



CHINA MERCHANTS DICHAIN (ASIA) LIMITED

招商迪辰(亞洲)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0632)

**ISSUE OF CONVERTIBLE NOTES AND OPTIONS
MONTHLY ANNOUNCEMENT**

This announcement is made pursuant to the paragraph of “Change in the Shareholding Structure of the Company” in the Circular in relation to the dilution effect of the conversion of the Convertible Notes and exercise of Option.

Reference is made to the Company’s announcement dated 23 March 2006 and circular dated 4 May 2006 (the “Circular”) in relation to, inter alia, the grant of Convertible Notes and Option to the Subscriber. The Company made this announcement as per the requirements of the paragraph of “Change in the Shareholding Structure of the Company” in the Circular. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as defined in the Circular.

The Board would like to report that the Subscriber served a notice on the Company on 13 June 2006 to convert all the Convertible Notes. Details of the conversion have been set out in the Company’s announcement dated 14 June 2006. The Conversion Shares (60,000,000 Consolidated Shares) have been issued to the Subscriber on 22 June 2006.

The Board would also like to report that the Company has not received any notice from the Subscriber in relation to the exercise of the Option during the month of June 2006.

There were no Consolidated Shares issued during the month of June 2006 pursuant to other transactions, including Consolidated Shares issued pursuant to exercise of options under the share option scheme of the Company.

This announcement is only released through the web-site of The Stock Exchange of Hong Kong Limited and no publication in the newspapers is made.

By Order of the Board
China Merchants DiChain (Asia) Limited
Wong Kwan
Chairman

Hong Kong, 7 July 2006

As at the date of this announcement, the Directors are

Executive Directors:

Mr. Wong Yuk Kwan (alias: Wong Kwan)

Mr. Lin Xi Zhong

Mr. Chan Yiu Keung

Mr. Cheung Kwok Yu

Mr. Zhou Li Yang

Mr. Zheng Yingsheng

Non-Executive Director:

Dr. Robert Fung Hing Piu

Independent Non-Executive Directors:

Dr. Anwar Ibrahim

Dr. Lee G. Lam

Mr. Victor Yang

* *For identification purpose only*