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中 國 投 資

CHINA INVESTMENT FUND COMPANY LIMITED

中國投資基金有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00612)

SUPPLEMENTAL ANNOUNCEMENT

The Board would like to provide further information in relation to the continuing connected transactions and connected transactions contemplated under the Supplemental Agreements, the Brokerage Agreement and the Financial Advisory Agreement in this supplemental announcement.

Reference is made to the Company's announcement dated 15 August 2011 in relation to the Continuing Connected Transactions and Connected Transactions (the "Announcement"). Capitalised terms used herein shall have the same meaning as defined in the Announcement, unless otherwise provided herein.

The Board would like to provide further information in relation to the continuing connected transactions and connected transactions contemplated under the Supplemental Agreements, the Brokerage Agreement and the Financial Advisory Agreement in this supplemental announcement.

1. Supplemental Investment Management Agreement

Under the Supplemental Investment Management Agreement, the basis of the annual cap of HK\$1,800,000 per annum is determined by reference to:

- a. 1.25% of the Company's net asset value for the year ended 31 December 2010 of HK\$144,859,252, rounding down to the nearest ten million, which is HK\$144,000,000; and
- b. global asset management practice usually takes in professional fee of 2% - 4% of the net asset value of portfolio size.

The Directors (including the independent non-executive Directors) consider the terms of the Supplemental Investment Management Agreement are on normal commercial terms, fair and reasonable.

2. Supplemental Sharing Of Administrative Office Agreement

Under the Supplemental Sharing of Administrative Office Agreement, the basis of the annual cap of HK\$2,400,000 per annum is determined on the following grounds:

- a. the Company occupies approximately 4,000 sq ft which translate to approximately HK\$50 per sq ft per month;
- b. the rental for Grade A offices in Central averaged HK\$124 per sq ft per month in Q2 2011 according to a research prepared by an independent third party (a real estate research company providing property market statistics); and
- c. current asking rent for Aon China Building, 29 Queen's Road in Central is about HK\$80 per sq ft per month according to Midland Realty.

During the term of the Supplemental Sharing of Administrative Office Agreement, the Company and Baron Asia have the right to terminate the Supplemental Sharing of Administrative Office Agreement by giving two month's notice. In addition, the Company has the discretion to (i) occupy a smaller office space instead of the existing 4,000 sq ft, and (ii) lease, if necessary, a different office in the event that Baron Asia has to relocate to another office premise.

The Directors (including the independent non-executive Directors) consider the terms of the Supplemental Sharing of Administrative Office Agreement are on normal commercial terms, fair and reasonable.

For the transactions contemplated under the Supplemental Agreements, the Brokerage Agreement and the Financial Advisory Agreement, none of the Directors have a material interest in the transactions. However, in view of Mr. Wan Chuen Hing's relationships with his brother Mr. Wan Chuen Chung and his niece Ms. Wan, Mr. Wan Chuen Hing has voluntarily abstained from voting on the relevant Board resolution.

By order of the Board
China Investment Fund Company Limited
Mr. Wan Chuen Hing, Alexander
Executive Director

Hong Kong, 24 August 2011

As at the date of this announcement, the Executive Directors are Mr. William Robert Majcher, Mr. Wan Chuen Hing, Alexander, and Mr. Luk Hong Man, Hammond, and Independent Non-executive Directors are Mr. Cheng Wing Keung, Raymond, Mr. Yeung Chun Yue, David and Mr. Siu Hi Lam, Alick.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.