



越秀投資有限公司

**GUANGZHOU INVESTMENT COMPANY LIMITED**

*(Incorporated in Hong Kong with limited liability)*

*(Stock Code: 123)*

### **Announcement**

Guangzhou Investment Company Limited (“Company”) has been informed by Yue Xiu Enterprises (Holdings) Limited (“Yue Xiu”), the controlling shareholder of the Company, that on 11 May 2006, Yue Xiu and its associates have effected a block sale of 134 million existing shares of HK\$0.10 each (“Shares”) in the capital of the Company at a price of HK\$1.81 per Share to an internationally renowned institutional investor, an independent third party.

The board of directors (“Board”) of Guangzhou Investment Company Limited (“Company”) has noted the increase in the trading volume of the shares of the Company (“Shares”) today and has been informed by Yue Xiu Enterprises (Holdings) Limited (“Yue Xiu”), the controlling shareholder of the Company, that on 11 May 2006, Yue Xiu and its associates have effected a block sale of 134 million existing Shares in the capital of the Company at a price of HK\$1.81 per Share to an internationally renowned institutional investor, an independent third party (“Share Sale”).

Yue Xiu held approximately 48% of the Company’s existing issued Shares before the Share Sale. It will hold approximately 46% of the existing issued Shares immediately after completion of the Share Sale.

The sale price of HK\$1.81 per Share represents a discount of approximately 1.1% to the closing price of HK\$1.83 per Share as quoted on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) on 10 May 2006, being the last trading day of the Shares prior to the date of this announcement; and a premium of approximately 10.2% to the average closing price of HK\$1.643 per Share for the last 10 trading days of the Shares prior to the date of this announcement.

The Company believed that by introducing an internationally renowned institutional investor, the Share Sale would further strengthen the investor base of the Company and would enhance the future development of the Company.

Save as disclosed above or in previous announcements of the Company, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”), nor is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price sensitive nature.

By Order of the Board  
**Guangzhou Investment Company Limited**  
**Yu Tat Fung**  
*Company Secretary*

Hong Kong, 11 May 2006

*As at the date of this announcement, the Board comprises:*

Executive Directors: Ou Bingchang, Liang Yi, Li Fei, Chen Guangsong, Tang Shouchun and Wang Hongtao.

Independent non-executive Directors: Yu Lup Fat Joseph, Lee Ka Lun and Lau Hon Chuen Ambrose.