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南海控股有限公司*

NAN HAI CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 680)

POSITIVE PROFIT ALERT

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)(“SFO”).

The board of directors (the “Board”) of Nan Hai Corporation Limited (“the Company”) wishes to inform the shareholders of the Company and potential investors that the Company together with its subsidiaries (collectively, the “Group”) is expected to record a net profit for the year ended 31 December 2013 as compared to a net loss for the corresponding period in 2012.

This announcement is only based on the preliminary review on the consolidated management accounts of the Group, which have not been audited by the auditors of the Company. **Shareholders of the Company and potential investors are advised to exercise caution when dealing with shares of the Company.**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board would like to inform the shareholders of the Company and potential investors that the Group is expected to record a net profit for the year ended 31 December 2013 as compared to a net loss for the corresponding period in 2012. The expected net profit was due to a recognition of gain on series of disposals of Listar Properties Limited (“Listar”), a former subsidiary of the Company, in relation to accounting for the loss of control in Listar. Following the disposal of 30% of the issued share capital of Listar and 30% of the aggregate outstanding amount of

** For identification purpose only*

shareholder's loan owing by Listar to Nan Hai Development Limited ("NHD"), a wholly-owned subsidiary of the Company, to Baitak Asian Shenzhen Peninsula Co., Ltd ("Baitak") on 31 December 2012, the Group further disposed of 27% of the issued share capital of Listar and 27% of the total amount of shareholders' loan due and owing by Listar to NHD and Baitak to CITIC Real Estate (Hong Kong) Development Limited on 15 October 2013. The aforesaid two disposals constituted very substantial disposal of the Company as per the Listing Rules, and details of which can be referred to the announcements of the Company dated 31 October 2012 and 3 July 2013 respectively and the circulars of the Company dated 21 November 2012 and 24 September 2013 respectively. As the expected net profit was generated from the aforesaid two disposals, which should not be regarded as profit from the ordinary businesses or principal activities of the Group.

This announcement is only based on the preliminary review on the consolidated management accounts of the Group, which have not been audited by the auditors of the Company, and are therefore subject to change. The annual financial results on consolidation basis of the Group for the year ended 31 December 2013 have yet been finalized as at the date of this announcement, but it will be announced as soon as practicable and the related 2013 annual report will be published subsequently.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
NAN HAI CORPORATION LIMITED
Watt Ka Po James
Company Secretary

Hong Kong, 4 March 2014

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

<i>Executive directors:</i>	<i>Non-executive directors:</i>	<i>Independent non-executive directors:</i>
Mr. Yu Pun Hoi	Mr. Wang Gang	Prof. Jiang Ping
Ms. Chen Dan	Mr. Lam Bing Kwan	Mr. Hu Bin
Ms. Liu Rong		Mr. Lau Yip Leung