
DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“Articles”	the articles of association of the Company
“Auditors”	the auditors of the Company
“B” Shares”	special RMB-denominated shares in certain PRC companies listed on the Shenzhen Stock Exchange, the Shanghai Securities Exchange or any other officially recognised stock exchanges in China for investment by non-PRC legal persons and individuals only
“Board” or “Directors”	the board of directors of the Company
“Business Day”	a day (excluding Saturdays) on which banks in Hong Kong are open for business
“China” or “PRC”	The People’s Republic of China
“China-concept shares”	shares or the securities of companies with significant business interests in China, or which derive a significant part of their income from China, and which are listed on the Stock Exchange and/or other stock exchanges recognised by the Stock Exchange
“China Merchants Holdings”	China Merchants Holdings Company Limited
“China Merchants Group” or “CMG”	the group of companies of which China Merchants Holdings is the holding company
“Companies Ordinance”	the Companies Ordinance (Chapter 32) of the laws of Hong Kong
“Company”	China Merchants China Direct Investments Limited
“Core Investors”	China Merchants Holdings (Hong Kong) Company Limited, Credit Suisse, Bank of China Group Investment Ltd., Hong Kong Special Administrative Region Government Land Fund, Hong Lim Fund Investments Pte. Ltd., Jinhui Investments (China) Limited, Yamaichi International (H.K.) Nominees Ltd., Linkful International Holdings Limited, Oshima Shipbuilding Co., Ltd. and Sable Investment Corporation, which collectively have conditionally agreed to subscribe for 51,000,000 Shares (with Warrants)
“Custodians”	Union Bank of Hong Kong Limited, China Merchants Bank and Bank of China, Hong Kong Branch
“Custodian Agreements”	the agreements each dated 15th July, 1993 between the Company, the Investment Manager and the Custodians
“H” Shares”	special RMB-denominated ordinary shares (人民幣特種股票) in certain PRC companies listed on the Stock Exchange, which are subscribed for and traded in Hong Kong dollars

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“Investment Committee”	the committee authorised by the Board to approve transactions (investments and realisations) of over US\$5 million and to supervise the day to day management functions of the Investment Manager
“Investment Manager”	China Merchants China Investment Management Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Agreement”	the agreement dated 15th July, 1993 between the Company and the Investment Manager
“Net Asset Value”	the net asset value of the Company calculated in accordance with the provisions described in section 3 of appendix IV
“Placing”	the placing of the Placing Shares on and subject to the terms and conditions described in this prospectus and in the placing letters relating thereto
“Placing Agreement”	the agreement dated 15th July, 1993 referred to under the section headed “Placing Arrangements and Expenses” in appendix IV relating to the offering of the Placing Shares by the Placing Managers
“Placing Managers”	Standard Chartered Asia, China Development Finance Co., (H.K.) Ltd., Yamaichi International (H.K.) Limited, Morgan Stanley Asia Limited and The Bank of East Asia, Limited
“Placing Shares”	the Shares (with Warrants) being offered in the Placing by the Placing Managers for cash at US\$1.05 per Share
“Shares”	shares of US\$0.10 each in the capital of the Company
“Shareholders”	the persons who are registered as the holders of Shares from time to time
“Standard Chartered Asia”	Standard Chartered Asia Limited (渣打(亞洲)有限公司)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant(s)”	the warrant(s) to subscribe for Shares on the terms and subject to the conditions contained in this prospectus
“Warrantholders”	the persons who are registered as the holders of Warrants from time to time
“HK\$”	Hong Kong dollars
“RMB”	Renminbi, the official currency of China
“US\$” or “US dollars”	United States dollars