



越秀投資有限公司

GUANGZHOU INVESTMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 123)

Announcement
Removal of director
Clarification of press articles

The Board resolved to remove Mr. Li Fei from his directorship with the Company with immediate effect at the meeting of the Board held today.

The Company notes the Press Articles relating to certain legal proceedings against Mr. Li and wishes to state the following:

- After making enquiry with Guangzhou Intermediate People's Court, the Company understands that the prosecution against Mr. Li has commenced but it has not been provided with any details in relation to the charge(s) against Mr. Li.
- Based on the information currently available to the Company, the Company is of the view that the proceedings against Mr. Li will not have any material adverse effect on the operation of the Group.

Removal of Mr. Li Fei as a Director

The board (“**Board**”) of directors (“**Directors**”) of Guangzhou Investment Company Limited (“**Company**”) resolved to remove Mr. Li Fei from his directorship with the Company with immediate effect at the meeting of the Board held today pursuant to Article 100 of the Company's articles of association, considering that it will be difficult for Mr. Li to discharge his duties under Rule 3.08 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in light of the commencement of certain legal proceedings against him. The Board considers that the removal of Mr. Li from his directorship with the Company will not have any material adverse effect on the operation of the Company and its subsidiaries (“**Group**”).

Clarification of Press Articles

The Company notes that certain press articles (“Press Articles”) relating to certain legal proceedings against Mr. Li appeared in the Apple Daily and the Sing Tao Daily today and wishes to state the following:

- After making enquiry with Guangzhou Intermediate People’s Court, the Company understands that the prosecution against Mr. Li has commenced but it has not been provided with any details in relation to the charge(s) against Mr. Li.
- Based on the information currently available to the Company, the Company is of the view that the proceedings against Mr. Li will not have any material adverse effect on the operation of the Group.

The Company will continue to use its best endeavours to seek confirmation and clarification, to the extent possible, with the relevant authorities in the People’s Republic of China and Mr. Li regarding matters described in the Press Articles and whether the Company is involved in the legal proceedings. If, as a result of such efforts or otherwise, further relevant information is brought to the attention of the Company, the Company will make further announcement(s) if appropriate.

By order of the Board of Directors of
Guangzhou Investment Company Limited
Ou Bingchang
Chairman

Hong Kong, 10 October, 2007

As at the date of this announcement, the members of the Board comprise Mr. Ou Bingchang, Mr. Liang Yi, Mr. Tang Shouchun, Mr. Wang Hongtao, Mr. Li Xinmin, Mr. He Zili and Ms. Zhou Jin (Executive Directors); Mr. Yu Lup Fat Joseph, Mr. Lee Ka Lun and Mr. Lau Hon Chuen Ambrose (Independent Non-executive Directors).