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**DISCLOSEABLE AND
CONNECTED TRANSACTIONS IN
RELATION TO PROVISION OF
FUNDING ARRANGEMENTS TO A
SUBSIDIARY FOR THE
SUBSCRIPTION OF OFFER
SHARES AND TRANSFERS OF
OFFER SHARES AS REPAYMENT
AND ACTING AS UNDERWRITER
OF THE PROPOSED OPEN OFFER**

RESUMPTION OF TRADING

**PROPOSED OPEN OFFER
OF 557,720,765 OFFER
SHARES AT HK\$3.93 PER
OFFER SHARE PAYABLE IN
FULL ON APPLICATION BY
QUALIFYING
SHAREHOLDERS ON THE
BASIS OF ONE OFFER
SHARE FOR EVERY TWO
EXISTING SHARES**

RESUMPTION OF TRADING

Financial Adviser to GZI Transport



Goldbond Capital (Asia) Limited

GZI Transport proposes to raise approximately HK\$2,192 million, before expenses, by issuing the Offer Shares at the Subscription Price of HK\$3.93 per Offer Share by way of the Open Offer, payable in full on application on the basis referred to in this announcement. Qualifying Shareholders will be offered one Offer Share for every two existing Shares held by them as at the close of business on the Record Date. The Open Offer will not be available to the Excluded Shareholders (if any).

The net proceeds of the Open Offer of approximately HK\$2,160 million will be applied to finance the Group's future investment in toll road related projects in the PRC, when suitable opportunities are identified and secured.

The Open Offer is conditional upon the fulfillment of all the conditions set out under the section headed “Conditions of the Open Offer” and the Underwriter not terminating the Underwriting Agreement in accordance with the terms thereof.

Guangzhou Investment, Yue Xiu, GZI Transport Holdings and the Four Subsidiaries have undertaken to GZI Transport that they will subscribe or procure their respective wholly-owned subsidiaries to subscribe in full for their respective entire entitlements under the Open Offer. In addition, Guangzhou Investment has agreed to provide all funding to GZI Transport Holdings for subscription of its entire entitlements under the Open Offer, details of which are set out in the section headed “Undertakings from Guangzhou Investment, Yue Xiu, GZI Transport Holdings and the Four Subsidiaries” in this announcement.

Pursuant to the Underwriting Agreement, Guangzhou Investment has agreed to underwrite all the Underwritten Shares, Guangzhou Investment has also entered into the Sub-underwriting Agreement with HSBC, whereby HSBC has sub-underwritten the Underwritten Shares, provided that Guangzhou Investment may decide not to call on HSBC to take up any Offer Shares on condition that the public float of GZI Transport will not be lower than the prescribed minimum level of public float as required under the Listing Rules immediately following the completion of the Open Offer as a result thereof.

The undertakings from Guangzhou Investment in respect of the provision of funding arrangements to GZI Transport Holdings for subscription of Offer Shares, the transfers of Offer Shares as repayment by GZI Transport Holdings, as well as the entering into of the Underwriting Agreement by Guangzhou Investment, constitute discloseable and connected transactions of Guangzhou Investment.

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, at any time on or before 4:00p.m. on the fourth Business Day after the Application Date to terminate its obligations thereunder on the occurrence of certain events, details of which are set out in the paragraph headed “Termination of the Underwriting Agreement” in this announcement. If the Underwriter terminates the Underwriting Agreement, the Open Offer will not proceed.

Any Shareholders or other persons contemplating selling or purchasing Shares from the date of this announcement up to the date when the conditions of the Open Offer are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Shareholders or other persons contemplating any dealings in the Shares during the period are recommended to exercise caution and, if in doubt, consult their own professional advisers.

A circular containing, inter alia, details regarding the entering into of the Underwriting Agreement, the provision of the funding arrangements by Guangzhou Investment to GZI Transport Holdings and related repayment arrangements and notice of EGM will be sent to the shareholders of Guangzhou Investment in due course.

The Open Offer Documents containing details of the Open Offer, and financial and other information on the Group will be despatched to the Qualifying Shareholders and the Prospectus stamped “For Information Only” will be despatched to the Excluded Shareholders as soon as practicable.

At the request of GZI Transport and Guangzhou Investment respectively, tradings in the Shares and the shares of Guangzhou Investment on the Stock Exchange were suspended with effect from 9:30a.m. on 28 June 2007 pending the publication of this announcement. Applications have been made by GZI Transport and Guangzhou Investment respectively to the Stock Exchange for the resumption of tradings in the Shares and the shares of Guangzhou Investment with effect from 2:30p.m. on 29 June 2007.

INTRODUCTION

The Directors would like to announce that GZI Transport proposes to raise approximately HK\$2,192 million, before expenses, by way of the Open Offer.

TERMS OF THE OPEN OFFER

Issue statistics

Basis of the Open Offer:	one Offer Share for every two existing Shares held by Qualifying Shareholders at the close of business on the Record Date
Number of existing Shares in issue as at the date of this announcement:	1,115,441,530 Shares
Number of authorized Shares as at the date of this announcement:	2,000,000,000 Shares
Number of Offer Shares:	557,720,765 Offer Shares to be allotted
Underwriter:	Guangzhou Investment
Sub-underwriter:	HSBC
Subscription Price for Offer Shares:	HK\$3.93 per Offer Share

Under the Open Offer, 557,720,765 Offer Shares would be allotted, representing 50% of the existing issued share capital of GZI Transport as at the date of this announcement and approximately 33% of the issued share capital of GZI Transport as enlarged by the issue of 557,720,765 Offer Shares. There are no outstanding options, warrants, convertible notes or other rights to subscribe for Shares as at the date of this announcement.

Qualifying Shareholders and Excluded Shareholders

GZI Transport will send the Open Offer Documents to Qualifying Shareholders only. To qualify for the Open Offer, a Shareholder must be registered as a member of GZI Transport at the close of business on the Record Date and must not be an Excluded Shareholder. In order to be registered as a member at the close of business on the Record Date, a transferee of Shares must lodge any transfer of Shares (with the relevant share certificates) with Abacus Share Registrars Limited, the branch share registrar of GZI Transport in Hong Kong, by 4:00 p.m. (Hong Kong time) on 1 August 2007.

The branch share registrar of GZI Transport in Hong Kong is:

Abacus Share Registrars Limited
26/F, Tesbury Centre
28 Queen's Road East
Hong Kong

The Open Offer Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong and Bermuda. GZI Transport will send the Prospectus to the Excluded Shareholders for their information only, but GZI Transport will not send any Application Form and Excess Application Form to the Excluded Shareholders. The entitlements of the Excluded Shareholders under the Open Offer will be taken up by the Qualifying Shareholders who have applied for the Offer Shares through excess application, and/or taken up by the Underwriter and/or Sub-underwriter pursuant to the Underwriting Agreement and the Sub-underwriting Agreement. The Excluded Shareholders are the Shareholders whose names appear on the register of members of GZI Transport as at the close of business on the Record Date and whose addresses as shown on such register are in territory or territories outside Hong Kong where in the absence of a registration statement or other special formalities, the offer of the Offer Shares to such Shareholders would or might, in the opinion of the Directors, be unlawful or impracticable.

As at the date of this announcement, GZI Transport has certain Shareholders whose addresses as shown on the register of members are located outside Hong Kong including the United Kingdom, the United States, the Macau Special Administrative Region of the PRC and the PRC. GZI Transport will make enquiry pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions (if any) under the laws of the relevant jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges for GZI Transport's offer of the Offer Shares to such Shareholders to determine who will be the Excluded Shareholders. Further disclosure will be made by GZI Transport in the Prospectus to be despatched to the Shareholders on or before 7 August 2007 after it has formed the view as to whether or not the Open Offer will be extended to the Overseas Shareholders.

Closure of Register of Members

The register of members of GZI Transport will be closed from 2 August 2007 to 6 August 2007 (both days inclusive). No transfer of Shares will be registered during this period.

Subscription price for the Offer Shares

The Subscription Price of HK\$3.93 per Offer Share will be payable in full on application. The Subscription Price represents:

- (i) a discount of approximately 31.05% to the closing price of HK\$5.70 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 30.93% to the average closing price of HK\$5.69 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 30.57% to the average closing price of HK\$5.66 per Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 28.93% to the average closing price of HK\$5.53 per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 23.09% to the theoretical ex-right price of HK\$5.11 based on the closing price of HK\$5.70 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (vi) a premium of approximately 4.80% over the audited consolidated net assets value (excluding minority interests) per Share of approximately HK\$3.75 as at 31 December 2006.

The Subscription Price was arrived at with reference to the market price of the Shares under the prevailing market conditions and was agreed on an arm's length basis between GZI Transport and the Underwriter. The Directors consider the Subscription Price and the rate of discount to the closing price on the Last Trading Day to be fair and reasonable and in the interests of GZI Transport and the Shareholders as a whole.

Basis of allotment

One Offer Share for every two existing Shares held by a Qualifying Shareholder as at the close of business on the Record Date.

Status of the Offer Shares

When allotted, issued and fully paid, the Offer Shares will rank pari passu in all respects with the then existing Shares in issue and holders of such Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of issue of the Offer Shares.

Fractions of Offer Shares

Fractional entitlements to the Offer Shares will not be issued but will be aggregated and, if possible, sold and the proceeds thereof will be retained for the benefit of GZI Transport.

Applications for excess Offer Shares

Qualifying Shareholders shall be entitled to apply for any entitlements of the Excluded Shareholders and any Offer Shares not taken up by Qualifying Shareholders. An application may be made by completing the Excess Application Form for excess Offer Shares and lodging the same with a separate remittance for the excess Offer Shares being applied for. The Directors will allocate the excess Offer Shares at their discretion, but on a fair and reasonable basis as far as practicable. Shareholders should note that, in respect of the Open Offer, no odd lot matching services will be provided by GZI Transport in the market.

Shareholders with their Shares held by a nominee (or CCASS) should note that the Board will regard the nominee (including CCASS) as a single Shareholder according to the register of members of GZI Transport. Shareholders with their Shares held by a nominee (or CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the close of business on the Record Date.

For Shareholders whose Shares are held by their nominee(s) (or CCASS) and who would like to have their names registered on the register of members of GZI Transport, they must lodge all necessary documents with Abacus Share Registrars Limited, the branch share registrar of GZI Transport in Hong Kong, by 4:00 p.m. (Hong Kong time) on 1 August 2007.

Certificates and refund cheques for the Offer Shares

Subject to the fulfillment of the conditions of the Open Offer as set out in the section headed “Conditions of the Open Offer” below, certificates for all fully-paid Offer Shares are expected to be posted by 28 August 2007 to those Qualifying Shareholders who have accepted and (where applicable) applied for, and paid for the Offer Shares, at their own risk. Refund cheques in respect of the wholly or partially unsuccessful applications for excess Offer Shares (if any) are expected to be posted by 28 August 2007 by ordinary post to the applicants at their own risk.

Application for Listing

GZI Transport will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duties and relevant trading fees and Securities and Futures Commission transaction levy in Hong Kong.

CONDITIONS OF THE OPEN OFFER

The Open Offer is conditional upon, among other things, fulfillment of each of the following:

1. the delivery to the Stock Exchange and filing and registration of all documents relating to the Open Offer required by laws and the Listing Rules to be filed and/or registered, with the Registrar of Companies in Hong Kong and Bermuda respectively;
2. the posting of the Open Offer Documents to the Qualifying Shareholders and the posting of letter from GZI Transport accompanied by the Prospectus stamped “For information only” to the Excluded Shareholders (as the case may be) on or before the Posting Date;
3. the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Offer Shares either unconditionally or subject to such conditions as GZI Transport may accept;
4. the obtaining of approval from the independent shareholders of Guangzhou Investment in relation to the entry into of the Underwriting Agreement, the provision of the funding to GZI Transport Holdings for subscription of the Offer Shares and the transfers of the Offer Shares by the Four Subsidiaries upon completion of the Open Offer as repayment of such funding and all related costs (as more fully described in the section headed “Undertakings from Guangzhou Investment, Yue Xiu, GZI Transport Holdings and the Four Subsidiaries” below);
5. compliance with and performance of all the undertakings and obligations of GZI Transport under the Underwriting Agreement;
6. compliance with and performance of all the undertakings and obligations of Guangzhou Investment, Yue Xiu, GZI Transport Holdings and the Four Subsidiaries under the Underwriting Agreement; and
7. the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof.

If any of the conditions of the Open Offer is not fulfilled by or at the time and/or date specified thereof (or if no time or date is specified, 4:00 p.m. on the fourth Business Day following the Application Date, or such other time as may be agreed between the Underwriter and GZI Transport), or shall become incapable of being fulfilled on or before such time, or the Underwriting Agreement is terminated by the Underwriter (including as a result of the termination of the Sub-underwriting Agreement) by written notice to GZI Transport, in which cases the Open Offer will not proceed.

UNDERWRITING AND SUB-UNDERWRITING ARRANGEMENTS

Any Offer Share not taken up by the Qualifying Shareholders, other than Guangzhou Investment, Yue Xiu and the Four Subsidiaries, will be underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement.

Terms of the Underwriting Agreement

Date:	29 June 2007
Issuer:	GZI Transport
Underwriter:	Guangzhou Investment
No. of Underwritten Shares:	164,754,727 Offer Shares
Commission:	1.75% of the aggregate Subscription Price of the Underwritten Shares.

Pursuant to the Underwriting Agreement, the Underwriter has agreed to subscribe for or procure subscribers to subscribe for the Underwritten Shares that are not subscribed for by the Public Shareholders and Value Partners at the Subscription Price. The aggregate value of such Offer Shares amounts to approximately HK\$647 million.

Pursuant to Rule 14A.31(3)(c) of the Listing Rules, the entering into of the Underwriting Agreement between GZI Transport and Guangzhou Investment constitutes an exempted connected transaction of GZI Transport and is therefore exempted from the reporting, announcement and independent shareholders' approval requirements.

Conditions of the Underwriting Agreement

The Underwriting Agreement is conditional on, among other things, the fulfillment of the conditions of the Open Offer as set out in the section headed "Conditions of the Open Offer" above (other than condition 7) and on the Sub-underwriting Agreement not being terminated.

The Underwriter cannot waive any of the conditions referred to above. If the conditions referred to above are not satisfied by the time and/or date specified in the said agreements (or if no time or date is specified, 4:00p.m. on the fourth Business Day following the Application Date, or such other time as may be agreed between the Underwriter and GZI Transport), the Underwriting Agreement shall terminate and the Open Offer will not proceed. In case the Open Offer does not proceed, GZI Transport will not be liable for the underwriting commission. However, GZI Transport will still be liable to any cost and expense of the legal and other professional advisers incurred in relation to the Open Offer.

Termination of the Underwriting Agreement

It should be noted that the Underwriting Agreement is conditional upon, among other things, the Sub-underwriting Agreement not being terminated in accordance with the terms thereof. The Underwriting Agreement contains provisions entitling the Underwriter, by notice in

writing, to terminate its obligations thereunder on the occurrence of certain events. If at any time on or before 4:00 p.m. on the fourth Business Day after the Application Date one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, or exist:

- (a) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that, any of the warranties in the Underwriting Agreement was (when originally given or when repeated in accordance with the provisions under the Underwriting Agreement) untrue, inaccurate, misleading or breached, and in each case where it is (in the reasonable opinion of Guangzhou Investment) material in the context of the Open Offer; or
- (b)
 - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) any change in local, national or international financial, political, industrial or economic conditions;
 - (iii) any change of an exceptional nature in local, national or international equity securities or currency markets;
 - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
 - (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of ten (10) Business Days other than the suspension relating to the Open Offer;
 - (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere;

which event or events, in the reasonable opinion of the Underwriter, is or are:

1. likely to have a material adverse effect on the business or financial or trading position or prospects of the Group as a whole;
2. likely to have a material adverse effect on the success of the Open Offer or the level of Offer Shares taken up; or
3. so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Open Offer,

then in such case the Underwriter may by notice in writing given to GZI Transport at the time any of the above events has occurred on or before 4:00 p.m. on the fourth Business Day following the Application Date rescind the Underwriting Agreement and thereupon all

obligations of the Underwriter will cease and no party will have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement except in respect of any antecedent breach of the Underwriting Agreement and the Open Offer will not proceed.

Terms of the Sub-underwriting Agreement

Date:	29 June 2007
Underwriter:	Guangzhou Investment
Sub-underwriter:	HSBC
No. of Sub-underwritten Shares:	164,754,727 Offer Shares
Commission:	1.75% of the aggregate Subscription Price of the Sub-underwritten Shares

Under the Sub-underwriting Agreement, the Sub-underwriter has sub-underwritten 164,754,727 Offer Shares, all of which have been underwritten by the Underwriter provided that the Underwriter may decide not to call on the Sub-underwriter to take up any Offer Shares on condition that the public float of GZI Transport will not be lower than the prescribed minimum level of public float as required under the Listing Rules immediately following the completion of the Open Offer.

To the best of the Directors' and directors' of Guangzhou Investment knowledge, information and belief and having made all reasonable enquiries, the Sub-underwriter and its ultimate beneficial owners are third parties independent of (i) GZI Transport and its connected persons (as defined in the Listing Rules); and (ii) Guangzhou Investment and its connected persons (as defined in the Listing Rules) respectively.

The entering into of the Sub-underwriting Agreement between the Underwriter and HSBC is to ensure that, immediately after the completion of the Open Offer, the Open Offer will not result in a further reduction of the public float of GZI Transport and, in the event that Value Partners remains as a substantial Shareholder immediately after the completion of the Open Offer due to its subscription of the Offer Shares, the shareholding percentage of GZI Transport held by Guangzhou Investment and its associates will not increase.

HSBC entered into the sub-underwriting commitment for its own account and is not an adviser to any party involved in the Open Offer (or acting in any other capacity other than the Sub-underwriter) and is not participating in or authorising or will not participate in or authorise the preparation or issue of this announcement or the Prospectus.

Under the Sub-underwriting Agreement, the Underwriter has given certain representations, warranties and undertakings to the Sub-underwriter, including the agreement not to waive any rights under the Underwriting Agreement to the extent that it would reasonably be considered to have material adverse impact on the position of the Sub-underwriter under the sub-underwriting arrangements. The obligations of the Sub-underwriter under the sub-

underwriting arrangements are conditional on (i) the Underwriting Agreement being unconditional and not being terminated; and (ii) there being no material breach of the representations, warranties and undertakings given by the Underwriter under the Sub-underwriting Agreement.

WARNING OF THE RISKS OF DEALING IN SHARES

Shares will be dealt with on an ex-entitlement basis from 31 July 2007. Dealings in the Shares will continue while the conditions to which the Open Offer is subject remain unfulfilled. If the Underwriter terminates the Underwriting Agreement (including, without limitation, as a result of termination of the Sub-underwriting Agreement), the Open Offer will not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If in any doubt, investors should consider obtaining professional advice on this.

To qualify for the Open Offer, a Qualifying Shareholder's name must appear on the register of members of GZI Transport at the close of business on the Record Date, which is currently expected to be 6 August 2007. In order to be registered as members on the Record Date, any transfer of Shares (with the relevant share certificates) must be lodged for registration by 4:00 p.m. on 1 August 2007.

UNDERTAKINGS FROM GUANGZHOU INVESTMENT, YUE XIU, GZI TRANSPORT HOLDINGS AND THE FOUR SUBSIDIARIES

As at the date of this announcement, each of Yue Xiu and Guangzhou Investment is interested in 35,798,076 Shares and 134,000 Shares respectively, representing approximately 3.21% and 0.01% in the issued share capital of GZI Transport, directly or through wholly-owned subsidiaries respectively.

In addition, Yue Xiu and Guangzhou Investment are also deemed to be interested in 750,000,000 Shares, representing approximately 67.24% of the issued share capital of GZI Transport, through GZI Transport Holdings, which is owned as to 49% by Yue Xiu and 51% by Guangzhou Investment respectively. GZI Transport Holdings in turn holds such Shares through the Four Subsidiaries.

Guangzhou Investment, as at the date of this announcement, has irrevocably undertaken that, subject to the conditions of the Underwriting Agreement being fulfilled, all Shares directly owned by it will remain registered in its name from the date of the undertaking to the Record Date and that it will subscribe for or procure subscription of all the 67,000 Offer Shares that will be allotted to it or its wholly-owned subsidiaries as the holders of such Shares pursuant to the Open Offer.

Yue Xiu, as at the date of this announcement, has irrevocably undertaken that, subject to the conditions of the Underwriting Agreement being fulfilled, all Shares directly owned by it or

through its wholly-owned subsidiaries will remain registered in its/their name(s) from the date of the undertaking to the Record Date and that it will subscribe for or procure subscription of all the 17,899,038 Offer Shares that will be allotted to it or its wholly-owned subsidiaries as the holder of such Shares pursuant to the Open Offer.

GZI Transport Holdings, as at the date of this announcement, has irrevocably undertaken to GZI Transport that, it will procure the Four Subsidiaries to subscribe in full for their respective entire entitlements under the Open Offer. The Four Subsidiaries, as at the date of this announcement, have also irrevocably undertaken that, subject to the conditions of the Open Offer being fulfilled, all Shares beneficially owned by them will remain registered in their names from the date of the undertaking to the Record Date and that they will subscribe for all the 375,000,000 Offer Shares that will be allotted to them as the holder(s) of such Shares pursuant to the Open Offer. Based on the Subscription Price of HK\$3.93, the funding required for the subscription of 375,000,000 Offer Shares amounts to approximately HK\$1.47 billion.

Pursuant to a loan agreement dated 29 June 2007 entered into among Yue Xiu, Guangzhou Investment, GZI Transport Holdings and the Four Subsidiaries, Guangzhou Investment has agreed to provide the required funding, through its internal resources and/or bank borrowings, to GZI Transport Holdings for the subscription of all the Offer Shares that will be allotted to the Four Subsidiaries pursuant to the Open Offer, which, as at the date of this announcement, amount to 375,000,000 Offer Shares. Given the Subscription Price of HK\$3.93, the funding required for the subscription of 375,000,000 Offer Shares amounts to approximately HK\$1.47 billion. As such, Guangzhou Investment will provide an interest-free loan of approximately HK\$1.47 billion to GZI Transport Holdings, which in turn will provide such funding to the Four Subsidiaries. The Four Subsidiaries will utilise such funding towards subscription of the Offer Shares. Upon the completion of the Open Offer, such funding due to Guangzhou Investment shall be repaid by the Four Subsidiaries transferring to Guangzhou Investment and/or its nominees the ownership of the 375,000,000 Offer Shares allotted and issued to them free of charge.

The Offer Shares available for subscription by the Public Shareholders and Value Partners, other than the Offer Shares to be allotted in respect of the Shares beneficially owned by Yue Xiu, Guangzhou Investment and GZI Transport Holdings, which amount to approximately 164,754,727 Offer Shares, will be underwritten by Guangzhou Investment as the underwriter in accordance with the Underwriting Agreement.

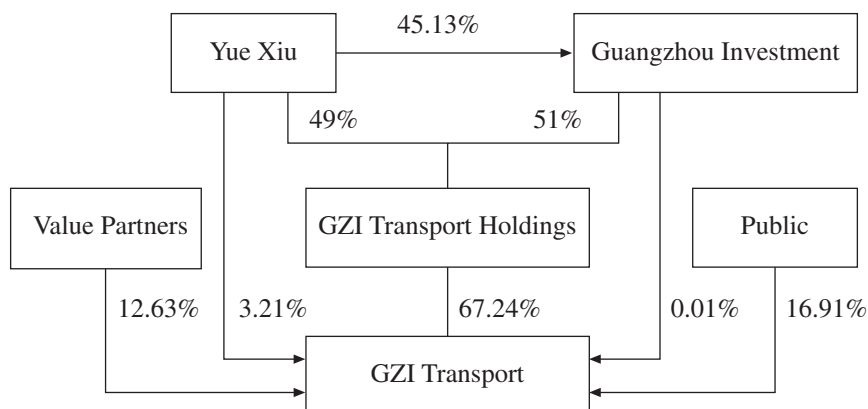
In addition, Guangzhou Investment has also undertaken to GZI Transport that it will place down such number of Shares which shall be equal to the number of Offer Shares (if any) that Value Partners takes up through application for excess Offer Shares to independent third parties as soon as possible after the Application Date but before the Open Offer becomes unconditional.

With the above-mentioned placing down arrangements of Guangzhou Investment and the Sub-underwriting Agreement, the Directors of GZI Transport contemplate that the public float of GZI Transport will not be worse off as a result of the Open Offer.

As at the date of this announcement, other than the above mentioned undertakings, GZI Transport has not received any undertaking provided by any other Shareholders to subscribe his/her/its entitlement under the Open Offer.

CHANGES IN SHAREHOLDING STRUCTURE OF GZI TRANSPORT

Set out below is a shareholding chart showing the current shareholding structure of GZI Transport:



Note: GZI Transport Holdings holds an approximately 67.24% interest in GZI Transport through the Four Subsidiaries.

The following table sets out the changes in the shareholding structure of GZI Transport arising from the Open Offer:

Shareholder	As at the date of this announcement		Immediately after completion of the Open Offer (Note 1)		Immediately after completion of the Open Offer (Note 2)		Immediately after completion of the Open Offer (Note 3)	
	No. of Shares	Approximate percent (%)	No. of Shares	Approximate percent (%)	No. of Shares	Approximate percent (%)	No. of Shares	Approximate percent (%)
Yue Xiu (Note 4)	35,798,076	3.21	53,697,114	3.21	53,697,114	3.21	53,697,114	3.21
Guangzhou Investment	134,000	0.01	375,201,000 (Note 6)	22.42	445,689,000 (Note 6)	26.64	375,201,000 (Note 6)	22.42
GZI Transport Holdings (Note 5)	750,000,000	67.24	750,000,000	44.83	750,000,000	44.83	750,000,000	44.83
Value Partners	140,976,000	12.63	211,464,000	12.63	140,976,000	8.43	140,976,000	8.43
Other Shareholders	188,533,454	16.91	282,800,181	16.91	188,533,454	11.26	188,533,454	11.26
Sub-underwriter					94,266,727	5.63	164,754,727	9.85
Sub-total Public	188,533,454	16.91	282,800,181	16.91	423,776,181	25.32	494,264,181	29.54
Total	1,115,441,530	100	1,673,162,295	100	1,673,162,295	100	1,673,162,295	100

Notes:

- Assuming all Shareholders take up their respective allotment of the Offer Shares in full.
- Assuming (i) no Shareholders (save for Guangzhou Investment, Yue Xiu and the Four Subsidiaries) take up any of the Offer Shares; and (ii) the entitlements to the Offer Shares of all Shareholders (save for Guangzhou Investment, Yue Xiu and the Four Subsidiaries) of 164,754,727 Offer Shares are taken up by Guangzhou Investment and Guangzhou Investment calls on the Sub-underwriter to take up 94,266,727 Offer Shares.
- Assuming no Shareholder takes up any of the Offer Share and the Underwriter calls on the Sub-underwriter to take up those Offer Shares pursuant to the Sub-underwriting Agreement.

4. This shareholding is directly held by Yue Xiu and its wholly-owned subsidiaries.
5. GZI Transport Holdings is held by Yue Xiu and Guangzhou Investment as to 49% and 51% respectively.
6. Assuming GZI Transport Holdings has repaid the funding to Guangzhou Investment by the Four Subsidiaries transferring to Guangzhou Investment the ownership of 375,000,000 Offer Shares.

As stated in GZI Transport's announcement dated 28 February 2007, the aggregate shareholding interest of Guangzhou Investment (and its associates) and Value Partners (and its associates) in GZI Transport is approximately 83.09%, thereby resulting in a public float of approximately 16.91% of GZI Transport's total issued share capital, which is below 25% as required under the Listing Rules.

In the event that Guangzhou Investment is called upon to subscribe for the Underwritten Shares in full, and after taking into account the arrangements under the Sub-underwriting Agreement, the aggregate shareholding interests of Guangzhou Investment, Yue Xiu and GZI Transport Holdings and their respective associates will increase to approximately 74.68% of GZI Transport's issued share capital as enlarged by the issue of the Offer Shares.

If Value Partners does not subscribe for any Offer Share under the Open Offer, its interest will be diluted to approximately 8.43% which will then be regarded as forming part of the public float under the Listing Rules, and if its entire entitlement to the Offer Shares is allocated to the Public Shareholders through excess application, and the Underwriter needs not take up any Offer Shares, the public float of GZI Transport will become 29.54% of the issued share capital of GZI Transport as enlarged by the issue of the Offer Shares which will be above the prescribed minimum level of public float as required under the Listing Rules. It must, however, be noted that the Board has not received from Value Partners any indication of its intention regarding the Open Offer.

It is the intention of Guangzhou Investment to maintain the listing of GZI Transport after the Open Offer. If the public float of GZI Transport is not restored to 25% immediately after the completion of the Open Offer, GZI Transport or its controlling Shareholder (including Yue Xiu, Guangzhou Investment and the Four Subsidiaries) will take appropriate steps to restore the public float of GZI Transport as soon as practicable after completion of the Open Offer to ensure that not less than 25% of the Shares are held by the public at all times in compliance with the minimum public float requirement under Rule 8.08 of the Listing Rules. However, in considering the appropriate steps to restore the public float after the Open Offer, if required, GZI Transport needs to take into account the interest of all Shareholders including independent Shareholders and the shareholding structure of GZI Transport after the Open Offer. As such, GZI Transport will only be able to come up with a decision as to the most appropriate steps to be taken after the completion of the Open Offer.

Upon completion of the Open Offer, GZI Transport will continue to be a subsidiary of Guangzhou Investment.

ZEXPECTED TIMETABLE

Despatch of circular of Guangzhou Investment	Friday, 20 July 2007
Last day of dealings in existing Shares on a cum-entitlement basis	Monday, 30 July 2007
Commencement date of dealings in existing Shares on ex-entitlement basis	Tuesday, 31 July 2007
Latest time for lodging transfers of Shares in order to qualify for the Open Offer	4:00 pm on Wednesday, 1 August 2007
Register of members of GZI Transport to be closed (both days inclusive).....	Thursday, 2 August 2007 to Monday, 6 August 2007
Record Date	Monday, 6 August 2007
Date of EGM	Monday, 6 August 2007
EGM result announcement to be published on	Tuesday, 7 August 2007
Register of members of GZI Transport to be opened on	Tuesday, 7 August 2007
Open Offer Documents to be despatched on	Tuesday, 7 August 2007
Latest time for acceptance of, and payment for Offer Shares and application for excess Offer Shares	4:00 p.m. on Tuesday, 21 August 2007
Latest time for termination of the Underwriting Agreement.....	4:00 p.m. on Monday, 27 August 2007
Announcement of results of Open Offer to be published on or before	Tuesday, 28 August 2007
Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares to be despatched on or before	Tuesday, 28 August 2007
Certificates for Offer Shares expected to be despatched on or before	Tuesday, 28 August 2007
Dealings in Offer Shares on the Stock Exchange to commence on	Thursday, 30 August 2007

Note: All times and days stated above refer to Hong Kong times and days.

Dates or deadlines specified above are indicative only and may be varied by agreement between GZI Transport and the Underwriter. Any changes to the expected timetable will be published or notified to the Shareholders appropriately.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

GZI Transport is an investment holding company, and its subsidiaries are principally engaged in toll road and bridge operations in Guangdong Province.

The audited financial information of GZI Transport for the two years ended 31 December 2006, as extracted from its annual report, is as follow:

	For the year ended	
	31 December	
	2005	2006
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Net profits (before taxation and extraordinary items)	372,326	523,604
Net profits (after taxation and extraordinary items)	337,893	487,912
	As at 31 December	
	2005	2006
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Total Assets	4,631,092	4,947,235
Total Equity	3,997,670	4,421,135

One of the principal objectives of the Open Offer is to raise sufficient funds for prospective acquisitions of interests in new toll expressways and bridges, principally in Guangdong Province. With the toll road network in first tier cities in Mainland China, such as Beijing, Shanghai, Guangzhou and Shenzhen, entering into mature stage, the Board of GZI Transport envisages that opportunities for participation in the development of or acquisition of interest in new quality toll expressways in these first tier cities would become less readily available. In February 2007, the relevant government authority of the Guangdong Province announced the 11th Five Year Comprehensive Transportation System Plan ("11th Plan"), which stated that an estimated RMB228.8 billion will be invested in about 35 major expressway projects (including 11 outbound expressway projects, 18 expressway projects within the province and 6 local expressway projects) to be constructed throughout the Guangdong Province. It is anticipated that about RMB159.1 billion will be invested in constructing expressways of 2,773 kilometres during the 11th Plan period. Therefore, the Directors believe that there will be tremendous opportunities for investing in expressway projects. To cope with the expected economic growth and the development in the Guangdong Province, the Directors believe that the 11th Plan represents a rare investment opportunity for GZI Transport to further expand its operation in the Guangdong Province, a fast developing province in the PRC. GZI Transport is currently conducting feasibility studies regarding a number of toll road projects in the PRC. The Directors confirm that GZI Transport has not entered into any contracts in relation to the acquisition of or investment in any projects at the moment.

The Directors consider that, by way of the Open Offer through which it is currently anticipated to raise about HK\$2,192 million (before expenses), GZI Transport will be in a stronger financial position to participate in different toll road projects in the PRC.

REASONS FOR THE FUNDING ARRANGEMENTS AMONG YUE XIU, GUANGZHOU INVESTMENT AND GZI TRANSPORT HOLDINGS

Guangzhou Investment is an investment company and its subsidiaries are principally engaged in property development, investment and management, operation of toll roads and bridges, manufacture and sale of newsprint.

GZI Transport Holdings is an investment holding company.

Yue Xiu and its subsidiaries are principally engaged in cement and ready mixed concrete production; finance, stocks and securities brokerage, and issuance services; investment in and operation of hotels; property investment and development; operation of toll roads and bridges; manufacture and sale of newsprint. It is the present strategy of Yue Xiu to utilize Guangzhou Investment as the flagship for holding the infrastructure related business, including GZI Transport.

Through the provision of funding arrangements by Guangzhou Investment to GZI Transport Holdings and assuming all Shareholders take up their respective allotments of the Offer Shares in full, Guangzhou Investment will increase its effective interest in GZI Transport from approximately 34.30% to 45.28% immediately upon completion of the Open Offer and the transfers by the Four Subsidiaries to Guangzhou Investment and/or its nominees of the 375,000,000 Offer Shares allotted to the Four Subsidiaries. Based on the Subscription Price of HK\$3.93, the funding required for the subscription of 375,000,000 Offer Shares amounts to approximately HK\$1.47 billion.

Guangzhou Investment will finance such funding and its subscription of allotment under the Open Offer through its internal resources and/or bank borrowings. All the costs relating to these arrangements including, such as stamp duty amounting to approximately HK\$3 million, will be borne by GZI Transport Holdings. Such cost together with the required funding will be repaid by the Four Subsidiaries transferring to Guangzhou Investment and/or its nominees the ownership of the 375,000,000 Offer Shares allotted and issued to the Four Subsidiaries. Guangzhou Investment shall be responsible for the finance costs amounting to approximately HK\$3 million.

The directors of Guangzhou Investment consider that the arrangements between Guangzhou Investment and GZI Transport Holdings in respect of the funding arrangements of the related Offer Shares, including the provision of an interest-free loan to GZI Transport Holdings, provide an opportunity for Guangzhou Investment to further enhance its shareholding in GZI Transport and control over the Group. Based on the financial results of the Group for the year ended 31 December 2006, the Group recorded an audited profit attributable to equity holders of GZI Transport of approximately HK\$461,157,000, representing a positive growth of approximately 50.80% over that of the previous year. Given the promising results of the Group for the year ended 31 December 2006, the directors of Guangzhou Investment believe that it is beneficial for Guangzhou Investment to increase its effective interest in GZI Transport and therefore consider the arrangements between Guangzhou Investment and GZI Transport Holdings in respect of the funding arrangements of the related Offer Shares, including the provision of an interest-free loan to GZI Transport Holdings, in the interests of Guangzhou Investment and the shareholders of Guangzhou Investment as a whole.

REASONS FOR ENTERING INTO THE UNDERWRITING AGREEMENT AND SUB-UNDERWRITING AGREEMENT

The directors of Guangzhou Investment consider that the entering into of the Underwriting Agreement by Guangzhou Investment will enable Guangzhou Investment to maintain, support and enhance the value of its investment in GZI Transport since the underwriting will ensure that the Open Offer will be fully subscribed. Taking into account the business development opportunities of GZI Transport as stated in the section headed “Reasons for the Open Offer and use of proceeds” above, and the Subscription Price being a discount of 31.05% and 30.93% to the closing price of HK\$5.70 and HK\$5.69 per Share as quoted on the Stock Exchange on the Last Trading Day and for the 5 consecutive trading days up to and including the Last Trading Day respectively, and the underwriting commission of 1.75% charged by Guangzhou Investment, the directors of Guangzhou Investment believe that the entering into of the Underwriting Agreement is in the interests of Guangzhou Investment and its shareholders as a whole. Guangzhou Investment will finance its commitment under the Underwriting Agreement by way of internal resources and/or bank borrowings.

The Underwriting Agreement was determined after arm’s length negotiations between Guangzhou Investment and GZI Transport. Based on the reasons as stated above, the directors of Guangzhou Investment consider that the terms of the Underwriting Agreement are on normal commercial terms and are fair and reasonable so far as Guangzhou Investment and the shareholders of Guangzhou Investment as a whole are concerned.

By entering into the Underwriting Agreement and the Sub-underwriting Agreement, Guangzhou Investment is able to enhance its shareholding interests in GZI Transport by not calling upon the Sub-underwriter to take up the Sub-underwritten Shares in the event that Value Partners chooses not to subscribe for the whole or part of its entitlement of the Offer Shares and ceases to be a substantial Shareholder upon completion of the Open Offer.

The entering into of the Sub-underwriting Agreement between the Underwriter and HSBC is to ensure that, immediately after the completion of the Open Offer, the Open Offer will not result in a further reduction of the public float of GZI Transport and, in the event that Value Partners remains as a substantial Shareholder immediately after the completion of the Open Offer due to its subscription of entitlements to the Offer Shares, the shareholding percentage of GZI Transport held by Guangzhou Investment and its associates will not increase.

DISCLOSEABLE AND CONNECTED TRANSACTION OF GUANGZHOU INVESTMENT

As Yue Xiu is interested in 3,077,935,248 shares of Guangzhou Investment as at the date of this announcement, representing approximately 45.13% of the issued share capital of Guangzhou Investment, and therefore a connected person of Guangzhou Investment, the provision of funding to GZI Transport Holdings, which is 49% beneficially owned by Yue Xiu, for subscription of the Offer Shares and the transfers of the Offer Shares upon completion of the Open Offer from the Four Subsidiaries to Guangzhou Investment as repayment mentioned above constitute connected transactions of Guangzhou Investment under the Listing Rules.

The entering into of the Underwriting Agreement between GZI Transport and Guangzhou Investment constitutes a connected transaction of Guangzhou Investment. Pursuant to the Underwriting Agreement, the Underwriter is obliged to subscribe for 164,754,727 Offer Shares, representing the Offer Shares available for subscription by the Qualifying Shareholders other than Guangzhou Investment, Yue Xiu and the Four Subsidiaries (equivalent to an amount of approximately HK\$647 million payable by the Underwriter) in the event that no Shareholders (save for Guangzhou Investment, Yue Xiu and GZI Transport Holdings and their respective associates) take up their entitlement to the Offer Shares.

As the relevant percentage ratios in relation to the (i) provision of funding to GZI Transport Holdings for subscription of the Offer Shares, given the Subscription Price of HK\$3.93, the funding required for the subscription of 375,000,000 Offer Shares amounts to approximately HK\$1.47 billion, and the transfers of the Offer Shares upon completion of the Open Offer from the Four Subsidiaries to Guangzhou Investment as repayment and related costs such as stamp duty and finance cost amounting to approximately HK\$6 million; and (ii) the gross underwriting commitment under the Underwriting Agreement of approximately HK\$647 million, exceed 2.5% as determined in accordance with the Listing Rules, the provision of funding arrangements and the entering into of the Underwriting Agreement by Guangzhou Investment are subject to the requirements of reporting, announcement and the independent shareholders' approval of Guangzhou Investment as set out in Chapter 14A of the Listing Rules.

As the relevant percentage ratios calculated in accordance with the Listing Rules for (i) the provision of funding by Guangzhou Investment to GZI Transport Holdings for subscription of the Offer Shares and the transfers of the Offer Shares upon completion of the Open Offer from the Four Subsidiaries to Guangzhou Investment as repayment of such funding and related cost such as stamp duty and finance cost amounting to approximately HK\$6 million; and (ii) the gross underwriting commitment under the Underwriting Agreement exceed 5% but below 25%, the funding arrangements and the entering into the Underwriting Agreement also constitute discloseable transactions of Guangzhou Investment.

GENERAL

The Prospectus, containing, among other things, details of the Open Offer, and financial and other information of the Group, will be despatched to Shareholders in accordance with the requirements of the Listings Rules.

The Open Offer Documents are expected to be posted to the Qualifying Shareholders and the Prospectus stamped “For Information Only” is expected to be posted to the Excluded Shareholders on or before 7 August 2007.

GZI Transport has not engaged in any equity fund raising exercise during the 12 months immediately preceding the date of this announcement.

An independent board committee comprising independent non-executive directors of Guangzhou Investment has been appointed to consider the terms of the provision of funding to GZI Transport Holdings for subscription of the Offer Shares and the transfers of the Offer Shares upon completion of the Open Offer to Guangzhou Investment and the Underwriting Agreement and to advise the independent shareholders of Guangzhou Investment as to whether the provision of funding arrangements and the entering into of the Underwriting Agreement are on normal commercial terms, fair and reasonable and in the interests of Guangzhou Investment and its shareholders as a whole. An independent financial adviser will be appointed to advise the independent board committee of Guangzhou Investment and the independent shareholders of Guangzhou Investment on the fairness and reasonableness of the terms of the funding arrangements and the Underwriting Agreement.

A circular containing, among others, (i) further details of the Open Offer, the provision of funding arrangements and the Underwriting Agreement; (ii) a letter from the independent board committee of Guangzhou Investment to the independent shareholders of Guangzhou Investment in relation to the Underwriting Agreement and the provision of funding to GZI Transport Holdings for subscription of the Offer Shares and the transfers of the Offer Shares upon completion of the Open Offer to Guangzhou Investment; (iii) a letter of advice from the independent financial adviser to the independent board committee and the independent shareholders of Guangzhou Investment in relation to the Underwriting Agreement and the provision of funding arrangements; and (iv) a notice of EGM will be sent to the shareholders of Guangzhou Investment in due course.

The EGM will be held to seek approval of the independent shareholders of Guangzhou Investment regarding (i) the provision of funding to GZI Transport Holdings for subscription of the Offer Shares and the transfers of the Offer Shares upon completion of the Open Offer to Guangzhou Investment and/or its nominees by the Four Subsidiaries; (ii) the entering into of the Underwriting Agreement by Guangzhou Investment; and all the transactions related thereto. Yue Xiu and its associates will abstain from voting on the resolutions to approve the resolutions in relation to the Underwriting Agreement, the provision of funding arrangements and the transfers of the Offer Shares as repayment in relation to the Open Offer at the EGM.

At the request of GZI Transport and Guangzhou Investment respectively, tradings in the Shares and the shares of Guangzhou Investment on the Stock Exchange were suspended

with effect from 9:30a.m. on 28 June 2007 pending the publication of this announcement. Applications have been made by GZI Transport and Guangzhou Investment to the Stock Exchange for the resumption of tradings in the Shares and the shares of Guangzhou Investment with effect from 2:30 p.m. on 29 June 2007.

DEFINITIONS

“Application Date”	21 August 2007, or such other date as GZI Transport and the Underwriter may agree in writing, being the latest date upon which application for the Offer Shares must be lodged
“Application Form”	the application forms for use by the Qualifying Shareholders to apply for the Offer Shares
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding Saturdays) on which banks are generally open for business in Hong Kong
“CCASS”	Central Clearing and Settlement System
“Directors”	the directors of GZI Transport
“EGM”	the extraordinary general meeting of Guangzhou Investment to be convened on or about 6 August 2007
“Excess Application Form”	the excess application forms for use by the Qualifying Shareholders to apply for excess Offer Shares not initially taken up under the Open Offer
“Excluded Shareholder(s)”	Overseas Shareholder(s) whom the Directors consider, after making relevant enquiry, in the absence of a registration statement or other special formalities, the offer of the Offer Shares to them would or might, in the opinion of the Directors, be unlawful or impracticable
“Four Subsidiaries”	four wholly-owned subsidiaries of GZI Transport Holdings, namely Housemaster Holdings Limited, Power Head Limited, Delta Force Holdings Limited and Lawson Enterprises Limited
“Guangzhou Investment”	Guangzhou Investment Company Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange
“GZI Transport”	GZI Transport Limited, an exempted company incorporated in Bermuda, the Shares of which are listed on the Stock Exchange

“GZI Transport Holdings”	GZI Transport (Holdings) Limited, a company incorporated in the British Virgin Islands, held as to 49% by Yue Xiu and 51% by Guangzhou Investment, holding approximately 67.24% interest in GZI Transport as at the date of this announcement.
“Group”	GZI Transport and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	27 June 2007, being the last trading day of the Shares prior to this announcement
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Open Offer”	the proposed offer of the Offer Shares on the basis of one Offer Share for every two existing Shares held by Qualifying Shareholders at the close of business on the Record Date at the Subscription Price pursuant to the terms set out in the Open Offer Documents
“Open Offer Documents”	the Prospectus, the Application Form and the Excess Application Form
“Offer Shares”	557,720,765 new Shares to be issued pursuant to the Open Offer
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) on the register of members of GZI Transport are located outside Hong Kong at the close of business on the Record Date
“Posting Date”	7 August 2007, or such other date as GZI Transport and the Underwriter may agree in writing, being the date of despatch of the Open Offer Documents
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong and Macau Special Administrative Region of the People’s Republic of China
“Prospectus”	the prospectus to be issued by GZI Transport in relation to the Open Offer
“Public Shareholders”	Shareholders other than Value Partners, Guangzhou Investment, Yue Xiu and the Four Subsidiaries and their respective associates

“Qualifying Shareholder(s)”	the Shareholder(s), other than the Excluded Shareholder(s), whose name(s) appear(s) on the register of members of GZI Transport at the close of business on the Record Date
“Record Date”	6 August 2007, or such other date as GZI Transport and the Underwriter may agree in writing, being the record date to determine entitlements to the Open Offer
“Share(s)”	share(s) of HK\$0.1 each in the share capital of GZI Transport
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$3.93 per Offer Share
“Sub-underwriter” or “HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“Sub-underwriting Agreement”	the agreement dated 29 June 2007 between the Underwriter and the Sub-underwriter in relation to the sub-underwriting arrangements in respect of the Open Offer
“Sub-underwritten Shares”	164,754,727 Offer Shares that the Sub-underwriter agreed to sub-underwrite pursuant to the Sub-underwriting Agreement
“Trading Day”	a day on which the Stock Exchange is open for trading
“Underwriter”	Guangzhou Investment, being the underwriter of the Open Offer
“Underwriting Agreement”	the agreement dated 29 June 2007 between, inter alia, GZI Transport and Guangzhou Investment in relation to the underwriting and other arrangements in respect of the Open Offer
“Underwritten Shares”	164,754,727 Offer Shares that the Underwriter agreed to subscribe or procure subscribers to subscribe for all the unsubscribed Offer Shares from the Shareholders other than Guangzhou Investment, Yue Xiu and the Four Subsidiaries at the Subscription Price pursuant to the Underwriting Agreement
“Value Partners”	Value Partners Limited
“Yue Xiu”	Yue Xiu Enterprises (Holdings) Limited, a company established in Hong Kong
“Yue Xiu Group”	Yue Xiu and its subsidiaries

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” Percent

By Order of the Board
Guangzhou Investment Company Limited
Ou Bingchang
Chairman

By Order of the Board
GZI Transport Limited
Li Xinmin
Deputy Chairman

Hong Kong, 29 June 2007

As at the date of this announcement, the board of Directors of Guangzhou Investment comprises:

Executive Directors: OU Bingchang (Chairman), LIANG Yi, LI Fei, TANG Shouchun, WANG Hongtao, LI Xinmin, HE Zili and ZHOU Jin

Independent Non-executive Directors: YU Lup Fat Joseph, LEE Ka Lun and LAU Hon Chuen Ambrose

As at the date of this announcement, the board of Directors of GZI Transport comprises:

Executive Directors: OU Bingchang (Chairman), LI Xinmin, QIAN Shangning, LIANG Ningguang, LIANG Yi, CAI Tielong, HE Zili, YUAN Hongping, CHEN Guanzhan, ZHANG Siyuan, LUO Jinbiao and ZHANG Huping

Non-executive Director: POON Jing

Independent Non-executive Directors: FUNG Ka Pun, LAU Hon Chuen Ambrose and CHEUNG Doi Shu