

2005 FINAL SCRIP DIVIDEND SCHEME

The scrip entitlements under the 2005 Final Scrip Dividend Scheme would be calculated by reference to the average of the closing prices on The Stock Exchange of Hong Kong Limited of the existing shares of the Company from 1 June 2006 to 7 June 2006 (both days inclusive) which was HK\$0.624.

In our circular to shareholders of New Heritage Holdings Ltd. (the "Company") dated 30 May 2006, it was announced that the Directors had declared a final dividend for the year ended 31 December 2005 in cash at HK1.8 cents per share; and that any shareholder entitled to receive such dividend would be given the option to elect to receive new, fully paid ordinary shares in lieu of cash. The scrip entitlements would be calculated by reference to the average of the closing prices on The Stock Exchange of Hong Kong Limited of the existing shares of the Company from 1 June 2006 to 7 June 2006 (both days inclusive) which was HK\$0.624. Accordingly, the number of new shares which shareholders will receive in respect of their existing shares for which forms containing an election to receive shares in lieu of cash will have been lodged with the branch share registrar of the Company in Hong Kong by 4:00 p.m. on 19 June 2006 will be calculated as follows:

$$\begin{array}{rcl} \text{Number of new shares} & = & \text{Number of shares} \times \frac{0.018}{0.624} \\ \text{to be received} & & \text{elected for scrip} \end{array}$$

The number of new shares to be received will be rounded down to the nearest whole number of new shares. Fractional entitlements to new shares will be disregarded and the benefit thereof will accrue to the Company. The new shares will, on issue, not be entitled to the final dividend in respect of the financial year ended 31 December 2005, but will rank *pari passu* in all other respects with the existing shares of the Company.

Certificates for the new shares and dividend warrants in respect of the final dividend will be despatched to shareholders by ordinary mail at their own risk on or about 5 July 2006.

For and on behalf of
New Heritage Holdings Ltd.
TAO Richard
Vice Chairman

Hong Kong, 7 June 2006

As at the date of this announcement, the board of directors of the Company comprises Mr. TAOCHAIFU Choofuang (Chairman), Mr. TAO Richard (Vice Chairman), Mr. TAO Paul (Managing Director), Mr. KONG Mui Sum Lawrence and Mr. YIM Chun Leung as Executive Directors; The Hon. CHAN Bernard Charnwut as Non-executive Director; and Mr. WONG Gary Ka Wai, Mr. SUN Leland Li Hsun and Mr. CHAN Norman Enrique as Independent Non-executive Directors.