



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)

Notice of Annual General Meeting

The Annual General Meeting of China Merchants China Direct Investments Limited (the "Company") will be held at Marriott Ballroom (Level 3), JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 28 May 2004 at 4:00 p.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 2003.
2. To declare a final dividend for the year ended 31 December 2003.
3. To re-elect Retiring Directors and authorise the Board of Directors to fix directors' remuneration.
4. To re-appoint Auditors and authorise the Directors to fix their remuneration.
5. A. To grant a general mandate to the Directors to issue additional shares not exceeding 20% of the issued share capital.
B. To grant a general mandate to the Directors to repurchase shares not exceeding 10% of the issued share capital.
C. To extend the general mandate under item 5.A. hereof by increasing the number of shares permitted to be issued equivalent to the number of shares repurchased under item 5.B. hereof.
6. To amend Articles 1, 13, 15, 40, 42, 55, 80, 81, 87, 96A, 100, 105, 111, 112, 128, 129, 147, 148, 177, 182, 183, 185, 186, 187, 188, 189, 195 and 196 and to add new Article 197 to the articles of association of the Company (the "Articles") to reflect the recent amendments to the Companies Ordinance (Cap. 32 of the Laws of Hong Kong) and the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). A brief background to the proposed amendments to the Articles is set out as follows:-
 - (a) Article 1 To amend existing definitions and to provide additional definitions for certain terms for the purpose of clarification.
 - (b) Articles 13, 15, 42 and 55 To stipulate the time limit for issuance of share certificates in accordance with the Listing Rules and the Companies Ordinance and to revise the amount payable for share certificates to such amount shall not exceed the maximum amount prescribed from time to time by the Stock Exchange.
 - (c) Article 40 To clarify that all transfer of shares may be effected by an instrument of transfer in the usual or common form or in such other form as prescribed by the Stock Exchange and to allow the Directors to accept machine imprinted signatures on the instrument of transfer.
 - (d) Articles 80 and 81 To reflect the requirement of voting by poll under the Listing Rules.
 - (e) Article 87 To reflect the restriction on voting by shareholders whom the Company has knowledge is restricted from voting, as required by the amended Appendix 3 of the Listing Rules.
 - (f) Article 96A To delete the reference to a recognised clearing house and the repealed Securities and Futures (Clearing Houses) Ordinance.
 - (g) Article 100 To be consistent with the amended Appendix 3 of the Listing Rules which stipulates the minimum seven-day period for lodgment by a shareholder of the notice to nominate a director and the nomination shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such meeting.
 - (h) Article 105 To clarify that the managing director of the Company and any non-executive Director are also subject to retirement by rotation.
 - (i) Articles 111 and 112 To reflect the change of the method on removal of Director by means of a special resolution and to substitute therefor an ordinary resolution in the light of the Companies (Amendment) Ordinance 2003.
 - (j) Articles 128 and 129 To be consistent with the provisions of the amended Appendix 3 of the Listing Rules so that subject to certain exceptions, a Director shall abstain from voting at the board meeting on any contract, arrangement or proposal in which he or any of his associates has a material interest nor shall he be counted towards the quorum of the relevant board meeting.
 - (k) Article 147 To clarify the liability of alternate Director and his relationship with his appointing Director in the light of the Companies (Amendment) Ordinance 2003.
 - (l) Article 148 To reflect the requirement of the Listing Rules that the secretary must be an individual
 - (m) Article 177 To permit the Company to deliver summary financial report in accordance with the Companies Ordinance and other applicable laws, rules and regulations.
 - (n) Articles 182, 183, 185, 186, 187, 188 and 189 To permit the Company to serve notice or document, in the English language only, in the Chinese language only or in both, to entitled persons personally, through the post or by means of advertisement in newspapers, electronic communication or publication on the computer network and to add provision for deemed services of such notice or document.
 - (o) Article 195 To clarify that notification of appointment by the liquidator of any person to accept service of documents in relation to the winding up of the Company may be published in newspaper which shall be published daily and circulating in Hong Kong and specified for this purpose by the Ordinance and other applicable laws, rules and regulations.
 - (p) Article 196 To amend the provision for indemnity on the liability of the directors or other officers in the light of the Companies (Amendment) Ordinance 2003.
 - (q) New Article 197 To permit the Company to purchase liability insurance for any Director or other officer or auditors in the light of the Companies (Amendment) Ordinance 2003.

The above summary of the purposes of the Annual General Meeting is set out only for information of the shareholders of the Company, and is subject to the notice of the Annual General Meeting which will be despatched on 29 April 2004 to the shareholders of the Company and to which the shareholders of the Company should refer. With regard to items 5 and 6 set out above, a circular giving details of the general mandates to repurchase shares and to issue shares and amendments to the Articles will be despatched to shareholders together with the Annual Report 2003 of the Company. The notice of the Annual General Meeting of the Company will be set out in the circular and is also available for viewing on the website of The Stock Exchange of Hong Kong Limited at <http://www.hkex.com.hk> from 29 April, 2004.

By Order of the Board
Linda L. Zhou
Executive Director

Hong Kong, 29 April 2004

As at the date hereof, the Board of Directors of the Company comprises of eleven Directors, of which five are Executive Directors, namely Dr. Fu Yuning, Dr. Huang Dazhan, Mr. Chu Lap Lik, Victor, Ms. Zhou Linda L. and Mr. Tse Yue Kit; and three are Non-Executive Directors, namely Mr. Wang Xingdong, Mr. Gong Jianzhong and Mr. Hiew Yoon Khong; and three are Independent Non-Executive Directors, namely The Hon. Li Kwok Po, David, Mr. Kut Ying Hay and Mr. Poon Kwok Lim, Steven. In addition, Ms. Kan Ka Yee, Elizabeth is the alternate Director to Mr. Chu Lap Lik, Victor, Mr. Li Kai Cheong, Samson is the alternate Director to The Hon. Li Kwok Po, David and Mr. Tan Cheong Hin is the alternate Director to Mr. Hiew Yoon Khong.