



INTERCHINA HOLDINGS COMPANY LIMITED

國中控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Interchina Holdings Company Limited (the “**Company**”) will be held at Room Monet, Basement 1, Grand Standford Hotel, 70 Mody Road, Kowloon, Hong Kong on 1 September 2007 at 9:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, with or without amendments, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the terms and conditions of the subscription agreement dated 5 July 2007, including the draft terms and conditions of the First Tranche Convertible Notes (as defined below) and the Second Tranche Convertible Notes (as defined below) annexed thereto (the “**Subscription Agreement**”, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) entered into between the Company as issuer and Mr. Zhang Yang as subscriber (the “**Subscriber**”) pursuant to which the Company has conditionally agreed to (i) allot and issue 2,700,000,000 new shares of HK\$0.10 each (the “**Shares**”) in the capital of the Company at the subscription price of HK\$0.10 per Share to Mr. Zhang Yang; and (ii) grant of the convertible note options (the “**Options**”) at the premium of HK\$20 million, being options to subscribe for the first tranche convertible notes (up to the aggregate principal amount of HK\$650 million) (the “**First Tranche Convertible Notes**”) and the second tranche convertible notes (up to the aggregate principal amount of HK\$1,200 million) (the “**Second Tranche Convertible Notes**”) at the initial conversion price of HK\$0.10 per Share, be and are hereby approved;
- (b) the issue of 2,700,000,000 new Shares by the Company to the Subscriber or its nominee(s), pursuant to the terms and conditions of the Subscription Agreement, be and is hereby approved;
- (c) the grant of the Options by the Company to the Subscriber or its nominee(s) pursuant to the terms and conditions of the Subscription Agreement be and is hereby approved;

- (d) the issue of the First Tranche Convertible Notes by the Company to the Subscriber or its nominee(s) pursuant to the terms and conditions of the Subscription Agreement and the allotment and issue of new Shares by the Company upon the exercise of the conversion rights attaching to the First Tranche Convertible Notes be and are hereby approved;
- (e) the issue of the Second Tranche Convertible Notes by the Company to the Subscriber or its nominee(s) pursuant to the terms and conditions of the Subscription Agreement and the allotment and issue of new Shares by the Company upon the exercise of the conversion rights attaching to the Second Tranche Convertible Notes be and are hereby approved; and
- (f) the directors of the Company be and are hereby authorised on behalf of the Company to do all such things and sign, seal, execute, perfect and deliver all such documents as they may in their discretion consider necessary, desirable or expedient, for the purposes of or in connection with the implementation and/or give effect to any matters relating to the Subscription Agreement, the First Tranche Convertible Notes, the Second Tranche Convertible Notes and all transactions contemplated thereunder.”
2. “**THAT** the authorised share capital of the Company be and is hereby increased from HK\$1,000,000,000 to HK\$4,000,000,000 by the creation of an additional 30,000,000,000 new Shares.”

By order of the Board
Interchina Holdings Company Limited
Lam Cheung Shing, Richard
Director and Company Secretary

Hong Kong, 10 August 2007

Registered office:

Room 701, 7th Floor
Aon China Building
29 Queen's Road Central
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and to vote in his stead. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any Share, any one 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 Share shall alone be entitled to vote in respect thereof.

3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company's share registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

4. As at the date of this notice, the executive Directors are Mr. Zhang Yang, Mr. Chan Wing Yuen, Hubert and Mr. Lam Cheung Shing, Richard and the independent non-executive Directors are Mr. Wong Hon Sum, Ms. Ha Ping and Dr. Tang Tin Sek.