
DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in “Glossary of Technical Terms” of this prospectus.

“Appeal Telecom”	Appeal Telecom Co., Ltd., a customer of the Group
“Application Form(s)”	white application form(s) and yellow application form(s), or where the context so requires, any of them
“Articles of Association” or “Articles”	the articles of association of our Company, adopted on 8 April 2004 and as amended from time to time
“associates”	has the meaning ascribed thereto under the Listing Rules
“Board of Directors” or “Board”	the board of directors of our Company
“Business Day”	a day that is not a Saturday, Sunday or public holiday in Hong Kong
“CAGR”	compound annual growth rate
“Canon (C.E.B.M.)”	Canon Electronic Business Machines (H.K.) Co., Ltd., a customer of the Group
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Broker Participant”	a person admitted to participate in CCASS as a broker participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Broker Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“Companies Law”	The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands

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“Company” or “our Company”	Nam Tai Electronic & Electrical Products Limited, an exempted company incorporated in the Cayman Islands with limited liability on 9 June 2003 under the Companies Law
“Continuing Businesses”	the businesses carried out by the Group in the three years ended 31 December 2003, except for the Discontinued Businesses
“Director(s)”	the director(s) of our Company
“Discontinued Businesses”	our discontinued businesses related to the trading and manufacturing of essential components and subassemblies for mobile phones in the three years ended 31 December 2003
“FIE”	a foreign investment enterprise established under the laws of the PRC
“GDP”	gross domestic product
“General Mandate”	the general unconditional mandate granted to the Board of Directors by the Company’s sole shareholder, further details of which are contained in sub-paragraph (f) in the paragraph headed “Resolutions in writing of the sole shareholder of the Company passed on 8 April 2004” in Appendix V to this prospectus
“Global Coordinator” or “HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a deemed registered institution for Types 1, 4, 6, 7 and 9 regulated activities under the SFO and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
“Global Offering”	the Public Offer and the International Placing
“Group”	the Company, NTSZ and NTIC or, where the context so requires, in respect of the period before the Reorganisation is completed, the Continuing Businesses operated by NTSZ and the businesses operated by NTIC and the sales co-ordination and marketing activities operated by NTEEPHK

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“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HK GAAP”	accounting principles generally accepted in Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“IDC”	International Data Corporation, a company incorporated in Massachusetts, US, which provides information technology market research
“J.I.C.”	J.I.C. Technology Company Limited, a company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange and a member of the NTE Group
“J.I.C. Group”	J.I.C. and its subsidiaries and affiliates
“International Placing”	the conditional placing by the International Placing Underwriters of the International Placing Shares with institutional and professional investors and other investors expected to have a sizeable demand for the Shares, as further described in “Structure and Conditions of the Global Offering”
“International Placing Shares”	the 180,000,000 Shares (subject to adjustment) offered for sale by the Selling Shareholder under the International Placing
“International Placing Underwriters”	the underwriters of the International Placing listed in “Underwriting — International Placing Underwriters”
“International Underwriting Agreement”	the international underwriting agreement relating to the International Placing and to be entered into among the Selling Shareholder, us, the International Placing Underwriters and the Global Coordinator on or around 22 April 2004

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“Latest Practicable Date”	8 April 2004, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Macao”	the Macao Special Administrative Region of the PRC
“Memorandum of Association” or “Memorandum”	the memorandum of association of our Company adopted on 9 June 2003 and as amended from time to time
“Namtek”	Namtek Software Development Limited, a company incorporated in the Cayman Islands and a member of the NTE Group
“Namtek Group”	Namtek and its subsidiaries and affiliates
“NASDAQ”	National Association of Securities Dealers Automated Quotation
“Non-Competition Undertaking”	the non-competition undertaking from NTE Inc. to the Company dated 8 April 2004
“NT Group Management”	Nam Tai Group Management Limited, a company incorporated in Hong Kong, being a wholly owned subsidiary of NTE Inc.
“NTE Group”	NTE Inc. and its subsidiaries and affiliates
“NTE Inc.” or the “Selling Shareholder”	Nam Tai Electronics, Inc., a company incorporated in the British Virgin Islands and listed on the New York Stock Exchange
“NTEEPHK”	Nam Tai Electronic & Electrical Products Limited, a company incorporated in Hong Kong (which has recently changed its name to Nam Tai Trading Company Limited 南太商社有限公司)
“NTIC”	Nam Tai Investments Consultant (Macao Commercial Offshore) Company Limited, a company incorporated in Macao and wholly owned by the Company

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“NTSZ”	南太電子(深圳)有限公司(Namtai Electronic (Shenzhen) Company Limited), a wholly foreign owned enterprise established under the laws of the PRC and wholly owned by the Company
“Offer Price”	the final Hong Kong dollar price per Share (exclusive of brokerage, SFC transaction levy, investor compensation levy and Stock Exchange trading fee) at which the Offer Shares are to be sold pursuant to the Global Offering, to be determined as further described in “Structure and Conditions of the Global Offering — Pricing and Allocation”
“Offer Shares”	the Public Offer Shares and the International Placing Shares together, where relevant, with any additional Shares sold pursuant to the exercise of the Over-allotment Option
“OmniVision”	OmniVision Technologies Inc., a customer and a supplier of the Group
“Over-allotment Option”	the option to be granted by the Selling Shareholder to HSBC exercisable under the International Underwriting Agreement pursuant to which the Selling Shareholder may be required by HSBC to sell up to an aggregate of 30,000,000 additional Shares, representing in aggregate approximately 15% of the initial Offer Shares, at the Offer Price, solely to cover over-allocations in the International Placing
“PRC” or “China”	People’s Republic of China. Except where the context requires, references in this prospectus to the PRC or China do not apply to Hong Kong, Macao or Taiwan
“PRC GAAP”	Relevant accounting rules and regulations applicable in the PRC
“Pre-IPO Share Option Scheme”	the share option scheme adopted by the sole shareholder of the Company by way of written resolution dated 22 March 2004, the principal terms of which are summarised in “Other Information — Pre-IPO Share Option Scheme” in Appendix V to this prospectus
“Price Determination Date”	the date, expected to be on or around 22 April 2004 but no later than 26 April 2004, on which the Offer Price is fixed for the purposes of the Global Offering

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“Public Offer”	the offer of Public Offer Shares for sale in Hong Kong for cash at the Offer Price, on and subject to the terms and conditions described in this prospectus and the Application Forms
“Public Offer Shares”	the 20,000,000 Shares (subject to adjustment) being offered by the Selling Shareholder pursuant to the Public Offer
“Public Offer Underwriters”	the underwriters of the Public Offer listed in “Underwriting — Public Offer Underwriters”
“Public Offer Underwriting Agreement”	the underwriting agreement dated 15 April 2004 relating to the Public Offer entered into among the Selling Shareholder, us, the Public Offer Underwriters and the Global Coordinator
“QIBs”	qualified institutional buyers within the meaning of Rule 144A
“Regulation S”	Regulation S under the US Securities Act
“Reorganisation”	the reorganisation of our businesses undertaken in preparation for the listing of the Company on the Stock Exchange and as more particularly described in “Further Information About the Company — Corporate reorganisation” in Appendix V to this prospectus
“Repurchase Mandate”	the repurchase mandate granted to the Board of Directors by the Company’s sole shareholder, further details of which are contained in “Further Information About the Company — Repurchase by the Company of Shares” in Appendix V to this prospectus
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Rule 144A”	Rule 144A under the US Securities Act
“Seiko Instruments”	Seiko Instruments Inc., a customer of the Group
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

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“Share(s)”	ordinary shares issued by the Company, with a nominal value of HK\$0.01 each, traded in HK dollars and for which applications have been made for the granting of listing, and permission to deal, on the Stock Exchange
“Share Option Scheme”	the share option scheme conditionally adopted by the sole shareholder of the Company at an extraordinary general meeting held on 8 April 2004, the principal terms of which are summarised in “Other Information — Share Option Scheme” in Appendix V to this prospectus
“Sony Computer Entertainment”	Sony Computer Entertainment Europe Ltd., a customer of the Group
“Sony Ericsson”	Sony Ericsson Mobile Communications AB, a customer of the Group
“Sponsor”	HSBC, being the sole sponsor of the Public Offer
“Stock Borrowing Agreement”	a stock borrowing agreement expected to be entered into on or about 22 April 2004 between HSBC and the Selling Shareholder pursuant to which the Selling Shareholder will agree to lend 30,000,000 Shares to HSBC on the terms set out therein, further details of which are set out in “Information about this prospectus and the Global Offering — Over-allotment and Stabilization”
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Texas Instruments”	Texas Instruments Incorporated, a customer of the Group
“TFI”	Technology Forecasters, Inc.
“Underwriters”	the Public Offer Underwriters and the International Placing Underwriters
“Underwriting Agreements”	the Public Offer Underwriting Agreement and the International Underwriting Agreement
“United States” or “US”	the United States of America, including its territories and possessions

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“US\$” or “US dollars”	United States dollars, the lawful currency of the United States
“US Securities Act”	the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“we” or “us”	the Company or the Group (as the case may be)
“Zastron”	世成電子(深圳)有限公司 (Zastron Electronic (Shenzhen) Co. Ltd.), a company incorporated in the PRC and a member of the NTE Group

Unless otherwise specified, amounts denominated in RMB and US\$ have been translated, for the purpose of illustration only, into Hong Kong dollars in this prospectus at the following rates:

<i>HK\$1.00</i>	<i>:</i>	<i>RMB1.06</i>
<i>HK\$7.80</i>	<i>:</i>	<i>US\$1.00</i>

No representation is made that any amounts in RMB, US\$ or HK\$ can be or could have been at the relevant dates converted at the above rates or any other rates or at all.

If there is any inconsistency between the Chinese names of the PRC entities mentioned in this prospectus and their English translations, the Chinese names shall prevail.