

NAN HAI CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 680)

CHANGES IN DIRECTORSHIP

The board of directors (the “Board”) of Nan Hai Corporation Limited (the “Company”) hereby announces that with effect from 14 February 2006:

- (i) Mr. Qin Tian Xiang, who has been appointed as an independent non-executive director and an audit committee member since 30 September 2004, was re-designated as an executive director and resigned as an audit committee member.

Mr. Qin Tian Xiang, aged 40, has been the president of Beijing Xin Shen Jian Economic & Technique Development Company since 1994. Mr. Qin was the chairman and chief executive officer of Hongkong Broad Communication Limited Corporation during the period from 1999 to 2003. Mr. Qin was also the director and senior vice-president of Wool Worth Limited Corporation, and the chairman and general manager of Beijing Jing Wei Real Estate Limited Corporation during the period from 1995 to 2001. Mr. Qin was graduated from the National University of Defense Technology, Electronics Technique Department.

Mr. Qin was appointed as an independent non-executive director and audit committee member of Sino-i Technology Limited (“Sino-i”, the subsidiary of the Company, the shares of which are also listed on The Stock Exchange of Hong Kong Limited) on 30 September 2004, and was re-designated as an executive director and resigned as an audit committee member effective 14 February 2006. Save as disclosed above, Mr. Qin has not held any positions with the Company and its subsidiaries, nor held any other directorship in listed public companies for the last three years. Mr. Qin is entitled to receive a director’s emoluments of HK\$1,200,000 per annum with reference to his duties and responsibilities within the Company and discretionary bonus payments. Mr. Qin has not entered into any service contract with the Company, nor been appointed for a specific term, but is subject to the retirement and rotation requirements in accordance with the Company’s Bye-Laws. Mr. Qin does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company, and does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”).

- (ii) Ms. Chen Dan was appointed as an executive director.

Ms. Chen Dan, aged 37, has been the director and general manager of CE Dongli Technology Company Limited, a subsidiary of Sino-i, since May 2004. Ms. Chen joined our group in October 2000. Prior to joining our group, Ms. Chen worked as an attorney, and exposed her professional experience in the areas of sales and business management, including working abroad in Europe. Ms. Chen is a China Registered Attorney at Law. Ms. Chen was graduated from Beijing Finance & Trade College in 1991, and conferred a Bachelor degree in Trade & Economics.

Ms. Chen was also appointed as an executive director of Sino-i on 14 February 2006. Ms. Chen holds a number of directorships in the subsidiaries of the Company and Sino-i. Save as disclosed herein, Ms. Chen has not held any positions with the Company and its subsidiaries, nor held any other directorship in listed public companies for the last three years. Ms. Chen is not entitled to receive any director’s emoluments and bonus payments. Ms. Chen has not entered into any service contract with the Company, nor been appointed for a specific term, but is subject to the retirement and rotation requirements in accordance with the Company’s Bye-Laws. Ms. Chen does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. Ms. Chen is interested in a share option respectively granted under the share option schemes of the Company and Sino-i, an associated corporation of the Company, within the meaning of Part XV of the SFO, entitling her to subscribe for 25,000,000 shares at an exercise price of HK\$0.04 per share of the Company and 7,500,000 shares at an exercise price of HK\$0.16 per share of Sino-i. Save as disclosed, Ms. Chen does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO.

- (iii) Mr. Huang Yaowen and Mr. Jiang Ping were both appointed as independent non-executive directors and audit committee members.

Mr. Huang Yaowen, aged 34, is the executive partner in Kai Wen Law Firm, one of the largest Chinese commercial law firms in China, and a partner in Kai Yuan Law Firm. Mr. Huang was assigned to LIVASIRI & CO in Hong Kong for official training during the period from May 1999 to May 2000. Mr. Huang was graduated from South West University of Politics and Laws and conferred a Bachelor degree in Laws in 1992. Mr. Huang also holds a Master of Laws from Central Parties School. Mr. Huang is a China Registered Attorney at Law, and is taking the EMBA course in China Europe International Business School.

Mr. Huang served as a long-term legal counsel to Beijing Office of Hong Kong Special Administrative Region of the People’s Republic of China, and as the chief lawyer of “China Association for Quality Promotion”, and also acted as a legal adviser to the anti-dumping research project conducted by Property Damage Investigation Bureau of the State Economic and Trade Commission. Mr. Huang was also appointed as independent non-executive director and audit committee member of Sino-i on 14 February 2006. Save as disclosed herein, Mr. Huang has not held any positions with the Company and its subsidiaries, nor held any other directorships in listed public companies for the last three years. Mr. Huang is entitled to receive a director’s fee of RMB120,000 per annum with reference to his duties and responsibilities within the Company, and is not entitled to receive any bonus payments, whether fixed or discretionary in nature. Mr. Huang has not entered into any service contract with the Company, nor been appointed for a specific term, but is subject to the retirement and rotation requirements in accordance with the Company’s Bye-Laws. Mr. Huang does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. Mr. Huang does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Jiang Ping, aged 75, is the lifetime professor of China University of Political Science and Law, and conducts lectures for doctoral degree class for civil and commercial laws. Mr. Jiang studied in News Department of Beijing Yanjing University from 1948 to 1949, and was graduated from Moscow University with a Bachelor degree in Laws in 1956. Mr. Jiang is the vice-chairman of China Economic Law Studies Association; president of China Comparative Law Research Centre, chairman of Beijing Arbitration Commission; vice-president of China Consumers' Association; counsellor and member of committee of experts in China International Economic and Trade Arbitration Commission. Mr. Jiang was also the president of China University of Political Science and Law. Mr. Jiang was a representative of the Seventh National People's Congress, the Commissioner of the Standing Committee of the Seventh National People's Congress and the vice-director of Law Committee of the Seventh National People's Congress. Mr. Jiang was also the guest lecturer of Harvard Law School, Yale Law School, Columbia Law School, Ghent University, Hong Kong University, Italy Second Rome University, Aoyama Gakuin University, Japan, Honored Juris of Ghent University and the Law Professor with Honour in Pontifical Catholic University, Republic of Peru. Mr. Jiang was also the guest professor of China Europe International Business School, Guanghua School of Management of Peking University, EMBA of Tsinghua University and Cheung Kong Graduate School of Business. Save as disclosed herein, Mr. Jiang has not held any positions with the Company and its subsidiaries, nor held any other directorships in listed public companies during the last three years. Mr. Jiang is entitled to receive a director's fee of RMB120,000 per annum with reference to his duties and responsibilities within the Company, and is not entitled to receive any bonus payments, whether fixed or discretionary in nature. Mr. Jiang has not entered into any service contract with the Company, nor been appointed for a specific term, but is subject to the retirement and rotation requirements in accordance with the Company's Bye-Laws. Mr. Jiang does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. Mr. Jiang does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed herein, there are no other matters relating to the above changes in directorship that need to be brought to the attention of the shareholders of the Company.

Members of the Board welcome Ms. Chen Dan, Mr. Huang Yaowen and Mr. Jiang Ping to join the Board.

By order of the Board
Watt Ka Po James
Company Secretary

Hong Kong, 14 February 2006

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

Executive directors: Mr. Yu Pun Hoi, Mr. Zhang Hong Ren, Mr. Qin Tian Xiang and Ms. Chen Dan

Non-executive directors: Mr. Yu Lin Hoi and Mr. Lam Bing Kwan

Independent non-executive directors: Mr. Huang Yaowen, Mr. Jiang Ping, Ms. Wei Jingyun and Mr. Wu Chen

Please also refer to the published version of this announcement in China Daily.