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RICHLY FIELD

RICHLY FIELD CHINA DEVELOPMENT LIMITED

裕 田 中 國 發 展 有 限 公 司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(stock code: 313)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

The board (the "Board") of directors (the "Directors") of Richly Field China Development Limited (the "Company") is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2016 (the "Year") together with the comparative figures for the year ended 31 March 2015 (the "Corresponding Year") and selected explanatory notes as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2016

	Notes	2016 HK$'000	2015 HK$'000
REVENUE	4	**95,867**	54,096
Cost of sales		**(125,666)**	(78,356)
Gross loss		**(29,799)**	(24,260)
Impairment loss of prepaid land lease payments		**(34,000)**	–
Impairment loss of investment properties		**(100,634)**	–
Impairment losses of amounts due from associates		**–**	(14,982)
Other revenue and other net income	5	**1,658**	6,466
Selling expenses		**(12,781)**	(33,292)
Administrative expenses		**(121,146)**	(112,071)
Finance costs	6	**(42,566)**	(20,540)
Share of results of associates		**(941)**	(8,886)
LOSS BEFORE TAX	7	**(340,209)**	(207,565)
Income tax expense	8	**–**	–
LOSS FOR THE YEAR		**(340,209)**	(207,565)

	Notes	2016 HK$'000	2015 HK$'000
OTHER COMPREHENSIVE (LOSS)/INCOME			
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(56,397)**	1,278
Share of other comprehensive (loss)/income of associates		**(3,438)**	231
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		**(59,835)**	1,509
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(400,044)**	(206,056)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		***HK cents***	*HK cents* (Restated)
Basic	*9*	**(3.01)**	(2.04)
Diluted	*9*	**(3.01)**	(2.04)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2016

	Notes	2016 HK$'000	2015 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**37,790**	43,674
Investment properties		**618,107**	749,805
Prepaid land lease payments		**1,161,490**	1,283,540
Investments in associates		**25,614**	26,048
Available-for-sale investment		**2,724**	–
Goodwill		**120,085**	125,786
Total non-current assets		**1,965,810**	2,228,853
CURRENT ASSETS			
Properties under development		**939,848**	942,889
Completed properties held for sales		**404,729**	310,888
Inventories		**–**	4,550
Trade receivables	*11*	**13,415**	7,554
Prepayments, deposits and other receivables		**150,581**	114,550
Cash and cash equivalents		**42,016**	45,180
Total current assets		**1,550,589**	1,425,611

	Notes	**2016** **HK$'000**	2015 *HK$'000*
CURRENT LIABILITIES			
Trade payables	*12*	**264,176**	336,568
Receipts in advance, other payables and accruals		**1,096,182**	1,003,491
Due to related parties		**299,550**	13,935
Interest-bearing bank and other borrowings		**1,322,292**	646,618
Convertible notes payable		**132,710**	–
Provision		**8,886**	6,193
Tax payable		**133,326**	129,602
Total current liabilities		**3,257,122**	2,136,407
NET CURRENT LIABILITIES		**(1,706,533)**	(710,796)
TOTAL ASSETS LESS CURRENT LIABILITIES		**259,277**	1,518,057
NON-CURRENT LIABILITIES			
Due to related parties		**225,818**	205,478
Interest-bearing bank and other borrowings		**–**	1,175,388
Deferred tax liability		**8,546**	8,991
TOTAL NON-CURRENT LIABILITIES		**234,364**	1,389,857
Net assets		**24,913**	128,200
EQUITY			
Issued capital		**594,331**	445,748
Deficit		**(569,418)**	(317,548)
Total equity		**24,913**	128,200

NOTES:

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective terms include all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

As at 31 March 2016, the Group had net current liabilities of HK$1,706,533,000 and recorded a consolidated loss of HK$340,209,000 (2015: HK$207,565,000) for the year ended 31 March 2016. The directors of the Company have taken steps to improve the Group's liquidity and solvency position. Based on management estimation of the future cash flows of the Group, after taking into account; (i) a projection of the future sales of residential properties; and (ii) an expected ability and successfully refinance interest-bearing bank and other borrowings when falling due, if necessary, the directors are of the opinion that the Group will be able to generate sufficient funds to meet its financial obligations when they fall due in the foreseeable future. Also, some related companies have agreed to provide adequate funds for the Group to meet its liabilities when they fall due. Accordingly, the consolidated financial statements of the Group have been prepared on a going concern basis.

The validity of the going concern assumption on which the consolidated financial statements are prepared is dependent on the successful and favourable outcomes of the steps being taken by the directors as described above.

Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised at the amounts other than which they are currently recorded in the consolidated statement of financial position. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities.

2 APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the HKICPA.

Amendments to HKAS 19	*Defined Benefit Plans: Employee Contributions*
Amendments to HKFRSs	*Annual Improvements to HKFRSs 2010-2012 Cycle*
Amendments to HKFRSs	*Annual Improvements to HKFRSs 2011-2013 Cycle*

The Group has not applied any new HKFRSs that is not yet effective for the current accounting period. Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Annual Improvements to HKFRSs 2010-2012 Cycle and 2011-2013 Cycle

These two cycles of annual improvements contain amendments to nine standards with consequential amendments to other standards. Among them, HKAS 24, Related party disclosures has been amended to expand the definition of a "related party" to include a management entity that provides key management personnel services to the reporting entity, and to require the disclosure of the amounts incurred for obtaining the key management personnel services provided by the management entity. These amendments do not have an impact on the Group's related party disclosures as the Group does not obtain key management personnel services from management entities.

The Group early adopted the following amendments in the annual financial statements for the year ended 31 March 2015:

Amendments to HKFRS 2 included in Annual Improvements to HKFRSs 2010-2012 Cycle	Definition of Vesting Condition
Amendments to HKFRS 3 included in Annual Improvements to HKFRSs 2010-2012 Cycle	Accounting for Contingent Consideration in a Business Combination
Amendments to HKFRS 13 included in Annual Improvements to HKFRSs 2010-2012 Cycle	Short-term Receivables and Payables
Amendments to HKFRS 1 included in Annual Improvements to HKFRSs 2011-2013 Cycle	Meaning of Effective HKFRSs

3. OPERATING SEGMENT INFORMATION

Over 90% of the Group's revenue, expenses, assets and liabilities are generated from the Group's property development projects in Changsha, Hunan Province (the "Changsha Project") and Qinhuangdao of Hebei Province (the "Qinhuangdao Project") in the People's Republic of China (the "PRC"). The chief executive officer (the chief operating decision maker) makes decisions about resources allocation and assesses performance of the Group based on the operating results from and financial position of these business activities. Accordingly, the chief executive officer of the opinion that the Changsha Project and Qinhuangdao Project in the PRC is a single reportable operating segment of the Group.

An analysis of the Group's revenues from external customers for each group of similar products and services is disclosed in note 4.

The Group's revenue from external customers is derived solely from its operations in the PRC, and all non-current assets (other than financial assets) of the Group are located in the PRC.

During the year, the Group had no transactions with external customer which individually contributed over 10% to the Group's total revenue (2015: Nil).

4. REVENUE

An analysis of the Group's revenue is as follows:

	2016	2015
	HK$'000	*HK$'000*
Revenue		
Sales of properties	**73,138**	38,696
Sales of fashion wears and accessories	**3,750**	1,895
Gross rental income	**16,346**	13,505
Management fee income	**2,633**	–
	95,867	54,096

5. OTHER REVENUE AND OTHER NET INCOME

	2016	2015
	HK$'000	*HK$'000*
Other revenue		
Interest income on bank deposits	**107**	389
Other interest income	**111**	4,337
Total interest income on financial assets not at fair value through profit or loss	**218**	4,726
Other net income		
Net exchange gain	**147**	13
Others	**1,293**	1,727
	1,440	1,740
	1,658	6,466

6. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	2016	2015
	HK$'000	*HK$'000*
Interest on bank and other loans	**233,225**	208,437
Interest on convertible notes payables	**2,710**	–
Total interest expenses on financial liabilities not at fair value through profit or loss	**235,935**	208,437
Less: Amount capitalised in the cost of qualifying assets	**(193,369)**	(187,897)
	42,566	20,540

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

		2016	2015
		HK$'000	*HK$'000*
(a)	Staff costs:		
	Contributions to defined contribution retirement plans	**2,286**	4,777
	Salaries, wages and other benefits	**19,281**	36,570
		21,567	41,347
(b)	Other items:		
	Cost of goods sold#*	**95,817**	44,656
	Cost of services provided#	**2,891**	1,353
	Depreciation of property, plant and equipment	**4,241**	4,826
	Depreciation of investment properties#	**29,488**	14,380
	Impairment loss on prepaid land lease payments	**34,000**	–
	Impairment loss on investment properties	**100,634**	–
	Provision for compensation	**3,225**	4,727
	(Reversal)/Write-down of inventories to net realisable value#	**(2,530)**	17,967
	Amortisation of prepaid land lease payments*	**31,363**	12,793
	Auditors' remuneration	**1,090**	2,049
	Minimum lease payments under operating leases in respect of land and buildings	**1,084**	135

These amount is included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

* *Cost of goods sold includes HK$5,574,000 (2015: HK$4,561,000) relating to amortisation of prepaid land lease payments which amount is also included in the total amounts disclosed separately above.*

8. INCOME TAX EXPENSE

For the Group's subsidiaries established in the PRC, PRC enterprise income tax is calculated at the rate of 25% (2015: 25%).

No provision for Hong Kong profits tax has been made for the year ended 31 March 2016 as the Group did not generate any assessable profits arising in Hong Kong during the year (2015: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2016	2015 (Restated)
Loss		
Loss for the year attributable to owners of the Company *(HK$'000)*	**(340,209)**	(207,565)
Number of shares		
Weighted average number of ordinary shares in issue	**11,292,130,723**	10,152,718,573
Basic loss per share *(HK cent per share)*	**(3.01)**	(2.04)

The number of ordinary shares for the year ended 31 March 2015 for the purpose of calculating basic loss per share has been adjusted for the open offer of one offer share for every three shares which become effective on 11 August 2015. As a consequence, the amount of basic loss per share for the year ended 31 March 2015 has been restated from HK2.33 cents to HK2.04 cents.

(b) Diluted loss per share

For the year ended 31 March 2016, diluted loss per share do not include the effect of the convertible bonds since their assumed conversion had an anti-dilutive effect on the basic loss per share.

For the years ended 31 March 2016 and 2015, the computation of diluted loss per share did not assume the exercise of the Company's outstanding share options as the exercise prices of these options were higher than the average market price of shares.

10. DIVIDENDS

The directors do not recommend the payment of any dividends in respect of the year ended 31 March 2016 (2015: Nil).

11. TRADE RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Rental receivable	**1,005**	–
Rental recognised using the straight-line method	**12,410**	7,554
Total	**13,415**	7,554

An aged analysis of the rental receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Within one year	**1,005**	–

The trade receivables are non-interest-bearing and repayable within the normal operating cycle.

12. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Within one year	**242,418**	315,365
One to two years	**1,580**	–
Over two years	**20,178**	21,203
	264,176	336,568

The trade payables are non-interest-bearing and repayable within the normal operating cycle.

13. CONTINGENT LIABILITIES

The Group has entered into two State-owned Construction Land Use Rights Sale Contracts (the “Land Use Rights Sale Contracts”) with the Wangcheng Land Bureau in relation to the acquisitions of the land with site areas of 406,887 square metres and 651,666 square meters (the “Land”) on 28 October 2009 and 19 January 2010, respectively.

Pursuant to the Land Use Rights Sale Contracts, the construction works for the Land (the “Changsha Outlets Projects”) shall be completed on or before 20 August 2012 and 31 December 2012, respectively and subject to a daily penalty of 0.1%, payable to the Wangcheng Land Bureau, calculated based on the purchase consideration of the Land in respect of delay in completion of the construction (the “Penalty”).

On 15 March 2014, the Company agreed with the Hunan Wangcheng Economic Development Zone Management Committee（湖南望城經濟開發區管委會）and the Changsha Municipal Land and Resources Economic Development Zone of Wangcheng Bureau Land and Resources Centre（長沙市望城區國土資源局經開區國土資源中心所）(collectively referred to the “relevant PRC authorities”), which are responsible for the supervision of the Changsha Outlets Projects and supervision of the Land, respectively, that if the occupancy rate of Phase I of Changsha Outlets Projects reached 75% by the end of June 2014 and the construction of Phase II of Changsha Outlets Projects has commenced by the end of December 2014, the relevant PRC authorities shall not request the Company to pay the Penalty.

As of 31 March 2015, as the aforesaid conditions were met, there will be no penalty payable to local government.

EXTRACT FROM INDEPENDENT AUDITORS' REPORT

The auditors has issued qualified opinion on the Group's consolidated financial statements for the year ended 31 March 2016, an extract of which is as follows:

Basis for qualified opinion

Included in receipts in advance, other payables and accruals as of 31 March 2016 was a fund of HK$447,218,000 (2015: HK$468,517,000) received in prior years by Qinhuangdao Outlets Real Estate Co., Ltd ("Qinhuangdao Outlets"), a subsidiary of the Group, from Finance Bureau of Changli County, Qinhuangdao, Hebei Province related to an infrastructure construction of Qinhuangdao project. The fund was recorded as other payables in the consolidated statement of financial position as at 31 March 2016 and a corresponding tax provision of approximately HK$117,129,000 was recognised on this fund received during the year ended 31 March 2013.

No direct confirmation has been received or sufficient appropriate evidence is available to verify the nature of such fund received and classification in the consolidated financial statements. Also, we are not provided with sufficient audit evidence as to whether this amount has to be recognised in the consolidated statement of profit or loss and other comprehensive income and as to when this amount has to be recognised in the consolidated statement of profit or loss and other comprehensive income, if any. There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the fund received and the related tax provision were free from material misstatement.

Our opinion on the current year's consolidated financial statements is modified also because of the possible effect of these matters on the comparability of current year's figures and corresponding figures.

Had we been able to satisfy ourselves in respect of the matter mentioned above, adjustments might have been found to be necessary which would have had a consequential impact on the net assets of the Group as at 31 March 2016 and 2015 and its net loss for the years ended 31 March 2016 and 2015, and the related disclosures in the consolidated financial statements.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiaries as at 31 March 2016, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 2.1(b) to the consolidated financial statements which indicates that the Group incurred a net loss of approximately HK$340,209,000 during the year ended 31 March 2016 and as of that date, the Group's current liabilities exceeded its current assets by HK$1,706,533,000. These conditions, along with other matters as set forth in note 2.1(b), indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group is principally engaged in outlets commercial operation and development and operation of featured commercial properties (such as tourism property, senior care property and wine chateaus) and development of high-end residential properties.

During the Year, the Group recorded revenue from sales of properties of HK$73,138,000, mainly attributable to delivery of part of the shops and Phase 1 of residential property and the gross rental income of HK$16,346,000, of its Factory Outlet Center and Outlets Town located in Changsha, Hunan Province, the People's Republic of China (the "PRC") (the "Changsha Outlets Project").

As for financing aspect, Richly Field (Beijing) Investment Consulting Company Limited* (裕田幸福城(北京)投資顧問有限公司), a subsidiary of the Company, entered into a revolving loan facility agreement with JeShing Real Estate Group Company Limited* (金盛置業投資集團有限公司), a related company of the Group, in April 2014 in relation to a loan facility in the total principal amount of RMB300,000,000 (equivalent to approximately HK$360,030,000) for a term of three years at an interest rate of 5% per annum (the "Other Loan 1"). During the Year, Qinhuangdao Outlets Real Estate Co., Limited, a subsidiary of the Company, entered into a loan agreement with related parties, JeShing Real Estate Group Company Limited, 南京第一建築工程集團有限公司 and 江蘇裝飾材料有限公司 in relation to a loan facility in the total principal amount of RMB230,646,000 (equivalent to approximately HK$276,799,000) for a term of one year at an interest rate of 6.6% per annum which was secured by the pledge of certain of the Group's assets (the "Other Loan 2"). These helped the Group to replenish cash flow as well as to reduce overall finance cost. In September 2013, the Group entered into a banking facility of RMB300,000,000 (equivalent to approximately HK$360,030,000) (the "Bank Loan"). As at 31 March 2016, RMB223,906,000 (equivalent to approximately HK$268,710,000) of the Other Loan 1, RMB230,646,000 (equivalent to approximately HK$256,799,000) of Other Loan 2 and RMB131,000,000 (equivalent to approximately HK$157,213,000) of the Bank Loan were utilized and the remaining facilities may be successively withdrawn in the future within the loan term depending on the cash flow conditions of the Group.

The Changsha Outlets Project is a commercial and residential property project developed by Hunan Richly Field Outlets Real Estate Limited*（湖南裕田奧特萊斯置業有限公司）("Hunan Richly Field"), a wholly-owned subsidiary of the Company. During the Year, the project was improved and well-developed. In addition to successive delivery of the street-side shops of Residential Phase 1 and Residential Phase 1, the bungalow and small high-rise building of Residential Phase 2 had been topped out, and the sales permit of which was granted in November 2014 and the official sale of which was therefore kicked off. In addition, the project's block-type commercial complex, with an area of approximately 90,000 square meters, has fully started official operation during the National Day Golden Week in 2014, and attracted hundreds of thousands of visitors during the seven-day holiday. During this Year, the Group put its focus on promotion and marketing of a series of activities, including thematic concert, model competition, Russian Circus and 72 hours high altitude survival, to improve the brand and awareness of Richly Field Globe Outlets and Outlets Town, in which the frequency and scope of advertising also significantly increased. As at the reporting date, more than 160 stores are opened, involving international luxury brands, middle- and high-end fashion wears, sports and leisure products, leather products and catering stores. It is also well-equipped with IMAX cinema, children's playground, supermarkets, outdoor exploration zone and bus stations, which in aggregate makes it the biggest shopping, leisure and entertainment center in the local area. This will also give a strong boost to the residential sales in the future and further replenish cash flow of the Group.

In September 2014, the Group completed acquisition of the remaining 60% issued share capital of King Future Limited which was originally a 40%-owned associated company of the Company, which indirectly owns 100% equity interests in Qinhuangdao Outlets Real Estate Company Limited*（秦皇島奧特萊斯置業有限公司）("Qinhuangdao Outlets"), thus making Qinhuangdao Outlets its indirectly wholly-owned subsidiary and gaining 100% control over it. Located at Golden Coast, Changli County, Qinhuangdao City, Hebei Province, and adjacent to northern China's tourism resort, the Beidaihe Beach Resort, Qinhuangdao Outlets project (the "Qinhuangdao Outlets Project") is planned to cover approximately 1,800 mu, and Phase I of which, covering 1,077 mu, has been granted the state-owned construction land use rights. Based on its geographical and environmental advantages, Qinhuangdao Outlets Project plans to build into a large coastal complex property featuring functions of shopping, tourism, leisure, vacation and accommodation. So far, construction works for fences, earthwork backfilling, electricity installation have been partially completed, and design of the display center has been finished. Currently, it is in the process of planning and design and the construction will begin upon obtaining the permit.

During the Year, progress was made in respect of projects under the associated company of the Company.

The master plan, display area design plan, chateaus single plan and environmental impact assessment of Hebei Huailai special villa residential properties and winery project developed by Huailai Dayi Wineries Company Limited*（懷來大一葡萄酒莊園有限公司）, a 50%-owned associate of the Company, has been completed. Infrastructure for utility services is in place for the display area and works have been partially completed regarding landscaping, planting and slope repairs. Preparation regarding listing for sale of approximately 480 mu of construction land is also in progress.

Globe Outlet Town (Jilin) Limited, a 42%-owned associated company of the Company, will develop a comprehensive project in Shuangyang District, Changchun City, Jilin Province. With outlet mall being the key feature, the project combines theme parks and resort hotels for tourists (the "Jilin Outlets Project"). Market positioning, design plan and market research and assessment works for the project have been completed during the Year. The Group has obtained 462 mu of state-owned land use right for the Jinlin Outlets Project.

The prospering online shopping trend in China has, to a certain extent, affected the performance of some traditional commerce and trade distribution companies. In response, the Group has adopted a forward looking move in its business planning by shifting the focus from fashion retail to leisure, entertainment and catering-related customer experience activities in its Factory Outlet Center. Leisure or other service zones, such as high-end IMAX cinema, wholesale-store style KTV, entertainment-related interaction with children, Chinese and western style catering, outdoor health experiences, waterside leisure bars as well as financial self-service areas can be found in the Group's Factory Outlet Center, which have accounted for nearly half of the overall business areas and have brought more customers to visit for fun or other purposes. Meanwhile, the Group plans to set itself as an example of a business model combining online and physical store interactive operations through the launch of online Factory Outlet Center and online reservation for consumption at physical stores. The successful opening of the Factory Outlet Center in Changsha has helped the Group gather a large clientele of business owners, and accumulate valuable experiences for follow-up development and development of other projects, including the Qinhuangdao Outlets Project.

Financial Review

During the Year, the Group recorded a total revenue of HK$95,867,000 as compared to HK$54,096,000 in the Corresponding Year. As set out in the financial statements, the revenue of the Year was mainly attributable to the sales of the properties of the Changsha Outlets Project in the amount of HK$73,138,000 compared to HK$38,696,000 for the Corresponding Year. Sales of the fashion wears and accessories also recorded revenue in the amount of HK$3,750,000 for the Year compared to HK$1,895,000 for the Corresponding Year. Gross rental income of approximately HK$16,346,000 for the Year compared to HK$13,505,000 for the Corresponding Year, from the leasing of the outlet plaza of the Changsha Outlets Project. Management fee income received of approximately HK$2,633,000 for the Year compared to nil for the Corresponding Year.

The loss attributable to equity holders amounted to HK$340,209,000 as compared to HK$207,565,000 in the Corresponding Year. The loss per share for the Year was HK$3.01 cents as compared to HK$2.04 cents (Restated) for the Corresponding Year.

Significant Investments

The Group did not have any significant investments during the Year.

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

The Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Year.

Capital Structure

On 13 November 2015, the Company completed the subscription of the Convertible Notes in the principal amount of HK$130,000,000.

During the Year, pursuant to the Open Offer the Company allotted and issued 2,971,654,767 offer shares at HK$0.083 each and thus the issued share capital of the Company enlarged from 8,914,964,303 ordinary shares to 11,886,619,070 ordinary shares.

As at 31 March 2016, the audited net assets attributable to owners of the Company amounted to HK$24,913,000 (31 March 2015: HK$128,200,000), representing a decrease of 81% as compared with the same as of 31 March 2015. With the total number of 11,886,619,070 ordinary shares in issue as of 31 March 2016, the audited net assets value per share was HK$0.002 cents (31 March 2015: HK$1.44 cents).

Liquidity and Financial Resources

The Group mainly finances its business operations with its internal resources and loan facilities from banks and financial institutions.

As at 31 March 2016, the Group had cash and bank balances of HK$42,016,000 (2015: HK$45,180,000). The Group's current ratio (measured as total current assets to total current liabilities) was 0.48 times (2015: 0.67 times). The decrease in the current ratio was mainly due to the increase in due to related parties and interest-bearing bank and other borrowings and convertible notes payable in current portion.

As at 31 March 2016, the secured and unsecured interest-bearing bank and other borrowings and convertible notes payable of the Group amounted to HK$1,297,330,000 (2015: HK$1,617,263,000) and HK$24,962,000 (2015: HK$204,743,000) and HK$132,710,000 (2015: Nil), respectively. The gearing ratio, which is calculated as a percentage of total interest bearing borrowings to total equity, was 5,840% (2015: 1,421%). The increase in the gearing ratio was mainly due to the significant increase in convertible notes payable.

Pledge of Assets

As at 31 March 2016, property interest held by the Group with net carrying amount of HK$1,151,988,000 (2015: HK$545,335,000) were pledged to PRC banks for the Group's borrowings. In addition, as at 31 March 2015, a bank loan was secured by the Group's entire equity interest in Hunan Richly Field.

Foreign Exchange Exposures

As the Group's bank and other borrowings, bank and cash balances, trade receivables, trade payables, accruals, other payables and amounts due to related parties were mainly denominated in RMB, the Group had not experienced significant exposure to foreign currency fluctuation.

Commitments

As at 31 March 2016, the Group had capital commitments contracted, but not provided for and authorised, but not contracted for in respect of property development expenditures of HK$482,925,000 (2015: HK$498,250,000) and HK$1,634,065,000 (2015: HK$2,007,146,000), respectively.

Contingent Liabilities

The Group has entered into two State-owned Construction Land Use Rights Sale Contracts (the "Land Use Rights Sale Contracts") with the Wangcheng Land Bureau in relation to the acquisitions of the land with site areas of 406,887 square metres and 651,666 square meters (the "Land") on 28 October 2009 and 19 January 2010, respectively.

Pursuant to the Land Use Rights Sale Contracts, the construction works for the Land of the Changsha Outlets Projects shall be completed on or before 20 August 2012 and 31 December 2012, respectively and subject to a daily penalty of 0.1%, payable to the Wangcheng Land Bureau, calculated based on the purchase consideration of the Land in respect of delay in completion of the construction.

On 15 March 2014, the Company agreed with the Hunan Wangcheng Economic Development Zone Management Committee（湖南望城經濟開發區管委會）and the Changsha Municipal Land and Resources Economic Development Zone of Wangcheng Bureau Land and Resources Centre（長沙市望城區國土資源局經開區國土資源中心所）(collectively referred to the "relevant PRC authorities"), which are responsible for the supervision of the Changsha Outlets Projects and supervision of the Land, respectively, that if the occupancy rate of Phase I of Changsha Outlets Projects reached 75% by the end of June 2014 and the construction of Phase II of Changsha Outlets Projects has commenced by the end of December 2014, the relevant PRC authorities shall not request the Company to pay the Penalty.

As at 31 March 2015, as the aforesaid conditions were met, there will be no penalty payable to local government.

Employees and Remuneration Policy

As at 31 March 2016, the Group employed a total of 206 employees (excluding Directors), as compared to 213 employees (excluding Directors) as at 31 March 2015. The Group remunerates its employees based on their performance, working experience and prevailing market parameters. Employee benefits include medical insurance coverage, provident fund and share options.

Prospect and Outlook

After the policy adjustment for the real estate industry in 2014, the PRC Government implemented various policies in a decisive manner to encourage property consumption, including multiple cuts of interest rate and reserve requirement ratio, easing of down payment ratio, substantial relaxation of property-purchasing limitations and adjustment of transaction taxes.

There is still strong demand for property in first– and second-tier cities, and the real estate industry will remain a pillar industry in the coming 15 to 20 years from a long-term prospect. As the growth of the Chinese economy slows down, it is expected that the PRC Government will maintain an accommodative monetary policy in 2016. Except targeted cooldown measures expected for particular first-tier cities with frenzy property prices, the Government will take a proactive stance in boosting property consumption and facilitating the destocking of the real estate industry to ensure stable development of the domestic economy.

The Group's principal business features commercial property and property with characteristics, including Globe Factory Outlet Center and low-density and high-quality residential property, tourism property, cultural property, senior care property and wine chateaus, etc.

Globe Factory Outlet Center is a truly international eco-friendly shopping park that has been designed by absorbing the quintessence of European and American outlets, providing a good combination of shopping, leisure, entertainment, tourism and vacation. The Globe Factory Outlet Center of Changsha commenced operation on 1 October 2014 and its sales and results continued to trend upward in 2015. As at 31 March 2016, over 130 shops and nearly 200 brands started operation in the Changsha Project. Its main businesses and categories include world-renowned discount stores, clothing and ornaments for men and women from China's first-line and second-line brands, cosmetic products, sports and leisure products, children's playground, IMAX cinema and characteristic catering.

The grand openings of the Group's characteristic Catering and Gourmet Street Project of approximately 10,000 square meters as well as an indoor trampoline park of approximately 5,000 square meters directly imported from Australia, an exclusive in Central China, at the Changsha Globe Factory Outlet Center are scheduled for the second half of 2016. The Group firmly believes that these features, to which the Group has dedicated an enormous amount of efforts and capital, will further enrich the Changsha Project and lead to huge revenue growth.

During the year, the Changsha Outlets Commercial Phase 2 with a planned gross floor area of approximately 350,000 square meters has entered the design and planning stage. The project will begin construction in 2016, with high-end premium shopping malls, catering and entertainment facilities and one-stop wedding parks as its principal commercial offerings. The project will become a business district focused on shopping experience with a considerable influence in Central China.

With the introduction of the accommodative policies in relation to the real estate industry along with the supporting financial policies by the Central Government in the first quarter of 2016, the domestic economic growth will shift from focusing on growth pace to emphasizing more on balance and quality. In addition, the purchasing power of the middle class on the mainland is currently strong. As a result, the domestic real estate transaction volume has recently increased while the prices and transaction volume of the real estate markets in first– and second-tier cities have both recorded a rise. The Group will seize this opportunity to transform its product mix from rigid demand-based to upgrader demand-oriented, and the construction of the Changsha Residential Project will start in 2016 to build semi-detached houses of approximately 30,000 square meters.

To ensure its competitive edges, the Group acquired the land certificate for the Changchun Project in April 2016, and the Qinhuangdao Project has entered the planning and design stage. Both projects will be developed as mega-sized complex real estate projects based on the Globe Factory Outlet Center and are scheduled to commence construction in 2016. The Qinhuangdao Project will be positioned as a renowned tourism property project in Hebei Province as well as the whole country with businesses including Globe Factory Outlet Luxury Center, characteristic catering, tourist souvenir, themed commercial street, hot spring resort hotel, waterpark and fishery product market.

In addition, the Group is actively keeping a close track of the development of emerging industries in the mainland market, such as the senior care, healthcare, sports and fitness, electronic sports, gaming and animation and virtual reality industries. In the future, the Group may gradually venture into these industries through merger and acquisition and joint ventures.

FINAL DIVIDEND

The Board did not recommend payment of a final dividend for the Year (2015: Nil).

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance in the best interest of the shareholders of the Company (the "Shareholders"). The Company has been making an effort to enhance the corporate governance standard of the Company by reference to the code provisions and recommended best practices set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). During the Year, the Company has applied and complied with all the code provisions set out in the CG Code except for the deviation from code provision A.2.1.

Code provision A.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

During the Year, Mr. Xin Songtao was appointed as the chairman and the chief executive of the Company on 15 January 2016. The Board believes that at the Group's development stage, this structure helps to make planning and execution more efficient. The Board will review this situation periodically and will consider steps to separate dual roles of chairman and chief executive as and when appropriate.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility for reviewing the effectiveness of risk management and internal control systems of the Group. The Board is committed to implementing an effective and sound risk management and internal control systems to safeguard the interest of the Shareholders and the Group's assets. The Board has delegated to the management the implementation of the systems of risk management and internal control and review of all relevant financial, operational, compliance controls and risk management functions within the established framework.

The risk management and internal control report was issued by the internal audit department of the Company and reviewed by the auditor of the Company.

During the Year, the Board, through the audit committee of the Company, has conducted a review of the effectiveness of the risk management and internal control systems of the Group.

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code") as the code of conduct regarding securities transactions by the Directors.

Having made specific enquiries to all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the Year, the Company and any of its subsidiaries did not purchase, sell or redeem any of the Company's listed shares.

AUDIT COMMITTEE REVIEW

The audit committee of the Company has reviewed with the management the Group's consolidated financial statements for the Year, including the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control, and financial reporting matters, in conjunction with the auditors of the Company.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT

This results announcement is published on the Company's website at www.richlyfieldchina.com and the Stock Exchange's website at www.hkexnews.hk. The 2016 Annual Report will also be available on both websites and despatched to the Shareholders in due course.

By Order of the Board
Richly Field China Development Limited
Xin Songtao
Chairman

Hong Kong, 24 June 2016

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Xin Songtao (Chairman) and Mr. Li Yi Feng; two non-executive Director, namely Mr. Ma Jun and Mr. Chen Wei; and three independent non-executive Directors, namely Ms. Hsu Wai Man Helen, Mr. Chau Shing Yim David and Mr. Xu Jinghong.

* *For identification purpose only*