



內蒙發展(控股)有限公司
INNER MONGOLIA DEVELOPMENT (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 279)

ANNOUNCEMENT

This Announcement is made at the request of The Stock Exchange of Hong Kong Limited.

The Company is in negotiations with an independent third party for the acquisition of the shares of a company, which in turn holds certain properties in Hong Kong. In addition, the Company is also contemplating a capital reorganisation proposal which may involve, inter alia, an adjustment of the nominal value of the issued shares and/or the cancellation of its share premium account.

The acquisition and/or the capital reorganisation may or may not proceed, shareholders of the Company and the potential investors should exercise caution in dealing in the shares of the Company.

This Announcement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted the recent increase in the trading volume of the shares of the Company and wish to state that we are not aware of any reasons for such movement.

The Company is in negotiations with an independent third party for the acquisition of the shares of a company, which in turn holds certain properties in Hong Kong. No agreement has been signed by the Company in relation to such acquisition as at the date of this Announcement. In addition, the Company is also contemplating a capital reorganisation proposal which may involve, inter alia, an adjustment of the nominal value of the issued shares and/or the cancellation of its share premium account. The Company will issue an announcement if and when such proposals materialise, to the extent required under the Listing Rules.

The above acquisition and/or the capital reorganisation may or may not proceed, shareholders of the Company and the potential investors should exercise caution in dealing in the shares of the Company.

Save as disclosed above, the Company also confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Made by the order of the Board of Inner Mongolia Development (Holdings) Limited, the directors of which individually and jointly accept responsibility for the accuracy of this Announcement.

By order of the Board
Kwok Wai Ming
Executive Director

Hong Kong, 23 March 2006

As at the date of this announcement, the Board of Directors of the Company comprises Ms Yau Shum Tek, Cindy (Chairman), Mr Kwong Wai Tim, William (Managing Director), Mr Lai Ming Wai and Ms Kwok Wai Ming, the Executive Directors; and Mr Lam Ping Cheung, Mr Lo Ming Chi, Charles, Mr Chiu Siu Po, Mr Gary Drew Douglas and Ms Hui Wai Man, Shirley, the Independent Non-executive Directors.