



NAM HING HOLDINGS LIMITED

南興集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 986)

RE-DESIGNATION OF DIRECTOR AND CHANGES OF FINANCIAL CONTROLLER, QUALIFIED ACCOUNTANT, COMPANY SECRETARY AND ALTERNATE AUTHORISED REPRESENTATIVE

With effect from 1 August 2006, Mr. Fong Hoi Shing has resigned as the financial controller, qualified accountant, company secretary and alternate authorised representative of the Company.

With effect from 1 August 2006, Mr. Kwok Kwan Hung has been re-designated from an independent non-executive director of the Company to an executive director of the Company and appointed as the qualified accountant, company secretary and alternate authorised representative of the Company.

RESIGNATION

The board of directors (the “Board”) of Nam Hing Holdings Limited (the “Company”) announces that Mr. Fong Hoi Shing (“Mr. Fong”), for personal reasons, has resigned as the Company’s financial controller, qualified accountant (as required under Rule 3.24 of the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (the “Listing Rules”)), company secretary (pursuant to Rule 8.17 of the Listing Rules) and alternate authorised representative (pursuant to Rule 3.06(2) of the Listing Rules) to Mr. Lau Chung Yim and Mr. Lau Hing Hai (the authorised representatives of the Company appointed pursuant to Rule 3.05 of the Listing Rules) with effect from 1 August 2006.

Taking this opportunity, the Board would like to express its gratitude for Mr. Fong’s past services to the Company.

* *For identification purposes only*

RE-DESIGNATION OF DIRECTOR AND OTHER APPOINTMENTS

The Board is pleased to announce that Mr. Kwok Kwan Hung (“Mr. Kwok”) has been re-designated from an independent non-executive director of the Company to an executive director of the Company with effect from 1 August 2006 and should ipso facto cease to be a member of the Audit Committee and of the Remuneration Committee of the Company on the same date. Immediately upon the said re-designation, Mr. Kwok was appointed as the Company’s qualified accountant (as required under Rule 3.24 of the Listing Rules), company secretary (pursuant to Rule 8.17 of the Listing Rules) and alternate authorised representative (pursuant to Rule 3.06(2) of the Listing Rules) to Mr. Lau Chung Yim and Mr. Lau Hing Hai (the authorised representatives of the Company appointed pursuant to Rule 3.05 of the Listing Rules) to fill the vacancies left by Mr. Fong.

Immediately following the re-designation of Mr. Kwok from an independent non-executive director to an executive director of the Company, the Company was left with two independent non-executive directors namely, Mr. Chang Tso Tung Stephen (who has the appropriate professional qualifications, accounting and related financial management expertise as required under Rule 3.10 of the Listing Rules) and Mr. Leung Hon Ming. In order to comply with the requirements under Rule 3.10(1) of the Listing Rules (which prescribes that a listed issuer must have at least three independent non-executive directors), Rule 3.21 of the Listing Rules (which prescribes that a listed issuer’s Audit Committee must comprise a minimum of three members who should all be non-executive directors with the majority being independent non-executive directors) and the code provision B.1.1 of the Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules (which prescribes that a majority of the members of a listed issuer’s Remuneration Committee should be independent non-executive directors), the Company is endeavouring to identify a suitable candidate to fill the position of the independent non-executive director and member of the Audit Committee and Remuneration Committee of the Company as soon as practicable. A further announcement will be made by the Company upon appointment of the new independent non-executive director.

The details of Mr. Kwok as required under Rule 13.51(2) of the Listing Rules are set out below:–

Positions & Experience

Mr. Kwok, aged 40, joined the Company as an independent non-executive director in September 2004. Upon the re-designation as mentioned above, Mr. Kwok currently takes up the roles of an executive director, the qualified accountant, the company secretary, an alternate authorised representative and a member of the Executive Committee of the Company. Other than that, Mr. Kwok does not hold any other position with the Company or any member of the Company's group. Mr. Kwok is a fellow member of both The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. He is a qualified accountant with a bachelor degree in Economics from the University of London. He is also a director of Henco Capital Limited, a licensed corporation registered under the Securities and Futures Ordinance. Mr. Kwok has previously served for two investment banking groups and several listed companies and one of the "big four" international accounting firms in Hong Kong. He has over 17 years of experience in auditing, financial management and corporate finance. Mr. Kwok has not held any other directorships in listed public companies in the last three years.

Length of service

Pursuant to a service contract entered into between the Company and Mr. Kwok, Mr. Kwok's appointment took effect from 1 August 2006 for a term of one year. He is also subject to directors' retirement by rotation and re-election at the Company's annual general meeting pursuant to the Company's Bye-laws.

Interests in shares

As at the date of this announcement, Mr. Kwok did not have or deem to have any interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance.

Relationships

As far as the directors of the Company are aware, Mr. Kwok does not have any relationships with any other directors, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Mr. Kwok is entitled to receive a total annual remuneration of HK\$540,000 payable on a 12-month basis for HK\$45,000 per month (which also includes the fees for his acting as the qualified accountant, company secretary and alternate authorised representative of the Company). Such remuneration shall be adjusted annually at the discretion of the Board provided that Mr. Kwok shall abstain from voting and not be counted in the quorum in respect of the resolution regarding the adjustment of his remuneration. In addition, Mr. Kwok is entitled to receive an annual management bonus of a sum to be determined by the Board at its absolute discretion having regard to the operating results of the Group and his performance. The amount payable to him shall be decided by a majority in number of the members of the Board provided that he shall abstain from voting and not be counted in the quorum in respect of the resolution regarding the amount so payable to himself.

The above emoluments are determined by the Board by reference to Mr. Kwok's experience, time commitment and responsibilities as well as the Company's performance.

Information that need to be disclosed and matters that need to be brought to the attention of the shareholders of the Company

There is no information which is discloseable nor is/was Mr. Kwok involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the shareholders of the Company.

The Board welcomes Mr. Kwok to join the Company's executive team.

COMPOSITION OF THE BOARD

As at the date of this announcement, Mr. Lau Kwai, Mr. Lau Chung Yim, Mr. Lau Chung Hung, Mr. Lau Hing Hai, Ms. Lau May Wah and Mr. Kwok Kwan Hung are the executive directors of the Company; and Mr. Chang Tso Tung Stephen and Mr. Leung Hon Ming are the independent non-executive directors of the Company.

On behalf of the Board
Lau Kwai
Chairman of the Board

Hong Kong, 1 August 2006

Please also refer to the published version of this announcement in The Standard.