
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank managers, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zhejiang Expressway Co., Ltd. (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.



浙江滬杭甬高速公路股份有限公司
ZHEJIANG EXPRESSWAY CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0576)

**NOTICE OF ANNUAL GENERAL MEETING AND
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

A notice convening an annual general meeting (the “AGM”) of Zhejiang Expressway Co., Ltd. (the “Company”) to be held at 9:00 a.m. on Wednesday, June 14, 2006 at 12/F, Block A, Dragon Century Plaza, 1 Hangda Road, Hangzhou, Zhejiang Province, the People’s Republic of China (the “PRC”), is set out on page 7 of this circular. Whether or not you intend to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event, at least 24 hours before the time appointed for the holding of the meeting.

April 27, 2006

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LETTER FROM THE BOARD



浙江滬杭甬高速公路股份有限公司
ZHEJIANG EXPRESSWAY CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0576)

Board of Directors

Executive Directors

GENG Xiaoping
FANG Yunti
ZHANG Jingzhong
JIANG Wenyao

Non-executive Directors

ZHANG Luyun
ZHANG Yang

Independent Non-executive Directors

TUNG Chee Chen
ZHANG Junsheng
ZHANG Liping

Registered address:

19th Floor,
Zhejiang World Trade Center,
122 Shuguang Road,
Hangzhou, Zhejiang 310007,
the People's Republic of China

Dear Sir or Madam:

NOTICE OF ANNUAL GENERAL MEETING AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

INTRODUCTION

On April 25, 2006, the board of directors of the Company ("the Board") convened a meeting at which it was resolved, among other things, to amend the Articles of Association of the Company ("Articles") and to convene the AGM.

I. PROPOSED AMENDMENTS TO THE ARTICLES

The Board proposes to make certain amendments to the Articles in order to meet the relevant requirements of the revised Company Law of the PRC which took effect from January 1, 2006 and to reflect the amended registered address, telephone and facsimile numbers of the Company. The proposed amendments to the Articles are set out in the Appendix to this circular. According to the

LETTER FROM THE BOARD

Articles and the relevant laws and regulations, the proposed amendments to the Articles are subject to the approval of the shareholders of the Company by way of a special resolution at the AGM. Further, the proposed amendments to the Articles will become effective after the relevant procedures for the approval and/or registration or filing in the PRC have been completed.

II. RECOMMENDATION

The Directors consider that the proposed resolution regarding the amendments to the Articles is in the best interests of the Company and its shareholders and accordingly recommend the shareholders of the Company to vote in favour of such resolution at the AGM.

III. NOTICE OF AGM

The AGM will be held at 9:00 a.m. on Wednesday, June 14, 2006 at 12/F, Block A, Dragon Century Plaza, 1 Hangda Road, Hangzhou, Zhejiang Province, the PRC, to approve the matters as set out in a notice of the AGM set out on page 7 of this circular.

By order of the Board
ZHANG Jingzhong
Company Secretary

April 27, 2005

- (i) Delete the entirety of the existing Article 3 of the Articles which provides that:

“The address of the Company is: 19th Floor, Zhejiang World Trade Centre, No. 15 Shuguang Road, Hangzhou City, Zhejiang Province, People’s Republic of China

Postal Code: 310007
Telephone No: 0571-798 5588
Facsimile: 0571-798 5599”

and replace it with the following:

“The address of the Company is: 12/F, Block A, Dragon Century Plaza, 1 Hangda Road, Hangzhou, Zhejiang Province, the People’s Republic of China

Postal Code: 310007
Telephone No.: 0571-8798 5588
Facsimile No.: 0571-8798 5599”

- (ii) Delete the entirety of the existing Article 145 of the Articles which provides that:

“The profit of the Company shall be distributed in the following order of priority after payment of relevant taxes:

- (1) making up losses;
- (2) allocation to the statutory reserve fund;
- (3) allocation to the statutory public welfare fund;
- (4) payment of dividends to preferential shareholders (if any);
- (5) allocation to the discretionary reserve fund; and
- (6) payment of dividends to ordinary shareholders.

The actual proportion of distribution in each year in respect of paragraphs (5) and (6) of this Article shall be proposed by the board of directors in accordance with the operational condition and development requirements of the Company and shall be approved by the shareholders in general meeting. No dividend shall be distributed by the Company before losses have been made up and allocation to the statutory common reserve fund and statutory public welfare fund have been made. The Company shall not pay any interest to shareholders in respect of dividends, except those dividends which are due and payable but not yet paid by the Company.”

and replace it with the following:

“The profit of the Company shall be distributed in the following order of priority after payment of relevant taxes:

- (1) making up losses;
- (2) allocation to the statutory reserve fund;
- (3) payment of dividends to preferential shareholders (if any);
- (4) allocation to the discretionary reserve fund; and
- (5) payment of dividends to ordinary shareholders.

The actual proportion of distribution in each year in respect of paragraphs (4) and (5) of this Article shall be proposed by the board of directors in accordance with the operational condition and development requirements of the Company and shall be approved by the shareholders in general meeting. No dividend shall be distributed by the Company before losses have been made up and allocation to the statutory common reserve fund have been made. The Company shall not pay any interest to shareholders in respect of dividends, except those dividends which are due and payable but not yet paid by the Company.”

(iii) Delete the entirety of the existing Article 148 of the Articles which provides that:

“The Company shall allocate 5% to 10% of the profit after tax to the statutory public welfare fund. The Company shall from time to time use the statutory public welfare fund for the collective welfare of the staff and workers of the Company.”

(iv) Delete the entirety of the existing Article 149 of the Articles which provides that:

“If the statutory reserve fund is not sufficient to make up the losses of the Company in the preceding year, the profits of that year shall be used for making up such losses before the allocation to the statutory reserve fund and statutory public welfare fund according to the above article.”

and replace it with the following:

“If the statutory reserve fund is not sufficient to make up the losses of the Company in the preceding years, the profits of that year shall be used for making up such losses before the allocation to the statutory reserve fund.”

- (v) Delete the entirety of the existing Article 151 of the Articles which provides that:

“The shareholders in general meeting or the board of directors of the Company shall not pay any dividends to the shareholders before the Company has made up its losses and has made allocation to the statutory reserve fund and statutory public welfare fund. The dividends paid in breach of this Article shall be returned to the Company.

and replace it with the following:

“The shareholders in general meeting or the board of directors of the Company shall not pay any dividends to the shareholders before the Company has made up its losses and has made allocation to the statutory reserve fund. The dividends paid to any shareholders in breach of this Article shall be returned to the Company.

No profit shall be distributed for any shares issued by the Company and held by the Company.”

- (vi) Delete the entirety of the existing Article 153 of the Articles which provides that:

“The reserve fund of the Company includes statutory reserve fund, discretionary reserve fund and capital reserve fund. The reserve fund shall only be used for the following purposes:

- (1) making up losses;
- (2) expansion of the production and operation of the Company;
- (3) conversion into additional share capital of the Company. With the approval of the shareholders in general meeting, the Company may convert the statutory common reserve fund into share capital, and issue bonus shares to shareholders pro rata to their existing shareholdings or increase the par value of the shares. However, when the statutory reserve fund is converted into share capital, the amount remaining in such statutory reserve fund shall not be less than 25% of the registered capital of the Company;
- (4) other purposes stipulated by the State.”

and replace it with the following:

“The reserve fund of the Company includes statutory reserve fund, discretionary reserve fund and capital reserve fund. The reserve fund shall only be used for the following purposes:

- (1) making up losses;
- (2) expansion of the production and operation of the Company;
- (3) conversion into additional share capital of the Company. With the approval of the shareholders in general meeting, the Company may convert the statutory common reserve fund into share capital, and issue bonus shares to shareholders pro rata to their existing

shareholdings or increase the par value of the shares. However, when the statutory reserve fund is converted into share capital, the amount remaining in such statutory reserve fund shall not be less than 25% of the registered capital of the Company prior to the conversion; and

(4) other purposes stipulated by the State.

However, capital reserve fund shall not be used to make up losses of the Company.”

(vii) Delete the entirety of the existing Articles 182 of the Articles which provides that:

“The staff and workers of the Company shall have the right to establish a trade union, carry out trade union activities and protect the legal rights and interests of the staff and workers of the Company according to laws. The Company shall provide necessary conditions for the activities of the trade union. The Company shall also provide funds for the trade union in accordance with the laws of the PRC for the carrying out of trade union activities.”

and replace it with the following:

“The staff and workers of the Company shall have the right to establish a trade union, carry out trade union activities and protect the legal rights and interests of the staff and workers of the Company according to laws. The Company shall provide necessary conditions for the activities of the trade union. The Company shall also provide funds for the trade union in accordance with the laws of the PRC for the carrying out of trade union activities.

The trade union of the Company shall enter into contracts with the Company on behalf of the staff and workers of the Company collectively in accordance with the law in relation to the labor remuneration, working hours, welfare, insurance, labor safety and hygiene of the staff and workers.”

NOTICE OF AGM



浙江滬杭甬高速公路股份有限公司
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Notice of 2005 Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2005 annual general meeting (the "AGM") of Zhejiang Expressway Co., Ltd. (the "Company") will be held at 9:00 a.m. on Wednesday, June 14, 2006 at 12/F, Block A, Dragon Century Plaza, 1 Hangda Road, Hangzhou, Zhejiang Province, the People's Republic of China (the "PRC") for the conduct of the following business:

A. As ordinary resolutions:

1. To consider and approve the report of the directors for the year 2005;
2. To consider and approve the report of the supervisory committee for the year 2005;
3. To consider and approve the audited financial statements for the year 2005;
4. To consider and approve the proposed distribution of profits for the year 2005;
5. To consider and approve the financial budget for the year 2006; and
6. To consider and approve the re-appointment of Deloitte Touche Tohmatsu Certified Public Accountants Hong Kong and Zhejiang Pan China Certified Public Accountants as the Hong Kong auditors and the PRC auditors of the Company respectively, and authorize the board of directors of the Company to fix their remuneration.

B. As special resolution:

To consider and, if thought fit, pass the following as a special resolution:

"THAT the proposals by the board of directors of the Company (the "Board") to amend the articles of association of the Company in the manner set out in the circular of the Company dated April 27, 2006 to the shareholders of the Company is hereby approved, and the Board is hereby authorized

NOTICE OF AGM

to modify the wordings of the amendments as appropriate and to do all such things as necessary in respect of the amendments pursuant to the requirements (if any) under domestic or overseas laws or under the rules of any stock exchange on which any securities of the Company are listed.”

By Order of the Board
ZHANG Jingzhong
Company Secretary

Hangzhou, Zhejiang Province, the PRC
April 27, 2006

Notes:

1. Registration procedures for attending the AGM

- (1) Holders of H shares of the Company (“H Shares”) and domestic shares of the Company (“Domestic Shares”) intending to attend the AGM should return the reply slip for attending the AGM to the Company by post or by facsimile (address and facsimile numbers are shown in paragraph 5(2) below) such that the same shall be received by the Company on or before May 24, 2006.
- (2) A shareholder or his/her/its proxy should produce proof of identity when attending the AGM. If a corporate shareholder appoints its legal representative to attend the meeting, such legal representative shall produce proof of identity and a copy of the resolution of the board of directors or other governing body of such shareholder appointing such legal representative at the meeting.

2. Proxy

- (1) A shareholder eligible to attend and vote at the AGM is entitled to appoint, in written form, one or more proxies to attend and vote on his/her/its behalf. A proxy need not to be a member.
- (2) A proxy should be appointed by a written instrument signed by the appointor or his/her/its attorney. If the appointor is a corporation, the same shall be affixed with its common seal or signed by its director(s) or duly authorized representative(s). If the form of proxy is signed by the attorney of the appointor, the power of attorney or other authorization document(s) of such attorney should be notarized.
- (3) To be valid, the power of attorney or any other authorization document(s) (which have been notarized) together with the completed form of proxy must be delivered, in the case of holders of Domestic Shares, to the Company at the address shown in paragraph 5(2) below and, in the case of holders of H Shares, to Hong Kong Registrars Limited at 46th Floor, Hopewell Center, 183 Queen’s Road East, Hong Kong, not less than 24 hours before the time designated for the holding of the AGM.
- (4) A proxy may exercise the right to vote by a show of hands or by poll. However, if more than one proxy is appointed by a shareholder, such proxies shall only exercise the right to vote on a poll.

3. Closure of Register of Members

The register of members holding H shares of the Company will be closed from May 15, 2006 to June 13, 2006 (both days inclusive).

NOTICE OF AGM

4. Eligibility for attending the AGM

Holders of H Shares who intend to attend the AGM must deliver all transfer instruments and the relevant shares certificates to the share registrar for H Shares, Hong Kong Registrars Limited at Rooms 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Hong Kong at or before 4:00 p.m. on Friday, May 12, 2006.

5. Miscellaneous

(1) The AGM will not last for more than one day. Shareholders who attend shall bear their own traveling and accommodation expenses.

(2) The address of the Company is at:

12/F, Block A
Dragon Century Plaza
1 Hangda Road
Hangzhou, Zhejiang 310007
the People's Republic of China

Telephone No.: (+86)-571-8798 7700

Facsimile No.: (+86)-571-8795 0329



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Reply Slip for Annual General Meeting

I(We) _____
of _____,
telephone number: _____ and fax number: _____,
being the holder(s) of _____ H Share(s)/Domestic Share(s)* of
Zhejiang Expressway Co., Ltd. (the "Company"), hereby confirm that I(we) wish to attend or appoint
a proxy to attend on my(our) behalf at the annual general meeting of the Company (the "AGM") to
be held at 9:00 a.m. on Wednesday, June 14, 2006 at 12/F, Block A, Dragon Century Plaza, 1 Hangda
Road, Hangzhou, Zhejiang Province, the People's Republic of China (the "PRC").

Signature: _____

Date: _____

Note: Eligible shareholders who wish to attend the AGM are advised to complete and return this reply slip to the Company at 12/F, Block A, Dragon Century Plaza, 1 Hangda Road, Hangzhou, Zhejiang Province, 310007, the PRC by post or by facsimile (fax no.: (+86)-571-8795 0329) such that the same shall be received by the Company on or before May 24, 2006. Failure to sign and return this slip, however, will not preclude an eligible shareholder from attending the AGM.

** Please delete as appropriate.*

