



INNER MONGOLIA DEVELOPMENT (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 279)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Inner Mongolia Development (Holdings) Limited (the “Company”) will be held at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong at 9:00 a.m. on Friday, 9 June 2006 for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution:-

ORDINARY RESOLUTION

1. **“THAT:**

- (a) the entering into of the conditional agreement (“Agreement”) dated 21 April 2006 and supplemental agreement dated 2 May 2006 between Yearwise Finance Limited (“Yearwise”) and Equity Spin Investments Limited (“Equity Spin”), a wholly-owned subsidiary of the Company pursuant to which Equity Spin agreed to purchase from Yearwise all Yearwise’s rights, title and interests in the convertible note (“Convertible Note”) issued by Hennabun Management International Limited in the principal amount of HK\$131,000,000 due on 20 September 2015 for a consideration of HK\$100,000,000 (a copy of the Agreement has been produced to this meeting marked “A” and initialled by the chairman of the meeting for identification purpose) be and is hereby approved, ratified and confirmed and the transactions contemplated thereunder be and are hereby approved and the directors of the Company be and are hereby authorised to implement the transactions referred to in the Agreement and to do all such acts and things and sign such documents as they shall in the absolute discretion and consider necessary or desirable to give effect to the Agreement and the arrangements contemplated thereunder; and
- (b) the exercise of conversion rights under the Convertible Note in full by Equity Spin as soon as practicable after completion of the Agreement, subject to all necessary approvals from the regulatory authorities to the extent required being obtained, be and is hereby approved and the directors of the Company be and are hereby authorised to do all such acts and things and sign such documents as they shall in

the absolute discretion and consider necessary or desirable to give effect to the conversion of the Convertible Note and the arrangements contemplated thereunder.”

By order of the Board
Yau Shum Tek, Cindy
Chairman

Dated 24 May 2006

Notes:

1. To be valid, the instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
2. Any member of the Company entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy duly appointed pursuant to the articles of association of the Company is entitled to vote on a show of hands at the meeting. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
3. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the Company's share registrar in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or the adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
4. 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 in respect of such share shall alone be entitled to vote in respect thereof.

As at the date of this announcement, the directors of the Company are:-

Executive Directors

Ms Yau Shum Tek, Cindy (*Chairman*)
Mr Kwong Wai Tim, William (*Managing Director*)
Mr Lai Ming Wai
Ms Kwok Wai Ming

Independent Non-executive Directors

Mr Lam Ping Cheung
Mr Lo Ming Chi, Charles
Mr Chiu Siu Po
Ms Hui Wai Man, Shirley
Mr Gary Drew Douglas