

If you are in doubt as to any aspect of this document or the offers contained herein, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or otherwise transferred all your shares in Taifook Securities Group Limited, you should at once hand this document and the accompanying form of acceptance and transfer to the purchaser(s) or transferee(s) or to the bank, the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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NWS Financial Management Services Limited

(incorporated in the British Virgin Islands with limited liability)

**Offer document
relating to the
mandatory unconditional cash offers by
Standard Chartered Bank (Hong Kong) Limited
on behalf of
NWS Financial Management Services Limited
(a wholly-owned subsidiary of NWS Holdings Limited)
to acquire all the issued shares in and
to cancel all outstanding subscription options of
Taifook Securities Group Limited
(other than those shares and subscription options already owned by
or agreed to be acquired by
NWS Financial Management Services Limited
and parties acting in concert with it)**

Financial Adviser to NWS Holdings Limited



Standard Chartered Bank (Hong Kong) Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this document.

A letter from Standard Chartered containing, amongst other things, the details of the terms and conditions of the Offer is set out on pages 7 to 15 of this document.

The procedures for acceptance and other information relating to the Offer are set out in Appendix I to this document and in the accompanying Form(s) of Acceptance. Acceptances of the Offer should be received by the Registrars (as regards the Share Offer) or the Company Secretary of Taifook (as regards the Option Offer) no later than the latest time for acceptance, being 4:00 p.m. on Friday, 13 July 2007.

Persons receiving copies of this document, the Form(s) of Acceptance and any related documents, including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward such documents to any jurisdiction outside Hong Kong, should read the details in this regard which are contained in paragraph 6 of Appendix I to this document before taking any action. It is the responsibility of each Overseas Taifook Shareholder wishing to accept the Share Offer to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities or legal requirements.

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DEFINITIONS

In this document, the following expressions have the meanings set out below unless the context requires otherwise.

“Acquisition”	the acquisition of the Sale Shares by the Offeror subject to the terms and upon the conditions of the Share Purchase Agreement
“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“Announcement”	the announcement dated 26 April 2007 made jointly by NWD, NWS and Taifook regarding, amongst other things, the Offer
“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of directors of NWS, the Offeror or Taifook, as applicable
“Business Day”	a day (excluding Saturday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Closing Date”	Friday, 13 July 2007, being the 28th day after the date on which this document is posted
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Concert Parties”	persons acting in concert (within the meaning of the Takeovers Code)
“CTF Enterprises”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability and a substantial shareholder (within the meaning of the Listing Rules) of NWD

DEFINITIONS

“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Form(s) of Acceptance”	the accompanying WHITE Form of Acceptance and the accompanying PINK Form of Acceptance
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Taifook Optionholders”	the Taifook Optionholders other than the Offeror and its Concert Parties
“Independent Taifook Shareholders”	the Taifook Shareholders other than the Offeror and its Concert Parties
“Last Trading Day”	20 April 2007, being the last complete trading day prior to the suspension of the trading in Taifook Shares on 23 April 2007
“Latest Practicable Date”	Tuesday, 12 June 2007, being the latest practicable date prior to the printing of this document for the purpose of ascertaining certain information contained in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“NWD Group”	NWD and its subsidiaries from time to time (including members of the NWS Group)
“NWS”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange, and a non-wholly-owned subsidiary of NWD
“NWS Group”	NWS and its subsidiaries from time to time
“Offer”	collectively, the Share Offer and the Option Offer

DEFINITIONS

“Offer Period”	the period from Thursday, 26 April 2007, being the date of the Announcement, until the Closing Date
“Offeror”	NWS Financial Management Services Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of NWS
“Option Offer”	the mandatory unconditional cash offer for all outstanding Taifook Options not already owned or agreed to be acquired by the Offeror or parties acting in concert with it at HK\$1.49 per Taifook Option (in respect of the Taifook Options having an exercise price of HK\$0.94 per Taifook Share) and HK\$1.23 per Taifook Option (in respect of the Taifook Options having an exercise price of HK\$1.20 per Taifook Share) made by Standard Chartered on behalf of the Offeror in accordance with the Takeovers Code
“Overseas Taifook Shareholders”	Taifook Shareholders whose registered addresses as shown on the register of members of Taifook as at the Latest Practicable Date were outside Hong Kong
“ PINK Form(s) of Acceptance”	the form(s) of acceptance and cancellation of Taifook Options in PINK in respect of the Option Offer which accompanies this document
“Purchase Price”	the price of HK\$2.43 per Sale Share paid by the Offeror to the Vendors upon completion of the Acquisition pursuant to the terms and conditions of the Share Purchase Agreement
“Registrars”	Tricor Investor Services Limited, being the Hong Kong branch share registrars and transfer office of Taifook which is located at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong
“Relevant Period”	the period between Thursday, 26 October 2006, being the date falling on the six months before the date of the Announcement, and the Latest Practicable Date (both dates inclusive)

DEFINITIONS

“Sale Shares”	246,986,763 Taifook Shares, representing approximately 40.2% of the issued share capital of Taifook as at the date of completion of the Acquisition, which were acquired by the Offeror from the Vendors pursuant to the Share Purchase Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Offer”	the mandatory unconditional cash offer for all the issued Taifook Shares not already owned or agreed to be acquired by the Offeror or parties acting in concert with it at HK\$2.43 per Taifook Share to be made by Standard Chartered on behalf of the Offeror in accordance with the Takeovers Code
“Share Offer Price”	the cash amount of HK\$2.43 payable by the Offeror to the Independent Taifook Shareholders for each Taifook Share accepted under the Share Offer
“Share Purchase Agreement”	the conditional share purchase agreement dated 26 April 2007 and entered into between the Vendors and the Offeror in relation to the sale by the Vendors and the purchase by the Offeror of the Sale Shares
“Standard Chartered”	Standard Chartered Bank (Hong Kong) Limited, the financial adviser to NWS (being the holding company of the Offeror). Standard Chartered is registered as a registered institution with the SFC to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO and is a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning given to it in section 2 of the Companies Ordinance

DEFINITIONS

“Taifook”	Taifook Securities Group Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Taifook Group”	Taifook and its subsidiaries from time to time
“Taifook Option(s)”	the option(s) issued by Taifook entitling the Taifook Optionholder(s) to subscribe for Taifook Shares at a subscription price of HK\$0.94 or HK\$1.20 per Taifook Share which are not yet exercised or lapsed as at the Closing Date
“Taifook Optionholder(s)”	holder(s) of Taifook Option(s)
“Taifook Share(s)”	the existing issued share(s) of HK\$0.10 each in Taifook at the Latest Practicable Date and any such further shares which are unconditionally allotted or issued after the Latest Practicable Date and before the Closing Date including any shares issued or allotted pursuant to the exercise of the Taifook Options or otherwise
“Taifook Shareholder(s)”	holder(s) of Taifook Share(s)
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“Vendors”	collectively, Chow Tai Fook Nominee Limited, CTF Enterprises, Lo Lin Shing, Simon, Wellington Equities Inc., Grand Partners Group Limited and William Junior Guilherme Doo
“ WHITE Form(s) of Acceptance”	the form(s) of acceptance and transfer of Taifook Share(s) in WHITE in respect of the Share Offer which accompanies this document
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE

2007

Opening date of the Offer	Friday, 15 June
Latest time for the despatch of the offeree board circular of Taifook	Friday, 29 June
Latest time for acceptance of the Offer	4:00 p.m. on Friday, 13 July
Closing Date (<i>Note 1</i>)	Friday, 13 July
Announcement of the results of the Offer as at 4:00 p.m. on the Closing Date posted on the Stock Exchange's website	not later than 7:00 p.m. on Friday, 13 July
Announcement of the results of the Offer as at 4:00 p.m. on the Closing Date published in newspapers in Hong Kong (<i>Note 2</i>)	Monday, 16 July
Latest date for despatch of remittances for the amounts due under the Offer in respect of valid acceptances received on or before 4:00 p.m. on the Closing Date (<i>Note 3</i>)	Saturday, 21 July

Notes:

1. The Offer, which is unconditional, will close on Friday, 13 July 2007 and the latest time for acceptance is 4:00 p.m. on Friday, 13 July 2007. The Offeror will post an announcement on the Stock Exchange's website by 7:00 p.m. on Friday, 13 July 2007 to state the results of the Offer.
2. An announcement of the results of the Offer as at the Closing Date will be published in newspapers in Hong Kong on Monday, 16 July 2007, being the next Business Day after the Closing Date.
3. The consideration payable for the Taifook Shares tendered for acceptance under the Share Offer and the Taifook Options tendered for cancellation under the Option Offer will be paid as soon as possible but in any event within 10 days of the date of the receipt of duly completed Form(s) of Acceptance by, in the case of the Share Offer, the Registrars from the accepting Independent Taifook Shareholders or, in the case of the Option Offer, the Company Secretary of Taifook from the accepting Independent Taifook Optionholders.

All references to time and dates contained in this document refer to Hong Kong local time and dates.



15 June 2007

32nd Floor, Standard Chartered Bank Building
4-4A Des Voeux Road, Central
Hong Kong

*To the Independent Taifook Shareholders
and the Independent Taifook Optionholders*

Dear Sir or Madam,

**Mandatory unconditional cash offers by
Standard Chartered Bank (Hong Kong) Limited
on behalf of
NWS Financial Management Services Limited
(a wholly-owned subsidiary of NWS Holdings Limited)
to acquire all the issued shares in and
to cancel all outstanding subscription options of
Taifook Securities Group Limited
(other than those shares and subscription options already owned by
or agreed to be acquired by
NWS Financial Management Services Limited
and parties acting in concert with it)**

The defined terms used in this letter have the same meaning as those set out in the section headed "Definitions" in the offer document issued by NWS Financial Management Services Limited to the Taifook Shareholders and the Taifook Optionholders dated 15 June 2007 ("Offer Document"), unless stated otherwise.

INTRODUCTION

On 26 April 2007, NWD, NWS and Taifook jointly announced that the Offeror had entered into the Share Purchase Agreement with the Vendors on 26 April 2007, pursuant to which the Vendors agreed to sell, and the Offeror agreed to purchase 246,986,763 Sale Shares, representing approximately 41.0% of the issued share capital of Taifook as at the date of the Share Purchase Agreement, for a Purchase Price of HK\$2.43 per Sale Share. Completion of the Share Purchase Agreement ("Completion") is conditional upon the fulfillment of the conditions as set out in the Announcement.

Completion took place on 8 June 2007 after the conditions referred to above had been fulfilled in full.

LETTER FROM STANDARD CHARTERED

The Offeror owned 129,628,340 Taifook Shares, representing approximately 21.5% of the issued share capital of Taifook, as at the date of the Share Purchase Agreement. Upon Completion, the Offeror and parties acting in concert with it owned in aggregate 376,615,103 Taifook Shares, representing approximately 61.3% of the issued share capital of Taifook as at the Latest Practicable Date.

Under Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory unconditional cash offer to acquire all the issued Taifook Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it. Under Rule 13 of the Takeovers Code, upon Completion, the Offeror is required to make a comparable offer for all outstanding Taifook Options not already owned or agreed to be acquired by the Offeror and parties acting in concert with it. The Offeror will offer to pay the Independent Taifook Optionholders in cash on the basis set out below in respect of every Taifook Option in consideration of the cancellation by such Independent Taifook Optionholders of all their rights in respect of such Taifook Options.

As at the Latest Practicable Date, Taifook had 614,489,699 Taifook Shares in issue and 3,660,000 outstanding Taifook Options entitling the Taifook Optionholders to subscribe for up to an aggregate of 3,660,000 Taifook Shares; of the 3,660,000 outstanding Taifook Options, 2,000,000 Taifook Options are exercisable at an exercise price of HK\$0.94 and 1,660,000 Taifook Options are exercisable at an exercise price of HK\$1.20 per Taifook Share.

Accordingly, apart from the 376,615,103 Taifook Shares which are currently owned by the Offeror,

- (i) 237,874,596 Taifook Shares (assuming the outstanding Taifook Options granted are not exercised prior to the close of the Offer) will be subject to the Share Offer, and 3,660,000 outstanding Taifook Options (if not exercised in the meantime) will be subject to the Option Offer; or
- (ii) 241,534,596 Taifook Shares (assuming the 3,660,000 outstanding Taifook Options have been fully exercised prior to the close of the Offer) will be subject to the Share Offer.

Save for the outstanding Taifook Options disclosed above, there were no outstanding warrants, options or securities convertible into Taifook Shares as at the Latest Practicable Date.

LETTER FROM STANDARD CHARTERED

THE OFFER

Standard Chartered, on behalf of the Offeror, hereby offers to acquire all the Taifook Shares (other than those owned or agreed to be acquired by the Offeror and parties acting in concert with it) and the Taifook Options (other than those owned or agreed to be acquired by the Offeror and parties acting in concert with it) upon the terms and subject to the conditions set out in the Offer Document and in the accompanying **WHITE** Form of Acceptance or, as the case may be, the **PINK** Form of Acceptance, on the following basis:

The Share Offer

For each Taifook ShareHK\$2.43 in cash

The Option Offer

For each Taifook Option having an exercise price
of HK\$0.94 per Taifook ShareHK\$1.49 in cash

For each Taifook Option having an exercise price
of HK\$1.20 per Taifook ShareHK\$1.23 in cash

The Offer will be financed by the NWS Group from banking facilities that are in place with Bank of Communications, Hong Kong Branch and Chong Hing Bank Limited. Standard Chartered, as the financial adviser to NWS (the holding company of the Offeror), is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Share Offer and the Option Offer. The payment of interest on or repayment of or security for the banking facilities will not depend on the business of the Taifook Group.

The Offeror does not intend to increase the Share Offer Price and/or the Option Offer prices as set out above.

The Offer is unconditional and is required to be open for acceptance for at least 28 days after despatch of the Offer Document. Your attention is drawn to the section headed “Expected Timetable” set out in the Offer Document. The Offeror does not intend to extend the deadline for acceptance of the Offer.

EFFECT OF ACCEPTING THE OFFER

By accepting the Share Offer, the Independent Taifook Shareholders will sell their Taifook Shares to the Offeror or its nominee free from all liens, claims and encumbrances and with all rights attached to them, including the rights to receive all dividends and distribution declared, made or paid on or after the date on which the Offer is made, i.e. the date of posting of the Offer Document. For the avoidance of doubt, the final dividend of HK\$0.07 for the year ended 31 December 2006 per Taifook Share, which was paid on 12 June 2007, shall not be counted as such dividends and distribution.

LETTER FROM STANDARD CHARTERED

By accepting the Option Offer, the Independent Taifook Optionholders will agree to a cancellation of their Taifook Options and all rights attached thereto with effect from the date on which the Option Offer is made. Because the holders of the Taifook Options are not entitled to any dividend until such time as the Taifook Options are exercised (by which time the holders of the resulting Taifook Shares may elect to accept the Share Offer), the Option Offer will not include the value of the final dividend of HK\$0.07 per Taifook Share.

Acceptance of the Offer shall be irrevocable and shall not be capable of being withdrawn, subject to the Takeovers Code.

STAMP DUTY

Seller's ad valorem stamp duty (rounded up to the nearest HK\$1.00) arising in connection with acceptance of the Share Offer amounting to 0.1% of the market value of the Taifook Shares or consideration payable by the Offeror in respect of the relevant acceptance, whichever is higher, will be deducted from the amount payable to the Independent Taifook Shareholders who accept the Share Offer. The Offeror will bear its own portion of buyer's ad valorem stamp duty and will be responsible to account to the Stamp Office of Hong Kong the stamp duty payable for the sale and purchase of the relevant Taifook Shares pursuant to the acceptances of the Offer.

COMPARISON OF VALUE

The Share Offer Price of HK\$2.43 per Taifook Share is the same as the Purchase Price paid by the Offeror to the Vendors under the Share Purchase Agreement. The Share Offer Price represents:

- a premium of approximately 13.6% over the closing price of HK\$2.14 per Taifook Share as quoted on the Main Board of the Stock Exchange on the Last Trading Day;
- a premium of approximately 20.3% over the average closing price of HK\$2.02 per Taifook Share as quoted on the Main Board of the Stock Exchange for the last 10 consecutive complete trading days up to and including the Last Trading Day;
- a premium of approximately 24.0% over the audited consolidated net asset value per Taifook Share of approximately HK\$1.96 based on Taifook's audited consolidated financial statements for the year ended 31 December 2006 and 603,139,699 Taifook Shares in issue as at the date of the Announcement;
- a discount of approximately 36.1% to the closing price of HK\$3.80 per Taifook Share as quoted on the Main Board of the Stock Exchange on the Latest Practicable Date; and
- a premium of approximately 26.6% over the audited consolidated net asset value attributable to the Taifook Shareholders of approximately HK\$1.92 per Taifook Share based on Taifook's audited consolidated financial statements for the year ended 31 December 2006 and 614,489,699 Taifook Shares in issue as at the Latest Practicable Date.

LETTER FROM STANDARD CHARTERED

The closing price of HK\$3.80 per Taifook Share as quoted on the Main Board of the Stock Exchange on the Latest Practicable Date represents a premium to the closing price of HK\$2.14 per Taifook Share as quoted on the Main Board of the Stock Exchange on the Last Trading Day.

OTHER ARRANGEMENTS IN RELATION TO THE OFFER

Save for the Acquisition as contemplated under the Share Purchase Agreement, there are no other arrangements (whether by way of option, indemnity or otherwise) in relation to the Taifook Shares or the Taifook Options which might be material to the Offer. Other than the Share Purchase Agreement, there are no agreements or arrangements to which the Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer. As at the Latest Practicable Date, there were no agreement, arrangement or understanding relating to the transfer, charge or pledge any of the Taifook Shares to be acquired under the Share Offer.

As at the Latest Practicable Date, none of the Offeror or parties acting in concert with it had received any irrevocable commitment to or not to accept the Offer if the Offer is to be made in accordance with the Takeovers Code.

TOTAL CONSIDERATION

As at the Latest Practicable Date, there were 614,489,699 Taifook Shares in issue. At the price of HK\$2.43 per Taifook Share, the entire issued share capital of Taifook is valued at approximately HK\$1,493.2 million under the Share Offer, and all of the Taifook Shares subject to the Share Offer are valued at approximately HK\$578.0 million.

Assuming that all the 3,660,000 outstanding Taifook Options are tendered at a price of HK\$1.49 for each Taifook Option having an exercise price of HK\$0.94 per Taifook Share and HK\$1.23 for each Taifook Option having an exercise price of HK\$1.20 per Taifook Share under the Option Offer, the consideration payable by the Offeror under the Option Offer is approximately HK\$5.0 million.

Assuming all the outstanding Taifook Options are exercised prior to the close of the Offer, the total number of Taifook Shares subject to the Share Offer would be 241,534,596 Taifook Shares, and the Share Offer would be valued at approximately HK\$586.9 million.

PAYMENT

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within 10 days of the date of receipt of a duly completed Form of Acceptance and the relevant documents of title by the Offeror or its agent.

REASONS FOR THE ACQUISITION AND THE OFFER

The Offeror considers that Taifook is a well-established brokerage firm in Hong Kong with an enviable reputation for providing fully integrated financial services. It has been very active in the equity underwriting business and has enjoyed strong financial performance during the past years. With a strong financial position, the NWD Group and the NWS Group are currently looking for potential investments that can enhance its long-term profitability with a balanced diversification strategy. In view of Taifook's satisfactory growth history, the acquisition of interests in Taifook aligns with the NWD Group and the NWS Group's investment strategy. It is expected that the NWD Group and the NWS Group's sustainable growth in the financial services business will be enhanced through the Acquisition and the Offer.

INFORMATION REGARDING THE OFFEROR, NWS AND NWD

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of NWS. The principal activity of the Offeror is investment holding.

NWS is a company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange. NWD is the holding company of NWS, holding approximately 55.83% of the issued share capital of NWS as at the Latest Practicable Date. The principal activities of the NWS Group include: (i) the investment in and/or operation of facilities, contracting and transport; and (ii) the development, investment, operation and/or management of power plants, water treatment and waste management plants, roads as well as container terminals.

NWD is a company incorporated in Hong Kong with limited liability, and its shares are listed on the Main Board of the Stock Exchange. The ultimate controlling shareholders of NWD are the family members of Dato' Dr. Cheng Yu Tung. The NWD Group is principally engaged in investments in the areas of property, infrastructure, services, department store operation, hotel operation and telecommunications and technology.

INTENTION OF THE OFFEROR REGARDING TAIFOOK

Although the NWD Group and the NWS Group propose to expand their operations to include the businesses of the Taifook Group by means of the Acquisition, NWD and NWS (both being holding companies of the Offeror) intend to retain the majority of the senior management and employees of the Taifook Group after the Acquisition. The Offeror believes that the experience and expertise of the existing senior management of the Taifook Group are the main drive to the continued success of the Taifook Group. By retaining the majority of the senior management and employees of the Taifook Group, the Offeror also believes that the flourishing overall operation and results of the Taifook Group can be maintained which in turn will be in the interests of the NWD Group and the NWS Group. The Offeror intends to continue the existing businesses of the Taifook Group and has no intention to make any major changes to the businesses of the Taifook Group, including the injection of any additional assets into or redeployment of the assets of the Taifook Group other than in its ordinary course of business.

BOARD COMPOSITION OF TAIFOOK

The Offeror will review the composition of the Board of Taifook and such composition may or may not be changed upon the close of the Offer. Any such change will only be effected in accordance with the Takeovers Code and the Listing Rules. In the event of any change in the composition of the Board of Taifook, the Offeror will procure Taifook to comply with the publication requirement under the Listing Rules to inform the public accordingly.

THE LISTING STATUS OF TAIFOOK

The Offeror intends that Taifook will remain listed on the Main Board of the Stock Exchange after the close of the Offer and does not intend to exercise any rights to compulsorily acquire all the Taifook Shares. The directors of the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the Taifook Shares.

TAXATION

Independent Taifook Shareholders and Independent Taifook Optionholders are recommended to consult their own professional advisers if they are in doubt as to the taxation implications of their acceptances of the Offer. It is emphasised that none of the Offeror, NWS, NWD, Taifook, Standard Chartered or any of their respective directors or any person involved in the Offer accepts responsibility for any tax effects on, or liabilities of, any person or persons as a result of their acceptance(s) of the Offer.

PROCEDURES FOR ACCEPTANCE OF THE OFFER

The Share Offer

To accept the Share Offer, you should complete the accompanying **WHITE** Form of Acceptance in accordance with the instructions printed on it. Such instructions form part of the terms and conditions of the Share Offer.

The completed **WHITE** Form(s) of Acceptance should be forwarded, together with the relevant share certificate(s), and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for not less than the number of Taifook Shares in respect of which you intend to accept the Share Offer, by post or by hand to the Registrars, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, in an envelope marked "**Taifook Share Offer**" as soon as practicable after receipt of the **WHITE** Form of Acceptance but in any event so as to reach the Registrars by the latest time for acceptance, being 4:00 p.m. on the Closing Date.

No acknowledgment of receipt of any **WHITE** Form of Acceptance, share certificate(s), transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

The Option Offer

To accept the Option Offer, you should complete the accompanying **PINK** Form of Acceptance in accordance with the instructions printed thereon. Such instructions form part of the terms and conditions of the Option Offer.

The completed **PINK** Form of Acceptance should be forwarded, together with the relevant document(s) of title for the Taifook Option(s), by post or by hand to the Company Secretary of Taifook, at the principal place of business of Taifook in Hong Kong at 25/F., New World Tower, 16-18 Queen's Road Central, Hong Kong in an envelope marked "**Taifook Option Offer**" as soon as practicable after receipt of the **PINK** Form of Acceptance but in any event so as to reach the Company Secretary of Taifook by the latest time for acceptance, being 4:00 p.m. on the Closing Date.

No acknowledgement of receipt of any **PINK** Form of Acceptance and/or the relevant document(s) of title for the Taifook Options will be given.

Your attention is drawn to Appendix I to the Offer Document and the Form(s) of Acceptance which set out further details regarding the procedures for acceptance.

SETTLEMENT OF THE OFFER

The Share Offer

Provided that the valid **WHITE** Form(s) of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are complete and in good order and have been received by the Registrars by the latest time for acceptance (being 4:00 p.m. on the Closing Date), a cheque for the amount due to each Independent Taifook Shareholder less seller's ad valorem stamp duty in respect of the Taifook Shares tendered by such person under the Share Offer will be despatched by ordinary post at his/her own risk as soon as possible but in any event within 10 days of the date on which all relevant documents are received by the Registrars to render such acceptance complete and valid.

The Option Offer

Provided that the valid **PINK** Form(s) of Acceptance and the relevant document(s) of title for the Taifook Options are complete and in good order and have been received by the Company Secretary of Taifook by the latest time for acceptance (being 4:00 p.m. on the Closing Date), a cheque for the amount due to each Independent Taifook Optionholder in respect of the Taifook Options surrendered by such person under the Option Offer will be despatched by ordinary post at his/her own risk as soon as possible but in any event within 10 days of the date on which all relevant documents are received by the Company Secretary of Taifook to render such acceptance complete and valid.

Settlement of the consideration to which any Independent Taifook Shareholder or Independent Taifook Optionholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Taifook Shareholder or Independent Taifook Optionholder, as the case may be.

LETTER FROM STANDARD CHARTERED

GENERAL

To ensure equality of the treatment of all Independent Taifook Shareholders, those registered Independent Taifook Shareholders who hold Taifook Shares as nominee for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Taifook Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Share Offer.

Your attention is drawn to the further terms of the Offer set out in Appendix I to the Offer Document and in the accompanying Form(s) of Acceptance. Independent Taifook Shareholders and Independent Taifook Optionholders with registered addresses outside Hong Kong should also note the paragraph headed “Overseas Taifook Shareholders” in Appendix I to the Offer Document.

All documents and remittances sent to the Independent Taifook Shareholders and the Independent Taifook Optionholders will be sent to them at their own risk by ordinary post. Such documents and remittances will be sent to the Independent Taifook Shareholders and Independent Taifook Optionholders at their respective addresses as they appear in the register of members of Taifook or, in the case of joint Independent Taifook Shareholders, to the Independent Taifook Shareholder whose name stands first in the register of members of Taifook. None of Taifook, the Offeror, NWS, NWD, Standard Chartered or any of their respective directors or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the Appendices to the Offer Document, all of which form part of the Offer Document.

Yours faithfully,
For and on behalf of
Standard Chartered Bank (Hong Kong) Limited
Mark Cheung
Managing Director
Corporate Finance & Advisory

1. FURTHER PROCEDURES FOR ACCEPTANCE OF THE OFFER**A. The Share Offer**

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Taifook Shares is/are in your name, and you wish to accept the Share Offer, you must send the duly completed **WHITE** Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for not less than the number of Taifook Shares in respect of which you intend to accept the Share Offer by post or by hand to the Registrars at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Taifook Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Share Offer in respect of your Taifook Shares, you must either:
- (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Taifook Shares with the nominee company, or other nominee, with instructions authorising it to accept the Share Offer on your behalf and requesting it to deliver the duly completed **WHITE** Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the Taifook Shares to the Registrars; or
- (ii) arrange for the Taifook Shares to be registered in your name by Taifook through the Registrars, and send the duly completed **WHITE** Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the Taifook Shares to the Registrars; or
- (iii) if your Taifook Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Share Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or

- (iv) if your Taifook Shares have been lodged with your Investor Participant's Account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/ or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Taifook Shares is/are not readily available and/or is/are lost and you wish to accept the Share Offer in respect of your Taifook Shares, the **WHITE** Form of Acceptance should nevertheless be completed and delivered to the Registrars together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for your Taifook Shares or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for your Taifook Shares should be forwarded to the Registrars as soon as possible thereafter. If you have lost your share certificate(s) for the Taifook Shares, you should also write to the Registrars for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrars.
- (d) If you have lodged transfer(s) of any of your Taifook Shares for registration in your name and have not yet received your share certificate(s) for such Taifook Shares, and you wish to accept the Share Offer in respect of your Taifook Shares, you should nevertheless complete the **WHITE** Form of Acceptance and deliver it to the Registrars together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to Standard Chartered and/or the Offeror or their respective agent(s) to collect from the Registrars on your behalf the relevant share certificate(s) for the Taifook Shares when issued and to deliver such certificate(s) to the Registrars as if it was/they were delivered to the Registrars with the **WHITE** Form of Acceptance.
- (e) Acceptance of the Share Offer will be treated as valid only if the completed **WHITE** Form of Acceptance is received by the Registrars no later than the latest time for acceptance, being 4:00 p.m. on the Closing Date and is:
- (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for not less than the number of Taifook Shares in respect of which you intend to accept the Share Offer and, if those share certificate(s) is/are not in your name, such other documents in order to establish your right to become the registered holder of the relevant Taifook Shares; or

- (ii) from a registered Independent Taifook Shareholder or his personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to Taifook Shares which are not taken into account under another sub-paragraph of this paragraph (e)); or
- (iii) certified by the Registrars or the Stock Exchange.

If the **WHITE** Form of Acceptance is executed by a person other than the registered Independent Taifook Shareholder, appropriate documentary evidence of authority to the satisfaction of the Registrars must be produced.

- (f) Seller's ad valorem stamp duty (rounded up to nearest HK\$1.00) for transfer of Taifook Shares registered on the Registrars arising in connection with acceptance of the Share Offer will be payable by each accepting Independent Taifook Shareholder at the rate of 0.1% of the greater of (i) the consideration payable by the Offeror in respect of the relevant acceptance; and (ii) the value of the Taifook Shares under the acceptance, and will be deducted from the cash amount due to such person under the Share Offer. The Offeror will arrange payment of the seller's ad valorem stamp duty on behalf of the accepting Independent Taifook Shareholders and will pay the buyer's ad valorem stamp duty in respect of Taifook Shares accepted under the Share Offer.
- (g) No acknowledgement of receipt of any **WHITE** Form of Acceptance, Taifook Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

B. The Option Offer

- (a) If you accept the Option Offer, you should complete the **PINK** Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms and conditions of the Option Offer.
- (b) The completed **PINK** Form of Acceptance should be forwarded, together with the relevant document(s) of title for the Taifook Option(s), by post or by hand to the Company Secretary of Taifook at the principal place of business of Taifook in Hong Kong at 25th Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong as soon as possible and in any event so as to reach the Company Secretary of Taifook at the aforesaid address no later than the latest time for acceptance, being 4:00 p.m. on the Closing Date.
- (c) No stamp duty will be deducted from the amount paid to the Taifook Optionholders who accept the Option Offer.
- (d) No acknowledgement of receipt of any **PINK** Form of Acceptance and/or the relevant document(s) of title for the Taifook Option(s) will be given.

2. ACCEPTANCE PERIOD AND REVISIONS

- (a) All acceptances must be received by the latest time for acceptance, being 4:00 p.m. on the Closing Date in accordance with the instructions printed on the relevant Form(s) of Acceptance and the Offer will be closed on the Closing Date.
- (b) The Offeror does not intend to revise the Offer or to extend the latest time for acceptance of the Offer.

3. ANNOUNCEMENTS

- (a) By 6:00 p.m. on the Closing Date (or such later time as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer. Such announcement must be published in accordance with the requirements set out in item (c) below on the next Business Day.

The announcement must state the following:

- (i) the total number of Taifook Shares for which acceptances of the Share Offer have been received;
- (ii) the total number of Taifook Shares held, controlled or directed by the Offeror and its Concert Parties before the Offer Period;
- (iii) the total number of Taifook Shares acquired or agreed to be acquired by the Offeror and its Concert Parties during the Offer Period;
- (iv) the total number of Taifook Options for which acceptances of the Option Offer have been received;
- (v) the total number of Taifook Options held by the Offeror and its Concert Parties before the Offer Period; and
- (vi) the total number of Taifook Options acquired or agreed to be acquired by the Offeror and its Concert Parties during the Offer Period.

The announcement must specify the percentages of the issued share capital of Taifook and the percentages of voting rights of Taifook represented by these numbers of Taifook Shares and Taifook Options.

- (b) In computing the total number of Taifook Shares and Taifook Options represented by acceptances, only valid acceptances that are complete and in good order and which have been received by the Registrars (as regards the Share Offer) or the Company Secretary of Taifook (as regards the Option Offer) no later than the latest time for acceptance, being 4:00 p.m. on the Closing Date shall be included.
- (c) As required under the Takeovers Code and the Listing Rules, any announcement in relation to the Offer, in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments thereon, must be published as a paid announcement in at least one leading English language newspaper and one leading Chinese newspaper, being in each case a newspaper which is published daily and circulated generally in Hong Kong.

4. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Taifook Shareholders and the Independent Taifook Optionholders, as the case may be, shall be irrevocable and cannot be withdrawn, except in the circumstances set out in (b) below or in compliance with Rule 17 of the Takeovers Code which provides that an acceptor shall be entitled to withdraw his acceptance after 21 days from the Closing Date, if the Offer has not by then become unconditional as to acceptances. Since the Offer is unconditional, acceptances by the Independent Taifook Shareholders and the Independent Taifook Optionholders under the Offer shall be irrevocable and cannot be withdrawn except in circumstances set out in (b) below.
- (b) If the Offeror is unable to comply with the requirements set out in the paragraph headed “Announcements” in this Appendix, the Executive may require that the Independent Taifook Shareholders and the Independent Taifook Optionholders who have tendered acceptances to the Offer, as the case may be, be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

If the Offer is withdrawn with the consent of the Executive in accordance with the Takeovers Code, the Offeror shall, as soon as possible but in any event within 10 days thereof, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of Taifook Shares lodged with the **WHITE** Form of Acceptance to the relevant Independent Taifook Shareholder(s) or the relevant document(s) of title for the Taifook Option(s) lodged with the **PINK** Form of Acceptance to the relevant Independent Taifook Optionholder(s).

5. SETTLEMENT OF THE OFFER

(a) The Share Offer

Provided that a valid **WHITE** Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the Taifook Shares are completed and in good order and have been received by the Registrars no later than the latest time for acceptance, a cheque for the amount due to each of the Independent Taifook Shareholders less seller's ad valorem stamp duty in respect of the Taifook Shares tendered by him/her/it under the Share Offer will be despatched to such Independent Taifook Shareholders by ordinary post at his/her/its own risk as soon as possible but in any event within 10 days of the date on which all the relevant documents are received by the Registrars to render such acceptance complete and valid.

(b) The Option Offer

Provided that a valid **PINK** Form of Acceptance and the relevant document(s) of title for the Taifook Option(s) are complete and in good order and have been received by the Company Secretary of Taifook no later than the latest time for acceptance, a cheque for the amount due to each of the Independent Taifook Optionholders in respect of the Taifook Options surrendered by him/her under the Option Offer will be despatched to such Independent Taifook Optionholders by ordinary post at his/her own risk as soon as possible but in any event within 10 days of the date on which all the relevant documents are received by the Company Secretary of Taifook to render such acceptance complete and valid.

The settlement of the consideration to which any Independent Taifook Shareholder(s) or Independent Taifook Optionholder(s) is/are entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Taifook Shareholder(s) or Independent Taifook Optionholder(s).

6. OVERSEAS TAIFOOK SHAREHOLDERS

The making of the Share Offer to Overseas Taifook Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Taifook Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Taifook Shareholder wishing to accept the Share Offer to satisfy himself or herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities or legal requirements. Any such Overseas Taifook Shareholder will be responsible for any such issue,

transfer or other taxes payable by him/her/it. Acceptances of the Share Offer by any such person will constitute a warranty by such person that such person is permitted under all applicable laws to receive and accept the Share Offer and such acceptance shall be valid and binding in accordance with all applicable laws.

7. GENERAL

- (a) All communications, notices, Form(s) of Acceptance, certificate(s) of Taifook Share(s) or relevant document(s) of title for the Taifook Option(s), transfer receipt(s), other documents of title or indemnity and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Taifook Shareholders and the Independent Taifook Optionholders will be delivered by or sent to or from them, or their designated agents, at their own risk, and none of Taifook, the Offeror and its Concert Parties and Standard Chartered nor any of their respective directors or other parties involved in the Offer or any of their respective agents accepts any liability for any loss in postage or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form(s) of Acceptance form part of the terms of the Offer.
- (c) The accidental omission to despatch this document and/or Form(s) of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.
- (e) Due execution of the Form(s) of Acceptance will constitute an authority to any of the Offeror or such person or persons as the Offeror may direct to complete and execute any document on behalf of the person accepting the Offer and to do any other act that may be necessary or expedient for the purpose of vesting in the Offeror, or such person or persons as it may direct, the Taifook Shares and the Taifook Options (as the case may be) in respect of which such person has accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror and Taifook:
 - (i) that the Taifook Shares and the Taifook Options acquired under the Offer are sold by any such person or persons free from all liens, charges, options, claims, equities, adverse interests, third party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto as at the date on which the Offer is made, i.e. the date of posting of this document or subsequently becoming attached to them, including, without limitation, in the case of the

Taifook Shares, the rights to receive all future dividends or other distributions declared, paid or made, if any, on or after the date on which the Offer is made, i.e. the date of posting of this document, and for the avoidance of doubt, excluding the right to the final dividend of HK\$0.07 per Taifook Share for the year ended 31 December 2006 paid to holders of Taifook Shares whose names appeared on the register of members of Taifook on 5 June 2007;

- (ii) that if such accepting Independent Taifook Shareholder is an Overseas Taifook Shareholder, he, she or it has observed the laws of all relevant territories, obtained any requisite governmental, exchange control or other consents, complied with all requisite formalities or legal requirements and paid any issue, transfer or other taxes or other required payments due from him, her or it in connection with such acceptance in any territory, that he, she or it has not taken or omitted to take any action which will or may result in the Offeror and its Concert Parties, Taifook or Standard Chartered or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the Share Offer or his, her, its acceptance thereof, and is permitted under all applicable laws to receive and accept the Share Offer and that such acceptance is valid and binding in accordance with all applicable laws; and
 - (iii) that such Independent Taifook Optionholders will surrender to Taifook all of their existing rights, if any, in respect of their outstanding Taifook Options, following which such Taifook Options will be cancelled and extinguished.
- (g) Acceptance of the Share Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Taifook Shares in respect of which it is indicated in the **WHITE** Form of Acceptance is the aggregate number of Taifook Shares held by such nominee for such beneficial owners who are accepting the Share Offer.
- (h) The English text of this document and the Form(s) of Acceptance shall prevail over the Chinese text for the purpose of interpretation.

1. RESPONSIBILITY STATEMENT

The information contained in this document have been supplied by the directors of the Offeror and the directors of NWS, who collectively and individually accept full responsibility for the accuracy of the information contained in this document, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this document have been arrived at after due and careful consideration and there are no other facts not contained in this document the omission of which would make any statement contained herein misleading.

2. MARKET PRICES

The table below shows the closing price of the Taifook Shares on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the period commencing six months preceding 26 April 2007, being the date of the Announcement, and ending on the Latest Practicable Date; (ii) 20 April 2007, being the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per Taifook Share (HK\$)
31 October 2006	1.31
30 November 2006	1.53
29 December 2006	1.66
31 January 2007	1.92
28 February 2007	1.83
30 March 2007	1.88
20 April 2007, being the Last Trading Day	2.14
30 April 2007	2.48
31 May 2007	3.88
Latest Practicable Date	3.80

The highest and lowest closing prices per Taifook Share recorded on the Stock Exchange during the Relevant Period were HK\$3.93 on 1 June 2007 and HK\$1.31 on 31 October 2006.

3. DISCLOSURE OF INTERESTS

(A) Interests of the Offeror and its Concert Parties in Taifook

The following are details of the interests in Taifook (including Taifook Shares or options, warrants, derivatives or securities convertible into Taifook Shares) owned or controlled by the Offeror and its Concert Parties as at the Latest Practicable Date:

The Offeror

As at the Latest Practicable Date, the Offeror owned 376,615,103 Taifook Shares, representing approximately 61.3% of the issued share capital of Taifook.

Concert Parties of the Offeror

As at the Latest Practicable Date, none of Mr. Chan Kam Ling, Mr. Wong Kwok Kin, Andrew and Mr. Lam Wai Hon, Partick, each being a director of the Offeror, owned any Taifook Shares.

As at the Latest Practicable Date, Cheng Yu Tung Family (Holdings) Limited held 51% interests in Centennial Success Limited, which in turn held the entire issued share capital of CTF Enterprises. CTF Enterprises held approximately 36.53% interests in NWD, which in turn held approximately 55.83% of the issued share capital of NWS. NWS, through its wholly-owned subsidiary NWS Service Management Limited (incorporated in the Cayman Islands), held the entire issued share capital of NWS Service Management Limited (incorporated in the British Virgin Islands), which in turn held the entire issued share capital of the Offeror. The Offeror owned 376,615,103 Taifook Shares, representing approximately 61.3% of the issued share capital of Taifook as at the Latest Practicable Date.

Save as disclosed above, none of the Offeror, its directors and its Concert Parties owned or controlled any Taifook Shares, or any options, warrants, derivatives or securities convertible into Taifook Shares as at the Latest Practicable Date.

(B) Dealings in securities of Taifook

Other than pursuant to the Share Purchase Agreement, none of the Offeror, its directors and its Concert Parties had dealt in any Taifook Shares or any options, warrants, derivatives or securities convertible into Taifook Shares (including the Taifook Options) during the Relevant Period.

(C) Miscellaneous

- (a) As at the Latest Practicable Date, there was no agreement, arrangement or understanding (including any compensation arrangement) between any member of the Offeror or its Concert Parties and any of the directors of Taifook, recent directors of Taifook, Taifook Shareholders or recent Taifook Shareholders or any other person which are conditional upon the outcome of the Offer or otherwise connected with or depend upon the Offer.
- (b) As at the Latest Practicable Date, no benefit had been given or would be given to any directors of Taifook as compensation for loss of office or otherwise in connection with the Offer.
- (c) As at the Latest Practicable Date, there was no shareholding in Taifook owned or controlled by any persons who, prior to the posting of this document, had irrevocably committed themselves to accept or reject the Offer and there was no person who had irrevocably committed to accepting or rejecting the Offer.
- (d) As at the Latest Practicable Date, there was no shareholding in Taifook owned or controlled by a person with whom the Offeror or any of its Concert Parties had an arrangement or indemnity of the kind as described in Note 8 to Rule 22 of the Takeovers Code and no such arrangement or indemnity existed.
- (e) As at the Latest Practicable Date, there were no agreements or arrangements to which the Offeror was a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition to the Offer.

4. GENERAL

- (a) The registered office of the Offeror is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands and its correspondence address in Hong Kong is 28th Floor, New World Tower, 18 Queen's Road Central, Hong Kong.
- (b) The registered address of Standard Chartered Bank (Hong Kong) Limited is at 32nd Floor, Standard Chartered Bank Building, 4-4A Des Voeux Road, Central, Hong Kong.
- (c) The registered address of NWS is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is 28th Floor, New World Tower, 18 Queen's Road Central, Hong Kong.
- (d) The registered address of NWD is 30th Floor, New World Tower, 18 Queen's Road Central, Hong Kong.

- (e) The registered address of CTF Enterprises is 31st Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong.
- (f) The registered address of Cheng Yu Tung Family (Holdings) Limited is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands and its correspondence address in Hong Kong is 31st Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong.
- (g) As at the Latest Practicable Date, the directors of the Offeror were Mr. Chan Kam Ling, Mr. Wong Kwok Kin, Andrew and Mr. Lam Wai Hon, Patrick and the ultimate controlling shareholders of the Offeror are the family members of Dato' Dr. Cheng Yu Tung.
- (h) As at the Latest Practicable Date, the board of directors of NWS comprised (a) eight executive directors, namely Dr. Cheng Kar Shun, Henry, Mr. Doo Wai Hoi, William, Mr. Chan Kam Ling, Mr. Tsang Yam Pui, Mr. Wong Kwok Kin, Andrew, Mr. Lam Wai Hon, Patrick, Mr. Cheung Chin Cheung and Mr. William Junior Guilherme Doo; (b) three non-executive directors, namely Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun Wah, David), Mr. To Hin Tsun, Gerald and Mr. Dominic Lai; and (c) three independent non-executive directors, namely Mr. Kwong Che Keung, Gordon, Mr. Cheng Wai Chee, Christopher and The Honourable Shek Lai Him, Abraham.
- (i) As at the Latest Practicable Date, the board of directors of NWD comprised (a) six executive directors, namely Dato' Dr. Cheng Yu Tung, Dr. Cheng Kar Shun, Henry, Dr. Sin Wai Kin, David, Mr. Liang Chong Hou, David, Mr. Leung Chi Kin, Stewart and Mr. Cheng Chi Kong, Adrian; (b) five non-executive directors, namely Mr. Cheng Yue Pui, Mr. Cheng Kar Shing, Peter, Mr. Chow Kwai Cheung, Mr. Ho Hau Hay, Hamilton and Mr. Liang Cheung Biu, Thomas; and (c) four independent non-executive directors, namely Lord Sandberg, Michael, Mr. Yeung Ping Leung, Howard, Dr. Cha Mou Sing, Payson (alternate director to Dr. Cha Mou Sing, Payson: Mr. Cha Mou Zing, Victor) and Mr. Lee Luen Wai, John.
- (j) The English text of this document, and of the Forms of Acceptance, shall prevail over the Chinese text for the purpose of interpretation.

5. CONSENT AND QUALIFICATION

The following is the qualification of the expert whose letter is contained in this document:

Name	Qualification
Standard Chartered	a registered institution with the SFC to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and the financial adviser to NWS (being the holding company of the Offeror)

Standard Chartered has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its letter and the reference to its name, in the form and context in which they respectively appear.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection (i) during normal business hours from 9:30 a.m. to 5:00 p.m. (other than Saturdays, Sundays and public holidays) at the principal place of business in Hong Kong of Taifook at 25th Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong; (ii) on the website of Taifook (www.taifook.com); and (iii) on the website of the SFC (www.sfc.hk), from the date of this document until the end of the Offer Period:

- (a) the memorandum and articles of association of the Offeror;
- (b) the "Letter from Standard Chartered" containing details of the Offer as set out on pages 7 to 15 of this document; and
- (c) the letter of consent from Standard Chartered referred to in the paragraph headed "Consent and qualification" in this Appendix.