
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 GZI Transport 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.

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越 秀 交 通 有 限 公 司*
GZI Transport Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1052)

**PROPOSED GENERAL MANDATES
TO
ISSUE NEW SHARES AND REPURCHASE SHARES
PROPOSED AMENDMENTS TO THE BYE-LAWS
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, 30th May, 2006 at 10:30 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 Hong Kong branch share registrar, Abacus Share Registrars 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).

* For identification only

CONTENTS

	<i>Page</i>
Letter from the Board	1
Appendix I — Explanatory Statement	5
Appendix II — 2006 AGM Notice	8
Appendix III — Right to Demand a Poll	12
Appendix IV — Details of Directors	13

LETTER FROM THE BOARD



越秀交通有限公司*
GZI Transport Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 1052)

Executive Directors:

Ou Bingchang (*Chairman*)
Li Xinmin
Li Zhuo
Chen Guangsong
Liang Ningguang
Liang Yi
Du Xinrang
He Zili
Zhang Siyuan
Tan Yuande
He Baiqing
Zhang Huping

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

*Head office and principal
place of business:*

25th Floor, Yue Xiu Building
160 Lockhart Road
Wanchai
Hong Kong

Non-Executive Directors:

Fung Ka Pun[#]
Lau Hon Chuen Ambrose[#]
Poon Jing
Cheung Doi Shu[#]

[#] *Independent non-executive directors*

28th April, 2006

To the shareholder(s)

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO
ISSUE NEW SHARES AND REPURCHASE SHARES
PROPOSED AMENDMENTS TO THE BYE-LAWS
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

* *For identification only*

LETTER FROM THE BOARD

General Mandate to Issue Shares

At the last annual general meeting of GZI Transport Limited (“Company”) held on 25th May, 2005 (“2005 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 meeting to be held on 30th May, 2006 at 10:30 a.m. at 26th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong (“2006 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 2006 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”). 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 5A in the Notice of the 2006 AGM dated 28th April, 2006 (“2006 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.

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 2005 AGM, a general mandate was given to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the 2006 AGM. Therefore, an ordinary resolution (as set out in Resolution 5B (“Repurchase Mandate Resolution”) in the 2006 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, 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 Amendments to the Bye-Laws of the Company (The “Bye-Laws”)

According to the amendments to the Listing Rules which came into effect in 1st January, 2005, the Company is, inter alia, expected to comply with the code provisions of the new Appendix 14 (Code on Corporate Governance Practices) of the Listing Rule (“Code Provisions”).

LETTER FROM THE BOARD

In view of the introduction of the new Appendix 14 of the Listing Rules, the Directors propose, for the purposes of complying with the Code Provisions, to the Shareholders for approval of the following to the Bye-Laws:

- (a) to make it clear that every Director shall be subject to retirement by rotation at least once every three years; and
- (b) to make it clear that all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment.

In addition, the current Bye-Laws allow for the removal of a Director by way of special resolution. The Directors propose, for the benefit of Shareholders, that an amendment be made to the Bye-Laws to allow the removal of a Director by way of an ordinary resolution instead of a special resolution.

The proposed amendments to the Bye-Laws are set out in the special resolution as set out in the 2006 AGM Notice, which is set out in Appendix II to this circular.

Proposed Re-election of Directors

In accordance with Bye-Law 99 of the Bye-Laws, the Directors retiring by rotation at the 2006 AGM are Messrs. Ou Bingchang, Chen Guangsong, Liang Yi, Lau Hon Chuen Ambrose and Poon Jing. In accordance with Bye-Law 102 of the Bye-Laws, Mr Zhang Huping shall also be retiring at the 2006 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 2006 AGM Notice is set out in Appendix II to this circular.

Whether or not you are able to attend the 2006 AGM, you are requested to complete and return the enclosed form of proxy for the 2006 AGM in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Abacus Share Registrars 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 2006 AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the 2006 AGM or any adjournment thereof should you so wish.

Your right to demand a poll on the resolutions proposed at the 2006 AGM is set out in Appendix III to this circular.

LETTER FROM THE BOARD

Recommendation

The Directors consider that the General Mandate, the Repurchase Mandate, the proposed amendments to the Bye-Laws and the proposed re-election of Directors at the 2006 AGM are all in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that you vote in favour of the ordinary resolutions and the special resolution to be proposed at the 2006 AGM.

Yours faithfully,
For and on behalf of the board of directors of
GZI Transport Limited
Ou Bingchang
Chairman

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolutions to be proposed at the 2006 AGM in relation to the Repurchase Mandate.

SHARE CAPITAL

As at 25th April, 2006, being the latest practicable date for determining such figures (“Latest Practicable Date”), the issued share capital of the Company was 1,115,441,530 Shares of HK\$0.1 each. In the event that the ordinary resolution approving the Repurchase Mandate is passed and on the basis that no further Shares are issued prior to the date of the 2006 AGM, the Directors will be authorised under the Repurchase Mandate to repurchase a maximum of 111,544,153 Shares during the period from the passing of the ordinary resolution approving the Repurchase Mandate until the conclusion of the next annual general meeting of the Company in 2007 or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws to be held or the revocation or variation of the Repurchase Mandate by ordinary resolution of the shareholders of the Company in general meeting, whichever shall occur first.

REASONS FOR REPURCHASES

Whilst the Directors do not presently intend to repurchase any Shares, they believe that it is in the best interests of the Company and its shareholders to have the flexibility afforded by the proposed Repurchase Mandate. 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 and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

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 available for such purpose in accordance with the laws of Bermuda and the memorandum of association and Bye-Laws of the Company.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31st December, 2005) in the event that the proposed repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. 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 and its subsidiaries (“Group”) or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

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

EFFECT OF TAKEOVERS CODE

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 purposes 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 was interested in approximately 71.0 per cent of the 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 78.9 per cent of the issued share capital of the Company. As a result, exercise of the Repurchase Mandate may lead to a failure to comply with the public float requirement. The Directors will be cautious in exercising the Repurchase Mandate and has no intention to exercise the Repurchase Mandate to such extent as to jeopardise the public float requirement. In addition, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any purchases made pursuant to the Repurchase Mandate.

UNDERTAKING OF THE DIRECTORS

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 Bermuda.

GENERAL

During the six months prior to the Latest Practicable Date, no Shares have been repurchased by the Company whether on the Stock Exchange or otherwise.

During each of the previous twelve months before the printing of this document the highest and lowest prices at which the Shares have traded on the Stock Exchange were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
April	2.625	2.425
May	2.675	2.500
June	2.700	2.475
July	2.975	2.600
August	3.000	2.825
September	2.925	2.200
October	2.875	2.550
November	2.725	2.525
December	2.800	2.650
2006		
January	2.975	2.675
February	3.275	2.950
March	3.450	3.075

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of GZI Transport Limited (“Company”) (“2006 AGM”) will be held at 26th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong on Tuesday, 30th May, 2006 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited accounts and the reports of the directors and auditors for the year ended 31st December, 2005.
2. To declare a final dividend.
3. To elect directors, to authorise the board to fix directors’ remuneration and to determine the maximum number of directors.
4. To re-appoint auditors 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 RESOLUTIONSA. **“THAT:**

- (a) subject to sub-paragraph (c) hereof, the exercise by the directors during the Relevant Period (as defined in sub-paragraph (d) hereof) of all powers of the Company to allot, issue and deal with the shares (“Shares”) of the Company and to make and grant offers, agreements and options which would or might require Shares to be allotted be and is hereby generally and unconditionally approved;
- (b) the approval mentioned in sub-paragraph (a) hereof shall authorise the directors during the Relevant Period to make and grant offers, agreements and options which would or might require Shares to be allotted 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 pursuant to the approval mentioned in sub-paragraph (a) hereof, otherwise than pursuant to Shares issued as a result of a Rights Issue (as hereinafter defined), or pursuant to the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to option holders of Shares in the Company or any scrip dividend or similar arrangement providing for allotment of Shares in lieu of the whole or part of the dividend on Shares of the Company in accordance with the Company’s Bye-Laws, 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:

- (aa) the conclusion of the next annual general meeting of the Company;
- (bb) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws of Bermuda to be held; and
- (cc) the passage of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying the authority given under this mandate; and

“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 legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory).”

B. “THAT:

- (a) subject to sub-paragraph (b) hereof, the exercise by the directors of the Company during the Relevant Period (as defined in sub-paragraph A(d) above) of all the powers of the Company to purchase Shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on 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/or requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of Shares to be purchased by the Company pursuant to the approval mentioned in sub-paragraph (a) hereof 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.”

C. “THAT:

conditional upon Resolutions under sub-paragraphs A and B above being passed, the general unconditional mandate as mentioned in sub-paragraph A above shall be extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed to be allotted by the directors pursuant to such general unconditional mandate of any amount representing the aggregate nominal amount of the share capital repurchased by the Company pursuant to the general unconditional mandate referred to in sub-paragraph B above, provided that such extended amount 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.”

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

SPECIAL RESOLUTION

“THAT the Bye-Laws of the Company be and are hereby amended by:

- (a) deleting in the 2nd line of Bye-Law 97(A)(vi) the words “a Special” immediately after the words “removed from office by” and substituting therefor the words “an Ordinary”;
- (b) deleting in the first sentence of Bye-Law 99 the words “save any Director holding office as Chairman or Managing Director.” immediately after the words “office by rotation”;
- (c) adding immediately after Bye-Law 99 the following new Bye-Law 99A:

99A. Every Director shall be subject to retirement by rotation once every three years.

- (d) deleting in the 10th to 14th lines of Bye-Law 102(B) the words “and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.” immediately after the words “of the Company” and substituting therefor the words “(in the case of an addition to their number) or until the next following general meeting of the Company (in the case of filling a casual vacancy), and shall then be eligible for reappointment. Such a Director so appointed at an annual general meeting shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting.”;
- (e) deleting in the 1st line of Bye-Law 104 the word “Special” immediately after the words “Company may by” and substituting therefor the word “Ordinary”.

By order of the Board
Yu Tat Fung
Company Secretary

Hong Kong, 28th April, 2006

Notes:

1. The register of members of the Company will be closed from Wednesday, 24th May, 2006 to Tuesday, 30th May, 2006, 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 Hong Kong branch share registrar, Abacus Share Registrars Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 23rd May, 2006.
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 Hong Kong branch share registrar, Abacus Share Registrars 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 2005 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. Under the Listing Rules these general mandates lapse at the conclusion of the 2006 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 issue any new Shares or to repurchase any existing Shares. Approval is being sought from members as a general mandate pursuant to the Listing Rules.

Bye-Law 70 of the Bye-Laws 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 or on withdrawal of any other demand for a poll) 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) at least 3 Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and holding Shares conferring a right to vote at the meeting being Shares 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 and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

1. **Mr Ou Bingchang**, aged 59, has been an executive director and Chairman of the Company since January 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 and the general manager of Guangzhou Investment Company Limited (“GZI”). 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 Municipality 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 Municipality 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. Save as disclosed, Mr Ou does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company nor have any interests 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 currently no service contract 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 Bye-Laws of the Company. Mr Ou’s total emoluments as a director of the Company were HK\$1,551,858 for the year ended 31st December 2005 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 Chen Guangsong**, aged 63, has been an executive director of the Company since October 2001. He is also a vice chairman of Yue Xiu and a director of GZI. Mr Chen obtained his bachelor degree from the South China University of Technology in China. He had been the general manager of Guangzhou Gourmet & Food Factory, chairman and general manager of Guangzhou Light Industrial Group. Prior to joining the Group, Mr Chen was the director of Guangzhou Municipal Economic Commission from 1998 to April 2001 and had over 33 years of experience in corporate management. Save as disclosed, Mr Chen does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company nor have any interests 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 currently no service contract between the Company and Mr Chen and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws of the Company. Mr Chen’s total emoluments as a director of the Company were HK\$1,293,215 for the year ended 31st December 2005 which were determined with reference to job responsibilities and the Group’s performance and profitability.

There is no matters concerning Mr Chen 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.

- Mr Liang Yi**, aged 53, has been an executive director of the Company since February 2003. He is also a director of Yue Xiu and a vice chairman of GZI. 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 Committee of Guangzhou. Mr Liang had made outstanding contribution in establishing the administrative supervisory system of Guangzhou Municipality. He has over 20 years of experience in public administration. Save as disclosed, Mr Liang does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company nor have any interests 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 currently no service contract 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 Bye-Laws of the Company. Mr Liang's total emoluments as a director of the Company were HK\$1,293,215 for the year ended 31st December 2005 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.

- Mr Lau Hon Chuen Ambrose**, aged 58, has been an independent non-executive director of the Company since November 1996. He is also an independent non-executive director of GZI. He holds a Bachelor of Laws degree from the University of London and is a Solicitor of the High Court of the Hong Kong Special Administrative Region, a China-Appointed Attesting Officer and a Notary Public. He is the senior partner of Messrs Chu & Lau, Solicitors & Notaries. Mr Lau is a Standing Committee Member of the National Committee of the Chinese People's Political Consultative Conference, a member of the Selection Committee for The First Government of The Hong Kong Special Administrative Region and a Non-official Justice of Peace among his many public service appointments. He was awarded the Gold Bauhinia Star by The Government of The Hong Kong Special Administrative Region. He is also a director of The Hong Kong Mortgage Corporation Ltd., an independent non-executive director of companies listed on The Stock Exchange of Hong Kong Limited including Hong Kong Parkview Group Ltd., Beijing Enterprises Holdings Ltd., Glorious Sun Enterprises Ltd., Qin Jia Yuan Media Services Company Limited, as well as Wing Hang Bank Ltd. Save as disclosed, Mr Lau did not hold any directorship in other listed public companies in the last three years. Save as disclosed, Mr Lau does not have any other relationships with any directors, senior management, substantial or controlling shareholders of the Company nor have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr Lau and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws of the Company. The director's fee of Mr Lau as a non-executive director of the Company was HK\$68,000 for the year ended 31st December 2005 with reference to his duties and responsibilities with the Company.

There is no matters concerning Mr Lau 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 Poon Jing**, aged 51, has been a non-executive director of the Company since November 1996. He is the managing director of Asia Standard International Group Limited, Asia Orient Holdings Limited and chairman of Asia Standard Hotel Group Limited, all listed on Stock Exchange. Save as disclosed, Mr Poon did not hold any directorship in other listed public companies in the last three years. Mr Poon does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr Poon and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws of the Company. The director's fee of Mr Poon as a non-executive director of the Company was HK\$38,000 for the year ended 31st December 2005 with reference to his duties and responsibilities with the Company.

There is no matters concerning Mr Poon 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.

6. **Mr Zhang Huping**, aged 42, has been an executive director of the Company since November 2005. Mr Zhang graduated from Guangzhou Finance and Trade Management Institute, majoring in accounting. He has been engaged in cost accounting in large state-owned enterprises, and has 20 years of experience in corporate accounting management and highway financial management. Mr Zhang has accumulated experience in computer financial and accounting management, accounting and automobile transportation management. He is a director of the first board of Guangzhou Institute of Accounting Computerization. He was also an accountant at the Planning and Finance Office of Guangzhou Highways Management Bureau. Mr Zhang is a director of certain substantial shareholders of the Company. Save as disclosed, Mr Zhang does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company nor have any interests in the 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 currently no service contract between the Company and Mr Zhang and he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws of the Company. Mr Zhang's total emoluments as a director of the Company were HK\$230,652 for the year ended 31st December 2005 which were determined with reference to job responsibilities and the Group's performance and profitability.

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 herein pursuant to Rule 13.51(2) of the Listing Rules.