

**NINETOWNS DIGITAL WORLD TRADE HOLDINGS LIMITED**

**PROXY STATEMENT  
FOR ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON DECEMBER 2, 2005**

This proxy statement is furnished by Ninetowns Digital World Trade Holdings Limited (the "Company"), in connection with the solicitation by the Company's board of directors (the "Board") of proxies to be voted at the annual general ordinary shareholders' meeting to be held on Friday, December 2, 2005 at 2:00 p.m., or any adjournment or postponement thereof (the "Annual General Meeting").

**PROPOSAL NUMBER ONE  
APPOINTMENT OF AUDITORS**

The shareholders are requested to authorize the Board, without further ratification, to appoint Deloitte Touche Tohmatsu as the Company's independent auditors to audit the Company's financial statements for the fiscal year ending December 31, 2005 and to fix the remuneration of Deloitte Touche Tohmatsu for such services.

**Vote Required and the Board's Recommendation**

The affirmative vote of a majority of the ordinary shares present in person or by proxy at the Annual General Meeting and voting on the proposal is required for the approval of this proposal for the authorization of the Board to appoint, without further ratification, Deloitte Touche Tohmatsu as the Company's independent auditors for the fiscal year ending December 31, 2005.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE AUTHORIZATION OF  
THE BOARD TO APPOINT, WITHOUT FURTHER RATIFICATION,  
DELOITTE TOUCHE TOHMATSU AS THE COMPANY'S INDEPENDENT AUDITORS  
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2005.**

**PROPOSAL NUMBER TWO  
ADOPTION OF AUDITED STATEMENT OF ACCOUNTS  
AND REPORT OF THE AUDITORS**

The full text of the audited statement of accounts and the report of the auditors for the fiscal year ended December 31, 2004 has been presented to the shareholders. The Board recommends that the shareholders adopt the audited statement of accounts and the report of the auditors for the fiscal year ended December 31, 2004 as presented to the shareholders along with this proxy statement.

**Vote Required and the Board's Recommendation**

The affirmative vote of a majority of the ordinary shares present in person or by proxy at the Annual General Meeting and voting on the proposal is required for the adoption of the audited statement of accounts and report of the auditors for the fiscal year ended December 31, 2004.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ADOPTION OF THE  
AUDITED STATEMENT OF ACCOUNTS AND REPORT OF THE AUDITORS FOR THE  
FISCAL YEAR ENDED DECEMBER 31, 2004.**

**PROPOSAL NUMBER THREE  
APPROVAL OF BOARD COMPENSATION**

The Board has recommended that the aggregate compensation for the Board for the fiscal year ended December 31, 2004 be RMB2,416,800 and to further delegate authority to the compensation committee of the Board to fix the remuneration of the Board for the fiscal year ending December 31, 2005.

**Vote Required and the Board's Recommendation**

The affirmative vote of a majority of the ordinary shares present in person or by proxy at the Annual General Meeting and voting on the proposal is required for the approval of the Board's compensation for the fiscal year ended December 31, 2004 and the delegation of authority to the compensation committee of the Board to fix the remuneration of the Board for the fiscal year ending December 31, 2005.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE PROPOSED AGGREGATE COMPENSATION FOR THE BOARD FOR THE FISCAL YEAR ENDED DECEMBER 31, 2004 AND THE DELEGATION OF AUTHORITY TO THE COMPENSATION COMMITTEE OF THE BOARD TO FIX THE REMUNERATION OF THE BOARD FOR THE FISCAL YEAR ENDING DECEMBER 31, 2005.**

**PROPOSAL NUMBER FOUR  
AMENDMENTS TO 2004 SHARE OPTION PLAN**

Our 2004 Share Option Plan (the "2004 Plan") was adopted by the Board in October 2004. The 2004 Plan initially reserved an aggregate of 1,800,000 ordinary shares for issuance upon the exercise of options under the 2004 Plan. As of October 15, 2005, we have issued share options exercisable for 890,000 ordinary shares under the 2004 Plan.

We maintain our 2004 Plan to provide incentives to employees, directors, advisors and consultants of the Company to encourage proprietary interests in the Company, to encourage employees to remain in the employment of the Company and to encourage directors, advisors and consultants to remain in the service of the Company. We propose to amend the 2004 Plan to, among other things, increase the aggregate number of ordinary shares that may be issued under the 2004 Plan from 1,800,000 ordinary shares to 4,300,000 ordinary shares. Other proposed amendments to the 2004 Plan include the addition of an "ever-green" provision and the ability to grant share appreciation rights, restricted share awards and performance awards. The full text of the Amended and Restated 2004 Share Option Plan as proposed is set forth as Appendix A to this proxy statement.

**Vote Required and the Board's Recommendation**

The affirmative vote of a majority of the ordinary shares present in person or by proxy at the Annual General Meeting and voting on the proposal is required for the approval of this proposal to approve and adopt the amendments to the 2004 Share Option Plan.

**THE BOARD RECOMMENDS THAT YOU VOTE "FOR"  
THE APPROVAL OF THE AMENDMENTS TO THE 2004 SHARE OPTION PLAN.**

**PROPOSAL NUMBER FIVE  
ADOPTION OF THE 2006 SHARE INCENTIVE PLAN**

Our proposed 2006 Share Incentive Plan (the “2006 Plan”) was adopted by the Board in October 2005. The 2006 Plan reserves an aggregate of 2,800,000 ordinary shares for issuance upon the exercise of options under the 2006 Plan.

The purpose of the 2006 Plan is to provide incentives to employees, directors, advisors and consultants of potential acquisition or merger targets of the Company to encourage proprietary interests in the Company. The full text of the 2006 Plan as proposed is set forth as Appendix B to this proxy statement.

**Vote Required and the Board’s Recommendation**

The affirmative vote of a majority of the ordinary shares present in person or by proxy at the Annual General Meeting and voting on the proposal is required for the approval of this proposal to approve and adopt the 2006 Share Incentive Plan.

**THE BOARD RECOMMENDS THAT YOU VOTE “FOR”  
THE APPROVAL OF THE ADOPTION OF THE 2006 SHARE INCENTIVE PLAN.**