
THIS CIRCULAR 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 your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ping An Insurance (Group) Company of China, Ltd., you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company.



中国平安保险(集团)股份有限公司

PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2318)

GENERAL MANDATE TO ISSUE SHARES, APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS AND SUPERVISORS, EMOLUMENTS TO DIRECTORS AND SUPERVISORS, AMENDMENTS TO THE ARTICLES OF ASSOCIATION, AUTHORIZING THE LEGAL REPRESENTATIVE TO AMEND PROMOTER SHARES PROVISIONS IN THE APPENDIX TO THE COMPANY'S ARTICLES OF ASSOCIATION AND NOTICE OF THE ANNUAL GENERAL MEETING

A notice convening the 2006 Annual General Meeting to be held at 10:00 a.m. on Thursday, May 25, 2006 at 6th Floor, Ping An Building, Ba Gua No.3 Road, Shenzhen, PRC is set out on pages 29 to 40 of this circular.

A form of proxy for use at the 2006 Annual General Meeting is enclosed and is also published on the website of the Stock Exchange (www.hkex.com.hk). Whether or not you intend to attend the 2006 Annual General Meeting, you are requested to complete and return (i) the enclosed reply slip in accordance with the instructions printed thereon not later than Friday, May 5, 2006 and (ii) the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the 2006 Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the 2006 Annual General Meeting and voting in person if you so wish.

April 7, 2006

CONTENTS

	<i>Page</i>
Contents	i
Definitions	1
Letter from the Board	
Introduction	3
General Mandate to issue Shares	4
Appointment and re-appointment of Directors	5
Appointment and re-appointment of Supervisors (other than Supervisors representing employees of the Company)	5
Emolument plan for the 7th Board of Directors	5
Emolument plan for the 5th Supervisory Committee	6
Amendments to the Articles of Association	7
Authorizing the Legal Representative to amend the provisions as regards holdings of Promoter Shares in the appendix to the Articles of Association	14
2006 Annual General Meeting	15
Procedure for demanding a poll at the 2006 Annual General Meeting	15
Recommendation	16
Appendix Details of Directors and Supervisors proposed to be appointed and re-appointed	17
Notice of the Annual General Meeting	29

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2006 Annual General Meeting”	the 2006 annual general meeting of the Company to be held at 10:00 a.m. on Thursday, May 25, 2006 at 6th Floor, Ping An Building, Ba Gua No.3 Road, Shenzhen, PRC
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board”	the Board of Directors of the Company
“Company”	Ping An Insurance (Group) Company of China, Ltd., a joint stock limited company duly incorporated in the PRC with limited liability and the H Shares of which are listed on the Stock Exchange
“Company Law”	the Company Law of the PRC
“Directors”	the members of the Board of the Company
“Domestic Shares”	Shares which are subscribed for and or credited as paid up in RMB by PRC nationals and/or PRC corporate entities
“General Mandate”	the proposed general mandate to issue Domestic Shares and H Shares representing up to the limit of 20% of each of the aggregate nominal values of the Domestic Shares and H Shares respectively in issue on the date of passing the related resolution
“Group”	the Company and the Subsidiaries
“H Shares”	overseas listed foreign Shares which are listed on the Stock Exchange, and subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	March 29, 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Legal Representative”	the legal representative of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Promoter Shares”	those 2,191,610,986 Shares issued to the promoters of the Company at the time of reorganization of the Company into a joint-stock company on January 16, 1997
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares(s) of RMB1.00 each in the share capital of the Company
“Shareholders”	holders of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) for the time being of the Company whether incorporated in Hong Kong or elsewhere
“Supervisors”	the members of the Supervisory Committee of the Company
“Supervisory Committee”	the supervisory committee of the Company established pursuant to the Company Law

LETTER FROM THE BOARD



中国平安保险(集团)股份有限公司

PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2318)

Executive Directors:

Ma Mingzhe
Sun Jianyi

Non-executive Directors:

Henry CORNELL
Huang Jianping
Liu Haifeng David
Lin Yu Fen
Cheung Lee Wah
Anthony Philip HOPE
Dou Wenwei
Fan Gang
Lin Lijun
Shi Yuxin
Hu Aimin
Chen Hongbo

Registered office:

Ping An Building
Ba Gua No. 3 Road
Shenzhen
PRC

*Principal place of business
in Hong Kong:*

11th Floor
Dah Sing Financial Center
108 Gloucester Road
Wan Chai
Hong Kong

Independent non-executive Directors:

Bao Youde
Kwong Che Keung Gordon
Cheung Wing Yui
Chow Wing Kin Anthony

April 7, 2006

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATE TO ISSUE SHARES,
APPOINTMENT AND RE-APPOINTMENT OF
DIRECTORS AND SUPERVISORS,
EMOLUMENTS TO DIRECTORS AND SUPERVISORS,
AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
AUTHORIZING THE LEGAL REPRESENTATIVE TO AMEND
PROMOTER SHARES PROVISIONS IN THE APPENDIX
TO THE COMPANY'S ARTICLES OF ASSOCIATION
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

INTRODUCTION

At the 2006 Annual General Meeting, among other things, ordinary resolutions will be proposed to (i) appoint and re-appoint Directors; (ii) appoint and re-appoint Supervisors (other than Supervisors representing the employees of the Company); (iii) approve the emolument

LETTER FROM THE BOARD

plan for the 7th Board of Directors of the Company; (iv) approve the emolument plan for the 5th Supervisory Committee of the Company; and special resolutions will be proposed to (v) approve the grant of the General Mandate to the Board to enable them to allot, issue and otherwise deal with additional Domestic Shares and H Shares of the Company up to the limit of 20% of each of the aggregate nominal values of the Domestic Shares and H Shares of the Company respectively in issue on the date of passing such resolution; (vi) approve certain amendments to the Articles of Association; and (vii) authorize the Legal Representative to amend the provisions as regards holdings of Promoter Shares in the appendix to the Company's Articles of Association.

The purpose of this circular is to give you notice of the 2006 Annual General Meeting and to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the above proposed resolutions at the 2006 Annual General Meeting.

GENERAL MANDATE TO ISSUE SHARES

To increase the flexibility and efficiency in operation, the Company proposes to grant the General Mandate to the Board to allot, issue and otherwise deal with additional Domestic Shares and H Shares up to the limit of 20% of each of the aggregate nominal values of the Domestic Shares and H Shares respectively in issue on the date of passing such resolution. Any exercise of the power by the Directors under the General Mandate shall comply with the relevant requirements of the Listing Rules, the Articles of Association and the applicable laws and regulations of PRC. The Board has no present plan to issue new Shares pursuant to the General Mandate. The General Mandate shall be effective until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by a special resolution of the Company in general meeting.

As at the Latest Practicable Date, the Company had in issue 6,195,053,334 Shares, comprising of 3,636,409,636 Domestic Shares and 2,558,643,698 H Shares. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company will be allowed to allot and issue up to a maximum of 1,239,010,666 Shares, comprising of 727,281,927 Domestic Shares and 511,728,739 H Shares, representing 20% of each of the aggregate nominal amounts of Domestic Shares and H Shares in issue at the date of passing the proposed resolution, on the basis that no further Shares will be issued by the Company prior to the 2006 Annual General Meeting.

LETTER FROM THE BOARD

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

According to Article 112 of the Articles of Association and the respective Shareholders' resolutions approving their appointments, each Director's appointment shall expire at the 2006 Annual General Meeting. Therefore, the appointment of each of Mr. Ma Mingzhe, Mr. Sun Jianyi, Mr. Henry CORNELL, Mr. Huang Jianping, Mr. Liu Haifeng David, Mr. Lin Yu Fen, Mr. Cheung Lee Wah, Mr. Anthony Philip HOPE, Mr. Dou Wenwei, Mr. Fan Gang, Ms. Lin Lijun, Mr. Shi Yuxin, Mr. Hu Aimin, Mr. Chen Hongbo, Mr. Bao Youde, Mr. Kwong Che Keung Gordon, Mr. Cheung Wing Yui and Mr. Chow Wing Kin Anthony shall expire at the 2006 Annual General Meeting, but being eligible, each of them (other than Mr. Henry CORNELL and Mr. Liu Haifeng David, who for personal reasons will not be offering themselves for re-appointment) will offer themselves for re-appointment. Ordinary resolutions will be proposed at the 2006 Annual General Meeting to re-appoint each of Mr. Ma Mingzhe and Mr. Sun Jianyi and to appoint Mr. Cheung Chi Yan Louis as executive Director, to re-appoint each of Mr. Huang Jianping, Mr. Lin Yu Fen, Mr. Cheung Lee Wah, Mr. Anthony Philip HOPE, Mr. Dou Wenwei, Mr. Fan Gang, Ms. Lin Lijun, Mr. Shi Yuxin, Mr. Hu Aimin and Mr. Chen Hongbo and to appoint each of Mr. Wong Tung Shun Peter and Mr. Ng Sing Yip as non-executive Director and to re-appoint each of Mr. Bao Youde, Mr. Kwong Che Keung Gordon, Mr. Cheung Wing Yui and Mr. Chow Wing Kin Anthony as independent non-executive Director respectively. Details of each of the proposed Directors are set out below in the Appendix to this circular.

APPOINTMENT AND RE-APPOINTMENT OF SUPERVISORS (OTHER THAN SUPERVISORS REPRESENTING EMPLOYEES OF THE COMPANY)

According to Article 133 of the Articles of Association, each Supervisor is appointed for a term of three years. The current three-year term of the Supervisory Committee shall expire at the 2006 Annual General Meeting. Therefore, in accordance with Article 133, the appointment of each of Mr. Xiao Shaolian, Mr. Sun Fuxin, Mr. Chen Shangwu, Ms. Duan Weihong, Mr. Zhou Fulin, and Mr. Chen Bohai shall expire at the 2006 Annual General Meeting, but being eligible, each of them (other than Mr. Cheng Shangwu, Mr. Zhou Fulin and Mr. Chen Bohai, who for personal reasons will not be offering themselves for re-appointment) will offer themselves for re-appointment. Ordinary resolutions will be proposed at the 2006 Annual General Meeting to re-appoint each of Mr. Xiao Shaolian and Mr. Sun Fuxin and to appoint Mr. Dong Likun as independent Supervisor and to re-appoint Ms. Duan Weihong and to appoint Mr. Lin Li and Mr. Che Feng as Supervisor representing the Shareholders respectively. Details of each of the proposed Supervisors are set out below in the Appendix to this circular. Supervisors representing employees of the Company are elected by the employees of the Company by way of voting pursuant to Article 134 of the Articles of Association.

EMOLUMENT PLAN FOR THE 7TH BOARD OF DIRECTORS

The current and proposed annual fee is RMB300,000 for each foreign independent non-executive Director and RMB150,000 for each domestic independent non-executive Director of the Company. Non-executive directors do not receive any directors' fees.

LETTER FROM THE BOARD

The current and proposed annual remuneration for Mr. Ma Mingzhe, an executive Director, as Chairman of the Board of Directors shall continue to comprise of three elements, namely an annual fee, an annual award and a long term incentive plan. The proposed annual fee shall continue to be an amount not exceeding 5 times the average salary of the top 10 department managers as previously approved by Shareholders in general meeting; the annual award shall be the lower of (0.48% X (the Company's profits after tax – Shareholders' interests X 5.25%)) or (0.30% X the Company's profits after tax); and the long term incentive plan element shall be determined according to the Resolution as Regarding Long Term Incentive Plan for the Company's Senior Management as approved by Shareholders at the Company's 2004 extraordinary general meeting. It is also proposed that following approval by Shareholders at the 2006 Annual General Meeting of the above proposed remuneration package, the remuneration committee shall be authorized to confirm the exact annual remuneration receivable by the Chairman of the Board. The proposed remuneration package shall be effective January 1, 2006 until the end of the term of the 7th Board of Directors, and is recommended to be adopted thereafter.

Mr. Sun Jianyi as executive Director will not receive any director fee but will receive salary as Executive Vice President and Vice Chief Executive Officer of the Company which exact amount is determined by the remuneration committee as recommended by the Chairman and Chief Executive Officer of the Company, with reference to market conditions, his position and duties, scale of remuneration and performance in his discharging of duties.

Mr. Cheung Chi Yan Louis as executive Director will not receive any director fee but will receive salary as Chief Operating Officer and Chief Financial Officer of the Company which exact amount is determined by the remuneration committee as recommended by the Chairman and Chief Executive Officer of the Company, with reference to market conditions, his position and duties, scale of remuneration and performance in his discharging of duties.

As provided in the Company's Articles of Association, all the above remuneration packages are those before tax. The Company will deduct and pay all taxes due on the Directors' behalf in accordance with the relevant tax laws.

EMOLUMENT PLAN FOR THE 5TH SUPERVISORY COMMITTEE

With reference to the prevailing market rates and the Company's position, the proposed annual supervisor's fee for the 5th Supervisory Committee is RMB60,000 for each independent Supervisor and RMB250,000 for the Supervisor who also holds the office of the Chairman of the Supervisory Committee, which is the same as the current annual supervisor's fee for the respective positions.

Supervisors representing shareholders of the Company do not receive any supervisors' fees. Supervisors representing employees of the Company do not receive any supervisors' fees but only receive remuneration for their respective positions held in the Group which amounts are determined by the management of the Company.

LETTER FROM THE BOARD

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Amendments to the Company Law came into effect on January 1, 2006 and have necessitated certain amendments to the Company's Articles of Association. A special resolution will be proposed at the 2006 Annual General Meeting to approve the amendments to the Articles of Association. Details of the amendments to the Articles of Association are as follows:

- To comply with the amendments to the Company Law and the Regulation on the Administration of Companies Registration, each of following Articles be amended or replaced (as is the case) as follows:

(1) Article 7 be replaced by:

“7 The Company has independent legal person properties and enjoys legal person property rights. The Company shall be liable for its debts to the extent of all its assets. The shareholders shall be liable towards the Company to the extent of subscription of their respective shareholdings.”

(2) Article 12 be replaced by:

“12 The Company can invest in other limited companies and companies limited by shares, and bear the responsibility within such investment volume.”

(3) Article 19 be amended as follows with the proposed amendments underlined for reference:

“19 Following approval by the approving department authorized by the State Council, the total amount of issued ordinary shares of the Company is 6,195,053,334. The number of shares issued to the promoters at the time of reorganization of the Company into a joint-stock company on January 16, 1997 is 2,191,610,986, representing 35.38% of the total number of ordinary shares issued by the Company. On June 24, 2004 during the Company's first overseas offer of H shares and listing, as a result of the disposal of state owned shares, 72,955,249 shares of the promoter shares were converted to H Shares. Details of the Company's promoter shares are listed out in the appendix.

If as a result of any shareholder holding promoter shares transferring such shares in accordance with the Company Law and other relevant state laws and regulation and provisions under the Articles of Association, the Company needs to make corresponding changes to the record of shareholders stated in the appendix of the Articles of Association and the register of shareholders, the amendments to the appendix of the Articles of Association shall be approved by legal representative of the Company as authorized by the shareholders in the general meeting, without any voting therein.”

LETTER FROM THE BOARD

- (4) The second paragraph of Article 49 be amended as follows with the proposed amendments underlined for reference:

“Applications for the replacement of share certificates from holders of domestic shares who have lost their certificates shall be dealt with in accordance with Article 144 of the Company Law.”

- (5) Article 61 (3) and (13) be amended as follows with the proposed amendments underlined for reference:

“61 The general meeting shall exercise the following functions and powers:

(3) Elect and replace the supervisors other than those representing employees of the Company and decide on matters concerning the remuneration thereof;

(13) Consider proposals raised by shareholders holding 3 percent or more of the Company’s voting shares;”

- (6) Article 65 be amended as follows with the proposed amendments underlined for reference:

“65 When the Company is to hold a general meeting, shareholders holding 3 percent or more of the total number of the Company’s voting shares shall be entitled to propose new proposals in writing to the Company. Proposal matters raised in the proposals which are within the scope of the duties of the general meeting shall be listed in the meeting agenda.”

- (7) Article 88 be amended as follows with the proposed amendments underlined for reference:

“88 The following matters shall be resolved by way of an ordinary resolution of the general meeting:

(1) Work reports of the board of directors and the supervisory committee;

(2) Plans for the distribution of profits and making up of losses drafted by the board of directors;

LETTER FROM THE BOARD

- (3) Appointment and removal of members of the board of directors and the supervisory committee and their remuneration and mode of payment;
 - (4) The Company's annual budget, final accounts, annual reports, balance sheet, profit statement and other financial statements;
 - (5) Provision of guarantees to shareholders or effective controller of the Company;
 - (6) Matters other than those that law, administrative regulations or the Company's Articles of Association require to be passed by way of a special resolution.”
- (8) Article 91 be replaced by:

“91 In the event that the supervisory committee or shareholders request to convene an extraordinary shareholders' meeting or a class shareholders' meeting, the following procedures shall be followed:

- (1) The supervisory committee or shareholder(s), alone or jointly, holding 10 percent or more of the shares carrying voting rights at the meeting to be convened may, by signing one or more counterpart written requisition(s) stating the object of the meeting, require the board of directors to convene an extraordinary general meeting or a class shareholders' meeting. The board of directors shall as soon as possible after receipt of such written requisition(s) proceed to so convene the extraordinary general meeting or class shareholders' meeting, as the case may be. The shareholdings referred to above shall be calculated as at the date of the delivery of the written requisition(s).
- (2) Where the board of directors fails to issue convene notice of meeting within thirty (30) days upon receipt of the above written request, the supervisory committee shall convene and host the meeting. Where the supervisory committee fails to issue convene notice of meeting within thirty (30) days thereafter, shareholders individually or collectively holding ten percent or more shares carrying voting rights on such proposed meeting for over ninety (90) consecutive days may convene meeting on their own accord within four (4) months upon the board of directors having received such request. The convening procedures shall as much as possible be equivalent to which the board of directors convenes the general meeting.

LETTER FROM THE BOARD

All reasonable expenses incurred by the supervisory committee or the shareholder(s) who tendered the requisition in convening and holding the meeting as a result of the failure of the board of directors to duly convene the meeting shall be borne by the Company, and shall be set off against any sums owed to the directors and the supervisors in default by the Company.”

(9) Article 95 be replaced by:

“95 The general meeting shall be convened by the board of directors, and presided over by the chairman of the board. Where the chairman fails to attend the meeting by any reasons, the meeting shall be presided over by the vice-chairman designated by the chairman. Where the vice-chairman fails to attend the meeting, the meeting shall be presided over by a director who jointly elected by over half of the number of the directors.

Where the board of directors is unable or fails to perform its duties of convening the general meeting, the meeting shall be convened by the supervisory committee, and presided over by the chairman of supervisory committee. Where the chairman of supervisory committee fails to attend the meeting, the meeting shall be presided over by a supervisor who jointly elected by over half of the number of the supervisors.

Where the supervisory committee fails to convene and preside over the general meeting, the meeting shall be convened by shareholders who individually or jointly representing ten (10) percent or more of the Company’s voting rights for over ninety (90) days. The meeting shall be presided over by a person elected by shareholders presenting the meeting.

Where the chairman of the general meeting is unable to be elected through above means, the meeting shall be presided over by shareholder (including shareholder’s proxy) who representing the largest majority of voting rights.

Extraordinary general meeting may be conducted by voting via communications.”

(10) Article 111 be amended as follows with the proposed amendments underlined for reference:

“111 The Company shall establish a board of directors. The board of directors shall be composed of 19 directors, which shall have one chairman of the board and one or two vice-chairmen of the board, not less than two executive directors and not less than three independent non-executive directors.”

LETTER FROM THE BOARD

- (11) The fifth paragraph of the Article 112 be deleted in its entirety.
- (12) Article 119 be amended as follows with the proposed amendments underlined for reference:

“119 The board of directors shall convene regular board meeting at least four times each year. The meeting shall be convened by the chairman and all the directors and supervisors shall be notified in writing prior to fourteen (14) days of the meeting.

The chairman shall convene and host the extraordinary board meeting within ten (10) days upon having received any proposals under each of the following conditions:

- (1) when it is considered by the chairman to be necessary;
- (2) when it is jointly proposed by over one-third of directors;
- (3) when it is proposed by the supervisory committee;
- (4) when it is proposed by the chief-executive-officer;
- (5) when it is proposed by shareholders holding ten percent or more (10%) of voting rights.”

- (13) Article 120 be replaced by:

“120 The board of directors may convene extraordinary board meeting by voting via communications. The fourteen (14) days prior notice requirement need not apply provided that notice of such meeting shall be delivered to the directors and supervisors in a timely and effectively manner.

Where the chairman is unable to perform his duties in those circumstances specified in paragraphs (2), (3), (4) and (5) under paragraph 2 of Article 119, he should designate a vice-chairman to convene the extraordinary board meeting on his behalf. Where the chairman fails to perform his duties for no reasons and fails to designate specific person to perform his duties on his behalf, the meeting shall be convened by the vice-chairman. Where the vice-chairman is unable or fails to perform his duties, a director being jointly elected by over half of the number of the directors shall convene the meeting.”

LETTER FROM THE BOARD

- To improve the operational flexibility, the following Article be amended as follows:

- (14) The second paragraph of Article 128 be amended as follows with the proposed amendments underlined for reference:

“Members of the audit committee shall be appointed by the board of directors from the directors of the Company, which composes of three to seven directors.”

- To comply with the amendments to the Company Law and the Regulation on the Administration of Companies Registration, each of the following Articles be amended or replaced (as is the case) as follows:

- (15) The third paragraph of Article 133 be amended as follows with the proposed amendments underlined for reference:

“Where the chairman of the supervisory committee fails to perform his duties, a supervisor elected by over half of the number of the supervisors shall perform his duties on his behalf.”

- (16) Article 134 be amended as follows with the proposed amendments underlined for reference:

“134 The supervisory committee is made up of supervisors representing the shareholders, supervisors representing employees of the Company and independent supervisors. Supervisors representing the shareholders and independent supervisors shall be elected and replaced by shareholders in general meeting; supervisors representing employees of the Company shall be elected and replaced by employees of the Company in democratic ways. Supervisors representing employees of the Company shall not be less than one third of the total number of supervisors. Independent supervisors shall not exceed one third of the total number of supervisors.”

- (17) Article 136 be amended as follows with the proposed amendments underlined for reference:

“136 Where a supervisor fails to attend meetings of the supervisory committee personally or to entrust other supervisors to attend for two consecutive times, it shall be deemed a failure to perform his duties. The general meeting or the employees’ representatives meeting shall replace such supervisors.”

LETTER FROM THE BOARD

(18) Article 186 be replaced by:

“186 Profit after tax shall be distributed in the following sequence:

- (1) cover losses in the previous year;
- (2) allocate 10% to statutory revenue reserve;
- (3) allocate to discretionary revenue reserve;
- (4) pay dividends to shareholders.

When the accumulated statutory revenue reserve exceeds 50 percent of the registered capital of the Company, the Company may cease to make such allocation. After making allocation to the statutory revenue reserve, whether to allocate to the discretionary revenue reserve is subject to the resolution at general meetings. No distribution of profits to shareholders shall be made before the loss of the Company has been made up and allocation to the statutory revenue reserve.”

(19) Article 187 be replaced by:

“187 The revenue reserve of the Company shall be used to cover the Company’s losses, expand its production and operation, or be converted to increase the Company’s capital. However, the capital revenue reserve shall not be used to cover losses of the Company.”

(20) Article 188 be replaced by:

“188 Where a resolution of the general meeting of the Company resolves to convert any revenue reserve into share capital, the Company shall issue new shares to the existing shareholders in proportion to their respective shareholdings. When capitalizing the statutory revenue reserve, the balance of such revenue reserve shall not be less than 25 percent of the registered capital before the conversion.”

(21) As required by the Company Law and Regulations on the Administration of Company Registration, the Articles of Association has to state the shareholding status of shareholders holding promoter shares. As a result, an appendix shall be added to the Articles of Association which contains the shareholding status of shareholders holding the Company’s promoter shares.

LETTER FROM THE BOARD

Ping An Insurance (Group) Company of China, Ltd. Shareholdings of shareholders holding promoter shares

No.	Name of Shareholder	Number of shares held	Number of promoter shares included
1	Shenzhen Investment Holdings Co., Ltd.	543,181,445	543,181,445
2	Shenzhen New Horse Investment Development Co., Ltd.	389,592,366	276,495,472
3	Yuan Trust Investment Company Ltd.	380,000,000	269,690,812
4	Capital China Group Company Limited	332,526,844	200,907,380
5	Shenzhen Shum Yip Investment Development Company Ltd.	301,585,684	242,784,220
6	Guangzhou Hengde Trade Development Co., Ltd.	200,000,000	141,922,896
7	Shenzhen Liye Group Co., Ltd.	176,000,000	176,000,000
8	Guangdong Xince Technology Development Co., Ltd.	132,916,884	94,338,002
9	Shanghai Huihua Industrial Co., Ltd.	113,800,000	63,020,350
10	Shenzhen Dengfeng Investment Group Company, Limited	81,880,000	70,355,160
11	Tianjin Century Peace Real Estate Co., Ltd.	39,960,000	39,960,000
12	Overseas listed H shares changed from promoter shares	–	72,955,249
	Total	<u>2,691,443,223</u>	<u>2,191,610,986</u>

AUTHORIZING THE LEGAL REPRESENTATIVE TO AMEND THE PROVISIONS AS REGARDS HOLDINGS OF PROMOTER SHARES IN THE APPENDIX TO THE ARTICLES OF ASSOCIATION

According to the latest amendments to the Company Law and the Regulation on the Administration of Companies Registration, a company's articles of association must specify the holdings of its promoter shares. Since the holdings of our Promoter Shares changes from time to time whereas Shareholders' general meetings and Board meetings require certain number of days' notice to be given and are held only at such intervals, the holdings of the Promoter Shares as set out in the appendix to the Articles of Association cannot be promptly amended to reflect such changes.

A special resolution will be proposed at the 2006 Annual General Meeting that the Legal Representative shall be authorized to amend the appendix to the Articles of Association from time to time so as to enable the Company to promptly undertake the necessary changes in business registration particulars procedures.

LETTER FROM THE BOARD

2006 ANNUAL GENERAL MEETING

A notice convening the 2006 Annual General Meeting to be held at 10:00 a.m. on Thursday, May 25, 2006 at 6th Floor, Ping An Building, Ba Gua No.3 Road, Shenzhen, PRC, is set out on pages 29 to 40 of this circular.

In order to determine the list of Shareholders who are entitled to attend the 2006 Annual General Meeting and to receive the 2006 special interim dividend, the Company's registers of members will be closed from Tuesday, April 25, 2006 to Thursday, May 25, 2006, both days inclusive, during which period no transfer of Shares will be effected. Holders of H Shares and Domestic Shares whose names appear on the Company's registers of members on Thursday, May 25, 2006 are entitled to attend the meeting. In order to qualify for the 2006 special interim dividend and to attend and vote at the 2006 Annual General Meeting, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at or before 4:00 p.m. on Monday, April 24, 2006. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The 2006 special interim dividend is expected to be paid on or before June 2, 2006 to the Shareholders whose names appear on the registers of members of the Company on Thursday, May 25, 2006.

A form of proxy for use at the 2006 Annual General Meeting is enclosed and is also published on the website of the Stock Exchange (www.hkex.com.hk). Whether or not you intend to attend the 2006 Annual General Meeting, you are requested to complete and return (i) the enclosed reply slip in accordance with the instructions printed thereon not later than Friday, May 5, 2006 and (ii) the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the 2006 Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the 2006 Annual General Meeting and voting in person if you so wish.

PROCEDURE FOR DEMANDING A POLL AT THE 2006 ANNUAL GENERAL MEETING

According to the Articles of Association, a resolution will be determined on a show of hands unless before or after any vote on a show of hands, a poll is demanded. A poll may be demanded by (i) the chairman of the meeting; or (ii) at least two Shareholders entitled to vote, present in person or by proxy; or (iii) by one or more Shareholders present in person or by proxy representing more than 10% of all Shares carrying the voting rights at the meeting.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that ordinary resolutions to (i) appoint and re-appoint Directors; (ii) appoint and re-appoint Supervisors (other than Supervisors representing the employees of the Company); (iii) approve the emolument plan for the 7th Board of Directors; (iv) approve the emolument plan for the 5th Supervisory Committee; and special resolutions to (v) approve the grant of the General Mandate to the Board to enable them to allot, issue and otherwise deal with additional Domestic Shares and H Shares of the Company up to the limit of 20% of each of the aggregate nominal values of the Domestic Shares and H Shares of the Company respectively in issue on the date of passing such resolution; (vi) approve certain amendments to the Articles of Association; and (vii) authorize the Legal Representative to amend the appendix to the Articles of Association as regards holdings of Promoter Shares are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders should vote in favour of the relevant resolutions to be proposed at the 2006 Annual General Meeting as set out in the notice of the Annual General Meeting.

Yours faithfully,

For and on behalf of the Board of Directors

PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.

Ma Mingzhe

Chairman and Chief Executive Officer

The following are the particulars of the Directors and Supervisors proposed to be appointed and re-appointed at the 2006 Annual General Meeting:

EXECUTIVE DIRECTORS

MA Mingzhe, 50, has been the Chairman of the Board of Directors and Chief Executive Officer of our Company since April 1994 and April 2001, respectively. Mr. Ma has also been serving as a member of the nomination committee of the Board since February 5, 2004. He is a member of the National Committee of the Chinese People's Political Consultative Conference. Since the establishment of Ping An Insurance Company in March 1988, he has held various positions, including President, Director and Chairman of the Board. Prior to that, Mr. Ma was the Deputy Manager of China Merchants Shekou Industrial Zone Social Insurance Company. Mr. Ma has a Doctorate degree in Money and Banking from Zhongnan University of Economics and Law.

The Company proposes to re-appoint Mr. Ma as an executive Director to hold office for a term of three years. It is proposed that Mr. Ma shall be entitled to a Director's remuneration comprising three elements, namely an annual fee, an annual award and a long term incentive plan. The proposed annual fee shall continue to be an amount not exceeding 5 times the average salary of the top 10 department managers as previously approved by Shareholders in general meeting; the annual award shall be the lower of (0.48% X (the Company's profits after tax – Shareholders' interests X 5.25%)) or (0.30% X the Company's profits after tax); and the long term incentive plan element shall be determined according to the Resolution as regarding Long Term Incentive Plan for the Company's Senior Management as approved by Shareholders at the Company's 2004 extraordinary general meeting. It is also proposed that following approval by Shareholders at the 2006 Annual General Meeting of the above proposed remuneration package, the remuneration committee shall be authorized to confirm the exact annual remuneration receivable by Mr. Ma. The proposed remuneration package shall be effective January 1, 2006 until the end of the term of the 7th Board of Directors, and is recommended to be adopted thereafter. Mr. Ma does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Ma involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

SUN Jianyi, 53, has been the Executive Vice President and Vice Chief Executive Officer of our Company since October 1994 and February 2003, respectively. Mr. Sun has also been serving as a member of the nomination committee of the Board since February 5, 2004. Mr. Sun was appointed as a Director in March 1995. Since joining our Company in July 1990, he has been the General Manager of the Management Department, Vice-president and Executive Vice-president. Prior to joining our Company, Mr. Sun was the Head of the Wuhan Branch of the People's Bank of China and the Deputy General Manager of the Wuhan Branch Office of the People's Insurance Company of China and the General Manager of Wuhan Securities Company. He has a Diploma in Finance from Zhongnan University of Economics and Law.

The Company proposes to re-appoint Mr. Sun as an executive Director to hold office for a term of three years. Mr. Sun will not receive a Director's fee but will receive salary as Executive Vice President and Vice Chief Executive Officer of the Company which exact amount is determined by the remuneration committee as recommended by the Chairman and Chief Executive Officer of the Company, with reference to market conditions, his position and duties, scale of remuneration and performance in his discharging of duties. Mr. Sun does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Sun involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

CHEUNG Chi Yan Louis, 42, Chief Operating Officer and Chief Financial Officer of our Company since October 2003 and February 2003, respectively. Since joining our Company in February 2000, Mr. Cheung has been Senior Advisor to the Chairman, Chief Information Officer, Vice-President and Chief Financial Officer. From 1993 to 2000, Mr. Cheung was a management consultant and later became a global partner of McKinsey & Company, advising mainly financial services clients throughout Asia. Mr. Cheung has a Ph.D. degree in Business Information Systems from the University of Cambridge.

The Company proposes to appoint Mr. Cheung as an executive Director to hold office for a term of three years. Mr. Cheung will not receive a Director's fee but will receive salary as Chief Operating Officer and Chief Financial Officer of the Company which exact amount is determined by the remuneration committee as recommended by the Chairman and Chief Executive Officer of the Company, with reference to market conditions, his position and duties, scale of remuneration and performance in his discharging of duties. Mr. Cheung does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, save for his interests in 248,000 H Shares of the Company, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Cheung involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

NON-EXECUTIVE DIRECTORS

HUANG Jianping, 46, has been a Non-executive Director of the Company since May 2002. He is also Deputy Director of the planning and finance department of Shenzhen Investment Holdings Company Limited. Mr. Huang has a Diploma in Finance from Shenzhen University.

The Company proposes to re-appoint Mr. Huang as a non-executive Director to hold office for a term of three years. Mr. Huang will not receive a Director's fee. Mr. Huang does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Huang involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

LIN Yu Fen, 35, has been a Non-executive Director of the Company since October 2002. He is also an executive director of Capital China Group Company Limited. He graduated from City University of Hong Kong with an Honor degree in Finance. Mr. Lin is also a fellow member of the Association of Chartered Certified Accountants.

The Company proposes to re-appoint Mr. Lin as a non-executive Director to hold office for a term of three years. Mr. Lin will not receive a Director's fee. Mr. Lin does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Lin involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

CHEUNG Lee Wah, 59, has been a Non-executive Director of the Company since October 2002. Mr. Cheung has also been serving as a member of the remuneration committee of the Board since September 2, 2003. He has served as the General Manager of Wuhan Huachuang Enterprise Management Consulting Company Limited since 2001. Mr. Cheung was previously a Manager of Hilichamp Company Limited. He has a Bachelor's degree from McMaster University in Canada.

The Company proposes to re-appoint Mr. Cheung as a non-executive Director to hold office for a term of three years. Mr. Cheung will not receive a Director's fee. Mr. Cheung does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Cheung involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Anthony Philip HOPE, 59, has been a Non-executive Director of the Company since November 2002. Mr. HOPE has also been serving as a member of the audit committee of the Board and Vice-Chairman of the Board since November 4, 2005 and August 25, 2005 respectively. Mr. HOPE was appointed Chairman of HSBC Insurance Holdings Limited in 1987 and Group General Manager of Insurance of HSBC Holdings plc in 1996.

The Company proposes to re-appoint Mr. HOPE as a non-executive Director to hold office for a term of three years. Mr. HOPE will not receive a Director's fee. Save as above, Mr. HOPE does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. HOPE involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

DOU Wenwei, 40, has been a Non-Executive Director of the Company since May 2003. Mr. Dou is also a director of Shenzhen Jiangnan Industrial Development Co., Ltd. Mr. Dou has been the assistant general manager of the legal and compliance department of our Company since 2004. He has a Master's degree in PRC Civil Law from Jilin University.

The Company proposes to re-appoint Mr. Dou as a non-executive Director to hold office for a term of three years. Mr. Dou will not receive a Director's fee. Mr. Dou does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Dou involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

FAN Gang, 51, has been a Non-Executive Director of the Company since May 2003. Mr. Fan is also a director of Shenzhen Jiangnan Industrial Development Co., Ltd. Mr. Fan has been the General Manager of the Chairman's Office of our Company since 2002. Mr. Fan joined our Company in 1988 and served as the General Manager of the Shenzhen Branch (Property & Casualty) of our Company from 1998 to 2000. Mr. Fan was previously the Deputy Director of the Insurance Management Committee of our Company. Mr. Fan has a Diploma in History from Hubei University.

The Company proposes to re-appoint Mr. Fan as a non-executive Director to hold office for a term of three years. Mr. Fan will not receive a Director's fee. Mr. Fan does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Fan involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

LIN Lijun, 43, has been a Non-executive Director of the Company since May 2003. Ms. Lin has served as the Chairman of the board of directors of Shenzhen New Horse Investment Development Co., Ltd. since 2000. Ms. Lin previously served as the Deputy General Manager of the Human Resources Department at the property & casualty insurance business of our Company from 1997 to 2000. She has a Bachelor's degree in Chinese Language and Literature from South China Normal University.

The Company proposes to re-appoint Ms. Lin as a non-executive Director to hold office for a term of three years. Ms. Lin will not receive a Director's fee. Ms. Lin does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, she does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Ms. Lin involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

SHI Yuxin, 51, has been a Non-executive Director of the Company since October 2003. Mr. Shi has served as the Managing Director of Wuhan Wuxin Industrial Company Limited since December 1992. Mr. Shi is also the director of the board of directors of Wuhan Dapeng Industrial Company Limited. Mr. Shi has a LL.M degree from Wuhan University.

The Company proposes to re-appoint Mr. Shi as a non-executive Director to hold office for a term of three years. Mr. Shi will not receive a Director's fee. Mr. Shi does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Shi involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

HU Aimin, 57, has been a Non-Executive Director of the Company since March 2004. Mr. Hu has served as the Chairman of the board of directors of Shum Yip Holdings Company Limited and Shenzhen Investment Limited since April 2003 and June 2003, respectively. Mr. Hu has also served as the Chairman of the board of directors of Shenzhen Shum Yip Investment Development Company Limited since November 2003. Mr. Hu previously served as the Secretariat to the People's Government of Shenzhen and the director of the general office of the People's Government of Shenzhen concurrently. Mr. Hu has a Master's degree in Management from Hunan University.

The Company proposes to re-appoint Mr. Hu as a non-executive Director to hold office for a term of three years. Mr. Hu will not receive a Director's fee. Mr. Hu does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Hu involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

CHEN Hongbo, 54, has been a Non-executive Director of the Company since June 23, 2005. Mr. Chen has also been serving as Vice-Chairman of the Board since August 25, 2005. Mr. Chen has been the Chairman and the Secretary of the Party Committee of Shenzhen Investment Holdings Company, Ltd. since September 2004 and was the Deputy Director of State-owned Assets Supervision and Administration Commission of Shenzhen Municipality from April 2004 to September 2004 and the Assistant Director and the Deputy General Director of Economic Restructuring Office of Shenzhen Municipality from December 1992 to April 2004. Mr. Chen graduated from Zhongnan University of Economics and Law with a Master degree in economics.

The Company proposes to re-appoint Mr. Chen as a non-executive Director to hold office for a term of three years. Mr. Chen will not receive a Director's fee. Mr. Chen does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Chen involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

WONG Tung Shun Peter, 55, joined HSBC in April 2005, is currently the Group General Manager and an executive director of The Hongkong and Shanghai Banking Corporation Limited, being responsible for Hong Kong and Mainland China business. Mr. Wong is currently a director of Hang Seng Bank Limited, Chairman of HSBC Insurance (Asia-Pacific) Holdings Limited and a director of Bank of Communications Limited, Ping An Bank Limited and Hong Kong Interbank Clearing Limited. Mr. Wong's banking career started in 1980 when he joined Citibank as Assistant Financial Controller, and was later made director of Business Development, deputy managing director and director of Banking before becoming director of Sales, Services and Distribution Channels for Citibank's North Asian operations in 1996. He was appointed Head of Consumer Banking in Standard Chartered Bank in 1997 for its Hong Kong and China operations and later became Chief Executive Officer for its Hong Kong operations in 2000 and director for Greater China operations in 2002. Mr. Wong was educated at Indiana University in the USA and holds a Bachelor's degree in computer science, a MBA in marketing and finance and a MSc in computer science.

The Company proposes to appoint Mr. Wong as a non-executive Director to hold office for a term of three years. Mr. Wong will not receive a Director's fee. Save as above, Mr. Wong does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Wong involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

NG Sing Yip, 55, has been the Head of Legal and Compliance of The Hongkong and Shanghai Banking Corporation Limited since January 1998. Mr. Ng has a Bachelor's and Master's Degree in Law from the University London and is admitted to the Supreme Courts of England, Hong Kong and Victoria, Australia. He previously worked as a Crown Counsel in the Attorney General's Chambers before going into private practice. He joined The Hongkong and Shanghai Banking Corporation Limited in June 1987 as Assistant Group Legal Adviser and was later appointed Deputy Head of Legal and Compliance in February 1993. Mr. Ng also has a Bachelor of Laws Degree from the Beijing University.

The Company proposes to appoint Mr. Ng as a non-executive Director to hold office for a term of three years. Mr. Ng will not receive a Director's fee. Save as above, Mr. Ng does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Ng involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

BAO Youde, 74, has been an Independent Non-executive Director of the Company since September 1995. Mr. Bao has also been serving as a member of the audit committee since October 14, 2002 and the remuneration committee of the Board since October 26, 2003 and the chairman of the nomination committee of the Board since February 5, 2004. Prior to retiring in 1999, he was a Deputy Chairman of the board of directors and the General Manager of Shanghai International Trust Investment Company. In 1987, Mr. Bao was selected to serve as a representative in the Chinese Communist Party's 13th Congress. In both 1988 and 1993, he was selected to serve as a representative in the Shanghai People's Congress. He graduated from Shanghai University of Finance and Economics with a Diploma in Accounting.

The Company proposes to re-appoint Mr. Bao as an independent non-executive Director to hold office for a term of three years. It is proposed that Mr. Bao shall be entitled to a Director's fee of RMB150,000 per annum. Mr. Bao's proposed remuneration was determined by the Board with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Bao does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Bao involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

KWONG Che Keung Gordon, 56, has been an Independent Non-executive Director of the Company since May 2003. Mr. Kwong has also been serving as a member of the remuneration committee of the Board since September 2, 2003 and the chairman of the audit committee of the Board since October 26, 2003. Mr. Kwong is also independent non-executive director of a number of companies listed on the Stock Exchange, namely Cosco International Holdings Limited, Tianjin Development Holdings Limited, Beijing Capital International Airport Company Limited, Frasers Property (China) Limited, NWS Holdings Limited, China Oilfield Services Limited, Concepta Investments Limited, China Chengtong Development Group Limited, Global Digital Creations Holdings Limited, Quam Limited, Tom Online Inc., China Power International Development Limited, New World Mobile Holdings Limited, Henderson Land Development Company Limited, Henderson Investment Limited and Agile Property Holdings Limited. From 1984 to 1998, Mr. Kwong was a partner of Pricewaterhouse and was a council member of the Stock Exchange from 1992 to 1997. He has a Bachelor of Social Science degree from the University of Hong Kong and is a fellow member of the Institute of Chartered Accountants in England and Wales. Mr. Kwong previously served as a non-executive director of Cosco Pacific Limited until his resignation in January 2006 and was an independent non-executive director of Henderson China Holdings Limited which was privatised in July 2005.

The Company proposes to re-appoint Mr. Kwong as an independent non-executive Director to hold office for a term of three years. It is proposed that Mr. Kwong shall be entitled to a Director's fee of RMB300,000 per annum. Mr. Kwong's proposed remuneration was determined by the Board with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Kwong does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Kwong involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

CHEUNG Wing Yui, 56, has been an Independent Non-executive Director of the Company since May 2003. Mr. Cheung has also been serving as a member of the audit committee since November 4, 2005 and the nomination committee of the Board since February 5, 2004 and the chairman of the remuneration committee of the Board since October 26, 2003. Mr. Cheung is also an independent director or non-executive director of a number of companies listed on the Stock Exchange, namely SmarTone Telecommunications Holdings Limited, SUNeVision Holdings Limited, Tai Fook Securities Group Limited, Tianjin Development Holdings Limited, Shanghai Real Estate Limited, Tai Sang Land Development Limited, Hop Hing Holdings Limited, Ching Hing (Holdings) Limited and Agile Property Holdings Limited. Mr. Cheung is also a practicing lawyer and a partner of Woo, Kwan, Lee & Lo. In addition, he was the Vice Chairman of the Mainland Legal Affairs Committee of the Law Society of Hong Kong until he retired on December 31, 2005 and Council Member of the Open University of

Hong Kong for a period of 8 years until 2005 and a member of the Board of Review (Inland Revenue Ordinance). Mr. Cheung has a Bachelor's degree in Commerce major in Accounting from New South Wales University in Australia. Mr. Cheung is also a member of Australian Society of CPAs.

The Company proposes to re-appoint Mr. Cheung as an independent non-executive Director to hold office for a term of three years. It is proposed that Mr. Cheung shall be entitled to a Director's fee of RMB300,000 per annum. Mr. Cheung's proposed remuneration was determined by the Board with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Cheung does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Cheung involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

CHOW Wing Kin Anthony, 55, has been an Independent Non-executive Director of the Company since June 23, 2005. Mr. Chow has also been serving as a member of the audit committee of the Board since November 4, 2005 and a member of the nomination committee of the Board since August 20, 2005. Mr. Chow has been practicing as a solicitor in Hong Kong for the past 26 years and is a partner of the law firm, Peter C. Wong, Chow & Chow. He is also a China-appointed attesting officer. He has been serving as an independent non-executive director of Fountain Set (Holdings) Limited since June 2004 and a non-executive director of Kingmaker Footwear Holdings Limited since May 1994. Mr. Chow is the Vice Chairman of Estate Agents Authority, a member of the Law Reform Commission of Hong Kong, the Hong Kong Housing Authority and a Council Member of The Hong Kong Institute of Education. He is also a member of National Committee of the Chinese People's Political Consultative Conference and a member of the board of Steward of the Hong Kong Jockey Club.

The Company proposes to re-appoint Mr. Chow as an independent non-executive Director to hold office for a term of three years. It is proposed that Mr. Chow shall be entitled to a Director's fee of RMB300,000 per annum. Mr. Chow's proposed remuneration was determined by the Board with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Chow does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Chow involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

SUPERVISORS (OTHER THAN SUPERVISORS REPRESENTING EMPLOYEES OF THE COMPANY)

XIAO Shaolian, 72, has been an Independent Supervisor of our Company and the Chairman of our Supervisory Committee since August 1994 and May 2003, respectively. Mr. Xiao previously served as the Deputy Governor of the Shenzhen Branch of the People's Bank of China and Deputy Director of Shenzhen Foreign Exchange Administration Bureau concurrently.

The Company proposes to re-appoint Mr. Xiao as an Independent Supervisor to hold office for a term of three years. It is proposed that Mr. Xiao shall be entitled to a Supervisor's fee of RMB250,000 per annum. Mr. Xiao's proposed remuneration was determined by the Supervisory Committee with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Xiao does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Xiao involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

SUN Fuxin, 67, has been an Independent Supervisor of our Company since May 2003. Mr. Sun is currently the Chairman of the board of directors of Tian Yi Investment Guarantee Company and a Deputy Director of Dalian Credit Ranking Commission. Prior to his retirement in April 2003, Mr. Sun served as a Deputy Governor of the Dalian Branch of Industrial and Commercial Bank of China Limited and a Deputy Secretariat of People's Government of Dalian in charge of budget, finance, real estate and tax. Mr. Sun also previously served as the director of the Management Committee of Bank of Communication's Dalian Branch, the Securities Regulatory Office of Dalian, the general office of financial management of Dalian, Head of Dalian Real Estate Development Administration Office and the Resource Allocation of Underdeveloped Areas of Dalian and the Chairman of the board of directors of Dalian Commercial Bank.

The Company proposes to re-appoint Mr. Sun as an Independent Supervisor to hold office for a term of three years. It is proposed that Mr. Sun shall be entitled to a Supervisor's fee of RMB60,000 per annum. Mr. Sun's proposed remuneration was determined by the Supervisory Committee with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Sun does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Sun involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

DONG Likun, 63, graduated from the School of Law at the Beijing University. Mr. Dong was previously the Head of the International Law Centre of The Shanghai Academy of Social Sciences, Dean of the School of Law of the Shenzhen University, a representative of the Shanghai People's Congress and Member of the Guangdong Political Committee. Mr. Dong is currently serving as the Head the Graduate School of Hong Kong Law of the Shenzhen University, senior researcher of the Hong Kong-Macau Research Centre of Development Research Centre of the State Council of the People's Republic of China, General Secretariat of the Chinese International Law Society, Deputy President of the Chinese International Private Law Society, Chief Secretariat of the Hong Kong-Macau Research Centre of the Guangdong Law Society and arbitrator at the China International Economic and Trade Arbitration Commission.

The Company proposes to appoint Mr. Dong as an Independent Supervisor to hold office for a term of three years. It is proposed that Mr. Dong shall be entitled to a Supervisor's fee of RMB60,000 per annum. Mr. Dong's proposed remuneration was determined by the Supervisory Committee with reference to the prevailing market situation, his duties and responsibilities with the Company. Mr. Dong does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Dong involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

DUAN Weihong, 37, has been a Supervisor of our Company since May 2003. Ms. Duan is also the Chairperson of the board of Shenzhen Deng Feng Investment Group Company, Limited. She has an EMBA degree from School of Economics & Management, Tsinghua University.

The Company proposes to re-appoint Ms. Duan as a Supervisor representing the Shareholders to hold office for a term of three years. Ms. Duan will not receive a Supervisor's fee. Ms. Duan does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, she does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Ms. Duan involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

LIN Li, 43, is currently the Chairman of Shenzhen Liye Group Company Limited. Mr. Lin previously served in Bank of China Shenzhen Branch. Mr. Lin is a graduate of the School of Finance and Accounting of the Hubei Technical Academy.

The Company proposes to appoint Mr. Lin as a Supervisor representing the Shareholders to hold office for a term of three years. Mr. Lin will not receive a Supervisor's fee. Mr. Lin does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, save for his interests in 176,000,000 Domestic Shares of the Company held via Shenzhen Liye Group Company Limited, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Lin involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

CHE Feng, 37, graduated from the Graduate School of The Chinese Academy of Social Sciences. Mr. Che was previously the Deputy Manager of Hainan Haiboh Enterprises Company Limited, Chairman of Hainan Hengye Real Property Development Company Limited and Chairman of Shanghai Tianjian Real Property Development Company Limited. Mr. Che is currently the Chairman and Chief Executive Officer of Hong Kong Yaohe Technology Group Limited.

The Company proposes to appoint Mr. Che as a Supervisor representing the Shareholders to hold office for a term of three years. Mr. Che will not receive a Supervisor's fee. Mr. Che does not have any relationship with the other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Che involved in any of the matters required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING



中国平安保险(集团)股份有限公司

PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.

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

(Stock Code: 2318)

NOTICE IS HEREBY GIVEN that the annual general meeting of Ping An Insurance (Group) Company of China, Ltd. (“the Company”) will be held at 10:00 a.m. on Thursday, May 25, 2006 at 6th Floor, Ping An Building, Ba Gua No. 3 Road, Shenzhen, PRC for the purposes of considering and, if thought fit, passing the following resolutions:

AS ORDINARY RESOLUTIONS

1. To consider and approve the report of the board of directors of the Company (the “Board of Directors”) for the year ended December 31, 2005.
2. To consider and approve the report of the Supervisory Committee of the Company for the year ended December 31, 2005.
3. To consider and approve the report of the auditors and audited financial statements of the Company for the year ended December 31, 2005.
4. To consider and approve the profit distribution plan for the year ended December 31, 2005 and the recommendation for 2006 special interim dividend.
5. To consider and approve the re-appointment of Ernst & Young Hua Ming as the PRC auditors and Ernst & Young as the international auditors of the Company to hold office until the conclusion of the next annual general meeting and to authorize the Board of Directors to fix their remuneration.
6. To consider and approve the re-appointment of Mr. Ma Mingzhe as an Executive Director of the Company to hold office for a term of three years with immediate effect.
7. To consider and approve the re-appointment of Mr. Sun Jianyi as an Executive Director of the Company to hold office for a term of three years with immediate effect.
8. To consider and approve the appointment of Mr. Cheung Chi Yan Louis as an Executive Director of the Company to hold office for a term of three years with immediate effect.
9. To consider and approve the re-appointment of Mr. Huang Jianping as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.

NOTICE OF THE ANNUAL GENERAL MEETING

10. To consider and approve the re-appointment of Mr. Lin Yu Fen as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
11. To consider and approve the re-appointment of Mr. Cheung Lee Wah as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
12. To consider and approve the re-appointment of Mr. Anthony Philip HOPE as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
13. To consider and approve the re-appointment of Mr. Dou Wenwei as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
14. To consider and approve the re-appointment of Mr. Fan Gang as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
15. To consider and approve the re-appointment of Ms. Lin Lijun as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
16. To consider and approve the re-appointment of Mr. Shi Yuxin as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
17. To consider and approve the re-appointment of Mr. Hu Aimin as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
18. To consider and approve the re-appointment of Mr. Chen Hongbo as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
19. To consider and approve the appointment of Mr. Wong Tung Shun Peter as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
20. To consider and approve the appointment of Mr. Ng Sing Yip as a Non-executive Director of the Company to hold office for a term of three years with immediate effect.
21. To consider and approve the re-appointment of Mr. Bao Youde as an Independent Non-executive Director of the Company to hold office for a term of three years with immediate effect.

NOTICE OF THE ANNUAL GENERAL MEETING

22. To consider and approve the re-appointment of Mr. Kwong Che Keung Gordon as an Independent Non-executive Director of the Company to hold office for a term of three years with immediate effect.
23. To consider and approve the re-appointment of Mr. Cheung Wing Yui as an Independent Non-executive Director of the Company to hold office for a term of three years with immediate effect.
24. To consider and approve the re-appointment of Mr. Chow Wing Kin Anthony as an Independent Non-executive Director of the Company to hold office for a term of three years with immediate effect.
25. To consider and approve the re-appointment of Mr. Xiao Shaolian as an independent supervisor of the Company to hold office for a term of three years with immediate effect.
26. To consider and approve the re-appointment of Mr. Sun Fuxin as an independent supervisor of the Company to hold office for a term of three years with immediate effect.
27. To consider and approve the appointment of Mr. Dong Likun as an independent supervisor of the Company to hold office for a term of three years with immediate effect.
28. To consider and approve the re-appointment of Ms. Duan Weihong as a supervisor of the Company representing the shareholders of the Company to hold office for a term of three years with immediate effect.
29. To consider and approve the appointment of Mr. Lin Li as a supervisor of the Company representing the shareholders of the Company to hold office for a term of three years with immediate effect.
30. To consider and approve the appointment of Mr. Che Feng as a supervisor of the Company representing the shareholders of the Company to hold office for a term of three years with immediate effect.
31. To consider and approve the emolument plan for the 7th Board of Directors of the Company.
32. To consider and approve the emolument plan for the 5th Supervisory Committee of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING

AS SPECIAL RESOLUTIONS

33. To give a general mandate to the Board of Directors to issue, allot and deal with additional domestic shares not exceeding 20% of the domestic shares of the Company in issue and additional H shares not exceeding 20% of the H shares of the Company in issue and authorize the Board of Directors to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares:

“THAT

- (A) (a) subject to paragraph (c) and in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of the Company and the applicable laws and regulations of the People’s Republic of China, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with, either separately or concurrently, additional domestic shares and H shares of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the Board of Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) each of the aggregate nominal amounts of domestic shares and H shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board of Directors pursuant to the approval granted in paragraph (a) shall not exceed 20% of each of the aggregate nominal amounts of domestic shares and H shares of the Company in issue at the date of passing this resolution, otherwise than pursuant to (i) a Rights Issue or (ii) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or other applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by a special resolution of the Company in general meeting.

NOTICE OF THE ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong) and an offer, allotment or issue of shares by way of rights shall be construed accordingly.

(B) The Board of Directors be authorized to make corresponding amendments to the Articles of Association of the Company as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares as provided in sub-paragraph (a) of paragraph (A) of this resolution.”

34. To consider and approve the amendments to the Articles of Association of the Company:

“That the existing Articles of Association of the Company be amended as follows:

(1) Article 7 be replaced by:

“7 The Company has independent legal person properties and enjoys legal person property rights. The Company shall be liable for its debts to the extent of all its assets. The shareholders shall be liable towards the Company to the extent of subscription of their respective shareholdings.”

(2) Article 12 be replaced by:

“12 The Company can invest in other limited companies and companies limited by shares, and bear the responsibility within such investment volume.”

(3) Article 19 be amended as follows with the proposed amendments underlined for reference:

“19 Following approval by the approving department authorized by the State Council, the total amount of issued ordinary shares of the Company is 6,195,053,334. The number of shares issued to the promoters at the time of reorganization of the Company into a joint-stock company on January 16, 1997 is 2,191,610,986, representing 35.38% of the total number of ordinary shares issued by the Company. On June 24, 2004 during the Company’s first overseas offer of H shares and listing, as a result of the disposal of state owned shares, 72,955,249 shares of the promoters shares were converted to H Shares. Details of the Company’s promoter shares are listed out in the appendix.

NOTICE OF THE ANNUAL GENERAL MEETING

If as a result of any shareholder holding promoter shares transferring such shares in accordance with the Company Law and other relevant state laws and regulation and provisions under the Articles of Association, the Company needs to make corresponding changes to the record of shareholders stated in the appendix of the Articles of Association and the register of shareholders, the amendments to the appendix of the Articles of Association shall be approved by legal representative of the Company as authorized by the shareholders in the general meeting, without any voting therein.”

- (4) The second paragraph of Article 49 be amended as follows with the proposed amendments underlined for reference:

“Applications for the replacement of share certificates from holders of domestic shares who have lost their certificates shall be dealt with in accordance with Article 144 of the Company Law.”

- (5) Article 61 (3) and (13) be amended as follows with the proposed amendments underlined for reference:

“61 The general meeting shall exercise the following functions and powers:

(3) Elect and replace the supervisors other than those representing employees of the Company and decide on matters concerning the remuneration thereof;

(13) Consider proposals raised by shareholders representing 3 percent or more of the Company’s voting shares;”

- (6) Article 65 be amended as follows with the proposed amendments underlined for reference:

“65 When the Company is to hold a general meeting, shareholders holding 3 percent or more of the total number of the Company’s voting shares shall be entitled to propose new proposals in writing to the Company. Proposal matters raised in the proposals which are within the scope of the duties of the general meeting shall be listed in the meeting agenda.”

- (7) Article 88 be amended as follows with the proposed amendments underlined for reference:

“88 The following matters shall be resolved by way of an ordinary resolution of the general meeting:

(1) Work reports of the board of directors and the supervisory committee;

NOTICE OF THE ANNUAL GENERAL MEETING

- (2) Plans for the distribution of profits and making up of losses drafted by the board of directors;
 - (3) Appointment and removal of members of the board of directors and the supervisory committee and their remuneration and mode of payment;
 - (4) The Company's annual budget, final accounts, annual reports, balance sheet, profit statement and other financial statements;
 - (5) Provision of guarantees to shareholders or effective controller of the Company;
 - (6) Matters other than those that law, administrative regulations or the Company's Articles of Association require to be passed by way of a special resolution.”
- (8) Article 91 be replaced by:

“91 In the event that the supervisory committee or shareholders request to convene an extraordinary shareholders' meeting or a class shareholders' meeting, the following procedures shall be followed:

- (1) The supervisory committee or shareholder(s), alone or jointly, holding 10 percent or more of the shares carrying voting rights at the meeting to be convened may, by signing one or more counterpart written requisition(s) stating the object of the meeting, require the board of directors to convene an extraordinary general meeting or a class shareholders' meeting. The board of directors shall as soon as possible after receipt of such written requisition(s) proceed to so convene the extraordinary general meeting or class shareholders' meeting, as the case may be. The shareholdings referred to above shall be calculated as at the date of the delivery of the written requisition(s).
- (2) Where the board of directors fails to issue convene notice of meeting within thirty (30) days upon receipt of the above written request, the supervisory committee shall convene and host the meeting. Where the supervisory committee fails to issue convene notice of meeting within thirty (30) days thereafter, shareholders individually or collectively holding ten percent or more shares carrying voting rights on such proposed meeting for over ninety (90) consecutive days may convene meeting on their own accord within four (4) months upon the board of directors having received such request. The convening procedures shall as much as possible be equivalent to which the board of directors convenes the general meeting.

NOTICE OF THE ANNUAL GENERAL MEETING

All reasonable expenses incurred by the supervisory committee or the shareholder(s) who tendered the requisition in convening and holding the meeting as a result of the failure of the board of directors to duly convene the meeting shall be borne by the Company, and shall be set off against any sums owed to the directors and the supervisors in default by the Company.”

- (9) Article 95 be replaced by:

“95 The general meeting shall be convened by the board of directors, and presided over by the chairman of the board. Where the chairman fails to attend the meeting by any reasons, the meeting shall be presided over by the vice-chairman designated by the chairman. Where the vice-chairman fails to attend the meeting, the meeting shall be presided over by a director who jointly elected by over half of the number of the directors.

Where the board of directors is unable or fails to perform its duties of convening the general meeting, the meeting shall be convened by the supervisory committee, and presided over by the chairman of supervisory committee. Where the chairman of supervisory committee fails to attend the meeting, the meeting shall be presided over by a supervisor who jointly elected by over half of the number of the supervisors.

Where the supervisory committee fails to convene and preside over the general meeting, the meeting shall be convened by shareholders who individually or jointly representing ten (10) percent or more of the Company’s voting rights for over ninety (90) days. The meeting shall be presided over by a person elected by shareholders presenting the meeting.

Where the chairman of the general meeting is unable to be elected through above means, the meeting shall be presided over by shareholder (including shareholder’s proxy) who representing the largest majority of voting rights.

Extraordinary general meeting may be conducted by voting via communications.”

- (10) Article 111 be amended as follows with the proposed amendments underlined for reference:

“111 The Company shall establish a board of directors. The board of directors shall be composed of 19 directors, which shall have one chairman of the board and one or two vice-chairman of the board, not less than two executive directors and not less than three independent non-executive directors.”

NOTICE OF THE ANNUAL GENERAL MEETING

- (11) The fifth paragraph of the Article 112 be deleted in its entirety.
- (12) Article 119 be amended as follows with the proposed amendments underlined for reference:

“119 The board of directors shall convene regular board meeting at least four times each year. The meeting shall be convened by the chairman and all the directors and supervisors shall be notified in writing prior to fourteen (14) days of the meeting.

The chairman shall convene and host the extraordinary board meeting within ten (10) days upon having received any proposals under each of the following conditions:

- (1) when it is considered by the chairman to be necessary;
- (2) when it is jointly proposed by over one-third of directors;
- (3) when it is proposed by the supervisory committee;
- (4) when it is proposed by the chief-executive-officer;
- (5) when it is proposed by shareholders representing ten percent or more (10%) of voting rights.”

- (13) Article 120 be replaced by:

“120 The board of directors may convene extraordinary board meeting by voting via communications. The fourteen (14) days prior notice requirement need not apply provided that notice of such meeting shall be delivered to the directors and supervisors in a timely and effectively manner.

Where the chairman is unable to perform his duties in those circumstances specified in paragraphs (2), (3), (4) and (5) under paragraph 2 of Article 119, he should designate a vice-chairman to convene the extraordinary board meeting on his behalf. Where the chairman fails to perform his duties for no reasons and fails to designate specific person to perform his duties on his behalf, the meeting shall be convened by the vice-chairman. Where the vice-chairman is unable or fails to perform his duties, a director being jointly elected by over half of the number of the directors shall convene the meeting.”

NOTICE OF THE ANNUAL GENERAL MEETING

- (14) The second paragraph of Article 128 be amended as follows with the proposed amendments underlined for reference:

“Members of the audit committee shall be appointed by the board of directors from the directors of the Company, which composes of three to seven directors.”

- (15) The third paragraph of Article 133 be amended as follows with the proposed amendments underlined for reference:

“Where the chairman of the supervisory committee fails to perform his duties, a supervisor elected by over half of the number of the supervisors shall perform his duties on his behalf.”

- (16) Article 134 be amended as follows with the proposed amendments underlined for reference:

“134 The supervisory committee is made up of supervisors representing the shareholders, supervisors representing employees of the Company and independent supervisors. Supervisors representing the shareholders and independent supervisors shall be elected and replaced by shareholders in general meeting; supervisors representing employees of the Company shall be elected and replaced by employees of the Company in democratic ways. Supervisors representing employees of the Company shall not be less than one third of the total number of supervisors. Independent supervisors shall not exceed one third of the total number of supervisors.”

- (17) Article 136 be amended as follows with the proposed amendments underlined for reference:

“136 Where a supervisor fails to attend meetings of the supervisory committee personally or to entrust other supervisors to attend for two consecutive times, it shall be deemed a failure to perform his duties. The general meeting or the employees’ representatives meeting shall replace such supervisors.”

- (18) Article 186 be replaced by:

“186 Profit after tax shall be distributed in the following sequence:

- (1) cover losses in the previous year;
- (2) allocate 10% to statutory revenue reserve;
- (3) allocate to discretionary revenue reserve;

NOTICE OF THE ANNUAL GENERAL MEETING

- (4) pay dividends to shareholders.

When the accumulated statutory revenue reserve exceeds 50 percent of the registered capital of the Company, the Company may cease to make such allocation. After making allocation to the statutory revenue reserve, whether to allocate to the discretionary revenue reserve is subject to the resolution at general meetings. No distribution of profits to shareholders shall be made before the loss of the Company has been made up and allocation to the statutory revenue reserve.”

- (19) Article 187 be replaced by:

“187 The revenue reserve of the Company shall be used to cover the Company’s losses, expand its production and operation, or be converted to increase the Company’s capital. However, the capital revenue reserve shall not be used to cover losses of the Company.”

- (20) Article 188 be replaced by:

“188 Where a resolution of the general meeting of the Company resolves to convert any revenue reserve into share capital, the Company shall issue new shares to the existing shareholders in proportion to their respective shareholdings. When capitalizing the statutory revenue reserve, the balance of such revenue reserve shall not be less than 25 percent of the registered capital before the conversion.”

- (21) As required by the Company Law and Regulations on the Administration of Company Registration, the Articles of Association has to state the shareholding status of shareholders holding promoter shares. As a result, an appendix shall be added to the Articles of Association which contains the shareholding status of shareholders holding the Company’s promoter shares.”

35. To consider and approve the authorization of the legal representative of the Company to amend the provisions relating to the promoter shares under the Appendix of the Articles of Association of the Company.

By order of the Board of Directors
Ma Mingzhe
Chairman and Chief Executive Officer

Shenzhen, PRC
April 7, 2006

As at the date of this notice, the Executive Directors of the Company are Ma Mingzhe and Sun Jianyi, the Non-executive Directors of the Company are Henry CORNELL, Huang Jianping, Liu Haifeng David, Lin Yu Fen, Cheung Lee Wah, Anthony Philip HOPE, Dou Wenwei, Fan Gang, Lin Lijun, Shi Yuxin, Hu Aimin and Chen Hongbo and the Independent Non-executive Directors are Bao Youde, Kwong Che Keung Gordon, Cheung Wing Yui and Chow Wing Kin Anthony.

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. According to the Articles of Association of the Company, the resolutions will be determined on a show of hands unless a poll is demanded before or after any vote on a show of hands. A poll may be demanded by (i) the chairman of the meeting; or (ii) at least two shareholders entitled to vote, present in person or by proxy; or (iii) one or more shareholders present in person or by proxy representing more than 10% of all shares carrying the voting rights at the meeting.
2. In order to determine the list of shareholders who are entitled to attend the annual general meeting of the Company and to receive 2006 special interim dividend, the registers of members will be closed from Tuesday, April 25, 2006 to Thursday, May 25, 2006, both days inclusive, during which period no transfer of shares will be effected. Holders of the Company's H shares and domestic shares whose names appear on the registers of members on Thursday, May 25, 2006 are entitled to attend the meeting. In order to qualify for 2006 special interim dividend and to attend and vote at the meeting, holders of H shares of the Company whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at or before 4:00 p.m. on Monday, April 24, 2006. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. 2006 special interim dividend is expected to be paid on or before June 2, 2006 to the shareholders whose names appear on the registers of members of the Company on Thursday, May 25, 2006.
3. A shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
4. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorized in writing. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorized attorney(s). If that instrument is signed by an attorney of the shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
5. In order to be valid, the form of proxy together with the power of attorney or other authorization document (if any) must be deposited at the Secretariat of the Board of Directors of the Company for holders of domestic shares and at the H share registrar of the Company for holders of H shares not less than 24 hours before the time fixed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so wishes. The H share registrar of the Company is Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
6. Shareholders who intend to attend the meeting in person or by proxy should return the reply slip to the Company's principal place of business in the PRC or Hong Kong on or before Friday, May 5, 2006 by hand, by post or by fax. The Company's principal place of business in the PRC is at Ping An Building, Ba Gua No.3 Road, Shenzhen, PRC (Tel: (86 755) 8226 2888, Fax: (86 755) 8243 1029). The contact persons are LIU Cheng (劉程) (Tel: (86 755) 8226 2888 ext. 2101) and WANG Xiaoli (王小利) (Tel: (86 755) 8226 2888 ext. 2828). The Company's principal place of business in Hong Kong is at 11th Floor, Dah Sing Financial Center, 108 Gloucester Road, Wan Chai, Hong Kong (Tel: (852) 2827 1883, Fax: (852) 2802 0018).
7. The meeting is expected to be concluded within half a day. Shareholders (in person or by proxy) attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the meeting shall produce identity documents.
8. A circular containing, inter alia, details of the proposed amendments to the Articles of Association and notice of the annual general meeting will be dispatched to the shareholders on Friday, April 7, 2006. The information of each of Mr. Ma Mingzhe, Mr. Sun Jianyi, Mr. Cheung Chi Yan Louis, Mr. Huang Jianping, Mr. Lin Yu Fen, Mr. Cheung Lee Wah, Mr. Anthony Philip HOPE, Mr. Dou Wenwei, Mr. Fan Gang, Ms. Lin Lijun, Mr. Shi Yuxin, Mr. Hu Aimin, Mr. Chen Hongbo, Mr. Wong Tung Shun Peter, Mr. Ng Sing Yip, Mr. Bao Youde, Mr. Kwong Che Keung Gordon, Mr. Cheung Wing Yui, Mr. Chow Wing Kin Anthony, Mr. Xiao Shaolian, Mr. Sun Fuxin, Mr. Donglikun, Ms. Duan Weihong, Mr. Lin Li and Mr. Che Feng regarding proposed resolutions 6 to 30 is also included in the circular. Concerning the proposed resolution 33, the purpose of seeking approval of such mandate is to give directors flexibility and discretion to issue new shares in the event that it comes desirable for the Company and the directors have no present plan to issue new shares pursuant to such mandate.