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CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED

招商局中國基金有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 133)

**PROPOSED VOLUNTARY CONDITIONAL CASH OFFER BY
ANGLO CHINESE CORPORATE FINANCE, LIMITED ON BEHALF OF
CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED TO
REPURCHASE UP TO 7,917,171 SHARES AT A PRICE OF HK\$20.94 PER SHARE**

AND

RESUMPTION OF TRADING

Financial adviser to the Company

ANGLO CHINESE 英
CORPORATE FINANCE, LIMITED 高

**Independent Financial Adviser to the Independent Board Committee and
the Shareholders**

ALTUS CAPITAL LIMITED

THE OFFER

The Board resolved on 25 April, 2013 that a conditional voluntary cash offer be made to repurchase for cancellation up to 7,917,171 Shares, representing approximately 5% of the entire issued share capital of the Company as at the date of this announcement, from the Qualifying Shareholders. The Offer will be made by Anglo Chinese on behalf of the Company at a price of HK\$20.94 per Share in cash, payable by the Company. Assuming full acceptance of the Offer, the total cash consideration payable by the Company under the Offer will amount to approximately HK\$165,785,561 which will be financed by internal resources of the Group.

GENERAL

The Offer will be conditional upon, among other things, the approval of the Offer by the Shareholders at the EGM by way of poll. Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising the non-executive Director, Mr. KE Shifeng, and all the independent non-executive Directors, namely Mr. LIU Baojie, Mr. XIE Tao, Mr. ZHU Li and Mr. TSANG Wah Kwong, has been established by the Board to advise the Shareholders on the terms of the Offer. Altus Capital has been appointed as the independent financial adviser by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee and the Shareholders in this regard.

The Composite Offer Document containing, among other things, the detailed terms of the Offer, a letter of recommendation from the Independent Board Committee, a letter of advice from the Independent Financial Adviser, a notice convening the EGM and other information as required under the Codes, will be despatched to the Shareholders on or about 16 May, 2013. The Form of Acceptance will also be sent to the Qualifying Shareholders together with the Composite Offer Document but no Form of Acceptance will be sent to the Excluded Shareholders.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, the Shares were suspended from trading on the Stock Exchange with effect from 9:00 a.m. on 25 April, 2013, pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 26 April, 2013.

WARNING

The making of the Offer is subject to, among other things, the approval by Shareholders of the Offer at the EGM and may or may not become unconditional. Completion of the Offer is a possibility only.

Dealings in the Shares will continue notwithstanding the Offer has not become unconditional. During such period, persons dealing in the Shares will bear the risk that the Offer may lapse. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

INTRODUCTION

The Board resolved on 25 April, 2013 that a conditional voluntary cash offer be made to repurchase for cancellation up to 7,917,171 Shares, representing approximately 5% of the entire issued share capital of the Company as at the date of this announcement, from the Qualifying Shareholders. The Offer will be made by Anglo Chinese on behalf of the Company at a price of HK\$20.94 per Share in cash, payable by the Company. Assuming full acceptance of the Offer, the total cash consideration payable by the Company under the Offer will amount to approximately HK\$165,785,561 which will be financed by internal resources of the Group.

As at the date of this announcement, the total number of issued Shares is 158,343,417. There are no other outstanding warrants, options or securities of the Company which are convertible into new Shares as at the date of this announcement. As it is expected that the share certificates for the scrip dividend for the year ended 31 December 2012 announced on 27 March 2013 will be sent to Shareholders on or around 31 July 2013, Shareholders will not be able to accept the Offer in respect of the new Shares to be issued for such scrip dividend.

TERMS OF THE OFFER

The Offer will be made on the terms set out below:

(a) Offer Price

Anglo Chinese, on behalf of the Company, will make the Offer to repurchase up to 7,917,171 Shares on the following basis:

For each Share HK\$20.94

(b) Conditions of the Offer

The Offer will be subject to the following conditions being fulfilled:

- (i) the passing of an ordinary resolution by the Shareholders approving the Offer and the transactions contemplated thereunder at the EGM by way of poll; and
- (ii) the compliance by the Company with all legal and other requirements under the Listing Rules, the Codes and the laws of Hong Kong applicable to the Offer and the transactions contemplated thereunder (provided that the circumstances which give rise to the Company's right to invoke this condition for the Offer not becoming unconditional shall be of material significance to the Company in the context of the Offer.)

None of the above conditions can be waived. If any of the above conditions cannot be fulfilled by 7 June, 2013, the Offer will lapse.

Acceptances by the Qualifying Shareholders under the Offer will be irrevocable and cannot be withdrawn after the Offer becomes unconditional except as otherwise decided by the Executive pursuant to the Codes. For the avoidance of doubt, Qualifying Shareholders will be entitled to revoke and withdraw their acceptances tendered prior to the date on which the Offer should become unconditional, being the date of the EGM at which the relevant resolution to approve the Offer will be proposed.

The Offer will not be conditional on any minimum number of Shares tendered for acceptance.

Whether or not the Qualifying Shareholders wish to accept the Offer, they may approve the Offer AND specify the number of the Shares in respect of which they approve the Offer at the EGM.

(c) Other terms of the Offer

Qualifying Shareholders may accept the Offer in respect of all or part of their shareholding. On the assumption that there are no Excluded Shareholders, if a Qualifying Shareholder validly accepts the Offer for the Shares which is equivalent to not more than 5% of the Shares registered in his/her/its name, the Company will take up all such Shares when the Offer has been declared unconditional in all respects.

By way of illustration, a Qualifying Shareholder holding one board lot of 2,000 Shares will have an Assured Entitlement of 100 Shares (being 5% of his shareholding). Therefore, his valid acceptance to the extent that it is for 100 Shares or less will be met in full by the Company. If he tenders an acceptance in excess of 100 Shares, his Assured Entitlement will be taken up in full, but it is possible that not all (or any) of the excess Shares will be taken up.

Shareholders should note that the aforesaid Assured Entitlement may be subject to change depending on whether any Excluded Shareholder will be identified by the Company and, if so, the number of Shares held by such Excluded Shareholder(s). The actual Assured Entitlement will be stated in the Composite Offer Document.

Qualifying Shareholders may accept the Offer in respect of all or part of the Shares held by them. If valid acceptances are received for 7,917,171 Shares (where some Qualifying Shareholders accept the Offer for less than their Assured Entitlements), in addition to all valid acceptances not exceeding a Qualifying Shareholder's Assured Entitlement being taken up, the excess valid acceptances will be taken up to the extent necessary to enable the Company to acquire the maximum number of Shares for which the Offer is made. The number of Shares tendered by a Shareholder in excess of his/her/its Assured Entitlement which will be taken up by the Company will be determined in accordance with the following formula:

$$\frac{(7,917,171 - A)}{B} \times C$$

- A: Total number of Shares in respect of which the Offer is validly accepted by all Qualifying Shareholders and which form either all or part of their Assured Entitlements
- B: Total number of Shares in respect of which the Offer is validly accepted by Qualifying Shareholders in excess of their Assured Entitlements
- C: Number of Shares in respect of which the Offer is validly accepted by the relevant Qualifying Shareholder in excess of his/her/its Assured Entitlement

As a result, it is possible that if a Qualifying Shareholder tenders all his/her/its Shares to the Company under the Offer, not all of such Shares will be taken up eventually. Fractions of Shares will not be taken up under the Offer and, accordingly, the number of Shares that the Company will take up from each Qualifying Shareholder in accordance with the above formula will be rounded up or down to the nearest whole number at the discretion of the Company.

The full terms and conditions of the Offer will be set out in the Composite Offer Document and the accompanying Form of Acceptance. The Offer will be made in accordance with the Codes.

EFFECT OF ACCEPTING THE OFFER

By validly accepting the Offer, Qualifying Shareholders will sell to the Company their tendered Shares which are finally taken up by the Company free from all encumbrances and together with all rights and benefits at any time accruing thereto, including all rights to any dividend or other distributions (if any) declared, made or paid on or after the Final Closing Date. Any dividends or other distributions declared, made or paid before the Final Closing Date will be paid by the Company to the Shareholders who are qualified for such dividends or distributions.

As disclosed in the annual results announcement of the Company dated 27 March 2013, the Board has recommended the payment of a final dividend of US\$0.05 (or HK\$0.39) per Share for the year ended 31 December 2012 to Shareholders whose names appear on the register of members on 23 May 2013, which may be before the despatch of the Composite Offer Document. Such Shareholders will be entitled to receive the final dividend which will be available in cash with an option to receive new, fully paid Shares in lieu of cash irrespective of the Offer. The circular and the election form of the scrip dividend scheme are expected to be despatched after the closing of the Offer. The Offer will therefore not be made available in respect of the new Shares to be issued for scrip dividend.

All Shares repurchased under the Offer will be cancelled.

UNDERTAKING IN RELATION TO THE OFFER

CMFH, which indirectly owns 42,604,015 Shares representing approximately 26.91% of the issued share capital of the Company as at the date of this announcement, has irrevocably undertaken to the Company that it will procure its relevant subsidiaries holding such Shares to (i) accept the Assured Entitlement in respect of those Shares, and (ii) not to acquire further Shares or sell, transfer or otherwise dispose of any Shares held by such subsidiaries (other than pursuant to the Offer) prior to the closing or lapse or termination of the Offer, as the case may be.

VALUE OF THE OFFER

The Offer Price of HK\$20.94 represents

- (i) a premium of approximately 97.55% over the closing price of HK\$10.60 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 98.67% over the average closing price of HK\$10.54 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 98.86% over the average closing price of HK\$10.53 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day;

- (iv) a premium of approximately 84.66% over the average closing price of HK\$11.34 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day; and
- (v) a discount of approximately 10.70% to the audited consolidated net asset value of the Group attributable to the Shareholders of approximately HK\$23.45 per Share as at 31 December, 2012.
- (vi) a discount of approximately 10.01% to the unaudited consolidated net asset value of the Group attributable to the Shareholders of approximately HK\$23.27 per Share as at 31 March, 2013.

As at the date of this announcement, the Company has 158,343,417 Shares in issue. The Offer for 7,917,171 Shares is being valued at approximately HK\$165,785,561 based on the Offer Price of HK\$20.94 per Share. On the basis of the Offer Price of HK\$20.94 per Share, the entire issued share capital of the Company is valued at approximately HK\$3,315,711,152.

HIGHEST AND LOWEST CLOSING PRICES OF THE SHARES

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period from 25 October, 2012, being the date falling six months prior to 24 April, 2013, being the Last Trading Day, up to and including the Last Trading Day, were HK\$13.40 per Share on 23 January, 2013, and HK\$10.06 per Share on 16 November, 2012, respectively.

TOTAL CONSIDERATION FOR THE OFFER AND FINANCIAL RESOURCES OF THE COMPANY

Assuming full acceptance of the Offer, the total cash consideration payable by the Company for the Offer at the Offer Price of HK\$20.94 per Share will amount to no more than HK\$165,785,561. The Offer will be funded by internal resources of the Group.

Anglo Chinese, the financial adviser to the Company in relation to the Offer, is satisfied that sufficient financial resources are available to the Company to satisfy full acceptance of the Offer.

OVERSEAS SHAREHOLDERS

The making of the Offer to Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subjected to the laws of the relevant jurisdictions. The laws of the relevant jurisdictions may prohibit the making of the Offer to the Overseas Shareholders or require compliance with certain filing, registration or other requirements in respect of the Offer. The Company reserves the right, subject to the consent of the Executive and the relevant legal requirements, to make special arrangements with respect to Overseas Shareholders whose receipt of the Composite Offer Document and the Form of Acceptance is subject to the laws of the overseas jurisdiction.

It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required in compliance with all necessary formalities or legal requirements and the payment of any transfer or other taxes due in such relevant jurisdictions. Any acceptance by any Shareholder will be deemed to constitute a representation and warranty from such Shareholder to the Company that the local laws and requirements have been complied with. Shareholders should consult their professional advisers if in doubt.

STAMP DUTY

Seller's ad valorem stamp duty at the rate of HK\$1.00 for every HK\$1,000 (or part thereof) of the value of the consideration arising on acceptance of the Offer will be payable by the Qualifying Shareholders who accept the Offer. The relevant amount of stamp duty payable by the Qualifying Shareholders will be deducted from the consideration payable to the Qualifying Shareholders under the Offer. The Company will bear its own portion of buyer's ad valorem stamp duty at the rate of HK\$1.00 for every HK\$1,000 (or part thereof) of the consideration payable in respect of relevant acceptances of the Offer and will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for sale and purchase of the Shares which are validly tendered for acceptance under the Offer.

ODD LOTS

The existing board lot size of 2,000 Shares per board lot will remain unchanged after the close of the Offer. Qualifying Shareholders should note that acceptance of the Offer may result in their holding odd lots of Shares.

CHANGES IN SHAREHOLDING STRUCTURE

The table below shows the shareholding structure of the Company as at the date of this announcement and the possible changes upon completion of the Offer, on the basis of public information available to the Company as at the date of this announcement and with the assumptions as described below:

	As at the date of this announcement		As at completion of the Offer (assuming only CMFH and its associates, and the associates of Mr. CHU accept their Assured Entitlements in full)		As at completion of the Offer (assuming full acceptance of the Offer by the Qualifying Shareholders in respect of their Assured Entitlements)	
	<i>(Shares)</i>	<i>%</i>	<i>(Shares)</i>	<i>%</i>	<i>(Shares)</i>	<i>%</i>
CMFH and its associates	42,604,015	26.91%	40,473,814	25.94%	40,473,814	26.91%
The associates of Mr. Victor Lap-Lik CHU (“Mr. CHU”), a director of the Company	3,224,000	2.04%	3,062,800	1.96%	3,062,800	2.04%
Other Shareholders	112,515,402	71.05%	112,515,402	72.10%	106,889,632	71.05%
Total	158,343,417	100%	156,052,016	100%	150,426,246	100%

Save as disclosed above, none of the Directors or the Company or persons acting in concert with the Company owns, controls or directs any Shares or rights over Shares. The Directors confirm that, as at the date of this announcement, (i) there is no arrangement as referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to the Shares which might be material to the Offer; and (ii) there is no agreement or arrangement to which the Company or any parties acting in concert with it is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer.

Save for the undertaking to accept the Offer by CMFH (as more particularly described in the paragraph headed “Undertaking in relation to the Offer” above), there is no existing holding of voting rights and rights over Shares in respect of which the Company or any person acting in concert with it has received an irrevocable commitment to accept the Offer. As at the date of this announcement, there is no existing holding of voting rights and rights over Shares in respect of which the Company or any person acting in concert with it holds convertible securities, warrants or options.

As at the date of this announcement, there is no outstanding derivative in respect of securities in the Company entered into by the Company or any person acting in concert with it. No Shares or securities carrying conversion or subscription rights into Shares or any options or derivatives in respect of the Shares have been lent or borrowed by the Company or by any person acting in concert with it.

CMFH and Victor Chu China Investment Limited (which is majority owned by Mr. CHU) respectively own 55% and 45% of the share capital of China Merchants China Investment Management Limited, which under an investment management agreement provides investment management services to the Company.

INFORMATION ON THE GROUP

The Company is an investment company, the Shares of which are listed on the Main Board of the Stock Exchange under Chapter 21 of the Listing Rules. The Company specialises in investing in the PRC. Its investment objective is to acquire quality investments, principally in unlisted enterprises, in the PRC. The Company may also invest in China-concept shares, “H” shares, “B” shares and any shares listed on the Stock Exchange provided that the main businesses or incomes of such companies are derived from the PRC including Hong Kong.

The following table sets out a summary of the audited consolidated results of the Group for each of the two years ended 31 December, 2011 and 2012, denominated in US\$:

	For the year ended 31 December	
	2011	2012
	<i>US\$</i>	<i>US\$</i>
	<i>(audited)</i>	<i>(audited)</i>
Profit (loss) before taxation	(17,620,151)	24,286,925
Profit (loss) attributable to Shareholders	(19,827,630)	9,883,248
	As at 31 December	
	2011	2012
	<i>US\$</i>	<i>US\$</i>
	<i>(audited)</i>	<i>(audited)</i>
Net asset value	476,910,516	478,402,362
Net asset value per Share	3.148	3.021

REASONS FOR THE OFFER

Over the recent years, the Shares have been trading at a substantial discount to the net asset value per Share. Based on the consolidated financial statements of the Group, the audited consolidated equity attributable to owners of the Company per Share was approximately US\$3.021 (HK\$23.445) as at 31 December, 2012 and the unaudited consolidated equity attributable to owners of the Company per Share was approximately US\$2.998 (HK\$23.27) as at 31 March, 2013. However, the Shares have been traded at the prices ranging from HK\$9.64 to HK\$13.68 over the past twelve months, representing discounts ranging from approximately 58.57% to 41.21% to the unaudited consolidated net asset value per Share as at 31 March, 2013.

As at 31 March, 2013, the Group had bank balances and cash of over US\$75 million (approximately HK\$582.23 million). The Directors (excluding the non-executive Director and the independent non-executive Directors whose opinion will be set forth in the Composite Offer Document after having been advised by the Independent Financial Adviser) consider that the terms of the Offer (including the Offer Price) are fair and reasonable and it would be in the interests of both the Company and the Shareholders to return part of the surplus fund to the Qualifying Shareholders by way of the Offer since it will:

- (a) enhance the consolidated net asset value per Share and earnings per Share;
- (b) provide opportunities for those Qualifying Shareholders who wish to realise part of their investments in the Company at a premium over the market price of the Shares without having to incur the brokerage fees, transaction levies and trading fees which are customarily payable when disposing of shares in the open market; and
- (c) provide opportunities for those Qualifying Shareholders who wish to retain their holdings and participate in the future prospects of the Group to increase their proportionate interests in the Company with enhanced net asset value per Share and future earnings attributable to each Share held by them after completion of the Offer.

Further, the Board considers that a share repurchase by way of general offer is a fair way to enable all Shareholders to participate equally in the programme of repurchasing Shares by the Company.

INTENTIONS OF THE COMPANY

It is the intention of the Company to maintain the listing of the Shares on the Stock Exchange. As at the date of this announcement, the Company has a public float of not less than 25% of the entire issued share capital of the Company. Assuming full acceptances of the Offer by all the Qualifying Shareholders, the Company will have a public float of not less than 25% of the entire issued share capital of the Company immediately following the completion of the Offer and accordingly the number of Shares in public hands will continue to meet the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules.

Following the close or lapse of the Offer, as the case may be, the Company intends to continue with the existing businesses of the Group. The Company does not intend to introduce any major changes by reason only of the Offer to the existing operations and management structure of the Group, including the redeployment of the fixed assets of the Group.

GENERAL

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising the non-executive Director, Mr. KE Shifeng, and all the independent non-executive Directors, namely Mr. LIU Baojie, Mr. XIE Tao, Mr. ZHU Li and Mr. TSANG Wah Kwong, has been established by the Board to advise the Shareholders on the terms of the Offer. Altus Capital has been appointed as the independent financial adviser by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee and the Shareholders as to whether the Offer is fair and reasonable and as to acceptance and voting.

The Composite Offer Document containing, among other things, the detailed terms of the Offer, a letter of recommendation from the Independent Board Committee, a letter of advice from the Independent Financial Adviser, a notice convening the EGM and other information as required under the Codes will be despatched to the Shareholders on or about 16 May, 2013. The Form of Acceptance will also be sent to the Qualifying Shareholders together with the Composite Offer Document but no Form of Acceptance will be sent to the Excluded Shareholders.

DEALINGS IN SHARES

The Company has not repurchased or dealt in any Shares for the past six months before 25 April, 2013, being the date on which the Board approved the proposal relating to the Offer and up to the date of this announcement, and will not conduct any on-market Share repurchase from the date of this announcement up to and including the date on which the Offer closes, lapses or is withdrawn, as the case may be.

CMFH and parties acting in concert with it have confirmed to the Company that they have not dealt in the securities of the Company since 25 October, 2012 (being the date falling six months before the date on which the Board approved the proposal relating to the Offer) and up to the date of this announcement.

In accordance with Rule 3.8 of the Takeovers Code, the associates of the Company (including any person who owns or controls 5% or more of any class of relevant securities of the Company (as defined in Note 4 to Rule 22 of the Takeovers Code)) are reminded to disclose their dealings during the Offer period in the relevant securities of the Company pursuant to Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 (of the Takeovers Code) and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules (of the Takeovers Code). However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, the Shares were suspended from trading on the Stock Exchange with effect from 9:00 a.m. on 25 April, 2013, pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 26 April, 2013.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Altus Capital” or “Independent Financial Adviser”	Altus Capital Limited, a licensed corporation to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Shareholders in respect of the Offer
“Anglo Chinese”	Anglo Chinese Corporate Finance, Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, and the financial adviser to the Company in respect of the Offer
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Assured Entitlement”	the minimum number of Shares which will be entitled to be sold to the Company pursuant to the Offer by each Qualifying Shareholder
“Board”	the board of Directors
“CMFH”	China Merchants Finance Holdings Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of China Merchants Group Limited
“Codes”	the Takeovers Code and the Repurchase Code
“Company”	China Merchants China Direct Investments Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 0133)

“Composite Offer Document”	the composite offer document in respect of the Offer to be issued and despatched by the Company in accordance with the Codes
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Offer
“Excluded Shareholder(s)”	Overseas Shareholder(s), if any, whose address(es), as shown on the register of members of the Company as at the latest practicable date prior to the publication of the Composite Offer Document, is/are outside Hong Kong and located in a jurisdiction the laws of which may prohibit the making of the Offer to such Shareholder(s) or otherwise require the Company to comply with additional requirements which are (in the opinion of the Directors, but subject to the prior consent of the Executive) unduly onerous or burdensome, having regard to the number of Shareholders involved in that jurisdiction and their shareholdings in the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Final Closing Date”	the 14th day after the date on which the Offer is declared unconditional in all respects
“Form of Acceptance”	the form of acceptance in respect of the Offer to be sent out to the Qualifying Shareholders, together with the Composite Offer Document
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Board, comprising the non-executive Director, Mr. KE Shifeng, and all the independent non-executive Directors who have no interest in the Offer, namely Mr. LIU Baojie, Mr. XIE Tao, Mr. ZHU Li and Mr. TSANG Wah Kwong, which has been established to advise the Shareholders in respect of the Offer
“Last Trading Day”	24 April, 2013, being the last full trading day of the Shares on the Stock Exchange prior to suspension of trading in the Shares with effect from 9:00 a.m. on 25 April, 2013 pending the issue of this announcement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	the proposed voluntary conditional cash offer to be made by Anglo Chinese on behalf of the Company to repurchase up to 7,917,171 Shares at the Offer Price in cash from the Qualifying Shareholders in accordance with the Codes on the basis to be set out in the Composite Offer Document and accompanying Form of Acceptance, and any subsequent revision or extension of such offer
“Offer Price”	HK\$20.94 per Share
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as stated in the register of members of the Company as at the latest practicable date prior to the publication of the Composite Offer Document, is or are outside Hong Kong
“PRC”	the People’s Republic of China
“Qualifying Shareholder(s)”	Shareholder(s), other than Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	the proposed record date for the Offer which will be confirmed in the Composite Offer Document and is expected to be 14 days after the EGM
“Repurchase Code”	the Code on Share Repurchases of Hong Kong
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of US\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong
"US\$ or US dollar"	United States dollars, the lawful currency of the United States of America
“%”	per cent

For illustrative purposes in this announcement only, US\$1 = HK\$7.7631

By Order of the Board
ZHOU Linda Lei
Director

Hong Kong, 25 April, 2013

As at the date hereof, the Executive Directors of the Company are Mr. LI Yinquan, Mr. HONG Xiaoyuan, Mr. CHU Lap Lik, Victor; Ms. ZHOU Linda Lei and Mr. TSE Yue Kit; the Non-executive Director is Mr. KE Shifeng; and the Independent Non-executive Directors are Mr. LIU Baojie, Mr. XIE Tao, Mr. ZHU Li and Mr. TSANG Wah Kwong. In addition, Ms. KAN Ka Yee, Elizabeth is the Alternate Director to Mr. CHU Lap Lik, Victor.

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 contained in this announcement misleading.