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NGAI HING HONG COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1047)

Website: <http://www.nhh.com.hk>

DISCLOSEABLE TRANSACTION DISPOSAL OF ASSETS, BUYER'S SHARES PURCHASE AND SUBSCRIPTION OF SHARES

Reference is made to the announcements of the Company dated 25 October 2006 and 3 July 2007, and the circular dated 16 November 2006 regarding the Disposal, the Subscription, the Buyer's Shares Purchase and other transactions under the Asset Purchase Agreement. The Board is pleased to announce that completion of the Asset Purchase Agreement took place on 31 December 2007.

COMPLETION OF ASSET PURCHASE AGREEMENT

Reference is made to the announcements of the Company dated 25 October 2006 and 3 July 2007, and the circular (the "Circular") dated 16 November 2006 regarding the Disposal, the Subscription and the Buyer's Shares Purchase and other transactions under the Asset Purchase Agreement. Unless otherwise defined in this announcement, terms defined in the Circular have the same meanings herein.

The Board is pleased to announce that completion of the Asset Purchase Agreement took place on 31 December 2007. As mentioned in the Circular, the Disposal Consideration would be subject to adjustment at Closing pursuant to the Asset Purchase Agreement, and accordingly, the adjusted Disposal Consideration at Closing was agreed at HK\$43,112,331. Also, the consideration assignable to the assets of the Dongguan Factory under the Disposal at Closing was determined by the relevant parties to be RMB10,409,515 with reference to their book value as at 31 December 2007.

CHANGES TO SHAREHOLDING OF THE COMPANY AS A RESULT OF THE SUBSCRIPTION

The Subscription Shares were formally issued to PolyOne on 3 January 2008 as agreed by relevant parties. The effect of the Subscription on the shareholding structure of the Company is as follows :

	Immediately before completion of the Subscription		Immediately after completion of the Subscription	
	<i>Number of</i>	<i>Approximate</i>	<i>Number of</i>	<i>Approximate</i>
	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
Good Benefit Limited (<i>Note 1</i>)	196,721,500	54.64	196,721,500	53.75
Ever Win Limited (<i>Note 2</i>)	6,000,000	1.66	6,000,000	1.64
Evergrow Company Limited (<i>Note 3</i>)	2,082,000	0.58	2,082,000	0.57
Mr. HUI Sai Chung, Director	14,971,600	4.16	14,971,600	4.09
Mr. HUI Kwok Kwong, Director	15,642,400	4.35	15,642,400	4.27
Madam LIU Sau Lai, Director	1,323,000	0.37	1,323,000	0.36
PolyOne	0	0.00	6,000,000	1.64
Public	<u>123,259,500</u>	<u>34.24</u>	<u>123,259,500</u>	<u>33.68</u>
	<u>360,000,000</u>	<u>100.00</u>	<u>366,000,000</u>	<u>100.00</u>

Note:

1. Good Benefit Limited is a company beneficially owned as to 45.1%, 45.1%, 0.8% and 9.0% by Ever Win Limited, Evergrow Company Limited, Madam LIU Sau Lai, and other shareholders who are not connected persons to the Company and are not connected with the directors, chief executive, substantial shareholders of the Company or its subsidiaries or any of their respective associates (within the meaning under Rule 1.01 of the Listing Rules) respectively.
2. Ever Win Limited is a company incorporated in the British Virgin Islands with limited liability and is held by a trustee (as to 50,000 ordinary shares thereof) on behalf of a discretionary trust, the discretionary objects of which include Mr. HUI Sai Chung and his family members, and by Mr. HUI Sai Chung and his spouse as to 30,834 and 5 class A non-convertible redeemable preferred shares respectively.
3. Evergrow Company Limited is a company incorporated in the British Virgin Islands with limited liability and is held by a trustee (as to 50,000 ordinary shares thereof) on behalf of a discretionary trust, the discretionary objects of which include Mr. HUI Kwok Kwong and his family members, and by Mr. HUI Kwok Kwong as to 30,823 class A non-convertible redeemable preferred shares.

As at the date of this announcement, the board of Directors comprises five executive Directors, namely Mr. HUI Sai Chung, Mr. HUI Kwok Kwong, Dr. WONG Chi Ying, Anthony, Mr. LAI Kam Wah and Madam LIU Sau Lai, and three independent non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. FONG Pong Hing and Mr. CHAN Dit Lung.

By order of the Board
HUI Sai Chung
Chairman

Hong Kong, 4 January 2008