

INNER MONGOLIA DEVELOPMENT (HOLDINGS) LIMITED

Save as disclosed above, at 30th September, 2005, the Company had not been notified by any persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30th September, 2005.

AUDIT COMMITTEE

The condensed financial statements of the Company for the six months ended 30th September, 2005 have not been audited, but have been reviewed by the Audit Committee and external auditors of the Company.

CORPORATE GOVERNANCE

On 1st January, 2005, the Code of Best Practices was replaced by the Code on Corporate Governance Practices ("Code") contained in Appendix 14 of the Listing Rules. The Company adopted all the code provisions in the Code as its own code on corporate governance practices. During the six months ended 30th September, 2005, the Company has complied with the code provisions as set out in the Code and there has been no material deviations from the Code.

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, the Company confirmed that in respect of the six months ended 30th September, 2005, all directors have complied with the required standard set out in the Model Code.

By Order of the Board
Kwong Wai Tim, William
Managing Director

Hong Kong, 21st December, 2005