

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of this announcement.



鈞 濠 集 團 有 限 公 司 *

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

**(1) THE SECOND LEGAL OPINION; AND
(2) APPLICATION FOR AN INJUNCTION
AGAINST RHENFIELD**

The Ten Directors made this announcement further to the Announcement for the purpose of informing Shareholders and the investing public about the Second Legal Opinion and the Application.

After the publication of the Announcement, the Second Legal Opinion has been sought from the Bermuda Counsel. On the basis of the Second Legal Opinion, the Company has made the Application to the Supreme Court of Bermuda for, amongst others, an injunction that, until further order of the Supreme Court of Bermuda, Rhenfield be restrained, whether by its directors, shareholders, servants, agents, representatives, attorneys, or otherwise howsoever from holding the Second 24 January 2009 SGM.

The Application will be heard at 9:30 a.m. on 21 January 2009 (Bermuda time). Further announcement will be made by the Company on the outcome of the hearing.

The injunction may or may not be granted by the Supreme Court of Bermuda. Shareholders and/or investors are advised to exercise caution when dealing in the securities of the Company.

* For identification purpose only

The Ten Directors made this announcement further to the Announcement for the purpose of informing Shareholders and the investing public about the Second Legal Opinion and the Application. This announcement has been sent to all Directors for review prior to the publication of the same.

THE SECOND LEGAL OPINION

After the publication of the Announcement, the Second Legal Opinion has been sought from the Bermuda Counsel, whom opine, amongst others, that:

- (a) the appointment of the Five Directors sanctioned on 27 November 2008 by the Then Board is, prima facie, a valid appointment made in exercise of the powers conferred on the Board under the Constitutional Documents;
- (b) the purported appointment of the Eight Elected Directors elected at the special general meeting of the Company on 2 December 2008 is, on balance, invalid as this appointment would have caused the maximum number of Directors limit, set by the Constitutional Documents at 15, to be breached;
- (c) the 8 January 2009 SGM Notice is defective insofar as Rhenfield is incorrectly seeking to remove the Five Directors by means of an ordinary resolution revoking the resolutions passed by the Then Board on 27 November 2008 where the correct course of action would be to convene a general meeting under Bye-law 117 of the Bye-laws to pass special resolutions to remove such Five Directors. The passing of an ordinary resolution in its place would constitute an improper resolution made in breach of Bye-law 117 of the Bye-laws and Section 93 of the Companies Act. Additionally, the required notice period under Bye-law 66 of the Bye-laws would be 21 days and not 14 days as contemplated under the Second 24 January 2009 SGM Notice, which renders the 8 January 2009 SGM Notice invalid.

APPLICATION FOR AN INJUNCTION

On the basis of the Second Legal Opinion, the Company has made the Application to the Supreme Court of Bermuda for, amongst others, an injunction that, until further order of the Supreme Court of Bermuda, Rhenfield be restrained, whether by its directors, shareholders, servants, agents, representatives, attorneys, or otherwise howsoever from holding the Second 24 January 2009 SGM, presently scheduled to be held on 24 January 2009 at 3:30 p.m. in Hong Kong.

The Application will be heard at 9:30 a.m. on 21 January 2009 (Bermuda time). Further announcement will be made by the Company on the outcome of the hearing.

The injunction may or may not be granted by the Supreme Court of Bermuda. Shareholders and/or investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“8 January 2009 SGM Notice”	the notice of special general meeting issued by Rhenfield purportedly convening the Second 24 January 2009 SGM
“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
“Announcement”	the announcement of the Company dated 8 January 2009

“Application”	the ex-parte application by the Company to the Supreme Court of Bermuda for, amongst others, an injunction against Rhenfield that, until further order of the Supreme Court of Bermuda, Rhenfield be restrained, whether by its directors, shareholders, servants, agents, representatives, attorneys, or otherwise howsoever from holding the Second 24 January 2009 SGM, presently scheduled to be held on 24 January 2009 at 3:30 p.m. in Hong Kong
“Bermuda Counsel”	a firm of barristers and attorneys qualified to practise laws in Bermuda and instructed to issue the Second Legal Opinion
“Board”	the board of Directors
“Bye-laws”	bye-laws adopted by the Company (as amended from time to time)
“Companies Act”	Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	Grand Field Group Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange
“Constitutional Documents”	Bye-laws and the 1999 Shareholder Resolution
“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

“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“Rhenfield”	Rhenfield Development Corp., a company incorporated in the British Virgin Islands and a substantial shareholder of the Company
“Second 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 3:30 p.m. on Saturday, 24 January 2009 and purportedly to be convened by Rhenfield pursuant to the 8 January 2009 SGM Notice
“Second Legal Opinion”	the legal opinion dated 20 January 2009 and issued by the Bermuda Counsel
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.02 each in the share capital of the Company
“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

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

Hong Kong, 21 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), 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).