

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of Grand Field Group Holdings Limited (the “Company”) will be held at Hotel Miramar Hong Kong, Miramar Function Room 1, Basement 2, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 24 June, 2004 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statement and the reports of the directors and auditors for the year ended 31 December, 2003;
2. To re-elect directors and to authorize the board of directors to fix their remuneration;
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration; and
4. As special business and if thought fit, passing with or without amendments, the following resolutions as Ordinary Resolutions:

### ORDINARY RESOLUTIONS

(A) **“THAT**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (1) a Rights Issue, and (2) the exercise of any option granted under the share option scheme of the Company, if any, to subscribe for shares, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“Relevant period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company; or
- (ii) the expiration of the period which the next Annual General Meeting of the Company is required by the Company’s bye-laws or any applicable law of Bermuda to be held; or

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- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or of the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

(B) **“THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined in Resolution 4(A)(d) set out in the Notice of this Meeting) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited or on any other exchange on which the Shares may be listed and which is recognized by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited (the “Recognised Stock Exchange”) subject to and in accordance with all applicable laws, and in accordance with the provisions of, and in the manner specified in, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the rules of any other Recognised Stock Exchange, be and is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of the Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly.”

- (C) **“THAT** subject to the passing of Resolution 4(A) and 4(B) set out in the Notice of this Meeting, the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to and in accordance with the approval given in Resolution 4(A) set out in the Notice of this Meeting be and is hereby increased and extended by the addition of the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to and in accordance with the approval given in Resolution 4(B) set out in the Notice of this Meeting provided that such amount shall not exceed the aggregate nominal amount of the Shares repurchased pursuant to the said Resolution 4(B) and the said approval shall be limited accordingly.”

5. As a special business, to consider and, if thought fit, pass the following resolutions as a special resolution:

### **SPECIAL RESOLUTION**

**“THAT** the existing Bye-Laws of the Company be and are hereby amended as follows:

- (I) amending the definition of “associates”, “Clearing House” and “Statutes” under Bye-Law 1(A) to the following new definitions:

“associates”, in relation to any Director, shall have the meaning attributed to it from time to time in the Listing Rules;

“Clearing House” shall mean a company recognised as a clearing house under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

“Statutes” shall mean the Companies Act, the Electronic Transactions Act 1999 of Bermuda, and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;

- (II) adding the following new definitions to Bye-Law 1(A):

“address” shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-Laws;

“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;

“Listing Rules” shall mean such rules, regulations or codes of the relevant stock exchange in the Relevant Territory;

- (III) re-numbering existing Bye-Law 69 as Bye-Law 69(A) and inserting the following as new Bye-Law 69(B):

69(B) Where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

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- (IV) deleting Bye-Laws 110(H), 110(I), 110(J) and 110(K) and substituting therefor the following new Bye-Laws 110(H), 110(I), 110(J) and 110(K):

110(H) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or other proposal in which he or any of his associates is to his knowledge materially interested, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters, namely:

- (i) any contract or arrangement for the giving by the Company of any security or indemnity either:
  - (A) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
  - (B) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility or guaranteed or secured in whole or in part whether alone or jointly;
- (ii) any proposal concerning an offer of the shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any contract or arrangement by the Director or his associate(s) to subscribe for shares or debentures or other securities of the Company to be issued pursuant to any offer or invitation to the shareholders or debenture or securities holders of the Company or to the public which does not provide the Director any privilege not accorded to any other shareholders or debenture or securities holders of the Company or to the public;
- (iv) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or a shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company provided that the Director and any of his associates are not in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of the equity share capital of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;

- (v) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including:
    - (A) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
    - (B) the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to whom such scheme or fund relates;
  - (vi) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; and
  - (vii) any contract, agreement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of any Director, his associate(s), officer or employee pursuant to the Bye-Laws.
- 110(I) A company shall be deemed to be a company in which a Director and his associate(s) in aggregate own 5 per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company, if and so long as (but only if and so long as) he and his associate(s) (either directly or indirectly) are the holders of or beneficially interested in 5 per cent. or more of any class of the equity share capital of such company (or of any third company through which his/their interest is derived) or of the voting rights of any class of shares available to shareholders of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or any of his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or any of his associate(s) is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or any of his associate(s) is interested only as a unit holder and any shares which carry no voting rights at general meetings and no or very restrictive dividend and return of capital rights.
- 110(J) Where a company in which a Director and any of his associate(s) in aggregate own 5 per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.

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- 110(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman) or his associate(s) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman as known to him has not been fairly disclosed to the Board.
- 110(L) inserting the words “or his associate(s) is/are” after the words “arrangement or transaction notwithstanding that he” in Bye-law 110(L).
- (V) deleting the words “at least seven clear days before the date of the general meeting” in the last sentence of Bye-Law 116 and replacing therewith the following proviso:
- “and that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”
- (VI) deleting the existing Bye-Law 183 and substituting therefor the following new Bye-Law 183:
- 183(A) Except where otherwise expressly stated, any notice to be given to or by any person pursuant to these Bye-Laws shall be in writing or, to the extent permitted by the Statutes and any applicable rules prescribed by The Stock Exchange of Hong Kong Limited from time to time and subject to this Bye-Law, contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing.
- (B) A notice of document (including a share certificate) may be served on or delivered to any member of the Company either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the register or by leaving it at that address addressed to the member or by any other means authorised in writing by the member concerned or by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in Hong Kong. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall

be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by The Stock Exchange of Hong Kong Limited from time to time, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a computer network and notifying the member concerned, in such manner as he may from time to time authorise, that it has been so published.

- (C) Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these Bye-Laws, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.
  - (D) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Company's head office or registered office.
  - (E) The Directors may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Directors.
- (VII) deleting the existing Bye-Law 185 and substituting therefor the following new Bye-Law 185:
- 185 Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but left by the Company at a registered address shall be deemed to have been served or delivered on the day it was so left. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the member concerned shall be deemed to have been served when the Company has carried out the action it has been

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authorised to take for that purpose. Any notice or other document published by way of advertisement or on a computer network shall be deemed to have been served or delivered on the day it was so published."

By Order of the Board  
**Steve Au-Yeung**  
*Company Secretary*

Hong Kong, 19 April, 2004

*Notes:*

- (1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote for him. A member who is the holder of two or more shares may appoint more than one proxy. A proxy need not be a member of the Company.
- (2) To be valid, the instrument appointing a proxy and the power of attorney, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the principal office of the Company in Hong Kong at Room 1201, Righteous Centre, 585 Nathan Road, Kowloon, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- (3) In relation to resolution numbered 5 set out in the Notice, the board of directors consider that amendments to the Company's Bye-Laws should be made (a) to align the Bye-Laws with the provisions of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) which came into effect on 1 April, 2003; and (b) in line with the revisions to the Listing Rules on various corporate governance issues which have become effective on 31 March, 2004.