

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors should read the prospectus dated 26 February, 2004 ("Prospectus") issued by Weichai Power Co., Ltd. ("Company") for detailed information about the Public Offer and the Placing described below before deciding whether or not to invest in the shares thereby being offered.

The Stock Exchange of Hong Kong Limited ("Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Unless defined herein, terms in this announcement shall have the same meanings as those defined in the Prospectus issued by the Company.



WEICHAI

潍柴動力股份有限公司
WEICHAI POWER CO., LTD.

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

PUBLIC OFFER AND INTERNATIONAL PLACING

- Number of H Shares to be offered : 110,000,000 H Shares**
(subject to the Over-allotment Option)
- Number of Public Offer Shares : 11,000,000 H Shares**
(subject to adjustment)
- Number of Placing Shares : 99,000,000 H Shares (subject to adjustment and the Over-allotment Option)**
- Offer Price : not more than HK\$10.80 and not less than HK\$8.30 per H Share (payable in full on application and subject to refund)**
- Nominal Value : RMB1.00 per H Share**
- Stock Code : 2338**

Sponsor and Bookrunner



Joint Global Coordinators and Joint Lead Managers



Co-Lead Managers

DBS Asia Capital Limited

First Shanghai Securities Limited

Co-Managers

Guotai Junan Securities (Hong Kong) Limited

Asian Capital (Corporate Finance) Limited

Partners Capital International Limited

Core Pacific-Yamaichi International (H.K.) Limited

Tai Fook Securities Company Limited

Application has been made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the H Shares to be issued and sold as described in the Prospectus (including the additional H Shares which may be issued and sold pursuant to the exercise of the Over-allotment Option). Dealings in the H Shares on the Stock Exchange are expected to commence at 9:30 a.m. on Thursday, 11 March, 2004. Applications for the H Shares will only be considered on the basis set out in the Prospectus and the prescribed **WHITE** or **YELLOW** application forms or by giving **electronic application instructions** via CCASS to HKSCC. It should be noted that **multiple or suspected multiple applications or applications for more than 5,500,000 H Shares, being 50% of the Public Offer Shares initially being offered to the public, will be rejected**. Only one application on a **WHITE** or **YELLOW** application form or by giving **electronic application instructions** to HKSCC may be made for the benefit of any person. Applicants are required to undertake and confirm that they or the relevant beneficial owner(s) have not indicated any interest for or taken up and will not indicate any interest for or take up H Shares under the Placing. Subject to the granting of the listing of, and permission to deal in, the H Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the H Shares on the Stock Exchange or such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Offering is conditional on the conditions as stated in the paragraph headed “Conditions of the Offering” in the section headed “Structure of the Offering” in the Prospectus.

The Offer Price is expected to be determined by agreement between the Company (on behalf of itself and, if the Placing Underwriting Agreement is entered into, the Selling Shareholders) and CITIC Capital (on behalf of the Public Offer Underwriters and, if the Placing Underwriting Agreement is entered into, the Placing Underwriters) at or before 5:00 p.m. on 3 March, 2004 or such later date as may be agreed by the Company and CITIC Capital but shall in any event be not later than 5:00 p.m. on 4 March, 2004.

The Offer Price will be not more than HK\$10.80 and not less than HK\$8.30 per Offer Share. CITIC Capital (on behalf of the Public Offer Underwriters), with the consent of the Company, may reduce the indicative Offer Price range stated in the Prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, a notice of the reduction of the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the last day for lodging applications under the Public Offer. If applications for Public Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the Offer Price is so reduced, such applications cannot subsequently be withdrawn for that reason.

If, for any reason, the Offer Price is not agreed between the Company (on behalf of itself and, if the Placing Underwriting Agreement is entered into, the Selling Shareholders) and CITIC Capital (on behalf of the Public Offer Underwriters and, if the Placing Underwriting Agreement is entered into, the Placing Underwriters) at or before 5:00 p.m. on 4 March, 2004, the Offering will not proceed and will lapse.

If the Offering does not become unconditional or is otherwise terminated, all application monies received from applicants under the Public Offer will be refunded, without interest, on the terms set out under the paragraph headed “Refund of your money” on the relevant application forms or the section headed “Terms and Conditions of the Public Offer” in the Prospectus. Refund cheques will also be issued in respect of wholly or partially unsuccessful applications. Applicants for 500,000 H Shares or more who have indicated in their application forms that they wish to collect refund cheque(s) (where applicable) and H Share certificate(s) (where applicable) personally, may collect refund cheque(s) (where applicable) and H Share certificate(s) (where applicable) from the Company’s Hong Kong H Share registrar namely, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, 10 March, 2004 or any other date notified by the Company by way of a newspaper announcement as the date of despatch of H Share certificates and/or refund cheques. Uncollected H Share certificates and refund cheques will be despatched by ordinary post at the applicants’ own risk to the addresses specified in the relevant application forms.

Applicants who would like to be issued H Shares in their own names should complete and sign the **WHITE** application forms. Applicants who would like to be issued H Shares in the name of HKSCC Nominees Limited and have such H Shares deposited directly into CCASS for credit to their investor participant stock accounts or the stock accounts of their designated CCASS participants maintained in CCASS should either (i) complete and sign the **YELLOW** application forms, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m. on Thursday, 26 February, 2004 until 12:00 noon on Tuesday, 2 March, 2004 at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128-140 Queen’s Road Central, Hong Kong or (ii) arrange to give **electronic application instruction** to HKSCC. Copies of the Prospectus, together with the **WHITE** application forms, may be obtained during the same period from:

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| 1. CITIC Capital Markets Limited | 26/F CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong; |
| 2. CLSA Limited | 18/F, One Pacific Place, 88 Queensway, Hong Kong |
| 3. DBS Asia Capital Limited | 16/F, Man Yee Building, 68 Des Voeux Road Central, Hong Kong |
| 4. First Shanghai Securities Limited | 19/F, Wing On House, 71 Des Voeux Road Central, Hong Kong |
| 5. Guotai Junan Securities (Hong Kong) Limited | 27/F, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong |
| 6. Core Pacific-Yamaichi International (H.K.) Limited | 36/F, COSCO Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong |
| 7. Asian Capital (Corporate Finance) Limited | Suite 1006, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong |
| 8. Tai Fook Securities Company Limited | 25/F, New World Tower, 16–18 Queen’s Road Central, Hong Kong |
| 9. Partners Capital International Limited | Room 1305, 13/F, 9 Queen’s Road Central, Hong Kong |

or any of the following branches of The Hongkong and Shanghai Banking Corporation Limited:

Hong Kong Island:	Hong Kong Main Branch	Level 3, 1 Queen's Road Central
	Des Voeux Road Central Branch	China Insurance Group Building, 141 Des Voeux Road Central
	Des Voeux Road West Branch	Western Centre, 40-50 Des Voeux Road West
	Hay Wah Building Branch	G/F, Hay Wah Building, 71-85B Hennessy Road, Wanchai
	North Point Branch	G/F, Winner House, 306-316 King's Road, North Point
Kowloon:	Kwun Tong Branch	1 Yue Man Square, Kwun Tong
	Mongkok Link D & N Banking Centre	673 Nathan Road, Mongkok
	Tsim Sha Tsui Branch	82-84 Nathan Road, Tsimshatsui
New Territories:	Kwai Fong – D & N Banking Centre	Shop Nos. 218A & 219-220, Level 2, Metroplaza, Kwai Fong, NT
	Citylink Plaza	Shops 38-46, Citylink Plaza, Shatin Station Circuit, Sha Tin, NT

Both **WHITE** and **YELLOW** application forms completed in all respects (to which one cheque or one banker's cashier order should be securely stapled) should be deposited in the special collection boxes provided **at any of the branches of The Hongkong and Shanghai Banking Corporation Limited** referred to above at the following times on the following dates:

Thursday, 26 February, 2004	– 9:00 a.m. to 4:00 p.m.
Friday, 27 February, 2004	– 9:00 a.m. to 4:00 p.m.
Saturday, 28 February, 2004	– 9:00 a.m. to 12:00 noon
Monday, 1 March, 2004	– 9:00 a.m. to 4:00 p.m.
Tuesday, 2 March, 2004	– 9:00 a.m. to 12:00 noon

A CCASS Investor Participant may give **electronic application instructions** through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System at <https://ip.ccass.com> (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) or go to HKSCC's Customer Service Centre at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong and complete an input request form.

A non-CCASS Investor Participant may instruct a broker or custodian who is a CCASS Broker Participant or a CCASS Custodian Participant to give **electronic application instruction** via CCASS terminal to apply for the Public Offer Shares on his behalf.

CCASS Participants can input **electronic application instructions** at the following times:

Thursday, 26 February, 2004	– 9:00 a.m. to 7:00 p.m.
Friday, 27 February, 2004	– 9:00 a.m. to 7:00 p.m.
Saturday, 28 February, 2004	– 9:00 a.m. to 3:00 p.m.
Monday, 1 March, 2004	– 9:00 a.m. to 7:00 p.m.
Tuesday, 2 March, 2004	– 9:00 a.m. to 12:00 noon

The application lists will open from 11:45 a.m. to 12:00 noon on Tuesday, 2 March, 2004 (or such later date as may apply in case of a tropical cyclone warning signal No.8 or above or a “black” rainstorm warning signal being in force as described in the section of headed “How to apply for Public Offer Shares” in the Prospectus).

Subject to the terms and conditions set out in the Prospectus and the application forms relating thereto, applications made on **WHITE** or **YELLOW** application forms, or by giving **electronic application instructions** to HKSCC must be received no later than 12:00 noon on Tuesday, 2 March, 2004 (or if the application lists are not open on that day, then by 12:00 noon on the next business day the lists are open). Please see the section headed “How to apply for Public Offer Shares” in the Prospectus for further details.

In connection with the Offering, CITIC Capital may over-allocate or effect transactions with a view to supporting the market price of the H Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the issue date. Any such stabilising activity is required to be brought to an end within 30 days from the day on which the application lists close under the Public Offer. Details of the permitted stabilising action under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) are contained in the Prospectus. Pursuant to the Public Offer Underwriting Agreement, CITIC Capital, on behalf of the Public Offer Underwriters, has the right to terminate the obligations of the Public Offer Underwriters under the Public Offer Underwriting Agreement upon the occurrence of certain events at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Further details of the aforesaid events are set out in the section headed “Underwriting – Grounds for termination” in the Prospectus. The number of H Shares being offered in the Placing may be increased by up to and not more than an aggregate of 16,500,000 additional H Shares through the exercise of the Over-allotment Option granted to the Placing Underwriters (exercisable by CITIC Capital) to cover over-allocations in the Placing by requiring the Company and the Selling Shareholders to allot, issue and sell the additional H Shares at any time within 30 days from the date of the Prospectus. In the event that such Over-allotment Option is exercised, a press announcement will be made.

For allocation purposes only, the H Shares being offered for public subscription under the Public Offer (initially being 11,000,000 H Shares, subject to adjustment between the Placing and the Public Offer in the case of over-subscription of 15 times or more in the Public Offer), will be divided equally into two pools: pool A and pool B. The H Shares in pool A will consist of not less than 5,500,000 H Shares (being 50% of H Shares initially available for subscription under the Public Offer) and will be allocated on an equitable basis to applicants who have applied for H Shares in the value of HK\$5 million (excluding the amounts of brokerage fee, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee payable thereon) or less. The H Shares in pool B will consist of not less than 5,500,000 H Shares and will be allocated on an equitable basis to applicants who have applied for H Shares in the value of more than HK\$5 million (excluding the brokerage fee, the SFC transaction levy, the investor compensation levy and the

Stock Exchange trading fee payable thereon). Applicants should be aware that applications in different pools, as well as applications in the same pool (depending on the number of H Shares applied for), may receive different allocation ratios. If one of the pools is undersubscribed, the surplus H Shares in that pool will be transferred to the other pool to satisfy demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of H Shares from either pool A or pool B but not from both pools.

It is expected that the level of indication of interest in the Placing, the Offer Price, the result of applications and the basis of allotment under the Public Offer and the procedures for collection/despatch of Share certificates and refund cheques will be published on or about Tuesday, 9 March, 2004 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

By order of the Board
Tan Xuguang
Chairman

Hong Kong, 26 February, 2004

“Please also refer to the published version of this announcement in South China Morning Post”