
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 a 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 Guangzhou Investment Company Limited (“Company”), you should at once hand this circular and the accompanying form of proxy 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 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.



越秀投資有限公司

GUANGZHOU INVESTMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 123)

**PROPOSED GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES
PROPOSED AMENDMENT OF THE ARTICLES OF ASSOCIATION
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at 26th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong on Tuesday, 3 June 2008 at 11:30 a.m. is set out in this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s share registrar, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting (or any adjourned meeting thereof).

30 April 2008

CONTENTS

	<i>Page</i>
Letter from the Board	1
Appendix I — Explanatory Statement	4
Appendix II — 2008 AGM Notice	7
Appendix III — Right to Demand a Poll	11
Appendix IV — Details of Directors	12

LETTER FROM THE BOARD



越秀投資有限公司
GUANGZHOU INVESTMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 123)

Executive Directors:

Ou Bingchang (*Chairman*)

Liang Yi

Tang Shouchun

Wang Hongtao

Li Xinmin

He Zili

Zhou Jin

Registered office:

26th Floor, Yue Xiu Building

160 Lockhart Road

Wanchai

Hong Kong

Non-executive Director:

Zhang Huaqiao

Independent non-executive Directors:

Yu Lup Fat Joseph

Lee Ka Lun

Lau Hon Chuen Ambrose

30 April 2008

To the shareholder(s)

Dear Shareholder(s),

**PROPOSED GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES
PROPOSED AMENDMENT OF THE ARTICLES OF ASSOCIATION
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of Guangzhou Investment Company Limited (“Company”) held on 21 June 2007 (“2007 AGM”), a general mandate was given to the directors of the Company (“Directors”) to allot, issue and otherwise deal with shares of HK\$0.10 each in the capital of the Company (“Share(s)"). Such mandate will lapse at the conclusion of the forthcoming annual general

LETTER FROM THE BOARD

meeting to be held on 3 June 2008 at 11:30 a.m. at 26th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong (“2008 AGM”). In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any Shares, approval is being sought from the shareholders of the Company (“Shareholders”) at the 2008 AGM to grant a general mandate unconditionally to the Directors to allot or issue new Shares equal in aggregate up to 20 per cent of the issued share capital of the Company at the date of passing the proposed ordinary resolution (“General Mandate”) (i.e. a maximum of 1,425,262,782 Shares on the basis that no further Shares are issued prior to the date of the 2008 AGM). The obtaining of the General Mandate is in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”). The proposed resolution (“General Mandate Resolution”) is set out as Ordinary Resolution 5B in the Notice of the 2008 AGM dated 30 April 2008 (“2008 AGM Notice”), which is set out in Appendix II to this circular.

Concerning the General Mandate Resolution, the Directors wish to state that they have no immediate plans to issue any new Shares. Approval is being sought from the Shareholders as a general mandate for the purposes of Section 57B of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (“Companies Ordinance”) and the Listing Rules.

GENERAL MANDATE TO REPURCHASE OF SHARES

The Listing Rules permit companies with a primary listing on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) to repurchase their own securities on the Stock Exchange, subject to certain restrictions. At the 2007 AGM, a general mandate was given to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the 2008 AGM. Therefore, an ordinary resolution (as set out in Resolution 5A (“Repurchase Mandate Resolution”) in the 2008 AGM Notice, which is set out in Appendix II to this circular) will be proposed to grant to the Directors an unconditional general mandate to, inter alia, repurchase up to 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the Repurchase Mandate Resolution (“Repurchase Mandate”). The Company is required, by the provisions of the Listing Rules regulating such securities repurchases and by Section 49BA(3) of the Companies Ordinance, to send to its Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the Repurchase Mandate. Such information is set out in Appendix I to this circular.

Concerning the Repurchase Mandate Resolution, the Directors wish to state that they have no immediate plans to repurchase any existing Shares.

PROPOSED AMENDMENT OF THE ARTICLES OF ASSOCIATION OF THE COMPANY (“ARTICLES OF ASSOCIATION”)

In view of the increasing demand for investors to hold securities in listed companies through CCASS and, accordingly, the Directors propose to amend the Articles of Association in order to provide for the appointment of multiple proxies by a recognised clearing house or its nominee that is a member of the Company. The proposed amendments are set out in the special resolution in the 2008 AGM Notice, which is set out in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 91 of the Articles of Association of the Company (“Articles of Association”), the Directors retiring by rotation at the 2008 AGM are Messrs. Ou Bingchang, Liang Yi, Tang Shouchun and Wang Hongtao. In accordance with Article 97 of the Articles of Association, Mr Zhang Huaqiao shall also be retiring at the 2008 AGM. All of them, being eligible, will offer themselves for re-election at the 2008 AGM. Details of the above Directors, which are required to be disclosed by the Listing Rules, are set out in Appendix IV to this circular.

ANNUAL GENERAL MEETING

The 2008 AGM Notice is set out in Appendix II to this circular.

Whether or not you are able to attend the 2008 AGM, you are requested to complete and return the enclosed form of proxy for the 2008 AGM in accordance with the instructions printed thereon to the Company’s share registrar, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 2008 AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the 2008 AGM or any adjournment thereof should you so wish.

Your right to demand a poll on the resolutions proposed at the 2008 AGM is set out in Appendix III to this circular.

RECOMMENDATION

The Directors consider the General Mandate, the Repurchase Mandate, the proposed amendment of the Articles of Association and the proposed re-election of Directors at the 2008 AGM to be in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that you vote in favour of the ordinary resolutions to be proposed at the 2008 AGM.

Yours faithfully,
For and on behalf of the board of directors of
Guangzhou Investment Company Limited
Ou Bingchang
Chairman

This explanatory statement also constitutes the memorandum as required under section 49BA(3) of the Companies Ordinance.

SHARE CAPITAL

Whilst the Directors do not presently intend to repurchase any Shares, they believe that the flexibility afforded by the proposed Repurchase Mandate would be beneficial to the Company.

It is proposed that the Directors be authorised to repurchase up to 10 per cent of the aggregate Shares in issue at the date of the passing of the resolution to approve the general mandate. As at 25 April 2008, the latest practicable date for determining such figures (“Latest Practicable Date”), 7,126,313,914 Shares were in issue. On the basis that no further Shares are issued prior to the date of the 2008 AGM, the Directors would be authorised to repurchase up to approximately 712,631,391 Shares during the period up to the next annual general meeting of the Company in 2009 or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the shareholders of the Company in general meeting of the Company, whichever occurs first.

REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

FUNDING OF REPURCHASES

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company’s available cash flow or working capital facilities. Any repurchases will be made out of funds of the Company legally permitted to be utilised in this connection in accordance with its memorandum and articles of association and the laws of Hong Kong, including profits otherwise available for distribution. Under the Companies Ordinance, a company’s profits available for distribution are its accumulated, realised profits, so far as not previously utilised by distribution or capitalisation, less its accumulated, realised losses, so far as not previously written off in a reduction or reorganisation of capital duly made.

EFFECT OF ANY REPURCHASES

There might be a material adverse impact on the working capital, or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts for the year ended 31 December 2007) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors, and to the best of their knowledge, having made all reasonable enquiries, none of their associates, have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, if the Repurchase Mandate is granted.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers ("Takeovers Code"). As a result, a shareholder, or group of shareholders acting in concert, depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, Yue Xiu Enterprises (Holdings) Limited owned approximately 46.8 per cent of the existing issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted to the Directors pursuant to the Repurchase Mandate, the shareholding of Yue Xiu Enterprises (Holdings) Limited would (assuming that there is no change in relevant circumstances) be increased to approximately 52 per cent of the issued share capital of the Company. Such increase may give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent as would result in takeover obligations.

MARKET PRICES

The highest and lowest traded prices for the Shares on the Stock Exchange during each of the previous twelve months before the printing of this document were as follows:

	Traded Market Price for Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
April	2.06	1.85
May	2.12	1.82
June	2.17	1.88
July	2.66	1.98
August	2.60	1.70
September	2.88	2.10
October	3.49	2.44
November	3.34	2.20
December	2.67	1.91
2008		
January	2.38	1.50
February	1.97	1.54
March	1.92	1.35
April (up to the Latest Practicable Date)	1.81	1.55

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“2008 AGM”) of the Guangzhou Investment Company Limited (“Company”) will be held at 26th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong on Tuesday, 3 June 2008 at 11:30 a.m. for the following purposes:

1. To receive and consider the audited accounts and the reports of the directors and auditor for the year ended 31 December 2007.
2. To declare a final dividend.
3. To elect directors and to authorise the board to fix directors’ remuneration.
4. To re-appoint auditor and to authorise the board to fix their remuneration.
5. As special business to consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS**A. “THAT**

- (a) subject to sub-paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased by the Company pursuant to the approval in sub-paragraph (a) above shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose 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 any applicable laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

B. “THAT

- (a) subject to sub-paragraph (c) below and pursuant to Section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in sub-paragraph (a), otherwise than pursuant to (i) a Rights Issue, (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible participants under such scheme and arrangement of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or (iii) any scrip dividend or similar arrangement providing for the 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 of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose 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 any applicable laws of Hong Kong to be held; and

(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company 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 of the Company 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 recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

C. “**THAT**

conditional upon the passing of Resolutions under sub-paragraphs A and B above, the aggregate nominal amount of the number of shares in the capital of the Company which shall have been repurchased by the Company pursuant to and in accordance with sub-paragraph A above shall be added to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the exercise of the general mandate approved in sub-paragraph B above.”

6. As special business to consider and, if thought fit, to pass the following resolution as Special Resolution:

SPECIAL RESOLUTION

“**THAT** the Articles of Association of the Company be and are hereby amended by adding the following Article immediately after Article 70:

70A. If a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s) is a member of the Company, it may authorise or appoint such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of the Company, provided that if more than one person is so authorised or appointed, the authorisation or the instrument appointing a proxy must specify the number and class of shares in respect of which each such person is so authorised or appointed. The person so authorised or appointed shall be deemed to have been duly authorised or appointed without the need of producing any documents of title, notarised authorisation and/or further evidence for substantiating the fact that such person is duly authorised or appointed and shall be entitled to exercise the same powers (on behalf of the recognised clearing house or its nominee(s)) as that recognised clearing house or its nominee(s) could exercise if it were an individual member of the Company.”

By order of the Board
Yu Tat Fung
Company Secretary

Hong Kong, 30 April 2008

Notes:

1. The register of members of the Company will be closed from Tuesday, 27 May 2008 to Tuesday, 3 June 2008, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 26 May 2008.
2. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority, must be deposited with the Company's share registrar, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding of the meeting or adjourned meeting thereof.
4. At the 2007 annual general meeting of the Company, Ordinary Resolutions were passed giving general mandates to Directors to repurchase Shares on the Stock Exchange and to allot, issue and otherwise deal with additional Shares in the capital of the Company respectively. Under the provisions of the Companies Ordinance and the Listing Rules these general mandates lapse at the conclusion of the 2008 AGM, unless renewed at that meeting. The Ordinary Resolutions sought in items 5A and 5B of the above notice renew these mandates.
5. With reference to the Ordinary Resolutions sought in items 5A and 5B of the above notice, the Directors wish to state that they have no immediate plans to repurchase any existing Shares or to issue any new Shares. Approval is being sought from members of the Company as a general mandate pursuant to the Companies Ordinance and the Listing Rules.

Article 58 of the Articles of Association sets out the procedure by which Shareholders may demand a poll:

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of a show of hands) a poll is duly demanded or a poll is required under the Listing Rules. A poll may be demanded by:

- (i) the chairman of the meeting; or
- (ii) not less than 5 members having the right to vote at the meeting; or
- (iii) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members holding Shares conferring a right to vote on the resolution on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 1. Mr Ou Bingchang**, aged 61, was appointed executive director, Chairman and the General Manager of the Company in 2003. He is also the Chairman and the general manager of Yue Xiu Enterprises (Holdings) Limited (“Yue Xiu”), a controlling shareholder of the Company, and the Chairman of GZI Transport Limited (“GZT”). Mr Ou graduated from China Pharmaceutical University in China. Prior to joining Yue Xiu in November 2002, he assumed leading roles in Guangzhou Pharmaceutical Factory, Economic Coordinating Office of Guangzhou and General Office of Guangzhou Municipal People’s Government. During the period of serving as the director of the Guangzhou Municipal Transport Commission, Mr Ou had made distinguished contributions to Guangzhou in relation to transport planning, construction, development and management. He has over 30 years of experience in industrial technology, transportation network, enterprise and economic management. He is also a director of a controlling shareholder and a substantial shareholder of the Company. Save as disclosed, Mr Ou does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company nor have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Save as disclosed, he did not hold any directorship in any other listed public companies in the last three years.

There is no service agreement between the Company and Mr Ou and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. Mr Ou’s total emoluments as a director of the Company were HK\$10,404,453 for the year ended 31 December 2007 which were determined with reference to job responsibilities and the Group’s performance and profitability.

There is no matters concerning Mr Ou that need to be brought to the attention of the shareholders of the Company and there is no information that is required to be disclosed herein pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

- 2. Mr Liang Yi**, aged 55, was appointed executive director of the Company in 2003. He is also a Vice Chairman of the Company, a director of Yue Xiu and GZT. Mr Liang graduated from the Chinese People’s Liberation Army Engineering Soldier’s University majoring in public administration. Prior to joining Yue Xiu in June 2001, he assumed leading roles in Guangzhou Chemical Industry Bureau and organizations under the party Committee of Guangzhou Municipal People’s Government. Mr Liang had made outstanding contribution in establishing the administrative supervisory system of Guangzhou. He has over 20 years of experience in public administration. Save as disclosed, Mr Liang does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company nor have any interest in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed, he did not hold any directorship in any other listed public companies in the last three years.

There is no service agreement between the Company and Mr Liang and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. Mr Liang’s total emoluments as a director of the Company were HK\$9,199,085 for the year ended 31 December 2007 which were determined with reference to job responsibilities and the Group’s performance and profitability.

There is no matters concerning Mr Liang that need to be brought to the attention of the shareholders of the Company and there is no information that is required to be disclosed herein pursuant to Rule 13.51(2) of the Listing Rules.

- 3. Mr Tang Shouchun**, aged 45, was appointed executive director of the Company in 2006. Mr Tang graduated from Nanjing Agricultural University and is a senior accountant, senior economist and registered asset appraiser in China, and has a Doctor degree in Agricultural Economics and Management. Prior to joining Yue Xiu in 2002, he taught at Southwestern University of Finance and Economics in Chengdu and was a vice professor of South China Normal University in Guangzhou. He had been a director and chief accountant of Guangzhou City Construction & Development Group Co. Ltd., responsible for overseeing financial accounting, financial management and capital operation of the company. He also participated in the planning and operation management of various large real estate projects. After joining Yue Xiu, Mr Tang has held the positions of Group financial controller and deputy general manager, overseeing the Group's financial and treasury affairs. He has extensive experience in the financial management and capital operation of large enterprises. He is a director of Bosworth International Limited, a controlling shareholder of the Company. Save as disclosed, Mr Tang does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. He has a personal interest of 1,560,000 underlying shares of the Company within the meaning of Part XV of the SFO. He did not hold any directorship in any other listed public companies in the last three years.

There is no service agreement between the Company and Mr Tang and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. Mr Tang's total emoluments as a director of the Company were HK\$7,971,614 for the year ended 31 December 2007 which were determined with reference to job responsibilities and the Group's performance and profitability.

There is no matters concerning Mr Tang that need to be brought to the attention of the shareholders of the Company and there is no information that is required to be disclosed herein pursuant to Rule 13.51(2) of the Listing Rules.

- 4. Mr Wang Hongtao**, aged 58, was appointed executive director and Deputy General Manager of the Company in 2006. Mr Wang graduated from the Huadong Institute of Hydraulic with a major in port engineering. He joined Guangzhou City Construction & Development Group Co. Ltd. in 1985, and had taken up various leading positions in the planning and development department, Guangzhou Grandcity Development Ltd. and Guangzhou Investment Property Holdings Limited. He has nearly 30 years' experience in infrastructure and real estate development, specializing in real estate investment, project planning, development and construction as well as property operation and management.

Mr Wang has participated in and has been in charge of various large real estate development projects such as Guangzhou Jiang Nan Estate, Er Sha Island and Tianhe Construction Zone, and more than ten residential districts and commercial buildings such as Guangzhou Ming Ya Mansion, Galaxy City, Jiang Nan New Mansion, City Development Plaza and China Mayors

Plaza. Among them, City Development Plaza and China Mayors Plaza were awarded the Luban Prize, the highest accolade awarded by the Ministry of Construction of China, while Lingnan Garden won the Zhan Tian You Civil Engineering Award. Mr Wang himself was awarded the Ministerial Award from the Ministry of Construction of China.

Mr Wang is a senior economist, engineer and registered land valuer in China, and is a member of the Expert Committee of the Guangzhou Real Estate Industry Association. He is also the vice chairman of the Guangzhou Real Estate Industry Association, the Guangzhou Construction Industry Association and the Leasing Association of Guangzhou. He is a director of certain substantial shareholders of the Company. Save as disclosed, Mr Wang does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. He has a personal interest of 160,000 shares of the Company within the meaning of Part XV of the SFO. He did not hold any directorship in any other listed public companies in the last three years.

There is no service agreement between the Company and Mr Wang and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. Mr Wang's total emoluments as a director of the Company were HK\$8,186,732 for the year ended 31 December 2007 which were determined with reference to job responsibilities and the Group's performance and profitability.

There is no matters concerning Mr Wang that need to be brought to the attention of the shareholders of the Company and there is no information that is required to be disclosed herein pursuant to Rule 13.51(2) of the Listing Rules.

5. **Mr Zhang Huaqiao**, aged 45, was appointed non-executive director of the Company with effect from 17 April 2008. He graduated from Hubei Institute of Economics and Finance, with a Bachelor degree in Economics. He also received a Master degree in Economics from the Graduate School of The People's Bank of China and from The Australian National University, respectively. Mr Zhang worked at UBS Securities Asia Limited for seven years during which time he held the positions of managing director and head and co-head of the China research department. Between 1991 to 1994, Mr Zhang served as a tenured lecturer of banking and finance at the University of Canberra. He also worked at The People's Bank of China from 1986 to 1989.

Mr Zhang has been an executive director of Shenzhen Investment Limited since May 2006, a company whose shares are listed on the Main Board of the Stock Exchange. He has also been a non-executive director of Shenzhen International Holdings Limited, Hong Long Holdings Limited, Coastal Greenland Limited, OP Financial Investments Limited, and Tak Sing Alliance Holdings Limited since April 2006, January 2007, February 2007, November 2007 and April 2007, respectively, and has been an independent non-executive director of Kasen International Holdings Limited since July 2006. The shares of the companies mentioned above are listed on the Main Board of the Stock Exchange.

Apart from being a non-executive director, Mr Zhang does not hold any other positions with the Company or any of its subsidiaries. As at the date of this announcement, Mr Zhang does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. Mr Zhang does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

There is no service agreement between the Company and Mr Zhang and his appointment as non-executive director has no fixed term. Notwithstanding the aforesaid, Mr Zhang will retire and be eligible for re-election at the Company's next annual general meeting in accordance with the Articles of Association of the Company. Mr Zhang is entitled to a lump sum director's fee of HK\$50,000, which Mr Zhang has donated to Guangdong Province Assisting Xinjiang Work Group (廣東省援助新疆工作隊). As a gesture of goodwill, Mr Zhang has donated an additional HK\$60,000 to the aforesaid charitable organization. In the event of a review, Mr Zhang's remuneration will be determined by the Board with reference to the Company's remuneration policy, prevailing human resources market for similar position, as well as the business and financial performance of the Group.

There is no matters concerning Mr Zhang that need to be brought to the attention of the shareholders of the Company and there is no information that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.