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NATIONAL ARTS HOLDINGS LIMITED

國藝控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8228)

**CHANGE OF AUDITORS
DUE TO A MERGER OF THE PRACTICES OF GTHK AND BDO**

BDO has been appointed as auditor of the Company to fill the casual vacancy occasioned by the resignation of GTHK.

The Board of Directors (the “Board”) of National Arts Holdings Limited (the “Company”) announces that Grant Thornton Hong Kong (“GTHK”) has resigned as auditor of the Company with effect from 2 December 2010 (the “Appointed Day”).

The Board further announces that BDO Limited (“BDO”) has been appointed as auditor of the Company with effect from the Appointed Day to fill the casual vacancy occasioned by the resignation of GTHK. BDO shall hold office until the conclusion of the next annual general meeting of the Company.

The reason for the change of auditors is due to a merger of the practices of GTHK and BDO.

GTHK has confirmed that there are no circumstances connected with their resignation which they consider should be brought to the attention of the shareholders or creditors of the Company.

The Board confirms that there is no disagreement between the Company and GTHK and there are no circumstances in respect of the change of auditor which it considers should be brought to the attention of the shareholders of the Company.

On behalf of the Board
National Arts Holdings Limited
Law Po Yee
Vice Chairman

Hong Kong, 2 December 2010

** For identification purpose only*

As at the date of this announcement, the Board of the Company comprises eight directors, of which three are executive directors, namely Miss Law Po Yee, Mr. Tang Yat Ming Edward and Mr. Li Sin Hung Maxim; the non-executive director, namely Mr. Sin Kwok Lam and Mr. Lam Kwok Hing Wilfred; and the remaining are independent non-executive directors, namely Mr. Chan Tin Lup Trevor, Mr. Chui Chi Yun Robert and, Dr. Wong Lung Tak Patrick.

This announcement, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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