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If you are in any doubt about any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in Grand Field Group Holdings Limited, you should at once hand this circular with the enclosed form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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鈞濠集團有限公司*

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES,
TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Crystal Room 2, Level B3, Holiday Inn Golden Mile, 50 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 21 June 2016, Tuesday at 10:30 a.m. or any adjournment thereof is set out on pages 29 to 34 of this circular. Whether or not you are able to attend the meeting, you are advised to read the notice and complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, being not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

Hong Kong, 29 April 2016

* For identification purpose only

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I – PARTICULARS OF RETIRING DIRECTORS STANDING FOR RE-ELECTION	11
APPENDIX II – EXPLANATORY STATEMENT	14
APPENDIX III – SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME	18
NOTICE OF ANNUAL GENERAL MEETING	29

DEFINITIONS

In this circular (including the Appendices), unless the context otherwise requires, the following expressions have the following meanings:

“Adoption Date”	the date on which the New Share Option Scheme is conditionally adopted by an ordinary resolution of the Shareholders in the AGM
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Crystal Room 2, Level B3, Holiday Inn Golden Mile, 50 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 21 June 2016, Tuesday at 10:30 a.m. or any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as amended from time to time
“Close Associates”	as defined in the Listing Rules
“Company”	Grand Field Group Holdings Limited, a company incorporated in Bermuda with limited liability whose Shares are listed on the Main Board of The Stock Exchange
“Core Connected Person(s)”	as defined in the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Person(s)”	person(s) who or which is/are eligible to participate as grantee(s) in and receive Options under the New Share Option Scheme, as set out in the paragraph headed “(C) Who may join” in Appendix III to this circular
“Employee(s)”	any employee or proposed employee (whether full time or part time) of any member of the Group or any Invested Entity, including any executive director of any member of the Group or any Invested Entity

DEFINITIONS

“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 23 June 2006
“Grantee”	any Eligible Person who accepts the offer of the grant of any Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) any person who is entitled to any such Option in consequence of the death of the original Grantee (if he or she is an individual)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Invested Entity(ies)”	an entity/entities in which the Group holds any equity interest
“Latest Practicable Date”	25 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange
“New Issue Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the resolution granting such mandate
“New Share Option Scheme”	the new share option scheme of the Company proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular
“Notice of AGM” or “Notice of Annual General Meeting”	the notice convening the Annual General Meeting as set out on pages 29 to 34 of this circular

DEFINITIONS

“Offer”	the offer of a grant of Option made in accordance with the New Share Option Scheme
“Options”	the option(s) granted or to be granted under the New Share Option Scheme to subscribe for Shares in accordance with the terms thereof
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise all the powers of the Company to purchase Shares up to 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the resolution granting such mandate
“Scheme Mandate Limit”	the maximum number of Shares that may be issued upon exercise of all options to be granted under the Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	represents ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



鈞濠集團有限公司*

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

Executive Directors:

Mr. Ma Xuemian (*Chairman*)

Mr. Kwok Siu Bun

Ms. Chow Kwai Wa, Anne

Ms. Kwok Siu Wa, Alison

Non-Executive Director

Ms. Tsang Tsz Tung, Debbie

Independent Non-executive Directors:

Mr. Hui Pui Wai, Kimber

Mr. Liu Chaodong

Ms. Chui Wai Hung

Head Office and Principal

Place of Business:

Unit 1004B, 10/F,
Tower 5, China Hong Kong City,
33 Canton Road, Tsim Sha Tsui,
Kowloon, Hong Kong

Registered Office in Bermuda:

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

29 April 2016

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES,
TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting, which include the resolutions relating to (i) re-election of the retiring Directors; (ii) grant of general mandates for the issue of new Shares and for repurchasing Shares; and (iii) termination of Existing Share Option Scheme and adoption of New Share Option Scheme.

* *For identification purpose only*

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-law 111 of the Bye-laws, Mr. Ma Xuemian, Mr. Liu Chaodong and Ms. Chui Wai Hung will retire at the Annual General Meeting and, being eligible for re-election, will each offer themselves for re-election at the Annual General Meeting.

The biographical and other details of the said Directors as required to be disclosed under the Listing Rules are set out in Appendix I to this circular.

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

General mandate for repurchase by the Company of its Shares

Pursuant to an ordinary resolution passed on 30 June 2015, a general and unconditional mandate was given by the Shareholders to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the resolution. Such general mandate will lapse at the conclusion of the AGM.

Your attention is drawn to an ordinary resolution set out in the Notice of the AGM which is contained on pages 29 to 34 of this circular. Such ordinary resolution proposes to give a general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase, at any time until the conclusion of the next annual general meeting of the Company following the passing of the relevant resolution or such earlier period as stated therein, up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing that ordinary resolution.

An explanatory statement containing the information in relation to the Repurchase Mandate in accordance with the Listing Rules is set out in Appendix II hereto.

General mandate to issue new Shares

The general mandate which was given by the Shareholders to the Directors to allot, issue and deal with up to 185,378,479 Shares, representing approximately 20% of the issued share capital of the Company at the annual general meeting of the Company held on 30 June 2015 will lapse at the conclusion of the AGM.

LETTER FROM THE BOARD

As at the Latest Practicable Date, a total of 183,351,192 Shares were issued under the general mandate, among which 16,024,830 Shares were issued and allotted for settlement of outstanding professional fees incurred, 108,646,362 Shares were issued and allotted for outstanding loan settlement, and 58,680,000 Shares were issued and allotted to independent subscribers.

At the AGM, ordinary resolutions will be proposed to grant to the Directors a general and unconditional mandate (i) to allot, issue and otherwise deal with new Shares not exceeding in aggregate 20% of the issued share capital of the Company as at the date of passing of such ordinary resolution; and (ii) to add to it the aggregate nominal amount of the Shares repurchased by the Company under the Repurchase Mandate to the New Issue Mandate.

Reason for obtaining the New Issue Mandate

The Group will continue to explore potential business opportunities to deliver long term benefits to the Shareholders. In view of that the principal business of the Group, property development, requires relatively large investment amount for land tendering, land acquisition, construction and development of land, etc., the Directors believe that granting of the general mandate to issue new shares will provide the Group with flexibility to issue securities for cash or as consideration for acquisition of assets or projects development as and when the Directors think fit and appropriate. The Board thinks that the proposed granting of the general mandate to issue new shares is in the interests of the Company and the Shareholders as a whole. The Company has no current intention or plan to utilise the New Issue Mandate.

The Company, apart from focusing on its principal business, has also been in the process of identifying suitable potential projects with an aim to broaden the Group's income source. As at the Latest Practicable Date, no suitable potential project has been identified and that no any memorandum of understanding or any agreement has been entered yet. The Company will comply with the publication requirement of the Listing Rules when any suitable potential project identified.

Save as the mentioned above, the Directors have no present intention to exercise the Repurchase Mandate or the New Issue Mandate (if granted to the Directors at the AGM).

As at the Latest Practicable Date, the total issued share capital of the Company was 957,068,327 Shares. On the assumption that the total issued share capital of the Company on the AGM remains unchanged as on the Latest Practicable Date, the number of Shares issuable pursuant to the New Issue Mandate on the date of passing the resolution will be 191,413,665, representing 20% of the Company's issued capital as at the date of the AGM.

Both the Repurchase Mandate and the New Issue Mandate will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;

LETTER FROM THE BOARD

- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; or
- (c) the revocation or variation of such authority by an ordinary resolution of the Shareholders in general meeting.

In addition, a separate ordinary resolution will also be proposed at the AGM to add to the New Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option Scheme, with a term of 10 years, will expire on 23 June 2016. In view that the Existing Share Option Scheme is to expire soon, an ordinary resolution will be proposed at the AGM to terminate the Existing Share Option Scheme and to approve and adopt the New Share Option Scheme and to give the Directors the power to implement and administer the New Share Option Scheme with effect from the Adoption Date.

Following the termination of the Existing Share Option Scheme, no further options will be granted under such scheme, but in all other respects the provisions of the Existing Share Option Scheme will remain in full force and effect and options granted prior to such termination will continue to be valid and exercisable in accordance with the rules of the Existing Share Option Scheme.

As at the Latest Practicable Date, there were in total 42,512,666 Options outstanding under the Existing Share Option Scheme and the Company had no other share option scheme.

Reason for adopting the New Share Option Scheme

The purpose of the New Share Option Scheme is to enable the Company to grant Options to attract, retain and reward the Eligible Persons and to provide the Eligible Persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

As at the Latest Practicable Date, there were 957,068,327 Shares in issue. Assuming that there is no change in the issued share capital of the Company during the period from the Latest Practicable Date to the date of AGM, the maximum number of Shares that may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Company (if any) will be 95,706,832 Shares, being 10% of the total number of Shares in issue.

LETTER FROM THE BOARD

As at the Latest Practicable Date, no Options had been agreed to be granted under the New Share Option Scheme.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution approving the adoption of the New Share Option Scheme to be proposed at the Annual General Meeting.

Conditions

The New Share Option Scheme is conditional upon the following:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to terminate the Existing Share Option Scheme and to approve and adopt the New Share Option Scheme and authorize the Board to grant Options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options granted under the New Share Option Scheme; and
- (b) the Listing Committee granting approval of the listing of and permission to deal in the Shares to be issued and allotted pursuant to the exercise of the Options to be granted under the New Share Option Scheme.

Application will be made to the Listing Committee for the granting of the approval of the listing of and permission to deal in the Shares which may fall to be issued upon exercise of the Options which may be granted under the New Share Option Scheme.

The New Share Option Scheme does not specify a minimum period for which an Option must be held nor a performance target which must be achieved before an Option can be exercised. However, the New Share Option Scheme provides that the Directors may, at their discretion, fix any minimum period for which an Option must be held, any performance targets that must be achieved and/or any other conditions that must be fulfilled before an Option can be exercised. The Board may also provide restrictions on the exercise of an Option during the period an Option may be exercised. Such conditions may assist the Group to retain Employees of the Group and/or Invested Entities and its relation with other Eligible Persons and provide incentive to the Eligible Persons to work for the betterment of business of the Group and/or Invested Entities.

LETTER FROM THE BOARD

Value of the Options

The Directors consider it inappropriate to state the value of any Options which may be granted under the New Share Option Scheme, as a number of variables which are crucial for the valuation (such as the possibility of lapses or cancellations of Options granted, cessation of the Grantee as a Eligible Persons not foreseeable nor controllable by the Directors at this stage) cannot be determined evidently at this stage. Such variables also include the exercise price of the Options and the conditions, if any, that an Option is subject to. Accordingly, any valuation of the Options based on a large number of speculative assumptions would not be meaningful and may be misleading to the Shareholders.

None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such a trustee.

Summary of the principal terms of the New Share Option Scheme are set out in Appendix III on pages 18 to 28 to this circular. A copy of the New Share Option Scheme is available for inspection at the principal place of business of the Company in Hong Kong at Unit 1004B, 10/F., Tower 5, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong during normal business hours from the date hereof up to and including the AGM.

ANNUAL GENERAL MEETING

The Notice of the Annual General Meeting is set out on pages 29 to 34 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, being not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the AGM will demand a poll for all resolutions set out in the Notice of AGM pursuant to Bye-law 73 of the Bye-laws.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 17 June 2016 to Tuesday, 21 June 2016 (both dates inclusive) during which period no transfer of Shares will be registered. In order to attend and vote at the AGM, all transfer of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 16 June 2016.

RECOMMENDATION

The Directors consider that the proposed re-election of the retiring Directors, the proposed grant of the Issue Mandate and the Repurchase Mandate and the extension of the Issue Mandate and the termination of Existing Share Option Scheme and adopting of New Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions as set out in the Notice of AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendices to this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board of
Grand Field Group Holdings Limited
Ma Xuemian
Chairman

The biographical and other details of the retiring Directors standing for re-election at the Annual General Meeting are set out below:–

Executive Director

Mr. Ma Xuemian (“**Mr. Ma**”), aged 51, was elected as an executive Director and the chairman (the “Chairman”) of the Company on 2 December 2008 and 19 October 2009 respectively. He is also a member of the Remuneration Committee, Nomination Committee and the chairman of Corporate Governance Committee. Mr. Ma has joined the Company since 1999 and has been responsible for the Company’s property sales and management in China since then. Mr. Ma has more than 20 years of management experiences in property management and marketing. From 1988 to 1992, he worked as a supervisor of the construction team in The Guangzhou Construction Company Limited, a subsidiary of the 3rd Guangdong Water and Electricity Bureau. He joined Ka Fong Industrial Company, Limited in 1992, which later became a subsidiary of the Company. Since then, he has served management role in various capacities including applying for government approval for development plan and construction plan, on-site project management, construction completion inspection. From July 1995 to 1996, he served in various management capacities including property completion and delivery management. From 1997 to 2000, he was in charge for managing the title deed application and property management in various projects in China. Since 2001, he is the General Manager of the Company’s operation in Dongguan, the PRC. Mr. Ma is also a director of Grand Field Group Holdings (BVI) Limited, Grand Field Group Investments (BVI) Limited, Grand Field Group Limited, Ka Fong Industrial Company, Limited, Shing Fat Hong Limited, China Hantong Wine Group Holdings Limited and Qing Tian Hotel Management (Shenzhen) Limited, all being subsidiaries of the Company and the legal representative, general manager and chairman of Shenzhen Zongke Real Estate Co., Ltd. (a subsidiary of the Company).

Saved as disclosed above, Mr. Ma has not held any directorship in any public companies, the securities of which are listed on any security market in Hong Kong or overseas or had other major appointments and professional qualifications over the last three years.

Mr. Ma has entered into an appointment letter as an executive Director with the Company for a term from 1 April 2016 to 31 March 2019, and he is subject to retirement by rotation and re-election in accordance with the Bye-laws. As at the Latest Practicable Date, Mr. Ma is entitled to a monthly Director’s fee of HK\$53,000 (which was determined having considered the experience, duties and responsibilities of Mr. Ma and the prevailing market rate of companies of comparable size and similar operation).

As at the Latest Practicable Date, Mr. Ma is interested in 4,530,258 shares in the Company, which are the share options granted to him by the Company under the Share Option Scheme on 2 May 2014, within the meaning of Part XV of the SFO. Save as disclosed, Mr. Ma does not have any other interests in the shares or underlying shares within the meaning of Part XV of the SFO and Mr. Ma does not have any relationships with any other Directors, substantial Shareholders, controlling Shareholders or senior management of the Company.

Independent Non-executive Directors

Mr. Liu Chaodong (“Mr. Liu”), aged 47, was appointed as an independent non-executive Director on 25 August 2009, and is also a member of the Audit Committee, Remuneration Committee and Corporate Governance Committee and the chairman of the Nomination Committee. Mr. Liu has practising qualifications of registered accountant, registered tax agent, forensic accounting practitioners and certified public valuer in the PRC. In 1990, Mr. Liu graduated from Anhui Jianghuai Vocational University, the PRC, majoring in financial accounting. In 2006, he graduated from Huazhong University of Science and Technology, the PRC, majoring in legal studies. Mr. Liu served as the chief accountant in Blue Star New Chemical Materials Co., Ltd. from 1991 to 1994 and a department manager in Zhonglei Certified Public Accountants Co., Ltd. from 1994 to 1997. Mr. Liu is currently the deputy general manager of Foshan Branch of Ruihua Certified Public Accountants (LLP).

Saved as disclosed above, Mr. Liu has not held any directorship in any public companies, the securities of which are listed on any security market in Hong Kong or overseas or had other major appointments and professional qualifications over the last three years.

Mr. Liu has entered into an appointment letter as an independent non-executive Director with the Company for a term from 1 April 2016 to 31 March 2017, and he is subject to retirement by rotation and re-election in accordance with the Bye-laws. As at the Latest Practicable Date, Mr. Liu is entitled to a monthly Director’s fee of HK\$10,000 (which was determined having considered the experience, duties and responsibilities of Mr. Liu and the prevailing market rate of companies of comparable size and similar operation).

As at the Latest Practicable Date, Mr. Liu is interested in 1,510,086 shares in the Company, which are the share options granted to him by the Company under the Share Option Scheme on 2 May 2014, within the meaning of Part XV of the SFO. Save as disclosed, Mr. Liu does not have any other interests in the shares or underlying shares within the meaning of Part XV of the SFO and Mr. Liu does not have any relationships with any other Directors, substantial Shareholders, controlling Shareholders or senior management of the Company.

Ms. Chui Wai Hung (“Ms. Chui”), aged 48, was appointed as an independent non-executive Director on 21 September 2010, and is also a member of the Remuneration Committee, Nomination Committee and Corporate Governance Committee and the chairman of the Audit Committee. Ms. Chui is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom. She holds a bachelor’s degree in business administration from the Chinese University of Hong Kong. From 1996 to 2002, Ms. Chui joined Wing Lee Holding Limited (a company listed on the Stock Exchange) as group financial controller, and was then promoted to finance director and company secretary. She once worked as a financial controller in a telecommunications equipment company, a company listed on the Stock Exchange. Ms. Chui is the directors of several companies of a private group which is principally engaged in investment holding and providing financial advisory services. Ms. Chui has over 20 years of experience in accounting, auditing and financial management.

Saved as disclosed above, Ms. Chui has not held any directorship in any public companies, the securities of which are listed on any security market in Hong Kong or overseas or had other major appointments and professional qualifications over the last three years.

Ms. Chui has entered into an appointment letter as an independent non-executive Director with the Company for a term from 1 April 2016 to 31 March 2017, and she is subject to retirement by rotation and re-election in accordance with the Bye-laws. As at the Latest Practicable Date, Ms. Chui is entitled to a monthly Director’s fee of HK\$10,000 (which was determined having considered the experience, duties and responsibilities of Ms. Chui and the prevailing market rate of companies of comparable size and similar operation).

As at the Latest Practicable Date, Ms. Chui is interested in 1,510,086 shares in the Company, which are the share options granted to her by the Company under the Share Option Scheme on 2 May 2014, within the meaning of Part XV of the SFO. Save as disclosed, Ms. Chui does not have any other interests in the shares or underlying shares within the meaning of Part XV of the SFO and Ms. Chui does not have any relationships with any other Directors, substantial Shareholders, controlling Shareholders or senior management of the Company.

Save as disclosed above, there are no other matters concerning the re-elections of Mr. Ma, Mr. Liu and Ms. Chui that need to be brought to the attention of the Shareholders nor is there any information need to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide information to you with regard to the Repurchase Mandate.

1. THE LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange or on another stock exchange on which the securities of the companies may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Some of the important restrictions are summarised below:–

(a) Source of funds

Repurchases must be financed out of funds legally available for such purpose in accordance with the constitutive documents of the Company and the laws of the jurisdiction in which the Company is incorporated.

(b) Maximum number of shares to be repurchased

The shares which are proposed to be repurchased by the Company must be fully paid up. A maximum of 10% of the issued share capital as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

2. SHARE CAPITAL

As at Latest Practicable Date, there were 957,068,327 Shares in issue.

Subject to the passing of the relevant ordinary resolutions to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, exercise in full of the Repurchase Mandate could accordingly result in up to 95,706,832 Shares being repurchased by the Company.

3. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole to have a general authority from the Shareholders to enable the Directors to repurchase the Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or net assets per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases of the Shares will be funded entirely from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for the purchase in accordance with the Bye-laws and the applicable laws of Bermuda.

There might be a material adverse effect on the working capital requirements or gearing levels of the Company (as compared with the position as at 31 December 2015, being the date of its latest audited consolidated financial statements) in the event that the Repurchase Mandate is exercised in full at any time. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company at the time of the relevant purchases unless the Directors determine that such repurchases are, taking account of all relevant factors, in the best interests of the Company.

5. UNDERTAKING OF DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, any applicable laws of Bermuda and the Bye-laws.

6. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase its Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as the Directors are aware, the following Shareholders are interested in more than 5% of the Shares then in issue:

Name of Shareholders	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercise in full
Rhenfield Development Corp. <i>(Note)</i>	165,564,529	17.30%	19.22%
Tsang Yee <i>(Note)</i>	165,564,529	17.30%	19.22%

Note: Rhenfield Development Corp. is owned by Mr. Tsang Yee who is deemed to be interested in 165,564,529 shares of the Company pursuant to the Part XV of the SFO.

To the best of the knowledge, information and belief of the Directors and on the basis of the shareholding of the Company as at the Latest Practicable Date, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase of Shares made under the Repurchase Mandate, since none of the substantial Shareholders would hold 30% or more of the shareholding of the Company after the repurchase.

The Directors will exercise the powers conferred by the Repurchase Mandate to repurchase Shares in circumstances, which they deem appropriate for the benefits of the Company and the Shareholders as a whole. However the Directors have no present intention to exercise the Repurchase Mandate to the extent that the number of Shares in the hands of the public would fall below the prescribed minimum percentage of 25%.

7. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their Close Associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders. No other Core Connected Persons of the Company have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. SHARE PRICE

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the 12 calendar months immediately preceding the Latest Practicable Date were as follows:

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2015	0.390	0.280
May 2015	0.750	0.375
June 2015	0.820	0.490
July 2015	0.600	0.212
August 2015	0.385	0.243
September 2015	0.345	0.250
October 2015	0.375	0.300
November 2015	0.345	0.290
December 2015	0.310	0.250
January 2016	0.290	0.225
February 2016	0.340	0.220
March 2016	0.410	0.305
April 2016 (up to the Latest Practicable Date)	0.415	0.360

The following is a summary of the principal terms of the New Share Option Scheme to be adopted at the AGM:

(a). Purpose of the new share option scheme

The purpose of the New Share Option Scheme is to enable the Company to grant Options to attract, retain and reward the Eligible Persons and to provide the Eligible Persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

(b). Administration of the new share option scheme

The New Share Option Scheme shall be subject to the administration by the Board which includes a duly authorised committee thereof and the decision of the Board shall be final and binding on all parties.

(c). Who may join

The eligible persons of the New Share Option Scheme to whom options may be granted by the Board shall include:

- (i). any Directors (whether executive or non-executive and whether independent or not) and any Employee;
- (ii). any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of the Group or any Invested Entity (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid); any provider of goods and/or services to the Group or any Invested Entity; any customer of the Group or any Invested Entity; or any holder of securities issued by any member of the Group or any Invested Entity; (collectively "**Business Associates**"); and
- (iii). any other person, who, at the sole discretion of the Board, has contributed to the Group (the assessment criteria of which are (a) such person's contribution to the development and performance of the Group; (b) the quality of work performed by such person for the Group; (c) the initiative and commitment of such person in performing his or her duties; (d) the length of service or contribution of such person to the Group); and (e) such other factors as considered to be applicable by the Board).

The Board may in its absolute discretion specify such conditions as it thinks fit when granting an Option to an Eligible Person (including, without limitation, as to any minimum period an option must have been held or the minimum period of service or relationship with any member of the Group to be achieved before an option can be exercised (or any part thereof), to the extent of the option which can be exercised at any material time, or any performance criteria which must be satisfied by the Eligible Person, the Company, and its subsidiaries, before an Option may be exercised), provided that such conditions shall not be inconsistent with any other terms and conditions of the New Share Option Scheme and the Listing Rules.

(d). Life of the new share option scheme

The Company may, by ordinary resolution in general meeting, or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further option shall be offered or granted but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect and options granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

Subject to the aforesaid, the New Share Option Scheme shall be valid and effective for a period of ten years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the New Share Option Scheme.

(e). Subscription price

The subscription price in respect of any Option shall, subject to any adjustments made pursuant to the terms of the New Share Option Scheme, be a price determined by the Board and notified to each grantee and shall be at least the highest of:

- (i). the closing price per Share as stated in the Stock Exchange's daily quotation sheet on the offer date;
- (ii). the average of the closing prices per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date; and
- (iii). the nominal value of the Share.

(f). Acceptance of offers

An Offer shall remain open for acceptance by the Eligible Person concerned for such period as determined by the Board, being a date not later than ten Business Days after the offer date by which the Eligible Person must accept the Offer or be deemed to have declined it, provided that no such Offer shall be open for acceptance after the tenth anniversary of the date of adoption of the New Share Option Scheme or after the New Share Option Scheme has been terminated in accordance with the provisions of the New Share Option Scheme.

An Offer is deemed to be accepted when the Company receives from the Grantee the Offer letter signed by the Grantee specifying the number of Shares in respect of which the Offer is accepted and a remittance to the Company of HK\$1.00 as consideration for the grant of Option. Such remittance is not refundable in any circumstances.

(g). Maximum number of shares available for subscription

- (i). The total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other new share option schemes shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme unless the Company obtains a fresh approval from the Shareholders pursuant to paragraph (g)(ii) below.
- (ii). The Company may seek approval of Shareholders in general meeting to renew the 10% limit set out in paragraph (g)(i) above such that the total number of Shares in respect of which Options may be granted by the Board under the New Share Option Scheme and any other share option schemes of the Company in issue shall not exceed 10% of the total number of Shares in issue as at the date of approval of the renewed limit.
- (iii). The Company may grant Options to specified participant(s) beyond the 10% limit set out in paragraph (g)(i) above provided that the options granted in excess of such limit are specifically approved by the Shareholders in general meeting and the participants are specifically identified by the Company before such approval is sought. In seeking such approval, a circular must be sent to the Shareholders containing the required details in accordance with Chapter 17 of the Listing Rules.

- (iv). Notwithstanding the foregoing and subject to the paragraph (h) below, the maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme together with any Options outstanding and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company in issue shall not exceed 30% (or such higher percentage as may be allowed under the Listing Rules) of the total number of Shares in issue from time to time.

(h). Maximum entitlement of each eligible person

The total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Person (including both exercised and outstanding Options under the New Share Option Scheme) in any twelve-month period must not exceed 1% of the issued share capital of the Company.

Where any further grant of Options to an Eligible Person would result in excess of such limit shall be subject to the approval of the Shareholders at general meeting with such Eligible Person and his Close Associates abstaining from voting.

In seeking such approval, a circular must be sent to the Shareholders containing the required details in accordance with Chapter 17 of the Listing Rules.

(i). Grant of options to Core Connected Person(s)

- (i). Any grant of Options to a Core Connected Person or any of its Close Associates must be approved by all of the independent non-executive Directors (excluding any independent non-executive Director who is also the grantee).
- (ii). Where Options are proposed to be granted to a substantial shareholder or an independent non-executive Director or any of their respective Close Associates, and the proposed grant of Options will result in the total number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant representing in aggregate over 0.1 per cent of the issued share capital of the Company and having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such grant of Options must be subject to the approval of the Shareholders at general meeting. The Core Connected Person involved in such proposed grant of Options and all other Core Connected Persons must abstain from voting in such general meeting (except that any Core Connected Person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the Shareholders).

A circular must be prepared by the Company explaining the proposed grant, disclosing, among other matters, (i) the number and terms of the Options to be granted, (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a Grantee) on whether or not to vote in favour of the proposed grant, and (iii) containing information relating to any Directors who are trustees of the scheme or have a direct or indirect interest in the trustees.

Any change in the terms of the Options granted to a substantial Shareholder or an independent non-executive Director of the Company, or any of their respective Close Associates must also be approved by the Shareholders in general meeting.

(j). Time of exercise of Option

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be notified by the Board to the Grantee which the Board may in its absolute discretion determine, save that such period shall not be more than ten years from the date of acceptance of the Offer (subject to the provisions for early termination in accordance with the New Share Option Scheme) (the “**Option Period**”).

(k). Rights be personal to grantee

An Option granted by the Company shall be personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt to do so. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

(l). Rights on ceasing employment

In the case of the Grantee being an Employee or a Director of the Group leaves the services of the Group by reason other than death or on one or more of the grounds specified in paragraph (q)(v), or because his employing company ceases to be a member of the Group, the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent he is entitled to exercise at the date of cessation but not already exercised) within a period being the earlier of (i) one month (or such other period as the Board may determine) following the date of such cessation, which date shall be the last actual working day with the Group whether salary is paid in lieu of notice or not or the last date of appointment as director of the Group, as the case may be, or (ii) the expiration of the relevant Option Period. Any Options not so exercised shall lapse and terminate at the end of the said period provided that in any such case, the Directors in their absolute discretion may otherwise determine subject to such conditions or limitations as the Directors may decide.

(m). Rights on death

In the case of the Grantee ceases to be an Eligible Person by reason of death, he or (as the case may be) his personal representatives may exercise all or part of his options (to the extent he is entitled to exercise at the date of cessation but not already exercised) within a period being the earlier of (i) six months after he so ceases to be an Eligible Person or (ii) the expiration of the relevant Option Period. Any Options not so exercised shall lapse and terminate at the end of the said period provided that in any such case, the Directors in their absolute discretion may otherwise determine subject to such conditions or limitations as the Directors may decide.

(n). Rights on a general offer

- (i). if, in consequences of any general offer made to the holders of Shares (being an offer made in the first instance on a condition such that, if it is satisfied, the offeror will have control of the Company) or otherwise, any person shall have obtained control (as defined in the Takeovers Code) of the Company, then the Directors shall as soon as practicable thereafter notify every Grantee accordingly and each Grantee shall be entitled to exercise all or any of his Options (to the extent he is entitled but not exercised) at any time before the earlier of (1) the expiry of the Option Period, or (2) the fourteenth day following the date on which the general offer becomes or is declared unconditional to exercise any option in whole or in part, and to the extent that it has not been so exercised, any Options shall upon the expiry of such period cease and terminate provided that if, during such period, such person becomes entitled to exercise rights of compulsory acquisition of Shares and gives notice in writing to any holders of Shares that he intends to exercise such rights, Options shall be and remain exercisable until the earlier of (1) the expiry of the Option Period or (2) the fourteenth day from the date of such notice and, to the extent that any options which have not been exercised upon the expiry of such period, shall thereupon cease and terminate.
- (ii). if a general offer by way of a scheme of arrangement is made to all the Shareholders and the New Share Option Scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith notify all the Grantees and any Grantee (or his personal representatives) may thereafter (but before such time as shall be notified by the Company) by notice in writing to the Company exercise the Option (to the extent he is entitled but not exercised) to its full extent or to the extent specified in such notice. Any Options which have not been exercised upon the expiry of such period as specified in the notice shall thereupon cease and terminate.

(o). Rights on winding-up

In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or his personal representatives) shall be entitled to exercise all or any of his Options at any time not later than two Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue such number of Shares to the Grantee credited as fully paid which falls to be issued on such exercise and register the Grantee as holder thereof in the branch register of members of the Company maintained in Hong Kong.

(p). Right on a compromise or scheme of arrangement

If a compromise or arrangement between the Company and the Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it dispatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representatives) may by notice in writing to the Company accompanied by the remittance for the aggregate subscription price in respect of the number of Option exercised under such notice (such notice to be received by the Company not later than two Business Days prior to the proposed meeting) either to its full extent or to the extent specified in such notice, and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed meeting referred to above, allot and issue such number of Shares credited as fully paid, to the Grantee which falls to be issued on such exercise and register the Grantee as holder thereof in the branch register of members of the Company maintained in Hong Kong.

(q). Lapse of option

The right to exercise an option shall lapse automatically (to the extent not already exercised) immediately upon the earliest of:

- (i). subject to paragraphs (1)-(p), the expiry of the Option Period;
- (ii). the expiry of any of the periods referred to in paragraphs (l)-(n);
- (iii). subject to paragraph (o), the date of the commencement of the winding up of the Company;
- (iv). subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph (p);
- (v). in the event that the Grantee is an Employee or a Director of the Group, the date on which the Grantee ceases to be an Eligible Person by reason of summary dismissal for misconduct or other breach of the terms of his employment or directorship or resign without serving an appropriate serving notice period in accordance with the terms and conditions of the employment contract or without reasonable ground for the resignation or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer or a company would be entitled to terminate his or her employment or directorship at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or the relevant Subsidiary. A resolution of the Board or the board of directors of the relevant Subsidiary to the effect that the employment or other relevant contract of a Grantee has or has not been terminated on one or more of the grounds specified in sub-paragraph (q)(v) shall be conclusive and binding on the Grantee;

- (vi). the date on which the Grantee (other than an employee or a director of the Group) ceases to be an Eligible Person by reason of termination of his relationship (whether by appointment or otherwise) with the Group or on any one or more of the grounds (other than by reason of death or on one or more of the following grounds specified in sub-paragraph (q)(v)) that he has become unable to pay his debts (within the meaning of the Bankruptcy Ordinance) or has become otherwise insolvent or has made any arrangement or composition with his creditors generally, or arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) has committed any act which is prejudicial to or not in the interests of the Company or any company in the Group. A resolution of the Board or the board of directors of the relevant Subsidiary to the effect that the relationship with a Grantee (other than an employee or a director of the Group) has or has not been terminated and as to the date of such termination shall be conclusive and binding on the Grantee;
- (vii). the date on which the Grantee commits a breach of paragraph (k); or
- (viii). the date on which the Option is cancelled by the Board as provided in paragraph (u).

The Company shall owe no liability to any grantee for the lapse of any Option under this paragraph (q).

(r). Ranking of shares

The Shares to be allotted and issued upon the exercise of an Option shall be subject to the Bye-laws for the time being in force and shall rank *pari passu* in all respects with the fully-paid Shares in issue of the Company as at the date of allotment and will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the date of allotment, provided always that when the date of exercise of the Option falls on a date upon which the register of members of the Company is closed then the exercise of the Options shall become effective on the first Business Day on which the register of members of the Company is re-opened. Any Share allotted upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered into the register of members of the Company as the holder thereof.

(s). Reorganisation of capital structure

In the event of any alteration to the capital structure of the Company whilst any Option remains exercisable, arising from capitalisation of profits or reserves, rights issue, consolidation, re-classification or subdivision of Share or reduction of the share capital of the Company in accordance with the legal requirements or requirements of the Stock Exchange, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to:

- (i). the number of Shares subject to the Option so far as unexercised; and/or
- (ii). the subscription price for the Shares subject to the option so far as unexercised.

Any such adjustments must give a grantee the same proportion of the equity capital of the Company as to which that grantee was previously entitled, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (including, without limitation, the “Supplemental Guidance on Listing Rule 17.03(13) and the Notice immediately after the Rule” attached to the letter of the Stock Exchange dated 5 September 2005 to all issuers relating to the New Share Option Scheme) but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the auditors or the independent financial adviser to the Company in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the grantees. The costs of the auditors or the independent financial adviser to the Company shall be paid by the Company. Notice of such adjustment shall be given to the grantees by the Company.

(t). Alteration to the new share option scheme and the terms of options granted under the new share option scheme

The Board may from time to time in its absolute discretion waive or amend any terms of the New Share Option Scheme at such time and in such manner as it deems desirable to the extent permissible under the provisions of the Listing Rules in relation to the New Share Option Scheme and all applicable laws in respect thereof.

For the avoidance of doubt, except with the prior approval of the Shareholders in general meeting (with the Eligible Persons and their Close Associates abstaining from voting), the Board may not amend:

- (i). any of the provisions of the New Share Option Scheme relating to matters contained in Rule 17.03 of the Listing Rules to the advantage of the Eligible Persons or grantees;

- (ii). any terms and conditions of the New Share Option Scheme which are of a material nature or any terms of options granted except where such alteration take effect automatically under the existing terms of the New Share Option Scheme; and
- (iii). any provisions on the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme.

No such amendments shall be altered to the advantage of Grantees except with the prior approval of the Shareholders in general meeting (with Eligible Persons and their respective Close Associates abstained from voting). No such alterations shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the grantees as would be required of the Shareholders under the Bye-laws for the time being of the Company for a variation of the rights attached to the Shares, provided that this restriction should not apply to any amendment made by the Board at the request of the Stock Exchange or other regulatory body for the purpose of ensuring that the New Share Option Scheme complies with, among other applicable laws, the requirements of such exchange or other regulatory body on which the Shares are in the course of being listed or from time to time listed or which may have or exercise regulatory powers or jurisdiction in relation to the Company. Any amended terms of the New Share Option Scheme or options shall still comply with the relevant requirements of Chapter 17 of the Listing Rules (subject to such waiver as may be granted by the Stock Exchange from time to time) and shall automatically take effect on all outstanding Options.

(u). Cancellation of options granted

The Board may cancel an option granted but not exercised with the approval of the grantee of such option. No compensation shall be payable to the grantee for cancellation of the options granted but not exercised.

(v). Termination

The Company, by ordinary resolution in general meeting, or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further option will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

NOTICE OF ANNUAL GENERAL MEETING



鈞濠集團有限公司*

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Grand Field Group Holdings Limited (the “Company”) will be held at Crystal Room 2, Level B3, Holiday Inn Golden Mile, 50 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 21 June 2016, Tuesday at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the report of the directors of the Company (the “Directors”) and the report of the auditor of the Company for the year ended 31 December 2015.
2. To re-elect the retiring Directors and to authorise the board of Directors (the “Board”) to fix the remuneration of each of the Directors.
3. To re-appoint the auditor of the Company and to authorise the Board to fix their remuneration.
4. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions:–

(A) **“THAT:**

- (a) subject to paragraph (c) of this resolution set out in this notice, the exercise by the Board during the Relevant Period (as defined in paragraph (d) of this resolution) of all powers of the Company to issue, allot and deal in shares of HK\$0.10 each in the share capital of the Company (the “Shares”) and to issue, allot or grant securities convertible into shares or options, warrants or similar rights to subscribe for any shares in the Company or such convertible securities and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

(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 Board pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:

- (i) a Rights Issue (as defined in paragraph (d) of this resolution);
- (ii) any scrip dividend scheme or similar arrangements implemented in accordance with the bye-laws of the Company; or
- (iii) an issue of Shares under the share option scheme of the Company or any similar arrangements for the time being adopted by the Company for the grant or issue to employees or Directors and/or any of its subsidiaries of Shares or right to acquire Shares; or
- (iv) the exercise of the rights of subscription or conversion under the terms of any securities or notes for the time being in force which are convertible into any shares in the Company;

shall not exceed 20% 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;

(d) for the purposes 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the Board 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 may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or 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 Board during the Relevant Period (as defined in resolution 4(A)(d) set out in this notice) 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 recognised 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.”

NOTICE OF ANNUAL GENERAL MEETING

(C) “**THAT** subject to the passing of resolutions 4(A) and 4(B) set out in this notice, 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 Board pursuant to and in accordance with the approval given in resolution 4(A) set out in this notice 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 this notice 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. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT:**

- (a). subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the rules of the new share option scheme (the “New Share Option Scheme”), a copy of which is produced to the meeting and signed by the chairman of the meeting for the purposes of identification, and any other share option schemes of the Company representing an amount up to 10% of the issued Shares as at the day on which this resolution is passed, with effect from the close of business of the day on which this resolution is passed, the New Share Option Scheme be approved and adopted and the Directors be and are hereby authorised:
- (i). to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for shares in the Company;
- (ii). to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;

NOTICE OF ANNUAL GENERAL MEETING

- (iii). to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange;
 - (iv). to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for the listing of, and permission to deal in, any shares in the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of the options granted under the New Share Option Scheme, and where any such application has been made prior to the date of passing this resolution, the same be approved, confirmed and ratified; and
 - (v). to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme; and
- (b). the existing share option scheme adopted by the Company pursuant to an ordinary resolution passed by the shareholders of the Company on 23 June 2006 (the “Existing Share Option Scheme”) be and is hereby terminated with effect from the date on which the New Share Option Scheme shall become unconditional and effective, and shall cease to have any effect except that the Existing Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any option granted under the Existing Share Option Scheme prior to its termination, or otherwise to the extent as may be required in accordance with the rules of the Existing Share Option Scheme.”

By order of the Board
Grand Field Group Holdings Limited
Ma Xuemian
Chairman

Hong Kong, 29 April 2016

NOTICE OF ANNUAL GENERAL MEETING

Registered Office in Bermuda:

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

Head Office and Principal

Place of Business:
Unit 1004B, 10/F,
Tower 5, China Hong Kong City,
33 Canton Road, Tsim Sha Tsui,
Kowloon, Hong Kong

Notes:

1. A form of proxy for use at the AGM is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person authorised to sign the same.
3. A member who is the holder of two or more shares of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and vote in his or her stead (subject to the provisions of the bye-laws of the Company). A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each proxy is so appointed.
4. In order to be valid, the form of proxy should be completed and signed in accordance with the instructions printed thereon and be returned to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, being not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
5. Completion and return of the form of proxy will not preclude members from attending and voting in person at the AGM convened by the above notice or at any adjourned meeting thereof should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
6. The register of members of the Company will be closed from Friday, 17 June 2016 to Tuesday, 21 June 2016 (both dates inclusive) during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all transfer of shares of the Company accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 16 June 2016.