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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)

PROFIT WARNING

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 ("Listing Rules").

The board of directors (the "Board") of the Company wishes to inform the shareholders of Nan Hai Corporation Limited (the "Company", together with its subsidiaries, the "Group") and potential investors that the loss of the Group for the six months ended 30 June 2009 (the "Interim Results") is expected to be significantly increased as compared to the loss recorded in the same period of 2008.

This announcement is only based on the preliminary review on the unaudited consolidated management accounts of the Group, which has yet been confirmed nor audited by the auditors of the Company.

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

This announcement is made by the Board of the Company pursuant to Rule 13.09 of the Listing Rules.

The Board would like to inform the shareholders of the Company and potential investors that the loss of the Group for the Interim Results is expected to be significantly increased as compared to the loss recorded in the same period of 2008. The substantial loss may be mainly attributable to the following:

1. the cost related to the financing of US\$275 million from a financial institution for financing construction costs and expenditures of the Group's flag-ship property project namely "The Peninsula";
2. increase in advertising expenses for the pre-sale campaign of the 2nd phase of "The Peninsula";

3. a significant unaudited consolidated loss may be recorded by its listed subsidiary, Sino-i Technology Limited, whose main businesses including corporate IT application services and financial information services etc.

The Board is of the view that the overall operations and financial position of the Group as a whole remain sound and solid after taking into account of the sales proceeds from the sale of the 2nd phase of "The Peninsula" which will be recognized upon the transfer of ownership titles to the purchasers.

This profit warning announcement is only based on the preliminary review on the unaudited consolidated management accounts which has yet confirmed nor audited by the auditors of the Company. The Interim Results of the Company have not been finalized as at the date of this announcement.

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, 31 August 2009

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. Qin Tian Xiang	Mr. Huang Yaowen
Ms. Chen Dan	Mr. Lam Bing Kwan	Prof. Jiang Ping
Ms. Liu Rong		Mr. Lau Yip Leung
Mr. Wang Gang		

** For identification purpose only*