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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)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company and potential investors that it is expected to record a significant increase in the loss attributable to the shareholders of the Company for the six months ended 30 June 2014 as compared with the same period last year.

Shareholders and potential investors are therefore advised to exercise caution when dealing or investing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

* *For identification purpose only*

References are made to the announcements of the Company dated 23 August 2013, 17 June 2014 and 14 July 2014 in relation to, inter alia, (a) the Claims under the High Court Action No.771/2009 (the “**Action**”) initiated by the Company against the Company’s former directors Chu King Fai, Huang Binghuang, Au Kwok Chuen Vincent, Hwang Ho Tyan, Zhao Juqun, Yan Biao, Wong Yun Kuen and Mok King Tong having been dismissed by the judgment dated 17 June 2014 (the “**Judgment**”) and there be an order nisi that the Company do pay the costs of the said Chu King Fai, Huang Binghuang and Wong Yun Kuen with a certificate for two counsel subject to taxation; (b) the liability of the Company to reimburse the costs previously paid by Mr. Tsang Wai Lun Wayland on behalf of the Company incurred and occasioned by the Action; and (c) the Company’s appeal to the Court of Appeal from the Judgment (the “**Appeal**”) urging for an order that the Judgment be set aside and that judgment be entered in favour of the Company with costs.

The board (the “**Board**”) of directors (the “**Directors**”) of Grand Field Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wish to inform the shareholders of the Company and potential investors that it is expected to record a significant increase in the loss attributable to the shareholders of the Company for the six months ended 30 June 2014 as compared with the same period last year. Such significant increase in loss was mainly attributable to (a) the provision (the “**Provision**”) made for legal costs of HK\$20 million (details please refer to page 6 of the Company’s announcement dated 23 August 2013) having considered by the Board that (i) the Judgment which is not in favour of the Company; (ii) the liability of the Company to reimburse the costs previously paid by Mr. Tsang Wai Lun Wayland on behalf of the Company incurred and occasioned by the Action; and (iii) the result of the Appeal is uncertain; (b) recognition of the fair value of the share options amounting to approximately HK\$7.96 million for the granting of share options to the directors and certain employees of the Group in May 2014; and (c) recognition of loss on changes in fair value of derivative component of convertible bonds issued by the Company of approximately HK\$3.20 million, after being valued by an independent professional valuer engaged by the Company.

The Board wishes to draw the attention of the shareholders of the Company and potential investors that the nature of the Provision is one-off and non-recurring and that the Provision may be reversed in part subject to the outcome of the Appeal. The Board considers that save for the Provision, it is not appropriate for any other provision to be made with respect to the Action. The Board further emphasis that the recognition of the fair value of the share options and loss on changes in fair value of derivative component of convertible bonds issued by the Company mentioned above are non-cash in nature which would not have impact on the operating cash flow of the Group. The Board is of the view that having taken into account the Provision, the Group remains in a healthy financial condition.

The Company is still in the process of preparing and finalising the Group's interim results for the six months ended 30 June 2014. The information contained in this announcement is only based on the Board's preliminary review of the unaudited consolidated management accounts of the Group, which have not been audited or reviewed by the Company's independent auditors. Shareholders of the Company and potential investors are advised to refer to the Group's interim results announcement for the six months ended 30 June 2014 which is expected to be published in late August 2014.

Shareholders and potential investors are therefore advised to exercise caution when dealing or investing in the shares of the Company.

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

Hong Kong, 29 July, 2014.

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.