



越秀交通有限公司  
**GZI Transport Limited**

*(Incorporated in Bermuda with limited liability)*  
(Stock code: 1052)

**Announcement**  
**Public Float**

Reference is made to (i) the prospectus of the Company dated 7 August 2007 in relation to an open offer of the Company; and (ii) the announcement of the Company dated 27 August 2007 in relation to the results of the Open Offer.

As disclosed in the Announcement, upon completion of the Open Offer, the public float of the Company was lower than the prescribed minimum level of public float as required under the Listing Rules, and the Company or its controlling Shareholders (including Yue Xiu, Guangzhou Investment and the Four Subsidiaries), as the case may be, would have to take appropriate steps to restore the public float of the Company to not less than the minimum prescribed level of 25% as required under the Listing Rules as soon as practicable, and in any event, within six months upon completion of the Open Offer.

The Company has every intention to honour its undertaking as disclosed in the Announcement and has attempted to do so. However, given the current negative market sentiments triggered by the sub-prime crisis in the United States, the Company has yet to restore its public float.

The Company currently expects to restore its public float to the prescribed minimum level of 25% or above by the end of June 2008.

Reference is made to (i) the prospectus (“**Prospectus**”) of GZI Transport Limited (the “**Company**”) dated 7 August 2007 in relation to an open offer (“**Open Offer**”) of the Company; and (ii) the announcement (the “**Announcement**”) of the Company dated 27 August 2007 in relation to the results of the Open Offer. Unless the context requires otherwise, terms used in this announcement shall have the same meanings as defined in the Announcement, and if not, the Prospectus.

As stated in the Announcement, upon completion of the Open Offer, the public float of the Company was lower than the prescribed minimum level of public float as required under the Listing Rules, and the Company or its controlling Shareholders (including Yue Xiu, Guangzhou Investment and the Four Subsidiaries), as the case may be, would have to take appropriate steps to restore the public float of the Company to not less than the minimum prescribed level of 25% as required under the Listing Rules as soon as practicable, and in any event, within six months upon completion of the Open Offer.

The Company has every intention to honour its undertaking as disclosed in the Announcement and has attempted to do so. However, given the current negative market sentiments triggered by the sub-prime crisis in the United States, the Company has yet to restore its public float.

Since the date of the Announcement, Value Partners (a substantial Shareholder) and its associates have disposed of certain shares in the Company, thereby reducing Value Partners' shareholding in the Company from approximately 12.63% (immediately before the announcement of the Company in relation to the Open Offer dated 29 June 2007) to approximately 11.97% on or around 20 December 2007.

As disclosed in the Announcement, pursuant to the undertaking given by the Company, the Company will have at least two alternatives to restore its public float other than Value Partners selling down its interest in the Company, i.e. requesting its controlling Shareholders (including Yue Xiu, Guangzhou Investment and the Four Subsidiaries) to place down their shareholding interests in the Company and/or issue of new Shares by the Company. These alternatives are still being considered and pursued by the Company. Based on the current circumstances, the Company currently expects to restore its public float to the prescribed minimum level of 25% or above by the end of June 2008.

## SHAREHOLDING STRUCTURE

Upon making reasonable enquiries by the Company and according to information available to the Company, the shareholding structure of the Company as at the date of this announcement is as follows:

	<b>Number of Shares</b>	<b>Approximate Percent (%)</b>
Yue Xiu ( <i>Note 1</i> )	51,753,113	3.09
Guangzhou Investment ( <i>Note 2</i> )	375,201,000	22.42
GZI Transport Holdings ( <i>Note 3</i> )	750,000,000	44.83
Value Partners	200,353,000	11.97
Other Shareholders	295,855,182	17.69
Sub-total Public Shareholders	295,855,182	17.69
Total	1,673,162,295	100.00

*Notes:*

1. This shareholding is directly held by Yue Xiu and its wholly-owned subsidiaries.
2. This shareholding is directly held by Guangzhou Investment and its wholly-owned subsidiary.
3. This shareholding is directly held through the Four Subsidiaries of GZI Transport Holdings. GZI Transport Holdings is held by Yue Xiu and Guangzhou Investment as to 49% and 51% respectively.

By order of the Board of Directors of  
**GZI Transport Limited**  
**Ou Bingchang**  
*Chairman*

Hong Kong, 17 March 2008

As at the date of this announcement, the board of directors of the Company 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

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