
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or otherwise transferred all your shares in Grand Field Group Holdings Limited, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or another agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**DISCLOSEABLE TRANSACTION REGARDING
PROVISION OF MANAGEMENT SERVICES**

A letter from the board of directors of Grand Field Group Holdings Limited is set out on pages 3 to 7 of this circular.

14 April 2008

* *for identification purpose only*

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DEFINITIONS

In this circular, the following expressions have the meanings respectively set opposite them unless the context otherwise requires:

“associate”	having the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Grand Field Group Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“DCMT”	Dongguan City Min Tai Industry and Investment Limited (東莞市閩泰實業投資有限公司), a company incorporated in the PRC holding 51% equity interest in DHJF
“DHJF”	Dongguan City Hua Jia Fu Industry and Trading Limited (東莞市華嘉富工貿有限公司), a company incorporated in the PRC and owned as to 51% by DCMT
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	person who himself is, and (in the case of corporate entity) its ultimate beneficial owners are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, third parties who are not connected persons of the company and are independent of the Company and its subsidiaries, their directors, chief executives and substantial shareholders or their respective associates (as that term is defined in the Listing Rules)
“Latest Practicable Date”	9 April, 2008 being the latest practicable date prior to the printing of this circular for ascertain certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Services”	the planning, management and consultancy services on all matters relating to the leasing of the Shops including, without limitation to, overseeing, monitoring, managing, marketing and promoting the leasing of the Shops to be provided by Yuan Cheng to DHJF under the Management Services Agreement
“Management Services Agreement”	the shops planning, management and consultancy services agreement dated 25 March 2008 entered into between Yuan Cheng, DHJF and DCMT in relation to the provision of the Management Services
“Management Services Fees”	the management services fees payable by DHJF to Yuan Cheng under the Management Services Agreement and the Supplemental Agreement
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	holders of the Shares
“Shares”	the shares of the Company
“Shops”	the retail shops located at Tang Xia West Street, No.3 Lin Ping Road, Tang Xia Town, Dongguan City, PRC (中國東莞市塘廈鎮林坪路三號塘廈西街)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 27 March 2008 entered into between Yuan Cheng, DHJF and DCMT in relation to variation of the amount of the Management Services Fees payable to Yuan Cheng and the security deposit
“Yuan Cheng”	Yuan Cheng Real Estate (Shenzhen) Limited (遠程置業(深圳)有限公司), a wholly-owned subsidiary of the Company in the PRC

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. Chu King Fai
Mr. Huang Bing Huang
Mr. Au Kwok Chuen, Vincent
Mr. Chan Sung Wai

Registered office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors

Mr. Hui Pui Wai, Kimber
Mr. Lum Pak Sum
Dr. Wong Yun Kuen

*Head office and principal place of
business in Hong Kong*

Unit 08, 43/F
Far East Finance Centre
16 Harcourt Road, Admiralty
Hong Kong

14 April 2008

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION REGARDING PROVISION OF MANAGEMENT SERVICES

INTRODUCTION

On 27th March, 2008, the Board announced that on 25 March 2008 (after trading hours), Yuan Cheng, a wholly-owned subsidiary of the Company entered into the Management Services Agreement with DHJF and DCMT pursuant to which, among other things, DHJF appointed Yuan Cheng to provide the Management Services for the Shops in consideration of the Management Services Fees payable by DHJF to Yuan Cheng under the Management Services Agreement.

On 27 March 2008 (after trading hours), Yuan Cheng entered into the Supplemental Agreement with DHJF and DCMT to vary the amount of the Management Services Fees payable to Yuan Cheng and the security deposit.

The entering into of the Management Services Agreement and the Supplemental Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

* for identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, details of the Management Services Agreement and the Supplemental Agreement.

THE MANAGEMENT SERVICES AGREEMENT

Date: 25 March 2008

Parties

Dongguan City Hua Jia Fu Industry and Trading Limited (東莞市華嘉富工貿有限公司) (“DHJF”)

Yuan Cheng Real Estate (Shenzhen) Limited (遠程置業(深圳)有限公司) (“Yuan Cheng”)

Dongguan City Min Tai Industry and Investment Limited (東莞市閩泰實業投資有限公司) (“DCMT”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, each of DHJF and DCMT together with their respective ultimate beneficial owners is an Independent Third Party. DCMT acts as a guarantor of DHJF under the Management Services Agreement to secure the due performance of DHJF under the Management Services Agreement and in particular, payment of the Management Services Fees and return of the security deposit.

Term

A period of 2 years commencing from 1 April 2008 and ending on 31 March 2010

Management Services

Yuan Cheng shall provide planning, management and consultancy services to DHJF on all matters relating to the leasing of the Shops including, without limitation to, overseeing, monitoring, managing, marketing and promoting the leasing of the Shops.

LETTER FROM THE BOARD

THE SUPPLEMENTAL AGREEMENT

Date: 27 March 2008

Parties

DHJF, Yuan Cheng and DCMT

Management Services Fees

Pursuant to the Supplemental Agreement, DHJF, Yuan Cheng and DCMT agree to amend the Management Services Agreement to the effect that the annual Management Services Fees payable to Yuan Cheng shall be RMB1,450,000, which shall become due and payable to Yuan Cheng by four equal installments on the last day of each quarter.

The Management Services Fees were determined after arm's length negotiations between Yuan Cheng and DHJF with reference to normal commercial practices and market rate quoted by the property management and consultancy services companies providing similar services in the PRC.

Security Deposit

Pursuant to the Supplemental Agreement, DHJF, Yuan Cheng and DCMT agree to amend the Management Services Agreement to the effect that Yuan Cheng shall pay to DHJF a refundable security deposit of RMB8,000,000 within 3 business days after the date of signing of the Management Services Agreement in order to secure the due performance of Yuan Cheng under the Management Services Agreement. There are no circumstances under which DHJF is entitled to deduct any part of the security deposit under the Management Services Agreement. The security deposit shall be returned to Yuan Cheng in full without interest within 30 days after the expiry of the Management Services Agreement or within 90 days upon receipt of a notice of termination of the Management Services Agreement by DHJF from Yuan Cheng. In the event that the Management Services Agreement is terminated by DHJF due to the breach of Yuan Cheng, the security deposit shall be immediately returned to Yuan Cheng in full without interest upon the date of termination. DCMT irrevocably and unconditionally guarantees and undertakes to Yuan Cheng that the security deposit shall be returned to Yuan Cheng in accordance with the Management Services Agreement.

The security deposit in the amount of RMB8,000,000 was determined after arm's length negotiations between Yuan Cheng and DHJF after taking into account that DHJF is required to incur substantial expenses in marketing and promoting the Shops in order to facilitate the provision of the Management Services by Yuan Cheng.

LETTER FROM THE BOARD

INFORMATION ON THE COMPANY, YUAN CHENG, DHJF AND DCMT

The Company is principally engaged in development and sale of the properties in the PRC. Yuan Cheng is a wholly-owned subsidiary of the Company in the PRC and is principally engaged in provision of property management and consultancy services in the PRC.

DHJF is a limited liability company incorporated in the PRC and is owned by DCMT as to 51%. DHJF is principally engaged in development and sale of the properties in the PRC. DHJF is a registered owner and developer of the Shops located at Tang Xia West Street, No.3 Lin Ping Road, Tang Xia Town, Dongguan City, PRC (中國東莞市塘廈鎮林坪路三號塘廈西街). The gross floor area of the Shops is approximately 30,000 square meters of which a gross floor area of 10,425 square meters have been leased and the remaining gross floor area of 19,575 square meters are not yet leased. The Company has 5 employees in the PRC who have sufficient knowledge and experience in providing the Management Services.

DCMT is a company incorporated in the PRC with limited liability and owns 51% equity interest in DHJF. DCMT is principally engaged in commercial, shopping mall and hotel property investments in the PRC.

REASONS FOR AND BENEFITS OF ENTERING INTO OF MANAGEMENT SERVICES AGREEMENT AND SUPPLEMENTAL AGREEMENT

The Directors (including the independent non-executive Directors) are of the view that the entering into of the Management Services Agreement and the Supplemental Agreement including payment of the security deposit is in the interests of the Group and the Shareholders as a whole as it provides a good opportunity for the Group to diversify its business and to look for additional income sources. The Directors (including the independent non-executive Directors) also consider that the terms of the Management Services Agreement and the Supplemental Agreement including payment of the security deposit are on normal commercial terms, which are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF ENTERING INTO OF MANAGEMENT SERVICES AGREEMENT AND SUPPLEMENTAL AGREEMENT

The Directors considers that following the entering into of the Management Services Agreement and the Supplemental Agreement, the revenue of the Group for each of the financial years ending 31 December 2008, 31 December 2009 and 31 December 2010 will increase. In addition, the total net asset value of the Group will increase and the total liabilities of the Group will remain unchanged.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES

The entering into of the Management Services Agreement and the Supplemental Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

ADDITIONAL INFORMATION

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

By order of the Board
Grand Field Group Holdings Limited
Chu King Fai
Chairman

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in this circular misleading.

2. DIRECTORS' INTERESTS IN SECURITIES

(a) Directors' interests

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), to be notified to the Company and the Stock Exchange, was as follows:

Name of Director	Capacity	Number of Shares held	Approximate % of interest held
Mr. Huang Bing Huang	Held by controlled corporation	497,500,000 (Note)	19.77%

Note:

These Shares are held by Hongkong Zhongxing Group Co., Limited which is wholly and beneficially owned by Mr. Huang Bing Huang.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to in such provisions of the SFO; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange:

(b) Substantial Shareholders' interests

So far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed under provisions of Division 2 and 3 of Part XV of the SFO, or who, as at the Latest Practicable Date, was directly and indirectly interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member the Group.

Name	Capacity	Number of Shares Held	Approximate % of Shareholding
Rhenfield Development Corp. <i>(Note)</i>	Beneficial Owner	479,050,000	19.03%
Worldgate Development Limited	Beneficial Owner	126,000,000	5.01%
Logistics China Enterprises Limited	Beneficial Owner	126,000,000	5.01%

Note:

Rhenfield Development Corp. is owned by Mr. Tsang Wai Lun, Wayland and Madam Kwok Wai Man, Nancy in equal shares.

Save as disclosed above, so far as is known to the Directors or chief executive of the Company, the Company had not been notified of any other interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed under provisions of Division 2 and 3 of Part XV of the SFO, or any persons (other than the Directors and chief executive of the Company) who, as at the Latest Practicable Date, was directly and indirectly interested in ten per cent or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member the Group.

3. SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN CONTRACTS

As at the Latest Practicable Date, save for the interests in the Subscription as disclosed in this circular, none of the Directors was materially interested in any contracts or arrangements entered into by any members of the Group subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, Mr. Huang Bing Huang, an executive Director, is also a director and shareholder of Shenzhen Zhongxing Real Estate Development Company Limited (“Shenzhen Zhongxing”), a company incorporated in the People’s Republic of China (the “PRC”) and principally engaging in the development of properties in the PRC. Mr. Huang is regarded as interested in such competing business of the Group as he personally has interest in Shenzhen Zhongxing and is involved in its day-to-day management.

As at the Latest Practicable Date, Mr. Chu King Fai, an executive Director, is also a director of Min Tai Real Estate Development Company Limited (閩泰房地產開發有限公司) (“Min Tai”), a company incorporated in the PRC and principally engaging in the development of properties in the PRC. Mr. Chu is regarded as interested in such competing business of the Group as he is involved in day-to-day management of Min Tai.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor their respective associates had any business or interest that competes or may compete with the business of the Group or any conflicts of interests with the Group.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

7. GENERAL

- (a) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11 Bermuda.
- (b) The head office and principal place of business in Hong Kong is at Unit 08, 43/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.
- (c) The qualified accountant of the Company is Mr. Cheng Mei Chau, member of the Hong Kong Institute of Certified Public Accountant.
- (d) The company secretary of the Company is Madam Leung Lai Si, Rosena, a fellow member of The Institute of Chartered Secretaries & Administrators and The Hong Kong Institute of Chartered Secretaries.
- (e) The share registrar and transfer office of the Company in Hong Kong is Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (f) The English version of this circular shall prevail over the Chinese text.