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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)

**SUPPLEMENTAL ANNOUNCEMENT
FURTHER INFORMATION TO
THE ANNUAL REPORT FOR THE YEAR ENDED
31 DECEMBER 2016 AND JV COMPANY**

The board of directors (the “Directors”) (the “Board”) of Grand Field Group Holdings Limited (the “Company” and, together with its subsidiaries, the “Group”) makes this announcement to provide further information which should be included in the Company’s annual report for the year ended 31 December 2016 (the “Annual Report”).

Reference is made to the Annual Report, the Company’s announcement dated 21 November 2016 in relation to subscription of shares under general mandate and the Company’s announcement dated 9 June 2015 in respect of the formation of JV company (“the Announcement”). Unless the context herein required otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Annual Report and the Announcement.

The Board announces that the net proceeds from the subscriptions of approximately HK\$13,510,000 were actually applied to general working capital of the Group and for development of business of the Company. The details are as follows:–

1. HK\$1,691,550 for the operations costs of the Company; and
2. HK\$11,818,450 for payment of the construction costs for Zongke project.

* *For identification purpose only*

The Board further announces that in the first two fiscal years from the establishment of JV Company, the proposed turnovers and net profits as mentioned in the Co-operation Agreement had not been met. However, the Directors opined that this might well be due to the economic environments in the milk products business and therefore intended to wait and see whether the situation would be improved. In any event, the Directors have been keeping monitoring for the operations of the JV Company.

Recently, the Directors opine that before the expiration of the 3 years' period as stated in the Co-operation Agreement the situation of the business of JV Company will not likely be improved. In order to protect the interests of the Company and its Shareholders as a whole, a demand letter had been issued and sent to the JV Company pursuant to the Co-operation Agreement notifying the JV Company that the Company will exercise the put option in the terms and conditions stated therein. The parties to the Co-operation Agreement are now under negotiations trying to reach an amicable settlement.

The Company will keep the Shareholders and potential investors informed of any further material development in connection with this matter and shall make further announcement to clarify all matters arisen therefrom in due course.

By Order of the Board
Grand Field Group Holdings Limited
MA Xuemian
Chairman

Hong Kong, 13 October 2017

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.