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MAINLAND HEADWEAR HOLDINGS LIMITED

飛達帽業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1100)

PROPOSED CHANGE OF AUDITOR

The Board of Directors (the “Board”) of Mainland Headwear Holdings Limited (the “Company”) announces that Grant Thornton (“GT”) has resigned as auditor of the Company with effect from 21 October 2010. The Board has proposed to appoint PricewaterhouseCoopers to fill the casual vacancy following the resignation of GT and to hold office until the conclusion of the next annual general meeting of the Company, subject to the appointment to be approved by the shareholders of the Company (the “Shareholders”) at a special general meeting (“SGM”).

After carrying out their annual consideration, GT have decided to resign as auditors of the Company. The Board was informed by GT that the factors taken into account in reaching such a conclusion included the level of audit fees and their available internal resources in light of current work flows.

The Board considers it is in the best interests of the Company and its Shareholders as a whole, to appoint PricewaterhouseCoopers as the new auditor taking into account the factors that, including but not limited to, future expansion of the Company and its subsidiaries (the “Group”) and the future services required by the Group as a whole. The Board would like to express its appreciation for the professional services of GT to the Company in the past years.

* *For identification purpose only*

GT has confirmed that there are no circumstances connected with their resignation which they consider should be brought to the attention of the Shareholders of the Company. The Board also confirms that there are no circumstances in respect of the change of the auditor which they consider should be brought to the attention of the Shareholders.

A circular containing the details of the change of auditor of the Company together with a notice of SGM will be despatched to the Shareholders in due course. Further announcement will be made once the appointment of PricewaterhouseCoopers as the auditor of the Company has been approved by the Shareholders.

By Order of the Board
Ngan Hei Keung
Chairman

Hong Kong, 27 October 2010

As at the date hereof, the Board of Directors of the Company comprises seven directors, of which three are Executive Directors, namely Mr. Ngan Hei Keung, Madam Ngan Po Ling, Pauline and Mr. James S. Patterson; one Non-executive Director, Mr. Tse Kam Fow; and three are Independent Non-executive Directors, namely Mr. Leung Shu Yin, William, Mr. Lo Hang Fong and Mr. Liu Tieh Ching, Brandon, JP.