose name appear on the register of the Company on 27th April, 2001. H Shareholders who wish to attend the Annual General Meeting and to receive the dividends for the year should lodge their transfer instruments and share certificates with the H Share registrar and transfer office of the Company, Hong Kong Registrars Limited, on or before 4:00 p.m. on 26th March, 2001 (Monday). Upon passing of the profits appropriation proposal for the year 2000 of the Company at the Annual General Meeting payments of H Shares dividends will be made in Hong Kong dollars exchanged from Renminbi at an exchange rate calculated from the average of the closing price of Renminbi for Hong Kong dollars five working days prior to the Annual General Meeting quoted by the People's Bank of China. Cheques for dividend payments are expected to be mailed to H Shareholders on or before 14th May, 2001 (Monday).

The address of the H Share registrar and transfer office, Hong Kong branch:  
Hong Kong Registrars Limited  
2nd Floor, Vicwood Plaza 199  
Des Voeux Road Central  
Hong Kong

- VII. The 2000 annual report of the Company has been prepared and is ready for inspection by the shareholders at the Company's office address or at Hong Kong Registrars Limited. The annual report will also be dispatched to H Shareholders together with this notice.

- VIII. Brief Introduction of Candidates for Directors and Supervisors

Mr. ZHANG Wen Sheng, aged 54, senior economist, is the Deputy General Manager of Huajian. Mr. Zhang used to work at Tianjin Port from September 1968 to November 1974 and in Ministry of Communications from November 1974 to October 1998. He has held positions as the secretary of Administrative Department, Deputy Director of Comprehensive Department of Production Dispatching Bureau, Deputy Director of Enterprise Administrative Bureau, Director of System Reform Department, Director of Reform & Laws Department and Assistant Inspector. Mr. Zhang has been working in Huajian since October 1998 and is the Vice Chairman of Northeast China Expressway Company Limited as well.

Ms. CHEN De Hong, aged 36, is the Project Manager of Securities Management Department of Huajian. Ms. Chen was graduated from graduate courses of Money & Banking in the Faculty of Graduate Studies attached to the State Social Science Institute. She used to work in Ministry of Communications from November 1985 to July 1994 as a clerk of Production Dispatching Bureau, System Reform Department and Financial & Accounting Department. Ms. Chen has been working for Huajian since August 1994 and is a director of Xiamen Highways & Bridges Company Limited.

Ms. YAN Yu Hong, aged 47, senior accountant, is the Vice Manager of Financial Department of Huajian. She was graduated from Financial Professional School of Xingtai, Hebei in 1975 and worked as an accountant in Business Department of People's Bank, Xingtai, Hebei from 1975 to 1981. She used to work in Ministry of Communications from 1981 to October 1998 holding positions as a clerk of Financial Bureau, a clerk of Auditing Bureau and assistant researcher. Ms. Yan has been working in Huajian since October 1998.

The office address of the Company:	8 Meiling Avenue, Hefei, Anhui, The PRC
Contact number:	86-551-3433722
Facsimile:	86-551-3434602
Attention:	Ms. Han Rong or Ms. Ding Yu