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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)

VOLUNTARY DISCLOSURE
EXIT FROM THE TERALANE SEMICONDUCTOR PROJECT

Reference is made to the announcement of China Merchants China Direct Investments Limited (the “**Company**”) dated 25 November 2011 in relation to the subscription by Shenzhen Tian Zheng Investment Co., Ltd. (“**Tian Zheng**”), a wholly-owned subsidiary of the Company, in the principal amount of RMB5,000,000 of convertible bonds (the “**Convertible Bonds**”) issued by 天利半導體（深圳）有限公司 (Teralane Semiconductor (Shenzhen) Co., Ltd.*, “**Teralane Semiconductor**”), whereby the Convertible Bonds would be convertible into equity interest of Teralane Semiconductor amounting to approximately 1.8% of the enlarged capital of Teralane Semiconductor.

The Company announces that on 15 January 2014, Tian Zheng and Teralane Semiconductor entered into a supplemental agreement whereby Tian Zheng agreed not to exercise its right to convert the Convertible Bonds into equity interest of Teralane Semiconductor upon maturity of the Convertible Bonds. A total amount of RMB6,200,000, being the aggregate of the principal amount and accrued interest on the Convertible Bonds for the past two years, shall be paid by Teralane Semiconductor in installments on or before 30 June 2014, together with any interest resulting from the late repayment of the principal amount.

Having considered various factors, the Company believes that through non-conversion of the Convertible Bonds and recovering the principal amount together with the accrued interest thereon, exit by the Company from the Teralane Semiconductor project is in the interest of the Company and its shareholders as a whole.

For and on behalf of
CHINA MERCHANTS CHINA DIRECT
INVESTMENTS LIMITED
ZHOU Linda Lei
Director

Hong Kong, 20 January 2014

**For identification purposes only*

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.