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CHINA MERCHANTS DICHAIn (ASIA) LIMITED 招商迪辰(亞洲)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

ANNOUNCEMENT OF LITIGATION

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

On 26 January 2006, the Company and DWS were informed by their PRC lawyers of a litigation lodged against them by the Plaintiff in relation to a default on payment of a loan of RMB 29,996,806.1 (approximately HK\$28,843,082.79) granted by the Plaintiff to DWS. The Company was a guarantor for the said loan. A hearing is scheduled to be held in the Shenzhen Intermediate People's Court for the purpose of the abovementioned litigation on 7 March 2006. The Company is seeking legal advice from its PRC lawyers regarding the litigation and will make a timely assessment of the likely impact of the litigation on the Company in due course. Further announcement in relation to the progress of this litigation will be made as and when appropriate.

This announcement is made pursuant to Rule 13.09 of the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

On 26 January 2006, China Merchants DiChain (Asia) Limited (“**Company**”) and 迪辰倉儲服務(深圳)有限公司 (DiChain Logistic Services (Shenzhen) Co., Ltd) (“**DWS**”) were informed by their PRC lawyers of a litigation lodged against them by 廣東發展銀行股份有限公司深圳香蜜湖支行 (Guangdong Development Bank, Shenzhen Xiangmihu Branch) (“**Plaintiff**”) in relation to a default on payment of a loan of RMB 29,996,806.1 (approximately HK\$28,843,082.79) (“**Loan**”) granted by the Plaintiff to DWS, a wholly-owned subsidiary of the Company. The Company was a guarantor for the Loan. A hearing is scheduled to be held in the Shenzhen Intermediate People's Court for the purpose of the abovementioned litigation on 7 March 2006. The Company is seeking legal advice from its PRC lawyers regarding the litigation and will make a timely assessment of the likely impact of the litigation on the Company in due course. Further announcement in relation to the progress of the litigation will be made as and when appropriate.

Save as disclosed above and the proposed issue of a convertible note and grant of option (details of which were disclosed in the announcement of the Company dated 5 December 2005), there is no other negotiation or agreement in relation to any potential acquisition or disposal which is discloseable under Rule 13.09 of the Listing Rules, neither is the board (“**Board**”) of directors (“**Directors**”) of the Company aware of any matter discloseable under the general obligations required by Rule 13.09 of the Listing Rules which is or may be of a price sensitive nature.

Made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

As at the date of this announcement, the Board comprises four executive Directors, namely Messrs. Fan Di, Zhou Li Yang, Zheng Yingsheng, Chen Gang, Gordon (alternate to Dr. Fan Di) and 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.

By order of the board of
China Merchants DiChain (Asia) Limited
Fan Di
Chairman

Hong Kong, 1 February 2006

* *for information purposes only*

Note: In this announcement, for information purpose only, certain amounts in Renminbi have been translated into Hong Kong dollars at a rate of RMB 1.04 to HK\$1.

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