

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this prospectus received from LCH (Asia-Pacific) Surveyors Limited, an independent valuer, in connection with its valuation as at 29 February 2004 of the property interests of the Group.



利駿行測量師有限公司

LCH (Asia-Pacific) Surveyors Limited

CHARTERED SURVEYORS
PLANT AND MACHINERY VALUERS
BUSINESS & FINANCIAL SERVICES VALUERS

27th Floor
Li Dong Building
No. 9 Li Yuen Street East
Central
Hong Kong

16 April 2004

The Directors

Nam Tai Electronic & Electrical Products Limited

15th Floor, China Merchants Tower

Shun Tak Centre

Nos. 168-200 Connaught Road Central

Sheung Wan

Hong Kong

Dear Sirs,

In accordance with your instructions to value the properties in which Nam Tai Electronic & Electrical Products Limited (hereinafter referred to as the “Company”) and its subsidiaries (hereinafter together with the Company referred to as the “Group”) have interests in Hong Kong, Macao and the People’s Republic of China (hereinafter referred to as the “PRC” or “China”) for the Company’s financial statements and for the purpose of incorporation in this prospectus, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary to support our findings and our opinion of the values of the properties of the Group as at 29 February 2004 (hereinafter referred to as the “date of valuation”).

According to the 5th Edition of the RICS Appraisal and Valuation Standards (hereinafter referred to as the “RICS Standards”) published by the Royal Institution of Chartered Surveyors in valuing owner occupied properties for financial statements, there are two valuation bases supported by the RICS Standards, namely the Market Value and the Depreciated Replacement Cost (hereinafter referred to as the “DRC”).

Our valuations of the properties in Group I are on the basis of DRC. The DRC is considered as a surrogate for Market Value and is defined by the RICS Standards as “based on an estimate of the Market Value for the existing use of the land, plus the current gross replacement (reproduction) costs of the improvements, less allowance for physical deterioration and all relevant forms of obsolescence and optimization”.

The Practice Statement 3 of the RICS Standards states that for owner occupied specialised properties where it is impracticable to identify the Market Value by market comparison basis, the DRC is considered as the most appropriate basis. The underlying theory of this base is the Market Value of the appraised property should, at least, be equivalent to the replacement cost of the remaining service potential of the appraised property i.e. the DRC of the appraised property. In our opinion, the DRC generally furnishes the most reliable indication of value for property where it is not practicable to ascertain its value on market bases.

The RICS Standards defines specialised properties as “certain types of properties which are rarely, if ever, sold in the open market, except by way of a sale of the business of which they are a part (called the business in occupation), due to their uniqueness arising from the specialised nature and design of the buildings, their configuration, size, location or otherwise”. Examples are: standard properties in particular geographical areas and remote from main business centres, located there for operational or business reasons, which are of such an abnormal size for that district, that there would be no market for such buildings there; buildings and site engineering works are related directly to the business of the owner, it being highly unlikely that they would have a value to anyone other than a company acquiring the undertaking; and properties of such construction, arrangement, size or specification that there would be no market (for a sale to a single owner occupier for the continuation of existing use) for those buildings. Having considered the inherent and general characteristics of the properties in Group I, we are of the opinion that the properties in Group I belong to specialised properties.

As properties being valued in Group I are classified as specialised property for private sector and it is impracticable to ascertain the indication of values of the properties on market bases, our valuations of the properties are on the basis of DRC of these properties and being subject to the adequate potential profitability of the business having due regard to the value of the total assets employed and the nature of the operation.

The RICS Standards stipulates that by using the DRC basis, the land should be assumed to have the benefit of planning permission for the replacement of the existing buildings and it is always necessary when valuing the land, to have regard to the manner in which the land is developed by the existing buildings and site works, and the extent to which these realise the full potential value of the land. When considering a notional replacement site, it should normally be regarded as having the same physical and location characteristics as the actual site, other than characteristics of the actual site which are not relevant, or are of no value, to the existing use. In considering the buildings, it further stipulates that the gross replacement cost of the buildings should take into consideration everything which is necessary to complete

the construction from a new green field site to provide buildings as they are at the date of valuation fit for and capable of being occupied and used for the current use. These costs to be estimated are not to erect buildings in the future but have the buildings available for occupation at the date of valuation, the work having commenced at the appropriate time.

In valuing the properties in Group I, we have assumed that the Group has free and uninterrupted rights to use the property interests for the whole of the unexpired terms as granted and any premiums payable have already been fully paid.

The current status of the properties in Group I regarding major approvals, consents or licences required in the PRC is set out as follows:

Property	Document/Approval		
	Enterprise Legal Person Business Licence	Contract for the Grant of State-owned Land Use Rights/Contract for the Transfer of Stated-owned Land Use Rights or equivalent	State-owned Land Use Rights Certificate/Realty Title Certificate
Property 1	Yes	Yes	Yes
Property 2	Yes	Yes	Yes

In valuing Property 1 in Group I, we understand that portion of the property is subject to an inter-company lease. According to Practice Statement 3.6 of the RICS Standards, property subject to inter-company lease to be valued on vacant possession basis and the existence of the lease must be disregarded. Therefore, in our valuation, we have considered this property as being owner-occupied and valued on the basis of DRC.

Our valuations of the properties in Groups II and III are on the basis of Market Value. The RICS Standards defines the term “Market Value” as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

Properties in Groups II and III are either licenced or rented by the Group in Hong Kong and in Macao, respectively, and have no commercial values due mainly to the short-term nature of the licence/tenancy agreements or prohibition against assignment or sub-letting or lack of substantial profit rents.

According to the Practice Statement 3.6 of RICS Standards and the International Valuation Application 1 published by the International Valuation Standards Committee, different classes of assets and basis of valuation should be separately presented in the certificate or report, thus we have followed the relevant guidelines to present our work products under different basis of value, namely Market Value and DRC.

In valuing the properties, we have complied with the requirements contained in Chapter 5 and Practice Note No. 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as well as the RICS Standards and the 2nd Edition of Guidance Notes on the Valuation of Property Assets published by the Hong Kong Institute of Surveyors.

We have relied solely on the information provided by the management of the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, occupation, lettings, rental, site and floor areas and all other relevant matters.

We have not carried out on-site measurements to verify the correctness of the floor areas of the properties, but have assumed that the floor areas shown on the documents and official floor plans handed to us are correct. All dimensions, measurements and areas are approximations.

Our engagement did not include land survey to verify the legal boundaries and the exact location of the properties. We need to state that we are not in the land survey profession, therefore, we are not in the position to verify or ascertain the correctness of the representation of the Group's personnel with regard to the legal boundaries and location of the properties. No responsibility is assumed.

We have inspected the exterior, and where possible, the interior of the properties in respect of which we have been provided with such information as we have required for the purpose of our valuations. We have not inspected those parts of the properties which were covered, unexposed or inaccessible and such parts have been assumed to be in reasonable condition. We cannot express an opinion about or advise upon the condition of uninspected parts and the attached valuation certificate should not be taken as making any implied representation or statement about such parts. No structural survey, investigation or examination has been made, but in the course of our inspections we did not note any serious defects in the properties valued. We are not, however, able to report that the properties are free from rot, infestation or any other structural defects. No tests were carried out to any of the services.

Our valuations have been made on the assumption that no unauthorized alteration, extension or addition was found in the properties. And that the use of the attached valuation certificate did not purport to be a building survey of the properties.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the properties. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

As the depreciated replacement cost is a surrogate for market value of the appraised properties due to the absence of market based comparison and that the basis is a commonly accepted method in negotiating merger and acquisition in China, we consider that there should be no significant difference between the Market Value and the arrived DRC of the properties in case of cessation of the existing business (if any) as at the date of valuation.

We have been provided with copies of the title documents regarding to the properties. However, we have not searched the original documents to verify ownership or to verify any amendment which may not appear on the copies handed to us. Due to inherent defects in the land registration system of China, we are unable to search the original documents from the relevant land registration departments to verify the existing titles of the properties or any material encumbrances that might be attached to the properties. We are not attorney in nature, and we are unable to ascertain the titles and to report any encumbrances (if any) that are registered against the properties. However, we have complied with the requirements as stated in Practice Note No. 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and relied solely on the copy of the PRC legal opinion as provided by the Group with regard to the Group's titles on the properties as disclosed in the attached valuation certificate. We are given to understand that the PRC legal opinion was prepared by the Group's PRC legal adviser, Guangdong Jingtian Law Firm. No responsibility and liability are assumed.

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. In undertaking our work, we have been instructed to assume that no contaminative or potentially contaminative uses have ever been carried out in the properties. We have not carried out any investigation into past or present uses, either of the properties or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the properties from these uses or sites, and have therefore assumed that none exists. However, should it be established subsequently that contamination, seepage or pollution exists at the properties or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the values now reported.

To the best of our knowledge, all data set forth in the attached valuation certificate are true and accurate. Although gathered from reliable sources, no warranty is made nor liability assumed for the accuracy of any data, opinions, or estimates identified as being furnished by others which have been used in formulating the attached valuation certificate.

We are unable to accept any responsibility for the information that has not been supplied to us by the management of the Company. Also, we have sought and received confirmation from the management of the Company that no material factors have been omitted from the information supplied. Our analysis and valuations are based upon full disclosure between us and the Company of material and latent facts that may affect the valuations.

We have had no reason to doubt the truth and accuracy of the information provided to us by the management of the Company. We consider that we have been provided with sufficient information to reach an informed view, and have had no reason to suspect that any material information has been withheld.

The scope of valuations have been determined with reference to the property list provided by the management of the Company. All properties on the list have been included in the attached valuation certificate. The management of the Company has confirmed to us that it has no property other than those specified on the list supplied to us.

Our opinion of values of the properties in the attached summary of values and the valuation certificate is valid only for the stated purpose and only for the date of valuation, and for the sole use of the named client. No responsibility is taken for changes in market conditions and no obligation is assumed to revise the attached summary of values and the valuation certificate to reflect events or conditions, which occur subsequent to the date hereof.

The attached summary of values and the valuation certificate are prepared in line with the ethics and guidelines as contained in the RICS Standards and the 2nd Edition of the Guidance Notes on the Valuation of Property Assets published by the Hong Kong Institute of Surveyors. The valuations have been undertaken by valuers, acting as external valuers, qualified for the purpose of the valuations.

Unless otherwise stated, all monetary amounts are in US dollars. In valuing the properties in Group I, the adopted exchange rates were the prevailing rate as at the date of valuation, being RMB8.28 per US\$1 and no significant fluctuation in exchange rate has been found between that date and the date of this letter.

Neither the whole nor any part of the attached summary of values and the valuation certificate or any reference made hereto may be included in any published documents, circular or statement, or published in any way, without the valuer's written approval of the form and context in which it may appear. Nonetheless, we consent to the publication of this letter, the attached summary of values and the valuation certificate in this prospectus.

We hereby certify that the fee for this service is not contingent upon our conclusion of values and we have neither present nor prospective interest in the properties, the Company, the Group or the values reported.

Our valuations are summarised below and the valuation certificate is attached.

Yours faithfully,
For and on behalf of
LCH (Asia-Pacific) Surveyors Limited

Joseph Ho Chin Choi

B.Sc. MRICS

Managing Director

Elsa Ng Hung Mui

B.Sc. M.Sc. MRICS MHKIS RPS (GP)

Associate Director

Notes:

1. Mr. Joseph Ho Chin Choi has been conducting assets valuation (including real estate properties) and advisory work in Hong Kong, Macao, Taiwan, mainland China, South East Asia, Finland, Canada and the United States of America for various purposes since 1988. He has more than 13 years of experience in valuing real estate properties in mainland China.
2. Ms. Elsa Ng Hung Mui is a Registered Professional Surveyor who has been conducting valuation of real estate properties in Hong Kong since 1994 and has more than 4 years of experience in valuing properties in mainland China.

SUMMARY OF VALUES

Group I — Properties held and occupied by the Group under long-term title certificates in the PRC and valued on the basis of DRC

Property	Interest attributable to the Group	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
1. A factory complex located at Gusu Industrial Estate Xixiang Town Baoan District Shenzhen Guangdong Province The PRC	100 per cent	21,468,000 <i>(See Note below)</i>
2. A factory complex adjoining to Property 1 above and located at Gusu Industrial Estate Xixiang Town Baoan District Shenzhen Guangdong Province The PRC	100 per cent	5,680,000 <i>(See Note below)</i>
Sub-total:		<hr/> 27,148,000 <hr/>

Note: The amount of valuations indicates the value of owner occupied properties for financial statements purpose.

Group II — Property occupied by the Group in Hong Kong under short-term licence agreement

Property	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
3. A portion of the 15th Floor China Merchants Tower Shun Tak Centre Nos. 168-200 Connaught Road Central Sheung Wan Hong Kong	No commercial value
Sub-total:	_____ Nil

Group III — Properties rented by the Group in Macao and valued on the basis of Market Value

Property	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
4. A-17 17° Andar Edificio Comercial Rodrigues N° 599 da Avenida da Praia Grande Macao	No commercial value
5. C-17 17° Andar Edificio Comercial Rodrigues N° 599 da Avenida da Praia Grande Macao	No commercial value
6. Unit A on 21st Floor and Carpark No. 19 of Lily Court Ocean Gardens Avenida dos Jardins do Oceano Taipa Macao	No commercial value
Sub-total	Nil
Grand Total:	<u>US\$27,148,000</u>

VALUATION CERTIFICATE

Group I — Properties held and occupied by the Group under long-term title certificates in the PRC and valued on the basis of DRC

Property	Description and tenure	Particulars of occupancy	Amount of valuations in existing state attributable to the Group as at 29 February 2004 <i>US\$</i>
1. A factory complex located at Gusu Industrial Estate Xixiang Town Baoan District Shenzhen Guangdong Province The PRC	<p>The property comprises a parcel of land having a site area of approximately 26,313.3 sq.m. with 10 various buildings and structures erected thereon.</p> <p>The buildings and structures including workshops, office buildings, staff quarters, canteen and other ancillary facilities which were completed in 1996 and 2003. They are of 3- to 7-storey height and have a total gross floor area of approximately 54,120.90 sq.m. (<i>See Note 2 below</i>)</p> <p>The property is subject to a right to use the land till 30 December 2043 for industrial purpose. (<i>See Note 1 below</i>)</p>	The property is currently occupied by the Group for manufacturing, storage, ancillary office, staff quarters and other supporting purposes.	<p>21,468,000 (100% interest) (<i>See Note 5 below</i>)</p>

Notes:

- The right to possess the land is held by the State and the right to use the land has been granted by the State to Namtai Electronic (Shenzhen) Company Limited through a Contract for the Transfer of State-owned Land Use Rights known as Shen Bao Di He Zi (1993) 146 Hao dated 29 December 1993, an agreement dated 29 December 1993 and a supplementary agreement on August 2000 for industrial usage.

2. According to 52 various Realty Title Certificates issued by the People's Government of Shenzhen City dated 17 February 2004, the legally interested party in the following buildings is Namtai Electronic (Shenzhen) Company Limited for a term of 50 years commencing from 31 December 1993 and expiring on 30 December 2043 for industrial usage. The gross floor area of the following major buildings and structures is as follows:

sq.m.

(i)	a 5-storey workshop (Block 1)	15,041.68
(ii)	a 5-storey workshop (Block 2)	12,298.60
(iii)	a 3-storey office (Block 3)	3,708.42
(iv)	a 7-storey staff quarters (Block 4)	4,367.58
(v)	a 7-storey staff quarters (Block 5)	4,367.58
(vi)	a 7-storey staff quarters (Block 6)	4,367.58
(vii)	a 6-storey staff quarters (Block 7)	4,550.76
(viii)	a 6-storey senior staff quarters (Block 8)	1,872.06
(ix)	a 3-storey canteen (Block 9)	2,503.63
(x)	a 3-storey electricity room (Block 10)	1,043.01

3. Whole of the workshop Block 1, portion of the workshop Block 2, the office block and the staff quarters of the property having a total gross floor area of approximately 31,049 sq.m. are leased to Zastron Electronic (Shenzhen) Company Limited. According to Practice Statement 3.6 of the RICS Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors, property subject to inter-company lease to be valued on vacant possession basis and the existence of the lease must be disregarded. Therefore, in our valuation, we have considered this property as being owner-occupied and valued on the basis of DRC.

4. According to the legal opinion as prepared by the Group's PRC legal adviser, the following opinions are noted:

- (i) Namtai Electronic (Shenzhen) Company Limited is a wholly foreign owned enterprise with a valid Enterprise Legal Person Business License from 24 June 1989 to 24 June 2014;
- (ii) Namtai Electronic (Shenzhen) Company Limited has obtained the right to use the land and its improvements legally by way of assignment. Namtai Electronic (Shenzhen) Company Limited is the only legally interested party in the property and has an absolute right to use the property for its own. It has the right to assign, lease or mortgage the property but except the buildings and structures as mentioned in Note 2 (iii) to (x).
- (iii) Namtai Electronic (Shenzhen) Company Limited cannot freely assign the buildings and structures as mentioned in Note 2 (iii) to (x). The lease or mortgage of the buildings and structures is subject to an additional premium payment to the relevant local authority or complying relevant rules and regulations; and
- (iv) Existing use of the property comply with the land grant contract and the relevant Realty Title Certificate.
- (v) The property is free of registered encumbrances.

5. Our valuation of the property indicates the value of owner occupied properties for financial statements purpose.

Property	Description and tenure	Particulars of occupancy	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
2. A factory complex adjoining to Property 1 above and located at Gusu Industrial Estate Xixiang Town Baoan District Shenzhen Guangdong Province The PRC	The property comprises a parcel of land having a site area of approximately 26,313.9 sq.m. which is adjoining to the land of Property 1 above. There is a 2-storey composite building having a gross floor area of approximately 3,143.77 sq.m. erected thereon. The building was completed in 2003.	The property is currently occupied by the Group for ancillary office purpose.	5,680,000 (100% interest) (See Note 8 below)
	Four various buildings and structures with single to 5 -storey height having a total gross floor area of approximately 30,349.60 sq.m. is being constructed on the land. (See Note 5 below)		
	The property is subject to a right to use the land till 25 April 2049 for industrial purpose. (See Note 1 below)		

Notes:

1. The right to possess the land is held by the State and the right to use the land has been granted by the State to Namtai Electronic (Shenzhen) Company Limited through a Contract for the Transfer of State-owned Land Use Rights known as Shen Di He Zi (1999) 4-030 Hao dated 26 April 1999, an Agreement for the Transfer of State-owned Land Use Rights known as Shen Di Xie Zi (1999) 4-030 Hao dated 26 April 1999 and a supplementary agreement dated 16 July 2003 for a term of 50 years commencing from 26 April 1999 to 25 April 2049. The consideration for the transfer of the land was RMB4,210,224 and the land is restricted for industrial usage. The maximum gross floor area permitted to be built on the land is 37,600 sq.m.
2. According to a Realty Title Certificate known as Shen Fang Di Zi Di 5000109464 Hao issued by the People's Government of Shenzhen City dated 16 February 2004, the legally interested party in the land is Namtai Electronic (Shenzhen) Company Limited for a term of 50 years commencing from 26 April 1999 to 25 April 2049.

3. According to a Certificate for Completion of Construction Works, the legally interested party in the following building is Namtai Electronic (Shenzhen) Company Limited.

Under Certificate for Completion of Construction Works *sq.m.*

a 2-storey composite building 3,143.77

4. According to a Planning Permit for Construction Usage Land known as Shen Gui Tu Gui Xu Zi 05-2003-0044 Hao dated 8 August 2003, Namtai Electronic (Shenzhen) Company Limited was permitted to develop the land with various buildings or structures of a total gross floor area of 37,600 sq.m. upon completion.

5. According to 4 various Planning Permits for Construction Work all dated 6 November 2003, Namtai Electronic (Shenzhen) Company Limited was permitted to develop a 5-storey workshop, a 5-storey office, a 3-storey facilities building and a single storey warehouse having a total gross floor area of approximately 30,349.6 sq.m. on the land. The Company expects that the construction work to be completed by the end of 2004. Upon completion, the gross floor area of each building is as follows:

Construction in Progress *sq.m.*

(i)	a 5-storey workshop	24,579.30
(ii)	a 5-storey office	4,426.00
(iii)	a 3-storey facilities building	1,305.70
(iv)	a single storey warehouse	38.6

6. According to the information provided by the management of the Group, the cost for the construction in progress items was approximately US 2,200,000 as at 29 February 2004. In our valuation, the construction in progress items are reported at cost spent as at 29 February 2004.

7. According to the legal opinion as prepared by the Group's PRC legal adviser, the following opinions are noted:

- (i) Namtai Electronic (Shenzhen) Company Limited is a wholly foreign owned enterprise with a valid Enterprise Legal Person Business License from 24 June 1989 to 24 June 2014;
- (ii) Namtai Electronic (Shenzhen) Company Limited has paid all the land transfer fee, land development charge and utilities charges in total amount of RMB4,210,224 on 6 May 1999;
- (iii) Namtai Electronic (Shenzhen) Company Limited has obtained the right to use the land and its improvements legally by way of assignment. Namtai Electronic (Shenzhen) Company Limited is the only legally interested party in the property and has an absolute right to use the property. It is not allowed to freely assign, lease or mortgage the property unless an additional premium is paid to the relevant local authority or complying relevant rules and regulations; and
- (iv) Namtai Electronic (Shenzhen) Company Limited has obtained all the relevant approval documents for the construction of buildings and structures as mentioned in Note 5 above.
- (v) The property is free of registered encumbrances.

8. Our valuation of the property indicates the value of owner occupied properties for financial statements purpose.

Group II — Property occupied by the Group in Hong Kong under short-term licence agreement and valued on the basis of Market Value

Property	Description and occupancy	Amount of valuations in its existing state attributable to the Group as at 29 February 2004 US\$
<p>3. A portion of the 15th Floor China Merchants Tower Shun Tak Centre Nos. 168-200 Connaught Road Central Sheung Wan Hong Kong</p>	<p>The property comprises a portion of the 15th Floor of a 36-storeyed commercial building erected on a 4-storeyed retail/carpark podium (plus a level of basement) which was completed in 1985.</p> <p>The gross floor area of the property is approximately 5,500 sq. ft. (510.96 sq. m.).</p> <p>The property is licenced to the Group for a term of 3 year commencing from 1 April 2004 at a monthly license fee of HK\$390,000 inclusive of rates, management fee, air-conditioning charges, utility charges, fittings and decorations, office equipments and furnitures.</p> <p>Under the Business Facilities Agreement, the Group shall enjoy the use of the common areas of the entire 15th Floor, without limitation, the reception area, the conference rooms, the kitchen, the lavatories, the executive lavatory and all landings and passages of the entire 15th Floor of the building, and the use of motor vehicles owned by the licensor.</p> <p>The property is currently occupied by the Group for office purpose.</p>	<p>No commercial value</p>

Notes:

1. The licensor of the property is Nam Tai Group Management Limited.
2. The licensee of the property is Namtai Electronic (Shenzhen) Company Limited.

Group III — Properties rented by the Group in Macao and valued on the basis of Market Value

Property	Description and occupancy	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
4. A-17 17° Andar Edificio Comercial Rodrigues N° 599 da Avenida da Praia Grande Macao	<p>The property comprises an office unit on the 17th Floor of an 18-storey office building which was completed in 1998.</p> <p>According to the information available to us, the property has an area of approximately 73.60 sq.m.</p> <p>The property is rented to the Group for a term of 2 years commencing from 10 July 2003 to 9 July 2005 at a monthly rental of HK\$6,340 inclusive of the rental for 2 air-conditioners but exclusive of management fee and other utilities charges. The tenant has the right to terminate the tenancy agreement by giving 30 days advance written notice after the expiry of 1 year term.</p> <p>The property is currently occupied by the Group for office purpose.</p>	No commercial value

Notes:

1. The tenant of the property is Nam Tai Investments Consultant (Macao Commercial Offshore) Company Limitada.
2. The landlord of the property is F.Rodrigues (Sucessores) Limitada.
3. According to the legal opinion prepared by the Group's Macao legal adviser, the following opinions are noted:
 - (i) the registered owner of the property is F.Rodrigues (Sucessores) Limitada; and
 - (ii) the tenancy agreement has been duly stamped and the relationship between the landlord and the tenant will be governed by the laws of Macao.

Property	Description and occupancy	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
5. C-17 17º Andar Edificio Comercial Rodrigues Nº 599 da Avenida da Praia Grande Macao	<p>The property comprises an office unit on the 17th Floor of an 18-storey office building which was completed in 1998.</p> <p>According to the information available to us, the property has an area of approximately 92.00 sq.m.</p> <p>The property is rented to the Group for a term of 2 years commencing from 10 July 2003 to 9 July 2005 at a monthly rental of HK\$7,920 inclusive of the rental for 3 air-conditioners but exclusive of management fee and other utilities charges.</p> <p>The tenant has the right to terminate the tenancy agreement by giving 30 days advance written notice after the expiry of 1 year term.</p> <p>The property is currently occupied by the Group for office purpose.</p>	No commercial value

Notes:

1. The tenant of the property is Nam Tai Investments Consultant (Macao Commercial Offshore) Company Limitada.
2. The landlord of the property is F.Rodrigues (Sucessores) Limitada.
3. According to the legal opinion prepared by the Group's Macao legal adviser, the following opinions are noted:
 - (i) the registered owner of the property is F.Rodrigues (Sucessores) Limitada; and
 - (ii) the tenancy agreement has been duly stamped and the relationship between the landlord and the tenant will be governed by the laws of Macao.

Property	Description and occupancy	Amount of valuations in existing state attributable to the Group as at 29 February 2004 US\$
6. Unit A on 21st Floor and Carpark No. 19 of Lily Court Ocean Gardens Avenida dos Jardins do Oceano Taipa Macao	<p>The property comprises a residential unit on the 21st Floor of a 23-storey residential building which was completed in 2000.</p> <p>According to the information available to us, the property has an area of approximately 140.122 sq.m.</p> <p>The property is rented to the Group for a term of 1 year commencing from 16 September 2003 to 15 September 2004 (both days inclusive) at a monthly rental of HK\$20,500 inclusive of fixtures and fittings, management fee, club membership fee at Ocean Club and other services fee such as cleaning charge. The tenant has the right to terminate the tenancy agreement if the tenant buys the whole of 18th Floor of Lily Court.</p> <p>The property is currently occupied by the Group as staff quarters.</p>	No commercial value

Notes:

1. The tenant of the property is Nam Tai Investments Consultant (Macao Commercial Offshore) Company Limited.
2. The landlord of the property is Golden Crown Development Limited.
3. According to the legal opinion prepared by the Group's Macao legal adviser, the following opinions are noted:
 - (i) the registered owner of the property is Golden Crown Development Limited; and
 - (ii) the tenancy agreement has been duly stamped and the relationship between the landlord and the tenant will be governed by the laws of Macao.