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GR INVESTMENT INTERNATIONAL LIMITED

(incorporated in Bermuda with limited liability)

- (1) PROPOSED SHARE CONSOLIDATION**
(2) PROPOSED OPEN OFFER TO QUALIFYING SHAREHOLDERS ON THE BASIS OF 3 OFFER SHARES FOR EVERY 1 CONSOLIDATED SHARE OR 3 OFFER SHARES FOR EVERY 1 SHARE HELD (DEPENDING ON WHETHER THE SHARE CONSOLIDATION BECOMES EFFECTIVE OR NOT) AND
(3) PROPOSED RENEWAL OF GENERAL MANDATES

Manager of the Open Offer



Baron Capital Limited

Underwriters



Baron Capital Limited



Ping On Securities Limited

Ringo Resources Limited

(1) PROPOSED SHARE CONSOLIDATION

The Directors propose to consolidate the entire share capital of the Company by consolidating 10 Shares of HK\$0.01 each into 1 Consolidated Share of HK\$0.10 each. The Share Consolidation is conditional upon, among other things, the Shareholders' approval at the SGM.

(2) PROPOSED OPEN OFFER

The Directors propose to raise approximately HK\$32.4 million before expenses by way of an open offer of 323,964,000 Offer Shares at the Subscription Price of HK\$0.10 per Offer Share on the basis of 3 Offer Shares for every 1 Consolidated Share or 3,239,640,000 Offer Shares at the Subscription Price of HK\$0.01 per Offer Share on the basis of 3 Offer Shares for every 1 Share (depending on whether the Share Consolidation becomes effective or not) held by the Qualifying Shareholders as at the Record Date. No new Shares will be issued from today to the date of the SGM. The Open Offer will not be made available to Overseas Shareholders. Qualifying Shareholders will not be allotted any Offer Shares in excess of their assured allotments.

The Company intends to utilise the net proceeds from the Open Offer, which is estimated to be approximately HK\$31 million, in making investments in Hong Kong listed securities. The Company is of the opinion that in recent years, both the domestic and overseas markets have experienced several years of downturn including the burst of the technology and telecommunication stocks bubbles. In view of the fact that many Hong Kong stocks have tumbled to low levels in recent years, the Directors consider that the Hong Kong stock markets offers potential investment opportunities. As the investments are intended to be made on a long-term basis, it would be difficult to obtain debt financing in the present markets. As disclosed in the annual report 2002 of the Company, there was approximately HK\$42.5 million cash and bank balances as at 31 December, 2002. The Company intends to use such amount of cash as general working capital and in making investments in a hot spring project in the leisure industry in China. However, the investment may or may not proceed. In a previous subscription as announced on 28 March, 2003, cash of approximately HK\$3 million was raised which was considered to be not sufficient for investment purposes. The Directors are of the opinion that it is logical to have sufficient capital in advance in order to make investments when opportunities arise. They considered that the Open Offer will enable the Company to have sufficient standby capital for any future investment opportunities which in accordance with the experience of the Directors may be so sudden and short-lived.

The Open Offer, save and except for the Offer Shares undertaken to be subscribed for or procured to be subscribed for by the Principal Shareholder, will be fully underwritten by the Underwriters. The Principal Shareholder, Baron Capital and Ping On have agreed to underwrite 27,000,000 Offer Shares, 180,162,500 Offer Shares and 40,000,000 Offer Shares respectively (assuming Share Consolidation becomes effective), subject to fulfillment of the conditions set out in the Underwriting Agreement, and to the Underwriting Agreement not being terminated.

The Open Offer is conditional upon, among others, (i) the approval of Independent Shareholders at the SGM; (ii) the approval by the Stock Exchange of the listing of, and the permission to deal in the Offer Shares; and (iii) the Underwriters not terminating the Underwriting Agreement in respect of the Open Offer in accordance with its terms (please see the paragraph headed "Termination of the Underwriting Agreement" below). **Accordingly, the Open Offer may or may not proceed.**

To qualify for the Open Offer, a Qualifying Shareholder's name must appear on the register of members of the Company on the Record Date, which is expected to be 23 June, 2003. In order to be registered as members on the Record Date, any transfer of Shares or Consolidated Shares must be lodged for registration (with the relevant share certificates) with the share registrar of the Company in Hong Kong, Secretaries Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong by 4:00 p.m. on 23 June, 2003. The share register will be closed from 24 June, 2003 to 25 June, 2003, both dates inclusive. As at the date hereof, the Company has no outstanding options, warrants or convertible instruments to subscribe for any Shares.

WARNING: Shares will be dealt with on an ex-entitlements basis from 20 June, 2003. If the conditions of the Open Offer are not fulfilled, the Open Offer will not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

(3) PROPOSED RENEWAL OF GENERAL MANDATES

Granting of general mandates to issue and repurchase Shares to the Directors will be proposed at the SGM.

The Circular together with a notice of the SGM to approve (i) the Share Consolidation; (ii) the Open Offer; and (iii) the grant of general mandates will be despatched to the Shareholders on or before 27 May, 2003. The Open Offer is conditional on, among others, the passing by Independent Shareholders at the SGM of ordinary resolutions to approve the Open Offer and the issue of the Offer Shares.

Trading in the Shares was suspended from 9:30 a.m. on 30 April, 2003 at the request of the Company pending the issue of this announcement. Application has been made for trading in the Shares to resume at 9:30 a.m. on 7 May, 2003.

(1) PROPOSED SHARE CONSOLIDATION

The Directors propose to consolidate the entire share capital of the Company by consolidating 10 Shares of HK\$0.01 each into 1 Consolidated Share of HK\$0.10 each.

As at the date of this announcement, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 Shares of HK\$0.01 each, of which 1,079,880,000 Shares were issued and credited as fully paid. Upon the Share Consolidation becomes effective and assuming no further Shares will be issued prior to SGM, the authorised share capital will be HK\$300,000,000 divided into 3,000,000,000 Consolidated Shares of HK\$0.10 each, of which 107,988,000 Consolidated Shares of HK\$0.10 each will be in issue and credited as fully paid. The Consolidated Shares will rank pari passu in all respects with each other and there will be no change in the relative rights of the Shareholders.

The proposed Share Consolidation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interest of the Shareholders, except for the payment of related expenses.

The Directors believe that the proposed Share Consolidation will increase the nominal value of the Shares and the trading price of the Shares on the Stock Exchange, and should attract more institutional investors, thereby extending the Shareholders' base. As such, it is in the interests of the Company and the Shareholders as a whole.

Trading Arrangement

In order to facilitate the trading of odd lots of the Consolidated Shares as a result of the Share Consolidation, the Company has appointed Ping On to arrange for the sale and purchase of odd lots on behalf of the Shareholders and potential investors.

Ping On will provide such service during the period from 4 July, 2003 to 25 July, 2003, both dates inclusive. Holders of the Consolidated Shares in odd lots who wish to take advantage of this facility either to dispose of or top up their odd lots to a board lot of 20,000 Consolidated Shares may directly or through their brokers contact Ping On Securities Limited at 4th Floor, Aon China Building, 29 Queen's Road Central, Central, Hong Kong and at the telephone number (852) 2805-2077, to the attention of Mr. Huton Lee Wai Ming during such period. **Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed.**

Each board lot of shares in the Company will remain at 20,000 shares after the Share Consolidation becomes effective.

Conditions of the Share Consolidation

The Share Consolidation is conditional on the fulfillment of the following conditions:

1. the passing by the Shareholders of an ordinary resolution to be proposed at the SGM;
2. the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares; and
3. the approval of the relevant government authority, if required.

Subject to the above conditions being fulfilled, the Share Consolidation is expected to become effective at 9:30 a.m. on 18 June, 2003.

Application for listing:

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares.

(2) PROPOSED OPEN OFFER

On 2 May, 2003, the Underwriting Agreement was entered into between, among others, the Company and the Underwriters in respect of the Open Offer and further details of the Open Offer are set out below.

Issue statistics:

Basis of the Open Offer:	3 Offer Shares for every 1 Consolidated Share (assuming the Share Consolidation becomes effective) or 3 Offer Shares for every 1 Share (assuming the Share Consolidation does not become effective) held by Qualifying Shareholders as at the Record Date
Number of existing: Shares in issue	1,079,880,000 Shares (equivalent to 107,988,000 Consolidated Shares)
Number of Offer Shares and Subscription price:	323,964,000 Offer Shares at HK\$0.10 (assuming the Share Consolidation becomes effective) or 3,239,640,000 Offer Shares at HK\$0.01 (assuming the Share Consolidation does not become effective)

The Company has no outstanding options, warrants or convertible instruments to subscribe for any Shares.

Qualifying Shareholders:

To qualify for the Open Offer, a Shareholder must on the Record Date:

- (i) be registered as a member of the Company; and
- (ii) have an address in Hong Kong which appears on the register of members of the Company.

In order to be registered as a member on the Record Date, Shareholders must lodge any transfers of Shares or Consolidated Shares (with the relevant share certificates) with the share registrar of the Company in Hong Kong, Secretaries Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong by 4:00 p.m. on 23 June, 2003.

The invitation to apply for the Offer Shares will not be transferable or capable of renunciation and there will not be any trading of nil-paid entitlements of the Offer Shares on the Stock Exchange.

The Company will send the provisional allotment letters and the Application Forms to Qualifying Shareholders only.

The register of members of the Company will be closed from 24 June, 2003 to 25 June, 2003, both dates inclusive. No transfer of Shares will be registered during this period.

Undertaking by the Principal Shareholder

As at the date hereof, the Principal Shareholder is beneficially interested in an aggregate of 256,005,000 Shares, representing approximately 23.71% of the existing issued share capital of the Company. The Principal Shareholder has given irrevocable undertakings to the Company that the Shares or the Consolidated Shares directly or indirectly and beneficially owned by it will remain registered in its name and to accept or procure acceptance of its entitlements to 76,801,500 Offer Shares or 768,015,000 Offer Shares (depending on whether the Share Consolidation becomes effective or not) which will be provisionally allotted to it as the holder of such Shares or Consolidated Shares under the Open Offer. In addition, given the current market conditions and to show its commitment to the Open Offer, the Principal Shareholder, as one of the Underwriters, has agreed to

underwrite 27,000,000 Offer Shares or 270,000,000 Offer Shares (depending on whether the Share Consolidation becomes effective or not), subject to fulfillment of the conditions set out in the Underwriting Agreement, and to the Underwriting Agreement not being terminated. Upon completion of the Open Offer and assuming Share Consolidation becomes effective, the Principal Shareholder will hold a maximum of 129,402,000 Consolidated Shares, representing approximately 29.96% of the then issued share capital of the Company.

Terms of the Open Offer

Subscription Price:

HK\$0.10 or HK\$0.01 per Offer Share (depending on whether the Share Consolidation becomes effective or not), payable in full when a Qualifying Shareholder applies in the Open Offer. The Subscription Price represents:

- (i) a discount of approximately 62.96% to the closing price of HK\$0.27 per 10 Shares or HK\$0.027 per Share as quoted on the Stock Exchange on 29 April, 2003 (being the last trading day prior to the date of the Underwriting Agreement);
- (ii) a discount of approximately 29.82% to the theoretical ex-entitlement price of HK\$0.1425 per Consolidated Share or HK\$0.01425 per Share based on the aforesaid closing price per Share; and
- (iii) a discount of approximately 71.99% to the average closing price of the Shares of approximately HK\$0.357 per 10 Shares or HK\$0.0357 per Share as quoted on the Stock Exchange on the last 10 trading days up to and including 29 April, 2003.

The Subscription Price has been determined based on arm's length negotiations between the Company and the Underwriters with reference to prevailing market prices of the Shares. As such, the Directors consider that the terms of the Open Offer to be fair and reasonable and are in the interests of the Company and the Shareholders. In light of the current economic environment and the low trading volume of the Shares, the Directors consider that it would be difficult to raise funding in the equity market through issue of new Shares without offering discounts of subscription price so as to attract sufficient demand. The Directors consider such a discount an incentive to attract participation by Qualifying Shareholders in the Open Offer and to finance the Company's growth.

Status of the Offer Shares:

When fully paid, the Offer Shares will rank pari passu in all respects with the Shares or the Consolidated Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the allotment and issue of the Shares or the Consolidated Shares.

Fractions of the Offer Shares:

The Company will not provisionally allot fractions of the Offer Shares. The Offer Shares arising from the aggregation of fractional entitlements (if any), to which the Qualifying Shareholders would otherwise have been entitled under the Open Offer, and the Offer Shares to which the Overseas Shareholders would otherwise have been entitled under the Open Offer will be taken up by the Underwriters.

No application for Offer Shares in excess of assured allotment:

Under the Open Offer, the Qualifying Shareholders are not entitled to apply for any Offer Shares which are in excess of their entitlements but they are assured of the allotment of the Offer Shares comprised in their entitlements.

Share certificates:

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to successful applicants on the terms of the Open Offer at their own risks on or before 10 July, 2003.

Rights of Overseas Shareholders:

The Open Offer Documents will not be registered under the applicable securities legislation in any jurisdictions other than in Hong Kong and Bermuda, and the Overseas Shareholders will not be entitled to take part in the Open Offer. The Company will send the Circular and the Prospectus to the Overseas Shareholders for their information only. However, the Overseas Shareholders are entitled to attend and vote at the SGM.

Application for listing:

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in Offer Shares will be subject to the payment of stamp duty in Hong Kong.

Underwriting Agreement

Date: 2 May, 2003

Number of Offer Shares: 323,964,000 Offer Shares or 3,239,640,000 Offer Shares (depending on whether the Share Consolidation becomes effective or not)

Underwriters: Baron Capital, Ping On (a fellow subsidiary of Baron Capital) and Principal Shareholder

The Principal Shareholder has given irrevocable undertakings to the Company to accept or procure acceptance of its entitlements to 76,801,500 Offer Shares (assuming the Share Consolidation becomes effective)

The Principal Shareholder, Baron Capital and Ping On have agreed to underwrite 27,000,000 Offer Shares, 180,162,500 Offer Shares and 40,000,000 Offer Shares respectively (assuming the Share Consolidation becomes effective)

The Principal Shareholder shall have the priority over the other Underwriters in subscribing for 27,000,000 Offer Shares and Baron Capital shall have the priority over Ping On in subscribing for 180,162,500 Offer Shares

As a result of a subscription, details of which were disclosed in a previous announcement dated 28 March, 2003, Baron Asset Management Limited, as a fellow subsidiary of Baron Capital, is currently interested in 64,749,790 Shares, representing approximately 6% of the existing issued share capital of the Company.

The Principal Shareholder has agreed to underwrite 27,000,000 Offer Shares or 270,000,000 Offer Shares (depending on whether the Share Consolidation becomes effective or not). Pursuant to Rule 14.24(6)(c) of the Listing Rules, the entering into of the Underwriting Agreement with the Principal Shareholder by the Company constitutes a connected transaction of the Company which is exempted from the requirement to obtain Shareholders' approval. The Principal Shareholder's ordinary course of business does not include underwriting.

Commission:

The Company will pay to the Underwriters an underwriting commission of 1.5% of the aggregate Subscription Price of the Offer Shares to be issued under the Open Offer (excluding the Offer Shares undertaken to be subscribed by the Principal Shareholder for its assured entitlement).

Termination of the Underwriting Agreement:

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriters, by notice in writing, to terminate the arrangements set out in the Underwriting Agreement on the occurrence of certain events, including force majeure, or breach of the material obligations or undertakings contained in the Underwriting Agreement at any time prior to 4:00 p.m. on the second business day following the Acceptance Date. For this purpose, force majeure includes but not limited to the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of similar nature including without limitation abolition or repeal of any existing law or regulation which in the reasonable opinion of the Underwriters may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; the occurrence, happening, coming into effect, change or becoming public knowledge of any event or circumstances of a local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national international outbreak or escalation of hostilities or armed conflict, or affecting local securities market which may in the reasonable opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or may materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or any adverse change in market conditions (including without limitation suspension or material restriction or trading in securities on the Stock Exchange) which in the reasonable opinion of the Underwriters is likely to materially and adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with Open Offer; or any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriters will materially and adversely affect the prospects of the Company.

If the Underwriters exercise such right and terminate the Underwriting Agreement, the obligations of the Underwriters under the Open Offer will cease and the Open Offer will not proceed.

Conditions of the Open Offer

The Open Offer is conditional on, among others, the following conditions being fulfilled:

- (a) the passing by Independent Shareholders at the SGM of ordinary resolutions to approve the Open Offer and the issue of the Offer Shares;

- (b) the filing with the Registrar of Companies in Bermuda one copy of the Open Offer Documents and all other documents to be attached thereto duly signed by either all Directors or one of the Directors (for and on behalf of all the Directors) and otherwise in compliance with the Companies Act;
- (c) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Open Offer Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the board of Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules and the Companies Ordinance;
- (d) the posting of the Open Offer Documents to Qualifying Shareholders (other than Overseas Shareholders) on the Prospectus Posting Date and the posting of the Prospectus stamped "For Information Only" to the Overseas Shareholders; and
- (e) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment), and not having revoked, the listings of, and permission to deal in, the Offer Shares by not later than the Acceptance Date (or such other date as may be agreed between the Company and the Underwriters).

Reasons for the Open Offer and use of proceeds

The Company is an investment company whose shares are listed on the Stock Exchange under Chapter 21 of the Listing Rules.

The Company intends to apply the net proceeds of approximately HK\$31 million in making investments in Hong Kong listed securities. The Company is of the opinion that in recent years, both the domestic and overseas markets have experienced several years of downturn including the burst of the technology and telecommunication stocks bubbles. In view of the fact that many Hong Kong stocks have tumbled to low levels in recent years, the Directors consider that the Hong Kong stock markets offers potential investment opportunities. As the investments are intended to be made on a long-term basis, it would be difficult to obtain debt financing in the present markets. As disclosed in the annual report 2002 of the Company, there was approximately HK\$42.5 million cash and bank balances as at 31 December, 2002. The Company intends to use such amount of cash as general working capital and in making investments in a hot spring project in the leisure industry in China. However, the investment may or may not proceed. In a previous subscription as announced on 28 March, 2003, cash of approximately HK\$3 million was raised which was considered to be not sufficient for investment purposes. The Directors are of the opinion that it is logical to have sufficient capital in advance in order to make investments when opportunities arise. They considered that the Open Offer will enable the Company to have sufficient standby capital for any future investment opportunities which in accordance with the experience of the Directors may be so sudden and short-lived.

The Directors consider the Open Offer is an appropriate method to raise capital as the Open Offer will allow Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company. The Directors further consider that the Open Offer will not only enlarge the capital base of the Company but also allow the Shareholders to participate in the growth of the Company, and therefore the Open Offer is in the interests of the Company and Shareholders.

Shareholding structure

	Scenario 1		Scenario 2		Scenario 3		Scenario 4	
	Shares	%	Consolidated Shares	%	Consolidated Shares	%	Consolidated Shares	%
Principal Shareholder	256,005,000	23.71	102,402,000	23.71	129,402,000	29.96	129,402,000	29.96
Cosmopolitan International Holdings Limited ("Cosmopolitan") (a)	115,230,210	10.67	46,092,084	10.67	46,092,084	10.67	11,523,021	2.67
Baron Asset Management Limited ("Baron Asset") (excluding Baron Capital as one of the Underwriters) (b)	64,749,790	6.00	25,899,916	6.00	25,899,916	6.00	6,474,979	1.50
Baron Capital	0	0.00	0	0.00	166,168,500	38.47	180,162,500	41.71
Ping On	0	0	0	0.00	0	0	40,000,000	9.26
Other public (c)	643,895,000	59.62	257,558,000	59.62	64,389,500	14.90	64,389,500	14.90
Total public	708,644,790	65.62	257,558,000	59.62	64,389,500	14.90	75,912,521	17.57
	(Note 1)		(Note 2)		(Note 2)		(Note 3)	
Total	<u>1,079,880,000</u>	<u>100</u>	<u>431,952,000</u>	<u>100</u>	<u>431,952,000</u>	<u>100</u>	<u>431,952,000</u>	<u>100</u>

Scenario 1: Shareholding immediately prior to the Share Consolidation and the Open Offer

Scenario 2: Shareholding immediately after the completion of the Open Offer (assuming the Share Consolidation becomes effective, and assuming all Qualifying Shareholders take up their respective entitlements to the Offer Shares)

Scenario 3: Shareholding immediately after the completion of the Open Offer (assuming the Share Consolidation becomes effective, and assuming no applications are made by the Qualifying Shareholders with the exception of the Principal Shareholder and Cosmopolitan and Baron Asset pursuant to the Open Offer, and assuming the Offer Shares taken up by the Principal Shareholder as a result of underwriting the Offer Shares)

Scenario 4: Shareholding immediately after the completion of the Open Offer (assuming the Share Consolidation becomes effective, and assuming no applications are made by the Qualifying Shareholders with the exception of the Principal Shareholder pursuant to the Open Offer, and assuming the Offer Shares taken up by the Principal Shareholder as a result of underwriting the Offer Shares)

Note 1: The total public is calculated as Baron Asset (b) plus Other public (c).

Note 2: The total public is calculated as Other public (c).

Note 3: The total public is calculated as Cosmopolitan (a) plus Other public (c).

Otherwise than as mutual shareholders of each other as a result of the subscription as announced on 28 March 2003, Cosmopolitan and the Company are independent parties and have no connection in any respect.

Baron Capital and Baron Asset are not acting in concert with the Principal Shareholder.

Baron Capital and Ping On undertake that they will make arrangements to sub-underwrite or place the Offer Shares to sub-underwriters or investors which are independent of, not connected with and not acting in concert with any directors, chief executives, substantial shareholders of the Company or any of their respective associates or concert parties such that neither Baron Capital (together with Baron Asset and Ping On) nor any sub-underwriter nor investor will hold 20% or more of the issued share capital of the Company as enlarged by the Open Offer. If the Open Offer is approved at the SGM, the sub-underwriting will become irrevocable and unconditional.

Warning of the risks of dealing in Shares

Shares will be dealt with on an ex-entitlements basis from 20 June, 2003. If the Underwriters terminate the Underwriting Agreement, or the conditions of the Open Offer are not fulfilled, the Open Offer will not proceed. Any person dealing in the ex-entitlement Shares will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed.

Any Shareholder or other person contemplating selling or purchasing Shares during such period who is in any doubt about his/her position is recommended to consult his/her own professional adviser.

Expected timetable:

	2003
Despatch of Circular	May 27
	June
Latest time for return of proxy form for SGM (not less than 48 hours)	10:00 a.m., 15
Expected date of SGM	10:00 a.m., 17
Effective time of the Share Consolidation	9:30 a.m., 18
Temporary counter for trading in Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing certificates) opens	9:30 a.m., 18
Existing counter for trading in Shares in board lots of 20,000 closes	9:30 a.m., 18
Free exchange of existing share certificates for new certificates commences	18
Last day of dealings in Consolidated Shares on a cum-entitlement basis	19
Commencement of dealings in Consolidated Shares on an ex-entitlement basis	20
Latest time for lodging transfers of Consolidated Shares in order to qualify for the Open Offer.	4:00 p.m., 23
Record Date	4:10 p.m., 23
Despatch of Open Offer Documents.	24
Register of members closes (both days inclusive).	24 to 25
Register of members re-open	26
	Jul
Counter for trading in Consolidated Shares in board lots of 20,000 Consolidated Shares opens	9:30 a.m., 4
Parallel trading in Consolidated Shares (in the form of new and existing certificates) commences	9:30 a.m., 4
Designated broker starts to stand in the market to provide matching service	9:30 a.m., 4
Latest time for application of Offer Shares and payment.	4:00 p.m., 4
Latest time for the Underwriters to terminate the Underwriting Agreement	4:00 p.m., 8
Announcement of the results of the Open Offer to be published	9
Despatch of refund cheques in respect of unsuccessful applications posted on or before	10
Share certificates for Offer Shares to be posted on or before	10
Commencement of trading in fully-paid Offer Shares.	15
Temporary counter for trading in Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing certificates) closes	4:00 p.m., 25
Designated broker ceases to stand in the market to provide matching services	4:00 p.m., 25
Parallel trading in Consolidated Shares (in the form of new and existing certificates) ends	4:00 p.m., 25
Free exchange of existing share certificates for new share certificates ends	30

Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Open Offer is indicative only and may be exercised or varied by agreement between the Company and the Underwriters. Any consequential changes to the expected timetable will be published or notified to Shareholders appropriately.

(3) PROPOSED RENEWAL OF GENERAL MANDATES

General mandates will be proposed at the SGM to grant new general mandates to the Directors to exercise the powers of the Company (i) to allot and issue new Shares or Consolidated Shares to a maximum of 20% of the aggregate nominal value of the issue share capital of the Company as at the date of passing of the resolution (“Issue Mandate”), (ii) to repurchase Shares or Consolidated Shares up to a maximum of 10% of the aggregate nominal value of the issued share capital as at the date of passing of the resolution (the “Repurchase mandate”) and (iii) to extend the Issue Mandate by an amount representing the aggregate nominal value of the Shares or Consolidated Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The general mandates for the issue and repurchase of Shares approved by the Shareholders in the annual general meeting of the Company on 23 May, 2002 will be replaced by the new mandates, if approved by the Shareholders at the SGM. As at the date of this announcement, 179,980,000 Shares have been issued and no Shares have been repurchased under such general mandates approved on 23 May, 2002.

SUSPENSION AND RESUMPTION OF TRADING IN SECURITIES

Trading in the Shares was suspended from 9:30 a.m. on 30 April, 2003 at the request of the Company pending the release of this announcement. Application has been made for trading in the Shares to resume at 9:30 a.m. on 7 May, 2003.

GENERAL

The Circular together with a notice of the SGM to approve (i) the Share Consolidation; (ii) the Open Offer; and (iii) the grant of the general mandates will be despatched to the Shareholders on or before 27 May, 2003. The Open Offer is conditional on, among others, the passing by Independent Shareholders at the SGM of ordinary resolutions to approve the Open Offer and the issue of the Offer Shares.

The Open Offer Documents containing further information of the Open Offer will be despatched to Qualifying Shareholders as soon as practicable after the SGM and the Prospectus will be despatched to the Overseas Shareholders for information purposes only.

The release of this announcement does not necessarily indicate that the Share Consolidation and the Open Offer will be successfully implemented and completed as the conditions precedent to the Share Consolidation and to the Open Offer may or may not be fulfilled or otherwise waived. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acceptance Date”	the last date for the acceptance of, and payment for, the Offer Shares
“Application Form”	the form of application for the Offer Shares enclosed with the Prospectus
“associate(s)”	has the meaning given to it in the Listing Rules
“Baron Capital”	Baron Capital Limited, a deemed licensed corporation registered under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) which is not a connected person as defined under the Listing Rules
“business day”	a day, other than a Saturday, on which banks in Hong Kong are open for business
“Circular”	the circular to be despatched to the Shareholders containing, among others, further information in respect of the Share Consolidation, the Open Offer and the grant of general mandates
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Companies Ordinance”	Companies Ordinance (Cap. 32 of the Laws of Hong Kong)
“Company”	GR Investment International Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Consolidated Share(s)”	shares(s) of HK\$0.10 each in the capital of the Company after the Share Consolidation becomes effective
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders other than the Principal Shareholder, Baron Asset Management Limited, an associate of Baron Capital or such other person or persons who is or are materially interested in the Underwriting Agreement

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Open Offer”	the proposed open offer of 3 Offer Shares for every 1 Share or 1 Consolidated Share, respectively, to Qualifying Shareholders on the Record Date
“Offer Shares”	323,964,000 new Consolidated Shares or 3,239,640,000 new Shares (depending on whether the Shares Consolidation becomes effective or not) proposed to be offered to Qualifying Shareholders to subscribe pursuant to the Open Offer
“Open Offer Documents”	the Prospectus, the Application Form and the provisional allotment letter
“Overseas Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses as shown on such register are outside Hong Kong
“Ping On”	Ping On Securities Limited, a deemed licensed corporation registered under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which is a fellow subsidiary of Baron Capital and is not a connected person as defined under the Listing Rules
“PRC”	the People’s Republic of China
“Principal Shareholder”	Ringo Resources Limited, an indirect wholly-owned subsidiary of Golden Resources Development International Limited, a company listed on the Stock Exchange
“Prospectus”	a prospectus containing the details of, among other things, the Open Offer
“Prospectus Posting Date”	the date of posting of the Open Offer Documents, which is expected to be on 24 June, 2003
“Qualifying Shareholder(s)”	Shareholder(s) who, on the Record Date, has/have address(es) in Hong Kong on the register of members of the Company
“Record Date”	23 June, 2003, being the date by reference to which entitlements to the Open Offer are expected to be determined
“SGM”	the special general meeting of the Company expected to be held on 17 June, 2003 at which, among other things, resolutions will be proposed to consider and, if thought fit, approve the Share Consolidation, the Open Offer and the grant of general mandates
“Share(s)”	shares of HK\$0.01 each in the capital of the Company
“Share Consolidation”	the consolidation of 10 Shares into 1 Consolidated Share
“Shareholder(s)”	holder(s) of Shares or where the context so requires, holder(s) of Consolidated Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.10 or HK\$0.01 per Offer Share pursuant to the Open Offer (depending on whether the Shares Consolidation becomes effective or not)
“subsidiary”	has the meaning given to it under the Companies Ordinance
“Underwriters”	Baron Capital, Ping On and the Principal Shareholder
“Underwriting Agreement”	the underwriting agreement dated 2 May, 2003 entered into between, among others, the Underwriters and the Company in relation to the underwriting of the Open Offer
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the board of
GR Investment International Limited
Anthony Lam Sai Ho
Chairman

Hong Kong, 6 May, 2003

Please also refer to the published version of this announcement in The Standard.