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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)

- (1) REQUISITION FROM A SUBSTANTIAL SHAREHOLDER;
(2) THE INCIDENT;
(3) THE 1999 SHAREHOLDER RESOLUTION;
(4) THE 24 JANUARY 2009 SGM NOTICE AND
THE 5 JANUARY 2009 CIRCULAR;
(5) THE 2 JANUARY 2009 BOARD MEETING;
(6) PURPORTED RESIGNATION OF AN EXECUTIVE
DIRECTOR; AND
(7) RESIGNATION OF AN INDEPENDENT
NON-EXECUTIVE DIRECTOR**

The Ten Directors would like to inform Shareholders and the investing public of the following:

- The Company has received a requisition to convene a special general meeting from Rhenfield, a substantial Shareholder, on 17 December 2008.
- Rhenfield was incorporated in the British Virgin Islands on 5 March 1999 and wholly and beneficially owned by Mr. Tsang Wai Lun, Wayland and Madam Kwok Wai Man, Nancy in equal shares. As stated in the circular issued by Rhenfield dated 14 November 2008, Mr. Tsang Wai Lun, Wayland and Madam Kwok Wai Man, Nancy had given a joint undertaking to the Stock Exchange that they would not undertake any dealing management functions of the Company and its subsidiaries because of an investigation against them as disclosed in the announcement made by the Company dated 21 March 2007.

* For identification purpose only

- It is the intention of the Ten Directors to comply with the requirements of the Companies Act and the Bye-laws in relation to the Requisition. However, due to the unauthorised issue of the 24 January 2009 SGM Notice, the Ten Directors considered it more appropriate to convene a special general meeting in accordance with the Bye-laws to consider the resolutions set out in the Requisition on the conclusion of the investigation on the issue of the 5 January 2009 SGM Notice, the determination of the validity of the 24 January 2009 SGM Notice and obtaining proper directions from the Stock Exchange in relation to the Undertaking.
- An incident has occurred at the principal place of business of the Company at Unit 08, 43rd Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong in the afternoon of 5 January 2009 and a report of the Incident has been made to the police.
- In so far as the Ten Directors are aware of, the 24 January 2009 SGM Notice was issued without prior authorization of the Board. Furthermore, the 24 January 2009 SGM Notice and the 5 January 2009 Circular were issued without the knowledge and consent of the Ten Directors.
- By a resolution passed by the then sole shareholder of the Company on 20 May 1999, Rhenfield, the maximum number of Directors of the board was set at 15.
- The statement on page 5 of the 5 January 2009 Circular alleging that the Then Board has knowledge of the maximum number of Directors set by the 1999 Shareholder Resolution at the time of the appointment of the Five Directors is incorrect and without basis.

In relation to the views of the Ten Directors set out in this announcement, Mr. Lim Francis, an executive Director, expressed the view that the 5 January 2009 Circular containing 24 January 2009 SGM Notice was dispatched pursuant to the resolutions passed at the 2 January 2009 Board Meeting. Details of the 2 January 2009 Board Meeting and the views of Mr. Lim Francis in this regard is set out in the paragraph headed “The 2 January 2009 Board Meeting”. In addition, Mr. Lim Francis also of the view that the proceedings of the 5 January 2009 Board Meeting was improper and invalid and no resolutions passed at the 5 January 2009 Board Meeting can be considered as valid.

Mr. Wong Ching Wan, an independent non-executive Director has indicated his disagreement on the views of the Ten Directors set out in this announcement on 7 January 2009. Mr. David Chi-ping Chow, an independent non-executive Director and Mr. Ma Xuemian and Mr. Zhao Yang, both of whom are executive Directors and Mr. Chen Mudong, a non-executive Director expressed their concurrence with the views of Mr. Lim Francis set out in this announcement.

On 3 January 2009, the Company received an e-mail from Miss Ho Suk Yin, Nancy resigning as a director of the Company effective 3 January 2009. However, up to the date of this announcement, and in spite of repeated requests from the Company, the Company has not yet received the original signed resignation letter of Miss Ho Suk Yin, Nancy nor has the Company been informed of the reason of the resignation of Miss Ho Suk Yin, Nancy.

On 8 January 2009, the Company received a letter of resignation from Mr. Wong Ching Wan resigning as an independent non-executive Director effective 8 January 2008 for professional reasons.

VIEWS OF THE DIRECTORS ON THE CONTENTS OF THIS ANNOUNCEMENT

This announcement is made by the Ten Directors for the purpose of informing Shareholders and the investing public of certain events which have occurred recently. This announcement has been sent to all Directors for review and approval prior to the publication of the same.

Mr. Wong Ching Wan, an independent non-executive Director has indicated his disagreement on the views of the Ten Directors set out in this announcement on 7 January 2009.

Mr. Lim Francis expressed the view that the 2 January 2009 Board Meeting was validly convened and resolutions passed at the board meeting were validly passed, and that the 5 January 2009 Circular validly dispatched and the 24 January 2009 SGM validly convened, and that the 5 January 2009 Circular containing 24 January 2009 SGM Notice was dispatched pursuant to the resolutions passed at the 2 January 2009 Board Meeting. Details of the 2 January 2009 Board Meeting and the views of Mr. Lim Francis in this regards is set out in the paragraph headed “The 2 January 2009 Board Meeting”. In addition, Mr. Lim Francis also of the view that the proceedings of the 5 January 2009 Board Meeting was improper and invalid and no resolutions passed at the 5 January 2009 Board Meeting can be considered as valid. Mr. David Chi-ping Chow, an independent non-executive Director and Mr. Ma Xuemian and Mr. Zhao Yang both of whom are executive Directors and Mr. Chen Mudong a non-executive Director expressed their concurrence with the views of Mr. Lim Francis set out in this announcement.

Save as stated in this announcement, no other views on the views of the Ten Directors as set out in this announcement has been received from the Eight Elected Directors prior to the publication of this announcement.

REQUISITION FROM A SUBSTANTIAL SHAREHOLDER

On 17 December 2008, the Company received a requisition from Rhenfield, a substantial Shareholder, which according to information available, is interested in 479,050,000 Shares, representing approximately 19.03% of the issued share capital of the Company, requesting the Company to convene a special general meeting in accordance with section 74(1) of the Companies Act to consider the following:

1. To revoke the resolution(s) purportedly passed by the then board of directors of the Company to appoint Wen Li, Wang Zi-Han, Ho Suk Yin, Nancy, Chen Yu and Ho Wah Sang as directors of the Company with effect from 1 December 2008 on the ground that the passing of such resolution was an improper exercise of the powers of the directors of the Company not in the interests of the shareholders as a whole.
2. To increase the maximum number of the board of directors of the Company to 25.
3. To appoint Li Jun (李軍) as a non-executive director of the Company.
4. To appoint Wu Shangjie (吳上杰) as a non-executive director of the Company.
5. To appoint Liu Chaodong (劉朝東) as a non-executive director of the Company.
6. To appoint Wang Jirong (王繼榮) as an independent non-executive director of the Company.

According to section 74(3) of the Companies Act, in the event the Directors do not within twenty-one days from the date of the deposit of the Requisition, i.e. by 6 January 2009, proceed duly to convene a meeting, Rhenfield may convene the special general meeting. A meeting of the Board which was attended by Mr. Au Kwok Chuen, Vincent, Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Mr. Zhao Juqun (for himself and as proxy of Mr. Chu King Fai), Mr. Ho Wah Sang and Dr. Wong Yun Kuen (for himself and as proxy of Mr. Mok King Tong) was held at 6:00 p.m. on 5 January 2009 to consider the Requisition. It was resolved by the aforementioned Directors at the 5 January 2009 Board Meeting that due to the unauthorised issue of the 24 January 2009 SGM Notice, it is more appropriate for the Company to proceed to convene a special general meeting to consider the resolutions set out in the Requisition on the conclusion of the investigation on the issue of the 24 January 2009 SGM Notice, the determination of the validity of the 24 January 2009 SGM Notice and obtaining proper directions from the Stock Exchange in relation to the Undertaking. A letter to the effect has been sent to the last known address of Rhenfield on 6 January 2009. Further details of the views of the Ten Directors on the 24 January 2009 SGM Notice and the 5 January 2009 Circular are set out in the paragraphs headed “The 24 January 2009 SGM Notice and the 5 January 2009 Circular” and “The 2 January 2009 Board Meeting” below.

For information purpose, the Ten Directors noted that Rhenfield was incorporated in the British Virgin Islands on 5 March 1999 and wholly and beneficially owned by Mr. Tsang Wai Lun, Wayland and Madam Kwok Wai Man, Nancy in equal shares. As stated in the circular issued by Rhenfield dated 14 November 2008, Mr. Tsang Wai Lun, Wayland and Madam Kwok Wai Man, Nancy had given a joint undertaking to the Stock Exchange that they would not undertake any dealing management functions of the Company and its subsidiaries because of an investigation against them as disclosed in the announcement made by the Company dated 21 March 2007.

THE INCIDENT

A notice of meeting of the Board to be held at the principal place of business of the Company at Unit 08, 43rd Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong at 6:00 p.m. on 5 January 2009 to consider the Requisition was duly sent to all Directors on 22 December 2008. According to Mr. Lim Francis, Mr. Lim Francis (in his capacity as a Director and alternate Director of Mr. Wong Ching Wan and Ms. Katherine Chan Kit Yee), Mr. Ma Xuemian and Mr. Zhao Yang accompanied by two guards (“Two Guards”) arrived at the principal place of business of the Company at around 5:40 p.m. on 5 January 2009. Doubt on the legitimacy of the appointment of the Eight Elected Directors was raised by two of the Ten Directors. A letter raising such doubt and requesting the Eight Elected Directors not to proceed with the 2 January 2009 Board Meeting or otherwise perform any duties as directors of the Company until their legitimacy of their purported appointment has been satisfactorily clarified has been delivered to the Eight Elected Directors on 2 January 2009 (the “Letter”). In the circumstances, the Three Concerned Directors were denied access to the premises of the Company.

Mr. Lim Francis stated that the Three Concerned Directors were surprised that they were not allowed to attend the 5 January 2009 Board Meeting since the Company has been advised by its legal advisers to the Company on Bermuda law on 10 December 2008 opined that in spite of the 1999 Shareholder Resolution, *“there must be an overriding implication, in any situation where there is an appointment of directors by shareholders, that such an appointment could increase the Maximum Number and such appointment of further directors is a de facto increase in Maximum Number even where the resolution did not refer to the Maximum Number……. On the basis of the foregoing, on balance, we believe the appointment of the Eight Elected Directors by the Shareholders at the general meeting held on 2 December 2008 are valid and the current Maximum Number of directors is now 19”*.

There were arguments between the security guards deployed by the Company (for clarification, the security guards were not the Two Guards) to prevent unauthorized personnel from entering into the premises and who have denied the Three Concerned Directors access to the premises on one part, and the Three Concerned Directors and the Two Guards on the other part. According to Mr. Lim Francis, the Two Guards, on their own initiative, acquired chains and locks and proceeded to lock the door to the premises. At all material times, Mr. Au Kwok Chuen, Vincent, Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Mr. Zhao Juqun, Mr. Ho Wah Sang and Dr. Wong Yun Kuen and some of the staff of the Company were inside the Company premises and were hence denied access to leave the premises. Police was notified and the matter was resolved with the assistance of the police. A report has been made to the police.

On 6 January 2009, Mr. Lim Francis issued a letter to the Ten Directors and Miss Ho Suk Yin, Nancy alleging that the proceedings of the 5 January 2009 Board Meeting were “*improper and invalid and no resolutions purported to be passed at the 5 January 2009 Board Meeting were valid*” as a result of the denial of the Three Concerned Directors access to the premises.

THE 1999 SHAREHOLDER RESOLUTION

By a resolution passed on 20 May 1999 by Rhenfield, the then sole shareholder of the Company, resolving, among others, to set the maximum number of Directors at 15 and to authorize the Board to appoint additional Directors up to the maximum number of 15 or such other maximum number as may be determined from time to time by the Shareholders in general meeting.

On 1 December 2008, the Then Board appointed the Five Directors as directors of the Company effective 1 December 2008. Details of their appointment were set out in the announcement made by the Company dated 1 December 2008.

Pursuant to resolutions passed at a special general meeting held on 2 December 2008 and convened by Rhenfield, the Eight Elected Directors were elected as directors of the Company effective 2 December 2008. Poll results of the special general meeting held on 2 December 2008 were set out in the announcement made by the Company dated 2 December 2008.

As a result of the appointment of the Five Directors and the election of the Eight Elected Directors on 1 December and 2 December 2008, respectively, the total number of directors increased to 19, which exceed the maximum threshold set out in the 1999 Shareholder Resolution.

The Company was advised by its legal advisers on Bermuda law on 10 December 2008 that the Five Directors and the election of the Eight Elected Directors were valid.

The Ten Directors stated that they were not aware of the 1999 Shareholder Resolution at the time of the appointment of the Five Directors and the election of the Eight Elected Directors and they only became aware of the existing of the 1999 Shareholder Resolution subsequently.

Mr. Lim Francis, whose view was concurred by Mr. David Chi-ping Chow, Mr. Ma Xuemian, Mr. Zhao Yang and Mr. Chen Mudong, expressed doubt on the claim by the Ten Directors that they were not aware of the 1999 Shareholder Resolution and strongly objected to such claim by the Ten Directors.

THE 24 JANUARY 2009 SGM NOTICE AND THE 5 JANUARY 2009 CIRCULAR

In the morning of 5 January 2009, it has been brought to the attention of the Ten Directors that the 24 January 2009 SGM Notice and the 5 January 2009 Circular have been published on the website of Hong Kong Exchanges and Clearing Limited at around 8:33 a.m. on 5 January 2009. In relation to the 24 January 2009 SGM Notice and the 5 January 2009 Circular, the Ten Directors stated as follows:

- (a) Upon investigation, the Ten Directors noted that the 24 January 2009 SGM Notice and the 5 January 2009 Circular were uploaded on the website of the Hong Kong Exchanges and Clearing Limited by the printer purportedly at the instruction of Mr. Lim Francis.
- (b) In so far as the Ten Directors are aware of, no meeting of the Board has been held to discuss the Requisition and/or to authorize the issue of the 24 January 2009 SGM Notice and the issue of the 5 January 2009 Circular. Hence, the 24 January 2009 SGM Notice was issued without prior authorization of the Board.
- (c) The Ten Directors were informed of the holding of the 2 January 2009 Board Meeting subsequent to the issue of the 5 January 2009 Circular and the 24 January 2009 SGM Notice. For further details of the views of the Ten Directors on the 2 January 2009 Board Meeting, please refer to the paragraph headed “The 2 January 2009 Board Meeting” below.
- (d) The Ten Directors have not been informed of the issue of the 24 January 2009 SGM Notice and the 5 January 2009 Circular before the publication of the same in the morning of 5 January 2009 and have not given their consent to the issue of the 24 January 2009 SGM Notice and the 5 January 2009 Circular.
- (e) The statement on page 5 of the 5 January 2009 Circular alleging that the Then Board has knowledge of the maximum number of Directors set by the 1999 Shareholder Resolution at the time of the appointment of the Five Directors is incorrect and without basis. None of the Ten Directors has any knowledge of the existence of the 1999 Shareholder Resolution at the time of the appointment of the Five Directors. As stated in the paragraph headed “The 1999 Shareholder Resolution” above, the Ten Directors only became aware of the 1999 Shareholder Resolution subsequent to the appointment of the Five Directors and the election of the Eight Elected Directors on 1 December and 2 December 2008, respectively.

The Ten Directors are currently investigating the background leading to the issue of the 24 January 2009 SGM Notice and the validity of the 24 January 2009 SGM Notice. Further announcement will be made in this regard as and when appropriate.

Attention of Shareholders and investing public are drawn to the response to Mr. Lim Francis in relation to the issue of the 5 January 2009 Circular containing the 24 January 2009 SGM Notice in the paragraph headed “The 2 January 2009 Board Meeting” below.

THE 2 JANUARY 2009 BOARD MEETING

Mr. Lim Francis expressed the view that the 2 January 2009 Board Meeting was validly convened and resolutions passed at the board meeting were validly passed, and that the 5 January 2009 Circular validly dispatched and the 24 January 2009 SGM validly convened, and that the 5 January 2009 Circular containing 24 January 2009 SGM Notice was dispatched pursuant to the resolutions passed at the 2 January 2009 Board Meeting and stated as follows.

On 31 December 2008, Mr. Lim Francis served a notice to convene a board meeting on 2 January 2009 to consider the Requisition served by Rhenfield. On 2 January 2009, at the 2 January Board Meeting attended by Mr. Zhao Yang, Mr. Lim Francis, Mr. Ma Xuemian, Mr. Chen Mudong, Mr. Ng Ka Chong, Ms. Chan Kit Yee Katherine, Mr. Wong Ching Wan and Mr. David Chi-ping Chow, it was resolved that a special general meeting be convened on 24 January 2009 at 3:00 p.m. to consider the matters referred to in the Requisition pursuant to the Companies Act. Pursuant to the resolutions of the board of Directors passed on 2 January 2009 Board Meeting, the 5 January 2009 Circular containing the 24 January 2009 SGM Notice was dispatched.

Mr. Lim Francis expressed the opinion that notwithstanding that some of the Directors did not attend the 2 January Board Meeting held on 2 January 2009, proper notice of the meeting had been served on all Directors. In any event, it was noted that under bye-law 110(H) of the Bye-laws, a director shall not be counted in the quorum of or vote at any meeting in respect of an arrangement in which he is materially interested. Under bye-law 110(D) of the Bye-laws, a director shall not be counted in the quorum of or vote on any resolution of the board regarding his appointment (or termination thereof). Given that one of the motions put forward in the Requisition is to revoke the appointment of the Five Directors on the ground that there was an invalid and improper exercise of directors’ powers, the Five Directors as well as the members of the Then Board who purported to appoint them would be precluded under bye-laws 110(D) and 110(H) from voting at the 2 January Board Meeting.

The Ten Directors stated that in so far as they are aware of, notice has been given to all Directors, including the Eight Elected Directors, to cancel the 2 January 2009 Board Meeting. In response to the aforementioned statement, Mr. Lim Francis stated that he was aware that verbal notice of the cancellation of the board meeting was delivered by Miss Wang Zi-Han, an executive Director. Mr. Lim Francis further stated that Miss Wang Zi-Han has failed to provide a satisfactory answer when asked under whose authority she was acting on in notifying the Directors of the cancellation of the board meeting. Subsequently, Mr. Lim Francis sent an e-mail to all Directors advising them to disregard the cancellation notice and that the board meeting will be held on 2 January 2009 as scheduled.

In relation to the 2 January 2009 Board Meeting, the Ten Directors stated as follows:

- (a) By virtue of the Letter and the notification to cancel the 2 January 2009 Board Meeting, the Eight Elected Directors should be fully aware of the cancellation of the meeting and that they should not proceed with the meeting.
- (b) In so far as the Ten Directors were aware of, no notice of meeting to be held on 2 January 2009 has been issued subsequent to the cancellation of the meeting convened pursuant to the notice dated 31 December 2008.
- (c) The Ten Directors have not been informed of the alleged holding of the 2 January 2009 Board Meeting although the meeting was purportedly held at the principal place of business of the Company and at the time when some of Ten Directors were presented at the premises.
- (d) The Ten Directors disagreed with the views of Mr. Lim Francis in relation application of the bye-laws 110(H) and 110(D) of the Bye-laws. Under the Companies Act and the Bye-laws, the Directors are obliged to proceed to convene a special general meeting to consider the motions set out in the Requisition once it is determined that the Requisition is valid. The Directors did not have any authority to vote on whether or not to put forward any of the motions set out in the Requisition to the Shareholders at the special general meeting to be convened.

Based on the above, the Ten Directors are of the view that no validly constituted board meeting has been held on 2 January 2009 and the views of Mr. Lim Francis in respect of the application of the Bye-laws were incorrect.

PURPORTED RESIGNATION OF AN EXECUTIVE DIRECTOR

On 3 January 2009, the Company received an e-mail from Miss Ho Suk Yin, Nancy resigning as an executive director of the Company effective 3 January 2009. However, up to the date of this announcement, and in spite of repeated requests from the Company, the Company has not yet received the original signed resignation letter of Miss Ho Suk Yin, Nancy nor has the Company been informed of the reason of the resignation of Miss Ho Suk Yin, Nancy. Further clarification announcement will be made by the Company in this regard.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

On 7 January 2009, the Company received a letter of resignation from Mr. Wong Ching Wan (“Mr. Wong”) resigning as an independent non-executive Director effective 8 January 2009 for professional reasons.

In relation to his resignation, Mr. Wong stated as follows: “After I was nominated and elected as an independent non-executive Director at the special general meeting held on 2 December, 2008, I attended certain board meetings and reviewed many documentations of the Company. During my appointment as an independent non-executive Director, I saw disputes between the ‘Then Board’ and the ‘Eight Elected Directors’. And these disputes and continuous suspicious unusual conducts of the ‘Then Board’ disable my ability to exercise professional due cares to carry out proper responsibilities, as an independent non-executive Director, to act for the best interest of the Company and shareholders. I therefore tendered my resignation as an independent non-executive Director. The followings were some incidents of such disputes and unusual conducts:

- 1) Despite my efforts and those of my other colleagues of the ‘Eight Elected Directors’, the ‘Then Board’ and/or the ‘Ten Directors’ still, to this day, have not provide any satisfactory explanation on the Yuan Cheng incident to the Stock Exchange which has resulted in two consecutive requests for extension. This Yuan Cheng incident involves unclear applications of substantial amount of company funds, viz. HK\$50M, and inability of the ‘Then Board’ and/or the ‘Ten Directors’ to provide a satisfactory explanation is a grave concern.
- 2) The nomination and appointment of the ‘Five Directors’ by the ‘Then Board’ on 1 December, 2008 to invade and occupy Board seats of the Company before the special general meeting being held on 2 December 2008 suggested a strong case of misuse of corporate powers and the motive of the ‘Then Board’ was severely questionable.

- 3) The claim by ‘Then Board’ and/or the ‘Ten Directors’ of ignorance respecting the 1999 Shareholder Resolution reflected a non-acceptable logic and quality of the ‘Then Board’ as public company board members. If the claim had applied, the very appointment of the ‘Five Directors’ would have resulted in the immediate violation of company Bye-laws.
- 4) The ‘Then Board’ and/or ‘Ten Directors’ refused to permit the ‘Eight Elected Directors’ to access to the company premises and corporate information after some colleagues of ‘Eight Elected Directors’ had spotted information which is not agreed to claims being made by the ‘Then Board’, is total gross misconduct as public company directors.
- 5) The ‘Then Board’ and/or ‘Ten Directors’ continued to oppose of the validity of the outcome of the special general meeting held on 2 December 2008 despite a legal opinion confirming the status of the resolution is again a case of inappropriate conduct.”

DEFINITIONS

In this announcement, unless otherwise defined, terms used shall have the following meaning:

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| “1999 Shareholder Resolution” | a resolution passed on 20 May 1999 by Rhenfield, the then sole shareholder of the Company, resolving, among others, to set the maximum number of Directors at 15 and to authorize the Board to appoint additional Directors up to the maximum number of 15 or such other maximum number as may be determined from time to time by the Shareholders in general meeting; |
| “2 January 2009 Board Meeting” | the meeting of the Board on 2 January 2009 which was chaired by Mr. Lim Francis and attended by Mr. Ma Xuemian, Mr. Chen Mudong, Mr. Ng Ka Chong, Ms. Chan Kit Yee, Katherine, Mr. Wong Ching Wan and Mr. David Chi-ping Chow via telephone; |
| “5 January 2009 Board Meeting” | the meeting of the Board on 5 January 2009 which was attended by Mr. Au Kwok Chuen, Vincent, Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Mr. Zhao Juqun (for himself and as proxy of Mr. Chu King Fai), Mr. Ho Wah Sang and Dr. Wong Yun Kuen (for himself and as proxy of Mr. Mok King Tong); |

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| “5 January 2009 Circular” | the circular dated 5 January 2009 purportedly issued by the Board relating to (1) proposed revocation of a board resolution purporting to appoint five nominees with effect from 1 December 2008; (2) proposed increase in the maximum number of directors; and (3) proposed appointment of additional directors; |
| “24 January 2009 SGM” | the special general meeting of the Company to be held at Crystal Room 2, Holiday Inn Golden Mile, 50 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong at 3:00 p.m. on Saturday, 24 January 2009 and purportedly to be convened by the 5 January 2009 SGM Notice; |
| “24 January 2009 SGM Notice” | the notice of special general meeting issued by Mr. Lim Francis, an executive Director, purportedly on behalf of the Board for convening the 24 January 2009 SGM; |
| “Board” | the board of Directors; |
| “Bye-laws” | the bye-laws of the Company; |
| “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 of Hong Kong Limited; |
| “Companies Act” | Companies Act 1981 of Bermuda (as consolidated and amended); |
| “Directors” | directors of the Company; |
| “Eight Elected Directors” | Mr. Zhao Yang, Mr. Lim Francis, Mr. Ma Xuemian, Mr. Chen Mudong, Mr. Ng Ka Chong, Ms. Chan Kit Yee, Katherine, Mr. Wong Ching Wan and Mr. David Chi-ping Chow, the eight Directors elected at the special general meeting held on 2 December 2008; |

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| “Five Directors” | Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Miss Ho Suk Yin, Nancy and Mr. Ho Wah Sang, the five Directors appointed on 1 December 2008; |
| “Incident” | the incident that occurred at the principal place of business of the Company at Unit 08, 43rd Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong in the afternoon of 5 January 2009 as detailed in the paragraph headed “The Incident”; |
| “Requisition” | the requisition by Rhenfield to convene a special general meeting which was deposited with the Company on 17 December 2008; |
| “Rhenfield” | Rhenfield Development Corp., a company incorporated in the British Virgin Islands and a substantial shareholder of the Company; |
| “Share(s)” | ordinary shares of HK\$0.02 each in the share capital of the Company; |
| “Shareholder(s)” | holder(s) of Shares; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Ten Directors” | Mr. Chu King Fai, Mr. Au Kwok Chuen, Vincent, Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Mr. Zhao Juqun, Mr. Ho Wah Sang, Dr. Wong Yun Kuen, Mr. Yang Biao and Mr. Mok King Tong; |

- “Then Board” the board of directors of the Company comprising Mr. Chu King Fai, Mr. Au Kwok Chuen, Vincent, Mr. Zhao Juqun, Dr. Wong Yun Kuen, Mr. Yang Biao and Mr. Mok King Tong, prior to the appointment of Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Miss Ho Suk Yin, Nancy and Mr. Ho Wah Sang on 1 December 2008;
- “Three Concerned Directors” Mr. Zhao Yang, Mr. Lim Francis and Mr. Ma Xuemian, the three Directors who were involved in the Incident; and
- “Undertaking” the joint undertaking given by Mr. Tsang Wai Lun, Wayland and Madam Kwok Wai Man, Nancy to the Stock Exchange on 11 July 2007 undertaking that they would not undertake any dealing management functions of the Company and its subsidiaries because of an investigation against them as disclosed in the announcement made by the Company dated 21 March 2007.

By Order of the Board
Grand Field Group Holdings Limited
CHU KING FAI
Chairman

Hong Kong, 8 January 2009

As at the date of this announcement (assuming the resignation of Miss Ho Suk Yin, Nancy has become effective on 3 January 2009 and taking into account the resignation of Mr. Wong Ching Wan), the Board comprises eight executive Directors, namely Mr. Chu King Fai, Mr. Au Kwok Chuen, Vincent, Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-Han, Mr. Zhao Yang, Mr. Lim Francis and Mr. Ma Xuemian (with Mr. Lim Francis as alternate); four non-executive Directors, namely Mr. Zhao Juqun, Mr. Ho Wah Sang, Mr. Chen Mudong (with Mr. Lim Francis as alternate); and Mr. Ng Ka Chong; and five independent non-executive Directors, namely Dr. Wong Yun Kuen, Mr. Yang Biao, Mr. Mok King Tong, Ms. Chan Kit Yee, Katherine and Mr. David Chi-ping Chow (with Mr. Lim Francis as alternate).