

NAN HAI CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 680)

RESIGNATION OF DIRECTOR

The board of directors (the “Board”) of Nan Hai Corporation Limited (the “Company”) announces that Mr. Zhang Hong Ren has resigned as executive director and member of executive committee of the Company due to personal reason effective 1 April 2006.

Mr. Zhang has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.

Save as disclosed herein, the Board confirms there is no other matter relating to the above resignation that needs to be brought to the attention of the shareholders of the Company and thanks Mr. Zhang for his valuable contributions to the Company.

By order of the Board

Watt Ka Po James

Company Secretary

Hong Kong, 31 March 2006

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

Executive directors:

Mr. Yu Pun Hoi, 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.