



CHINA MERCHANTS DICHAIN (ASIA) LIMITED

招商迪辰(亞洲)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of China Merchants DiChain (Asia) Limited (the “Company”) will be held at 10:00 a.m. on 22 May 2006 at Unit 3611, 36/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong or any adjournment thereof for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company.

ORDINARY RESOLUTIONS

1. **“THAT** the authorized share capital of the Company be hereby increased from HK\$80,000,000 comprising 8,000,000,000 ordinary shares of HK\$0.01 each (the “Shares”) to HK\$300,000,000 by the creation of an additional 22,000,000,000 new Shares.”
2. **“THAT** conditional upon the passing of Resolution No. 1 above and the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) approving the listing of, and granting permission to deal in the Subscription Shares (as defined below), the Conversion Shares (as defined below) and Option Shares (as defined below):
 - (a) the Conditional Agreement dated 22 February 2006 and Supplemental Agreement dated 20 March 2006 (collectively, the “Subscription Agreements”) entered into among the Company, Orient Day Developments Limited (the “Subscriber”) and DiChain Holdings Limited for:
 - (i) the subscription of 4,000,000,000 Shares (the “Subscription Shares”) at a subscription price of HK\$0.01 per Subscription Share;
 - (ii) the issue of convertible notes in the principal amount of HK\$30,000,000 to the Subscriber convertible into 3,000,000,000 Shares (the “Conversion Shares”) at the conversion price of HK\$0.01 per Conversion Share within 2 years from the date of issue of the convertible note; and
 - (iii) the grant of an option to the Subscriber at the consideration of HK\$10 in respect of a right to subscribe for not more than 1,000,000,000 Shares (the “Option Shares”) at the price of HK\$0.01 per Option Share within 2 years from the date of completion of the Subscription Agreements,

(information relating to the Subscription Agreements is set out in the circular of the Company dated 4 May 2006, and a copy of the Conditional Agreement and Supplemental Agreement have been produced to the meeting marked “A” and “B” respectively and signed by the chairman of this meeting for the purpose of identification) and the transactions contemplated thereunder, be and are hereby approved, ratified and confirmed and any one directors of the Company (the “Directors”) be and is hereby authorized to make such changes or amendments to the Subscription Agreements and to execute any other documents in relation thereto as such director in his absolute discretion deems fit; and

- (b) any one of the Directors be and are hereby authorized to do all such further acts and things, take all steps and execute all such further documents which in his opinion may be necessary, desirable or expedient for the purpose of giving effect to and/or to implement the transactions contemplated in the Subscription Agreements and any other documents or matters incidental thereto and/or as contemplated therein.”
3. “**THAT** conditional upon the passing of Resolution No. 2 above, the application for Whitewash Waiver (as defined and described in the circular of the Company dated 4 May 2006) be and is hereby approved and that any Director be and is hereby authorized to do all things and acts and sign all documents which he considers desirable or expedient to implement and/or give effect to any matters relating to or in connection with the Whitewash Waiver.”
 4. “**THAT** conditional upon the Listing Committee of Stock Exchange approving the listing of, and granting permission to deal in the Consolidated Shares (as defined below) with effect from 4:00 p.m. on the business day in Hong Kong (other than a Saturday) on which this resolution is passed:
 - (a) every 50 issued and unissued Shares of HK\$0.01 each be consolidated into 1 share of HK\$0.50 each (the “Consolidated Shares”);
 - (b) fractional Consolidated Shares be aggregated and if possible, sold for the benefits of the Company; and
 - (c) any Director be and are hereby authorized to do all things and acts and sign all documents which he considers desirable or expedient to implement and/or give effect to the above arrangements.”
 5. “**THAT** conditional upon the passing of Resolutions No. 1 to 3 above:
 - (a) subject to paragraph 5(c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph 5(a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Periods;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs 4(a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares under any options granted under the share option scheme adopted by the Company; (iii) an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company; (iv) an issue of shares in lieu of the whole or part of a dividend pursuant to any scrip dividend scheme or similar arrangement in accordance with the bye-laws of the Company; and (v) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to in (ii) and (iii) above, in the price at which shares in the Company shall be subscribed, and/or in the number of Shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the time of passing this resolution, which includes the Subscription Shares; and

(d) for the purpose of this Resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum of Association and Bye-laws of the Company or any applicable laws of Bermuda to be held; and

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Right Issue” means an offer of Shares open for a period fixed by the Directors to holders of the Shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusive or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”

6. **“THAT** conditional upon the passing of Resolutions No. 1 to 3 above:

(a) subject to paragraph 6(c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company on the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognized by The Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to purchase such securities are subject to and in accordance with all applicable laws and/or the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange from time to time be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph 6(a) shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of share capital of the Company purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph 6(a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution, which includes the Subscription Shares; and

(d) for the purpose of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum of Association and Bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

7. “**THAT** conditional upon the passing of the Resolutions No. 1 to 3, 5 and 6 above, the aggregate nominal amount of the shares in the capital of the Company which are purchased by the Company pursuant to and in accordance with the Resolution 6 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the Resolution 4 provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution, which includes the Subscription Shares.”

By order of the Board
China Merchants DiChain (Asia) Limited
Zhou Li Yang
Managing Director

Hong Kong, 4 May 2006

Notes:

1. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote on his behalf. On a poll, votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend in his stead.
2. The enclosed form of proxy and (if required by the Directors) the power of attorney or other authority (if any), under which it is signed, or a notarially certified copy of such power or authority shall be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queens’ Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Delivery of any instrument of proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument of proxy shall be deemed to be revoked.

3. In the case of joint holders of Shares, any one of such holders may vote at the meeting, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
4. The enclosed form of proxy must be signed by the appointer or by his attorney authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.

As at the date of this announcement, the Board comprises four executive Directors, namely Messrs. Fan Di, Zhou Li Yang, Zheng Yingsheng, and Chen Gang, Gordon (alternate to Dr. Fan Di), two non-executive Directors, namely Messrs. Robert Fung Hing Piu and Wang Shizhen, and three independent non-executive Directors, namely Messrs. Barry J. Buttifant, Iain F. Bruce and Victor Yang.

* *For identification purpose only.*

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