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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)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 13 May 2015 (after trading hours), the Company entered into the Subscription Agreements on the same terms with each of the Subscribers pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 58,680,000 Subscription Shares at the Subscription Price of HK\$0.380 per Subscription Share. The obligations of each of the Subscribers under the Subscription Agreements are several (not joint or joint and several) and their rights are separate and independent.

The Subscription Shares represent approximately 6.82% of the issued share capital of the Company as at the date of this announcement and approximately 6.38% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The Subscription Shares will be allotted and issued pursuant to the General Mandate.

The net proceeds from the Subscription is approximately HK\$22,248,400. The Company intends to use the net proceeds for general working capital of the Company.

Shareholders and potential investors should note that the Completion is subject to fulfillment of the condition under the Subscription Agreements. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

* For identification purpose only

PROPOSED SUBSCRIPTION OF NEW SHARES

On 13 May 2015 (after trading hours), the Company entered into the Subscription Agreements on the same terms with each of the Subscribers. Set out below is a summary of the principal terms of the Subscription Agreements:

THE SUBSCRIPTION AGREEMENTS

Date 13 May 2015 (after trading hours)

Parties Subscription Agreement I: (1) the Company (as the issuer)

(2) Mr. Wang Dustin Daqing (as one of the Subscribers to subscribe for 29,340,000 Subscription Shares)

Subscription Agreement II: (1) the Company (as the issuer)

(2) Mr. Li Bing (as one of the Subscribers to subscribe for 29,340,000 Subscription Shares)

Mr. Wang Dustin Daqing is a businessman who is engaging in trading of dairy product in New Zealand. Mr. Li Bing is a businessman who is engaging in various trading business in the PRC and New Zealand.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Subscribers are independent of and not connected with the Company and its connected persons and associates (both as defined under the Listing Rules) and does not hold any Shares as at the date of this announcement.

Subscription Shares

Pursuant to the Subscription Agreement I, Mr. Wang Dustin Daqing has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue 29,340,000 new Shares at the Subscription Price of HK\$0.380 per Subscription Share.

Pursuant to the Subscription Agreement II, Mr. Li Bing has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue 29,340,000 new Shares at the Subscription Price of HK\$0.380 per Subscription Share.

The Subscription Shares represent (i) approximately 6.82% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 6.38% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The aggregate nominal value of the Subscription Shares (with a par value of HK\$0.10 each) is HK\$5,868,000. The Subscription Shares, when issued and fully paid up, shall rank *pari passu* in all respects among themselves and with all other Shares in issue on the date of allotment and issue of the Subscription Shares.

Subscription Price

The Subscription Price of HK\$0.380 per Subscription Share represents:

- (i) a discount of approximately 11.60% to the closing price of HK\$0.430 per Share as quoted on the Stock Exchange on the Last Trading Date; and
- (ii) a discount of approximately 10.20% to the average closing price of HK\$0.423 per Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the Last Trading Date.

The Subscription Price was arrived at after arm's length negotiation between the Company and each of the Subscribers with reference to the recent market prices and performance of the Shares, the current market conditions and the business prospects of the Group. The Directors (including the independent non-executive Directors) are of the opinion that the Subscription Price is fair and reasonable, on normal commercial terms, and is in the interests of the Company and the Shareholders as a whole.

The Subscribers shall pay to the Company an aggregate Subscription Price of HK\$22,298,400 for the Subscription Shares subscribed by such subscriber in full within 2 Business Days after the date of the Subscription Agreements or such later date as the Company and each of the Subscribers may agree in the manner as directed by the Company. If any of the Subscribers fails to fulfill his payment obligation within the above period, the Company shall be entitled

to terminate such subscriber's right to subscribe for the Subscription Shares under the Subscription Agreements and the Subscribers shall not have any claim against the Company for any compensation in respect of the said termination.

The obligations of each of the Subscribers under the Subscription Agreements are several (not joint or joint and several) and their rights are separate and independent.

Conditions Precedent

The Subscription is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares. If the above condition is not fulfilled on or before 28 May 2015 or such later date as may be agreed between the Company and the Subscribers, the Subscription Agreements will lapse and become null and void and the parties thereto will be released from all obligations thereunder, save for the liabilities for any antecedent breaches thereof. In such circumstances, the Company shall refund the Subscription Price received to respective Subscribers (free of interest) as soon as practicable.

Completion

Completion is expected to take place within 7 Business Days after fulfillment of the condition of the Subscription, or such other date as Company and the Subscribers may agree in writing.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of the allot and issue of the Subscription Shares.

General Mandate to issue the Subscription Shares

Upon Completion, 58,680,000 new Shares will be allotted and issued under the General Mandate. The General Mandate entitles the Directors to allot, issue and deal with up to 153,178,720 Shares, representing approximately 20% of the issued share capital of the Company as at the annual general meeting of the Company held on 18 June 2014 approving the General Mandate. As at the date of this announcement, 94,495,261 Shares have been issued under the General Mandate. Accordingly, the General Mandate is sufficient for the issue and allotment of the Subscription Shares and the Subscription is not subject to the Shareholders' approval.

Application for Listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR AND BENEFIT OF THE SUBSCRIPTION AND USE OF PROCEEDS

The Company is principally engaged in investment holding. The Group is principally engaged in investment holding, property development and property investment.

The Directors consider the Subscription offers a good opportunity for the Company to raise capital while broadening its shareholder base as well as its capital base. The Directors (including the independent non-executive Directors) consider that the terms of Subscription Agreement are fair and reasonable and are on normal commercial terms or better and the Subscription Agreement is in the interests of the Company and its Shareholders as a whole.

It is expected that the proceeds from the Subscription (after deducting the expenses incurred in the Subscription) will amount to approximately HK\$22,248,400. The Company intends to apply all of the net proceeds from the Subscription for general working capital of the Company. The net price of each Subscription Share to be issued upon Completion is approximately HK\$0.379.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The Company has not carried out any fund raising activity in the twelve months immediately prior to the date of this announcement.

CHANGES IN SHAREHOLDING STRUCTURE

Set out below is a summary of the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the allot and issue of the Subscription Shares:

	As at the date of this announcement		Immediately after the allot and issue of the Subscription Shares (Note 1)	
	Number of Shares	% (Approx.)	Number of Shares	% (Approx.)
Rhenfield Development Corp. (Note 2)	143,715,000	16.70	143,715,000	15.58
Kwok Wai Man, Nancy (Note 2)	10,056,529	1.17	10,056,529	1.09
Tsang Wai Lun, Wayland (Note 2)	19,263,000	2.24	19,263,000	2.10
Thrive Season Limited	46,035,185	5.35	46,035,185	5.01
The Subscribers	–	–	58,680,000	6.38
Other Public Shareholders	<u>641,319,148</u>	<u>74.54</u>	<u>641,319,148</u>	<u>69.84</u>
Total	<u><u>860,388,862</u></u>	<u><u>100.00</u></u>	<u><u>919,068,862</u></u>	<u><u>100.00</u></u>

Note(s):

1. On the assumption that there are no other changes in the issued share capital of the Company.
2. Rhenfield Development Corp. is owned by Ms. Kwok Wai Man, Nancy (“Ms. Kwok”) and Mr. Tsang Wai Lun, Wayland (“Mr. Tsang”) in equal shares. Mr. Tsang and Ms. Kwok are deemed to be interested in 143,715,000 shares of the Company pursuant to the Part XV of the SFO. Mr. Tsang personally held 19,263,000 Shares while Ms. Kwok, spouse of Mr. Tsang, personally held 10,056,529 Shares. By virtue of the SFO, Mr. Tsang and Ms. Kwok are both deemed to be interested in 29,319,529 Shares. In conclusion, both Mr. Tsang and Ms. Kwok have an aggregate interest of 173,034,529 Shares, representing approximately 20.11% of the shareholding of the Company.

Shareholders and potential investors should note that Completion is subject to the fulfillment of the condition under the Subscription Agreements. As the Subscription may or may not proceed to Completion, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which commercial banks are generally opened for banking business in Hong Kong
“Company”	Grand Field Group Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription Agreements
“Completion Date”	within 7 Business Days after the fulfillment of the condition precedent of the Subscription Agreements, or such other date as the Company and the Subscribers may agree in writing
“Directors”	directors of the Company
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with up to 153,178,720 Shares, representing approximately 20% of the issued share capital of the Company as at the annual general meeting of the Company held on 18 June 2014
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Date”	13 May 2015, being last trading day immediately prior to the entering into of the Subscription Agreements
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Share(s)”	existing ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Mr. Wang Dustin Daqing and Mr. Li Bing
“Subscription”	the subscription of the aggregate of 58,680,000 Subscription Shares as to (i) 29,340,000 Subscription Shares by Mr. Wang Dustin Daqing; and (ii) 29,340,000 Subscription Shares by Mr. Li Bing, both at the Subscription Price of HK\$0.380 per Subscription Share
“Subscription Agreements”	the Subscription Agreement I and the Subscription Agreement II dated 13 May 2015 entered into between the Company and each of the Subscribers in relation to the Subscription
“Subscription Price”	the subscription price of HK\$0.380 per Subscription Share

“Subscription Shares”	an aggregate of 58,680,000 new Shares to be allotted and issued to each of the Subscribers upon Completion pursuant to the Subscription Agreements
“HK\$”	Hong Kong dollars
“%”	per cent

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

Hong Kong, 13 May 2015

As at the date of this announcement, the Board 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.