



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)

(Stock Code: 2338)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**2005 Annual General Meeting**”) of Weichai Power Co., Ltd. (the “**Company**”) for the year ended 31st December, 2005 will be held at the Company's conference room at 26 Minsheng East Street, Weifang, Shandong Province, the People's Republic of China (the “**PRC**”) on 30th June, 2006 at 10:00 a.m. for the purposes of considering, approving (or receiving) and authorising the following matters:

AS ORDINARY RESOLUTIONS:

1. To consider and approve the Report of the Board of Directors of the Company for the year ended 31st December, 2005.
2. To consider and approve the Report of the Supervisory Committee of the Company for the year ended 31st December, 2005.
3. To consider and receive the audited financial statements of the Company and the Auditors' Report for the year ended 31st December, 2005.
4. To consider and approve the re-appointment of 山東正源和信有限責任會計師事務所 (Shandong Zheng Yuan Hexin Accountants Limited) as the PRC auditors of the Company and to authorize Directors to determine their remuneration (and, for the purpose of this resolution, “PRC” means the People's Republic of China, but excluding Hong Kong, Macau and Taiwan).
5. To consider and approve the re-appointment of Messrs. Deloitte Touche Tohmatsu as the non-PRC auditors of the Company and to authorize Directors to determine their remuneration (and, for the purpose of this resolution, “PRC” means the People's Republic of China, but excluding Hong Kong, Macau and Taiwan).
6. To consider and approve the profit distribution of the Company for the year ended 31st December, 2005 (including the payment of final dividend).
7. To consider and approve the resignation of 童金根 (Tong Jingen) as a non-executive Director of the Company.
8. To consider and approve the appointment of 劉會勝 (Liu Huisheng) as a non-executive Director of the Company with effect as from the conclusion of the 2005 Annual General Meeting up to 17th December, 2008 (both days inclusive) and to authorize Directors to determine his remuneration.
9. To consider and approve the granting of a mandate to the Board of Directors for payment of interim dividend (if any) to the shareholders of the Company for the year ending 31st December, 2006.
10. To consider and approve the agreements all dated 12th May, 2006 (the “**Agreements**”) entered into between the Company and Other Shareholders (as defined in the announcement of the Company dated 12th May, 2006) for the acquisition of 55% interest in

潍柴动力(潍坊)投资有限公司 (Weichai Power (Weifang) Investment Co., Ltd.) by the Company from the Other Shareholders for a total consideration of RMB684,750,000; and to authorize the Directors of the Company to do all such actions which are appropriate to implement and complete the Agreements.

AS SPECIAL RESOLUTIONS:

11. To consider and, if thought fit, pass the following resolution relating to the granting of a general mandate to the Board of Directors to issue short term debenture in the PRC as special resolution:

“THAT:

- (1) The Board of Directors be and is hereby generally and unconditionally granted (subject to the approval from the relevant PRC regulatory authorities), from the conclusion of the 2005 Annual General Meeting up to the conclusion of the next annual general meeting of the Company after the 2005 Annual General Meeting, a general mandate to issue short term debenture (or other non-equity related debt instruments), in one or more tranches, with an amount less than RMB900 million (the “**Debenture Issue**”).
- (2) The Board of Directors (or any committee thereof), taking into consideration the specific needs of the Company and other market conditions, be and is hereby generally and unconditionally authorized to:
 - (i) determine the terms and conditions of and other matters relating to the Debenture Issue (including, but not limited to, the determination of the actual aggregate amount, interest rate, rating, guarantee arrangements and use of the proceeds of the Debenture Issue);
 - (ii) do all such acts which are necessary and incidental to the Debenture Issue (including, but not limited to, the securing of approvals, the determination of selling arrangements and the preparation of relevant application documents); and
 - (iii) take all such steps which are necessary for the purposes of executing the Debenture Issue (including, but not limited to, the execution of all requisite documentation and the disclosure of relevant information in accordance with application laws),

and to the extent that any of the aforementioned acts and steps have already been undertaken by the Board of Directors (or any committee thereof) in connection with the Debenture Issue, such acts and steps be hereby approved, confirmed and ratified.”

12. To consider and, if thought fit, pass the following resolution relating to the granting of a general mandate to the Board of Directors to issue, amongst other things, new shares as a special resolution:

“THAT:

- (1) The Board of Directors be and is hereby authorized to make such amendments to the Articles of Association of the Company as it thinks fit so as to increase the registered capital of the Company and reflect the new capital structure of the Company upon the allotment and issuance of shares of the Company as contemplated in paragraph (2) of this special resolution.
- (2) The Board of Directors be and is hereby granted, during the Relevant Period, an unconditional general mandate to separately or concurrently allot, issue and deal with additional domestic shares and/or overseas listed foreign shares of the Company, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

- (i) such mandate shall not extend beyond the Relevant Period save that the Board of Directors may during the Relevant Period make or grant offers, agreements or options which may require the exercise of such powers after the end of the Relevant Period; and
 - (ii) the aggregate nominal amount of the domestic shares or overseas listed foreign shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board of Directors otherwise than pursuant to a Rights Issue or any option scheme or similar arrangement or any separate approval of the shareholders of the Company, shall not exceed 20% of the aggregate nominal amount of the domestic shares and overseas listed foreign shares, respectively, of the Company in issue as at the date of this special resolution; and the Board of Directors will only exercise its power under such mandate in accordance with the Company Law of the People's Republic of China ("PRC") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.
- (3) For the purposes of this special resolution:

"Relevant Period" means the period from the passing of this special resolution until the earliest of: (i) the conclusion of the next annual general meeting of the Company following the passing of this special resolution; or (ii) the expiration of the 12-month period following the passing of this special resolution; or (iii) the date on which the authority sets out in this special resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting; and

"Rights Issue" means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law or regulation of that place) entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares.

- (4) Contingent on the Board of Directors resolving to issue shares pursuant to paragraph (2) of this special resolution, the Board of Directors be and is hereby authorized to approve, execute and do or procure to be executed and done, all such documents, deeds, and things as it may consider necessary in connection with the issue of such new shares including, without limitation, determining the time and place of issue, making all necessary applications to the relevant authorities, entering into underwriting agreements (or any other agreements), determining the use of proceeds and making all necessary filings and registrations with the relevant PRC, Hong Kong and other relevant authorities, including but not limited to registering or making filing of the increased capital of the Company with the relevant authorities in the PRC and/or Hong Kong as a result of the issuance of shares pursuant to paragraph (2) of this special resolution".

By Order of the Board of Directors
Zhang Yuanfu
Company Secretary
Weichai Power Co., Ltd.

Hong Kong, 12th May, 2006

Notes:

- (A) The Company will not process registration of transfers of H Shares of the Company from 30th May, 2006 to 30th June, 2006 (both days inclusive). Holders of H Shares of the Company whose names appear on the register of H Shares of the Company kept at Computershare Hong Kong Investor Services Limited at the end of 29th May, 2006 are entitled to attend and vote at the 2005 Annual General Meeting and for the final dividend following completion of the registration procedures.

To qualify for attendance and voting at the 2005 Annual General Meeting and for the final dividend, documents on transfers of H Shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's H-Share Registrar and Transfer Office, not later than 4:00 p.m. on 29th May, 2006. The address of the Company's H-Share Registrar and Transfer Office is as follows:

Computershare Hong Kong Investor Services Limited
46/F., Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

- (B) Holders of H Shares, domestic shares and foreign shares of the Company intending to attend the 2005 Annual General Meeting should complete and return the reply slip for attending the 2005 Annual General Meeting personally, by facsimile or by post to the Secretary to the Board of the Company 20 days before the 2005 Annual General Meeting, (i.e. on or before 10th June, 2006).

The contact details of the Secretary to the Board of the Company are as follows:

Securities Department
197, Section A, Fu Shou East Street
High Technology Industrial Development Zone
Weifang
Shandong Province
The People's Republic of China
Postal Code: 261061
Telephone No.: 86 (536) 229 7068
Facsimile No.: 86 (536) 819 7073

- (C) Each holder of H Shares of the Company entitled to attend and vote at the 2005 Annual General Meeting may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the 2005 Annual General Meeting on his behalf. A proxy need not be a shareholder of the Company. With respect to any shareholder who has appointed more than one proxy, the proxy holders may only vote on a poll.
- (D) Holders of H Shares of the Company must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant shareholder or by a person duly authorised by the relevant shareholder in writing (a "power of attorney"). If the forms of proxy is signed by the person authorised by the relevant shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarised. If a corporate shareholder appoints a person other than its legal representative to attend the 2005 Annual General Meeting on its behalf, the relevant form of proxy must be affixed with the company seal/chop of the corporate shareholder or duly signed by its director or any other person duly authorised by that corporate shareholder as required by the Articles of Association of the Company.
- (E) To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in Note (D) above must be delivered to the Company's H-Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited (address: 46/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong), not less than 24 hours before the time appointed for the 2005 Annual General Meeting.
- (F) Each holder of domestic shares or foreign shares (excluding H Shares) of the Company who is entitled to attend and vote at the 2005 Annual General Meeting may also, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the 2005 Annual General Meeting on his behalf. A proxy need not be a shareholder of the Company. Notes (C) and (D) above also apply to the holders of domestic shares and foreign shares (excluding H Shares) of the Company, except that, to be valid, the form of proxy and the relevant power of attorney (if any) and other relevant documents of authorization (if any) must be delivered to the Secretary to the Board of the Company not less than 24 hours before the time appointed for the 2005 Annual General Meeting. The address of the Secretary to the Board of the Company is stated in Note (B) above.
- (G) A shareholder or his proxy should produce proof of identity when attending the 2005 Annual General Meeting. If a corporate shareholder's legal representative or any other person authorised by the board of directors or other governing body of such corporate shareholder attends the 2005 Annual General Meeting, such legal representative or other person

shall produce his proof of identity, and proof of designation as legal representative and the valid resolution or authorisation document of the board of directors or other governing body of such corporate shareholder (as the case may be) to prove the identity and authorization of that legal representative or other person.

- (H) Any proposal to appoint any person to the office of director of the Company at the 2005 Annual General Meeting shall be given in writing and, notice in written by that person of his consent to be elected as director shall be, lodged at the registered office of the Company at 197, Section A, Fu Shou East Street, High Technology Industrial Development Zone, Weifang, Shandong Province, the People's Republic of China. The period for lodgement of such notices shall commence on (and include) the day after the date of this notice of the 2005 Annual General Meeting and end on (and exclude) the date that is seven (7) days before the date of the 2005 Annual General Meeting.
- (I) 劉會勝 (Liu Huisheng), aged 40, is the deputy general manager of 濰坊柴油機廠 (Weichai Diesel Engine Works) ("Weichai Factory"). Mr. Liu joined Weichai Factory in 1989 and had held various positions in Weichai Factory such as, the deputy general manager of the power branch, the deputy general manager of the WD615 branch, the deputy director of the purchasing department and the assistant to the general manager of Weichai Factory. Mr. Liu had also been appointed as the general manager of 重慶濰柴發動機廠 (Chongqing Weichai Diesel Engine Works). Mr. Liu holds a bachelor's degree.

The Company proposes to appoint Mr. Liu as a non-executive Director of the Company to hold office as from the conclusion of the 2005 Annual General Meeting up to 17th December, 2008 (both days inclusive). Mr. Liu will not enter into any service contract with the Company in respect of his appointment as a non-executive Director of the Company. Subject to the approval of the shareholders of the Company, the remuneration of Mr. Liu will be determined by the Board. Mr. Liu does not have any relationship with the other Directors, supervisors, senior management or substantial or controlling shareholders of the Company. Mr. Liu did not hold any directorship in any other listed public companies in the past three years. As at the date hereof, Mr. Liu holds 600,000 domestic shares in the Company. Save as aforesaid, Mr. Liu does not have any other interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

There is no information which is discloseable nor is/was Mr. Liu involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

- (J) The 2005 Annual General Meeting is expected to last for half a day. Shareholders who attend the 2005 Annual General Meeting shall bear their own travelling and accommodation expenses.

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