

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



中 國 投 資

**CHINA INVESTMENT FUND COMPANY LIMITED**  
**中國投資基金有限公司\***

*(Incorporated in Cayman Islands with limited liability)*

**INTRODUCTION OF NEW SUBSTANTIAL SHAREHOLDER**

The Board announces that it has been informed by the Purchaser on 15 September 2003 that the Purchaser has acquired an aggregate of 20,896,000 Shares from the Vendors on 15 September 2003, representing approximately 26.12% in aggregate of the total issued share capital of the Company at a consideration of HK\$0.35 per Share (represented a premium of approximately 69.90% to the closing price of HK\$0.206 per Share quoted on the Stock Exchange on 11 September 2003, being the last trading day prior to the Acquisition) with a total consideration of HK\$7,313,600.

Trading in the Shares was suspended from 9:44 a.m. on 15 September 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 16 September 2003.

The Board announces that it has been informed by the Purchaser on 15 September 2003 that the Purchaser has acquired an aggregate of 20,896,000 Shares from the Vendors on 15 September 2003, representing approximately 26.12% of the total issued share capital of the Company at a consideration of HK\$0.35 per Share (represented a premium of approximately 69.90% to the closing price of HK\$0.206 per Share quoted on the Stock Exchange on 11 September 2003, being the last trading day prior to the Acquisition) with a total consideration of HK\$7,313,600.

The Purchaser is a wholly-owned subsidiary of Cosmopolitan International Holdings Limited (“Cosmopolitan”), the securities of which are listed on the Stock Exchange. Before the Acquisition, the Purchaser and Cosmopolitan had no interest in the issued share capital of the Company. The Purchaser and Cosmopolitan are independent third parties and not connected person (as defined under the Listing Rules) of the Company. The Purchaser and Cosmopolitan

\* *for identification purpose only*

are also independent of, not connected and not acting in concert with Mr. Hung Fung, Terry, another substantial shareholder of the Company. Immediately after the Acquisition, the Purchaser held approximately 26.12% of the issued share capital of the Company and has become the largest substantial shareholder of the Company. The Purchaser has no present intention to change the principal activities, investment policies, restrictions and/or investment manager of the Company.

The shareholding structure of the Company before and immediately after the Acquisition is set out as follows:

	<b>Before the Acquisition</b>		<b>Immediately after the Acquisition</b>	
	<b>Number of Shares</b>	<b>%</b>	<b>Number of Shares</b>	<b>%</b>
Mr. Hung Fung, Terry	15,996,000	19.995	15,996,000	19.995
Vendors	20,896,000	26.12	0	0
Purchaser	0	0	20,896,000	26.12
Public	43,108,000	53.885	43,108,000	53.885
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>80,000,000</u>	<u>100</u>	<u>80,000,000</u>	<u>100</u>

The Company is an investment company listed on the Stock Exchange under Chapter 21 of the Listing Rules. The Company is principally engaged in investment in listed and unlisted companies in the People's Republic of China and Hong Kong. Mr. Liu Min, the executive Director together with Ms. Liu Yuan and Mr. Wang Qiang the non-executive Directors tendered their resignation on 15 September 2003. At present, the Board comprises two executive Directors namely Mr. Yu Yi Ping, Wallace and Mr. Wan Chuen Hing, Alexander and two independent non-executive Directors namely Mr. Lok Shing Kwan, Sunny and Mr. Yan Mou Keung. Save as disclosed above, there is no other intended change to the Board.

Trading in the Shares was suspended from 9:44 a.m. on 15 September 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 16 September 2003.

## **Definitions:**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“Acquisition”	the acquisition of an aggregate of 20,896,000 Shares by the Purchaser from the Vendors on 15 September 2003, representing 26.12% of the issued share capital of the Company;
“Board”	the board of Directors;
“Company”	China Investment Fund Company Limited, a company incorporated in Cayman Islands with limited liability, the securities of which are listed on the Stock Exchange;
“Directors”	the directors of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“Purchaser”	Core Success Limited, a company incorporated in Samoa with limited liability and a wholly owned subsidiary of Cosmopolitan International Holdings Limited;
“Share(s)”	Shares of HK\$0.01 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendors”	Mr. Liu Min (resigned on 15 September 2003) and Mr. Yu Yi Ping, Wallace, the executive Directors, Mr. Wang Qiang, the non-executive Director (resigned on 15 September 2003) and 3 other independent shareholders of the Company namely Mr. Liu Dong, Ms. Wang Ya Fang and Mr. Zhou Wen Qiong, their shareholdings of the Company were approximately 2.5%, 3.2%, 2.5%, 7.23%, 1.64% and 9.05% respectively;
“%”	per cent.

**Investors are reminded to exercise caution in dealing in the Shares.**

By Order of the Board  
**China Investment Fund Company Limited**  
**Yu Yi Ping, Wallace**  
*Executive Director*

Hong Kong, 15 September 2003

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