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If you have sold or transferred all your shares in China Investment Development Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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CHINA INVESTMENT DEVELOPMENT LIMITED

中國投資開發有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 204)

**PROPOSED REMOVAL OF A DIRECTOR
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a special general meeting (the “SGM”) of the Company to be held at Units 7809–13, 78/F., The Center, 99 Queen’s Road Central, Central, Hong Kong on Wednesday, 18 April 2012 at 2:30 p.m. is set out on pages 5 to 6 of this circular. A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Union Registrars Limited, 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjourned meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the SGM if you so wish.

29 March 2012

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 23 March 2012 in relation to, among other things, the requisition of special general meeting by Shareholders
“Board”	the board of Directors
“Bye-laws”	the existing bye-laws of the Company
“Company”	China Investment Development Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued Shares of which are listed on Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chen”	Mr. Chen Yibiao, the chairman of the Board and a non-executive Director of the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purposes of this announcement
“Requisition Shareholders”	two Shareholders of the Company, namely Jade Bright Limited, a company incorporated in the Cayman Islands with limited liability, and Mr. Tsang Ching, both were registered shareholders of the Company as at 21 March 2012
“SGM”	the special general meeting of the Company to be convened to approve the removal of Mr. Chen as a non-executive Director of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



CHINA INVESTMENT DEVELOPMENT LIMITED

中國投資開發有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 204)

Executive Directors:

Mr. Liu Hui (*chief executive officer*)

Mr. Wong Chak Keung

Non-executive Directors:

Mr. Chen Yibiao (*Chairman*)

Mr. Deng Li

Independent non-executive Directors:

Mr. Fong Wo, Felix

Mr. Tang Ping Sum

Mr. Lung Chee Ming George

Registered Office:

Clarendon House,

2 Church Street,

Hamilton HM11,

Bermuda

*Head Office and principal place
of business in Hong Kong:*

Units 7809–13, 78/F., The Center,

99 Queen's Road Central,

Central, Hong Kong

29 March 2012

To the Shareholders

Dear Sir or Madam,

PROPOSED REMOVAL OF A DIRECTOR

INTRODUCTION

The purpose of this circular is to provide you, among other matters, (i) further details regarding the resolution to be proposed at the SGM relating to the proposed removal of a Director; and (ii) a notice of the SGM.

REQUISITION FROM SHAREHOLDERS

On 23 March 2012, the Board announced that a written request (the "Written Request") was deposited by the Requisition Shareholders, two registered shareholders of the Company who hold in aggregate approximately 74.67% of the total issued share capital of the Company as at 21 March 2012, to the Company's principal place of business in Hong Kong on 21 March 2012. The Written Request was also faxed to the Company's registered office by the Requisition Shareholders on 21 March 2012 and it was confirmed receipt of it by the Company's registered office on 23 March 2012.

LETTER FROM THE BOARD

Pursuant to the Written Request, the Requisition Shareholders requested the Board to convene a special general meeting of the Company as soon as possible for the purpose of considering, and if thought fit, passing ordinary resolution for removing Mr. Chen as a non-executive Director of the Company with immediate effect.

Pursuant to bye-law 86 of the Bye-laws of the Company, a special general meeting shall be convened on the written requisition of any two or more Shareholders of the Company deposited at the registered office in Bermuda specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

As stated in the Written Request, the Requisition Shareholders noted in recent several articles posted on the Internet which stated that Mr. Chen either has absconded due to financial difficulty in the companies managed by Mr. Chen in the PRC or is undergoing treatment due to heart attack. Up to the date of the Written Request, the Requisition Shareholders were still unable to approach or contact Mr. Chen to make clarification regarding the above. The Requisition Shareholders are of the opinion that Mr. Chen has not been acting for the best interest of the Company and the Shareholders as a whole. In order to strengthen corporate governance of the Company, the Requisition Shareholders request the Board to convene a special general meeting as soon as possible for the purpose of considering, and if thought fit, passing ordinary resolution for removing Mr. Chen as non-executive director of the Company.

Pursuant to Companies Act 1981 of Bermuda and bye-law 159 of the Bye-laws of the Company, the Shareholders may in a special general meeting called for that purpose remove a director before the expiration of his period of office. In the absence of any requirement for a special resolution to be passed, removal of a director requires only the sanction of an ordinary resolution. The notice of a general meeting convened for the purpose of removing a director must contain a statement of the intention so to do and be served on such director 14 days before the meeting and at such meeting such director is entitled to be heard on the motion for his removal.

The Board confirms that the last contact with Mr. Chen was made on 5 March 2012. The Board confirms that neither the functions of the Board nor the Company's normal business operations have been adversely affected by the aforesaid event. Since the daily operation of the Company is managed by the executive Directors, the Board also considers that the business activities of the Company have been and will be conducted as usual.

The Company's Bermuda legal advisor confirms that the convening by the Requisition Shareholders of a special general meeting is in compliance with the Bye-laws of the Company. The Board, having considered the Written Request, has resolved to convene the SGM as soon as possible.

LETTER FROM THE BOARD

In accordance with the above, the SGM notice, which contains a statement of the intention of the proposed removal, will be served on Mr. Chen 14 days before the SGM. Mr. Chen shall be entitled to be heard on the motion for his removal.

SGM

At the SGM, ordinary resolution for removal of Mr. Chen as the non-executive Director of the Company will be proposed. Notice of the SGM is set out on pages 5 to 6 of this circular.

A proxy form for use at the SGM is enclosed with this circular. Whether or not you intend to attend and vote at the SGM, you are requested to complete and return the enclosed form of proxy to the Company's branch share registrar, Union Registrars Limited, at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors excluding Mr. Chen, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders is required to abstain from voting on the resolution to be proposed at the SGM.

By Order of the Board
China Investment Development Limited
Wong Chak Keung
Executive Director



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NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of China Investment Development Limited (the “Company”) will be held at Unit 7809–13, 78/F, The Center, 99 Queen’s Road Central, Central, Hong Kong on Wednesday, 18 April 2012 at 2:30 p.m. to consider and, if thought fit, passing with or without modification, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. **“THAT:**

Mr. Chen Yibiao be and is hereby removed as a non-executive director of the Company with immediate effect.”

By Order of the Board
China Investment Development Limited
Wong Chak Keung
Executive Director

Hong Kong, 29 March 2012

Registered office:
Clarendon House,
2 Church Street,
Hamilton HM11,
Bermuda

*Head office and principal place of
business in Hong Kong:*
Unit 7809–13, 78/F, The Center,
99 Queen’s Road Central,
Central, Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint another person (who must be an individual) as his proxy to attend and to vote on his behalf. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

NOTICE OF SGM

3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon must be deposited with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.
5. Any voting of the meeting should be taken by poll.

As at the date of this notice, the board of directors of the Company is comprised of Mr. Liu Hui (chief executive officer) and Mr. Wong Chak Keung as executive directors, Mr. Chen Yibiao (chairman) and Mr. Deng Li as non-executive directors, and Mr. Fong Wo, Felix, Mr. Tang Ping Sum and Mr. Lung Chee Ming George as independent non-executive directors.