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鈞豪集團有限公司*

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

ISSUE OF REMUNERATION SHARES

SETTLEMENT OF PROFESSIONAL FEE BY MEANS OF ISSUE OF REMUNERATION SHARES

Simon Ho & Co., solicitors have been the legal adviser to the Company (the “Legal Adviser”) in respect of the provision of legal advisory services to the Company.

As at the date of this announcement, the outstanding professional fees (the “Outstanding Professional Fees”) payable by the Company to the Legal Adviser in connection with the provision of legal advisory services by the Legal Adviser is amounted to HK\$2,308,899.

On 21 January 2015 (after trading hours), the Company entered into the Settlement Agreement, pursuant to which the Legal Adviser has agreed with the Company to settle the Outstanding Professional Fees of HK\$2,308,899 by the issuance and allotment of 9,310,076 Remuneration Shares to Mr. Wong Vai Nang (“Mr. Wong”), the sole proprietor of the Legal Adviser at a issue price of HK\$0.248 per Remuneration Share (subject to the condition as stated below).

* *For identification purposes only*

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, Mr. Wong and/or his associates are Independent Third Parties. As at the date of this announcement, Mr. Wong and/or his associates owns 2,691,118 Shares. Upon issuance and allotment of the Remuneration Shares, Mr. Wong will be interested in 12,001,194 Shares representing approximately 1.57% of the existing issued shares of the Company of 765,893,601 and approximately 1.55% of the Company's issued shares of 775,203,677 as enlarged by the issue of Remuneration Shares respectively. The issue price of the Remuneration Shares is HK\$0.248 per Remuneration Share, representing a discount of approximately 15.93% of the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Last Trading Day, and a discount of approximately 18.95% of the average closing price of approximately HK\$0.306 per Shares as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day.

Condition

The issue of Remuneration Shares is conditional upon the Stock Exchange granting listing of and permission to deal in the Remuneration Shares.

Completion

Completion of the issue of Remuneration Shares shall take place within 30 calendar days from the date on which all the conditions referred to above have been fulfilled.

The issue price of the Remuneration Shares was determined after arm's length negotiations between the Company and the Legal Adviser with reference to the recent trading prices of the Shares. The Directors consider that the issue price of the Remuneration Shares is on normal commercial terms and the terms and conditions of the Settlement Agreement are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

Ranking and lock up

Mr. Wong has undertaken not to dispose of his Remuneration Shares for a period of three months from the date of issuance and allotment of the Remuneration Shares. Save for the above-mentioned lock-up period, the Remuneration Shares will rank *pari passu* in all aspects with the Shares then in issue.

Reasons for the issue of Remuneration Shares

The Company is principally engaged in investment holding. The Group is principally engaged in property development, property management and investment.

The Board, having considered the financial status of the Company and with a view to minimise the cash outlay of the Company, is of the view that the issue of Remuneration Shares is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The following fund raising activity has been carried out by the Company in the twelve months immediately prior to the date of this announcement:

Date of announcement	Event	Net proceeds raised <i>(Approximately)</i>	Intended use of proceeds	Actual use of proceeds
17 January 2014	Open offer on the basis of one (1) offer Share for every two (2) Shares held on the record date completed on 10 March 2014	HK\$47.96 million	Intended to be used as to (i) approximately HK\$10 million for repayment of short-term interest bearing borrowings; (ii) approximately HK\$35 million for financing the Group's existing properties development projects and (iii) the rest of the net proceeds for general working capital to strengthen the Company's financial position	Used as intended

Save as disclosed above, the Company has not conducted any fund raising exercise during the past twelve months preceding the date of this announcement.

GENERAL

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in the Remuneration Shares.

CHANGES OF SHAREHOLDING STRUCTURE

To the best knowledge of the Directors and having made all reasonable enquiries, the changes of the shareholding structure of the Company as a result of the issue of Remuneration Shares are as follows:

	As at the date of this announcement		Immediately after the issue and allotment of the Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds in full (for illustrative purpose only)		Immediately after the issue and allotment of the Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds in full and upon issue and allotment of the Remuneration Shares (for illustrative purpose only)	
			(Note 1)		(Note 1)	
	Number of Shares	% (Approx.)	Number of Shares	% (Approx.)	Number of Shares	% (Approx.)
Rhenfield Development Corp. (Note 2)	143,715,000	18.76	143,715,000	17.63	143,715,000	17.43
Kwok Wai Man, Nancy (Note 2)	10,056,529	1.31	10,056,529	1.23	10,056,529	1.22
Tsang Wai Lun, Wayland (Note 2)	19,263,000	2.52	19,263,000	2.36	19,263,000	2.34
Public:						
Thrive Season	–	–	49,433,722	6.06	49,433,722	5.99
Mr. Wong and/or his associates	2,691,118	0.35	2,691,118	0.33	12,001,194	1.46
Other public Shareholders	590,167,954	77.06	590,167,954	72.39	590,167,954	71.56
Total	765,893,601	100.00	815,327,323	100.00	824,637,399	100.00

Note(s):

1. On the assumption that there are no other changes in the issued share capital of the Company.
2. Rhenfield Development Corp. is owned by Ms. Kwok Wai Man, Nancy (“Ms. Kwok”) and Mr. Tsang Wai Lun, Wayland (“Mr. Tsang”) in equal shares. Mr. Tsang and Ms. Kwok are deemed to be interested in 143,715,000 shares of the Company pursuant to the Part XV of the SFO. Mr. Tsang personally held 19,263,000 Shares while Ms. Kwok, spouse of Mr. Tsang, personally held 10,056,529 Shares. By virtue of the SFO, Mr. Tsang and Ms. Kwok are both deemed to be interested in 29,319,529 Shares. In conclusion, both Mr. Tsang and Ms. Kwok have an aggregate interest of 173,034,529 Shares, representing approximately 22.59% of the shareholding of the Company.

General Mandate to issue the Remuneration Shares

The Remuneration Shares will be allotted and issued under the general mandate (the “General Mandate”) granted to the Directors by the Shareholders at the annual general meeting of the Company held on 18 June 2014, among other things, to allot, issue and deal with up to 153,178,720 Shares, being 20% of the then issued share capital of the Company as at the date of the annual general meeting of the Company. The General Mandate has not been used since granted. Therefore, the issue of Remuneration Shares is not subject to approval of the Shareholders.

Adjustment to the Convertible Bonds and share options of the Company

As at the date of this announcement, the Company has (i) outstanding Convertible Bonds in the principal amount of HK\$30,055,703 which are convertible into 49,433,722 Shares (the “Conversion Shares”); and (ii) an outstanding of 50,336,200 share options. As a result of the issue of Remuneration Shares, there may be certain adjustments to the exercise prices and numbers of the outstanding share options and Conversion Shares pursuant to the terms and conditions of the share option scheme of the Company and Convertible Bonds.

The Company will appoint an independent financial advisor to review and certify the basis of such adjustments (if any). Further announcement(s) will be made by the Company regarding details of such adjustments (if any) as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Company”	Grand Field Group Holdings Limited (stock code: 115), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the of the Stock Exchange

“Convertible Bonds”	the outstanding convertible bonds in the principal amount of HK\$30,055,703
“Directors”	directors (including the independent non-executive directors) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third parties independent to the Company and its connected person(s) (as defined under the Listing Rules)
“Last Trading Day”	Wednesday, 21 January 2015, being the trading day on which the Settlement Agreement was entered into and the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Remuneration Shares”	9,310,076 new Shares to be issued and allotted to Mr. Wong Vai Nang, sole proprietor of Simon Ho & Co., solicitors at an issue price of HK\$0.248 per Share
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Settlement Agreement”	the conditional agreement dated 21 January 2015 and entered into between the Company and the Legal Adviser in relation to the issue of Remuneration Shares for the settlement of the Outstanding Professional Fees
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Thrive Season”	Thrive Season Limited, a company incorporated in the British Virgin Islands
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“%”	per cent

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

Hong Kong, 21 January 2015

As at the date of this announcement, the board of Directors comprises four executive Directors, namely, Mr. Ma Xuemian, Mr. Kwok Siu Bun, Ms. Chow Kwai Wa, Anne and Ms. Kwok Siu Wa, Alison; one non-executive Director, namely, Ms. Tsang Tsz Tung Debbie (with Mr. Kwok Siu Bun as alternative); and three independent non-executive Directors, namely, Mr. Hui Pui Wai, Kimber, Mr. Liu Chaodong and Ms. Chui Wai Hung.