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田生集團有限公司

RICHFIELD GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014**

INTERIM RESULTS

The board of directors (the "Director(s)") (the "Board") of Richfield Group Holdings Limited (the "Company") herein presents the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2014 together with the comparative unaudited figures for the corresponding periods in 2013 as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 31 December 2014

		Six months ended 31 December	
	Notes	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
REVENUE	4	52,551	47,724
Cost of sales		(13,078)	(14,925)
Gross profit		39,473	32,799
Other income	4	12,923	37,097
Selling and distribution expenses		(1,520)	(1,622)
Administrative expenses and other operating expenses		(36,350)	(34,697)
Finance costs		(7)	–
Share of profit of associates		–	–
Share of profit of a joint venture		–	–
PROFIT BEFORE INCOME TAX	5	14,519	33,577
Income tax expense	6	(3,850)	(3,457)
Profit for the period		10,669	30,120
Profit for the period attributable to:			
Owners of the Company		10,719	30,120
Non-controlling interests		(50)	–
		10,669	30,120
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	8		
Basic and diluted		HK0.31 cent	HK0.87 cent

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2014

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Profit for the period	10,669	30,120
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Net fair value gain on available-for-sale financial assets	736	11,730
Reclassified from equity to profit or loss on disposals of available-for-sale financial assets	(7,545)	–
Exchange differences arising on translation of foreign operations	(11,583)	193
Reclassified from equity to profit or loss on significant decline in fair value of available-for-sale financial assets	–	9,865
Other comprehensive income for the period, net of tax	(18,392)	21,788
Total comprehensive income for the period	(7,723)	51,908
Total comprehensive income for the period attributable to:		
Owners of the Company	(7,673)	51,908
Non-controlling interests	(50)	–
	(7,723)	51,908

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

		As at 31 December 2014 (Unaudited) HK\$'000	As at 30 June 2014 (Audited) HK\$'000
	Notes		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		124,641	128,489
Investment properties		249,000	249,000
Interests in associates		517	517
Amounts due from an associate		4,230	4,328
Interests in a joint venture		640	640
Amounts due from a joint venture		4,298	4,526
Goodwill	9	73,000	73,000
Available-for-sale financial assets	10	61,581	75,575
		517,907	536,075
Current assets			
Amounts due from an associate		119,314	99,814
Available-for-sale financial assets	10	24,976	25,178
Properties held for trading		50,122	50,122
Properties under development		445,813	444,444
Trade receivables	11	28,222	16,054
Prepayments, deposits and other receivables		23,964	15,443
Financial assets at fair value through profit or loss		1,626	1,372
Cash and bank balances		607,766	734,053
Restricted bank deposits	12	108,662	111,022
		1,410,465	1,497,502
Current liabilities			
Accrued expenses and other payables		127,094	127,642
Borrowings		43,420	130,752
Finance lease liabilities		432	432
Amounts due to non-controlling shareholder		218,603	218,603
Provision for income tax		26,665	36,051
		416,214	513,480
Net current assets		994,251	984,022
Total assets less current liabilities		1,512,158	1,520,097

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(cont'd)*

As at 31 December 2014

		As at 31 December 2014 (Unaudited) HK\$'000	As at 30 June 2014 (Audited) HK\$'000
	Notes		
Non-current liabilities			
Finance lease liabilities		1,188	1,404
Deferred tax liabilities		365	365
		1,553	1,769
Net assets		1,510,605	1,518,328
EQUITY			
Equity attributable to owners of the Company			
Share capital	13	34,785	34,785
Reserves		1,475,929	1,483,602
Equity attributable to owners of the Company		1,510,714	1,518,387
Non-controlling interests		(109)	(59)
Total equity		1,510,605	1,518,328

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2014

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Net cash used in operating activities	(27,866)	(2,344)
Net cash generated from investing activities	102,715	11,641
Net cash used in from financing activities	(87,548)	(2,667)
Net (decrease)/increase in cash and cash equivalents	(12,699)	6,630
Cash and cash equivalents at beginning of period	442,846	238,903
Effect of foreign exchange rate change	(11,583)	–
CASH AND CASH EQUIVALENTS AT END OF PERIOD	418,564	245,533
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	56,825	55,373
Short-term deposits	361,739	190,160
	418,564	245,533

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2014

Equity attributable to owners of the Company

	Share capital (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Share-based payment reserve (Unaudited) HK\$'000	Revaluation reserve (Unaudited) HK\$'000	Translation reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
At 1 July 2013	34,785	1,274,759	6,303	5,145	–	171,454	1,492,446	–	1,492,446
Profit for the period	–	–	–	–	–	30,120	30,120	–	30,120
Other comprehensive income:									
Net fair value gain on available-for-sale financial assets	–	–	–	11,730	–	–	11,730	–	11,730
Reclassified from equity to profit or loss on significant decline in fair value of available-for-sale financial assets	–	–	–	9,865	–	–	9,865	–	9,865
Exchange differences arising on translation of foreign operations	–	–	–	–	193	–	193	–	193
Total comprehensive income for the period	–	–	–	21,595	193	30,120	51,908	–	51,908
At 31 December 2013	34,785	1,274,759	6,303	26,740	193	201,574	1,544,354	–	1,544,354

Equity attributable to owners of the Company

	Share capital (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Share-based payment reserve (Unaudited) HK\$'000	Revaluation reserve (Unaudited) HK\$'000	Translation reserve (Unaudited) HK\$'000	Other reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
At 1 July 2014	34,785	1,274,759	9,241	8,490	6,159	2,997	181,956	1,518,387	(59)	1,518,328
Profit for the period	–	–	–	–	–	–	10,719	10,719	(50)	10,669
Other comprehensive income:										
Net fair value gain on available-for-sale financial assets	–	–	–	736	–	–	–	736	–	736
Reclassified from equity to profit or loss on disposals of available-for-sale financial assets	–	–	–	(7,545)	–	–	–	(7,545)	–	(7,545)
Exchange differences arising on translation of foreign operations	–	–	–	–	(11,583)	–	–	(11,583)	–	(11,583)
Total comprehensive income for the period	–	–	–	(6,809)	(11,583)	–	10,719	(7,673)	(50)	(7,723)
At 31 December 2014	34,785	1,274,759	9,241	1,681	(5,424)	2,997	192,675	1,510,714	(109)	1,510,605

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Richfield Group Holdings Limited (the “Company”) is an exempted company with limited liability under the Companies Law (2001 Second Revision) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit 1209, 12th Floor, Silvercord Tower 2, 30 Canton Road, Tsim Sha Tsui, Hong Kong.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of property brokerage services, provision of schemes for property consolidation, assembly and redevelopment, property trading and property development.

For the year ended 30 June 2014, the Group set up a team for engaging in property investment and trading which management considers it is one of the ordinary activities of the Group and the revenue derived from this business is classified as revenue. Accordingly, certain comparative figures in segment information for the six months ended 30 June 2014 have been restated. Other than this, there were no significant changes in the Group’s operations during the period.

These condensed consolidated interim financial statements are unaudited, but have been reviewed by the audit committee of the Company and approved for issue by the board of directors (the “Board”) of the Company on 17 February 2015.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES **Basis of preparation**

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 31 December 2014 (the “Condensed Financial Report”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

These Condensed Financial Report do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2014 (the “2014 Annual Financial Statements”), which have been prepared in accordance with Hong Kong Financial Reporting Standards.

The preparation of the Condensed Financial Report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

In preparing the Condensed Financial Report, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2014 Annual Financial Statements.

The Condensed Financial Report have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, available-for-sale financial assets and investment properties which are stated at fair value.

The Condensed Financial Report are presented in Hong Kong Dollars ("HK\$") which is also the functional currency of the Company and all values are rounded to the nearest thousands ("HK\$'000") unless otherwise stated.

Principal accounting policies

The accounting policies used in the preparation of these Condensed Financial Report are consistent with those set out in the 2014 Annual Financial Statements, except that the Group has applied, for the first time, the following new or revised standards, amendments and interpretations (the "new or revised HKFRSs") issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 July 2014.

Amendments to HKAS 32 – Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity "currently has a legally enforceable right to set off" and when a gross settlement mechanism is considered equivalent to net settlement. The amendments are applied retrospectively.

The adoption of the amendments has no impact on these financial statements as the Group does not have any offsetting arrangements.

The directors of the Company anticipate that the application of new and revised HKFRSs but not yet effective will have no material impact on the results and the financial position of the Group.

3. SEGMENT INFORMATION

The Group has identified the following operating segments.

Property Assembly and Brokerage Business:	Provision of property brokerage services; provision of schemes for property consolidation, assembly and redevelopment; and property trading for assembly projects purpose
Property Development Business:	The Group's property development business is segregated further into two reportable segments on a geographical basis – Hong Kong and the United Kingdom
Property Investment and Trading Business:	Investment in the properties and property trading for profit-making purpose

Reported segment information is based on internal management reporting information that is regularly reviewed by the chief operating decision-maker, i.e. the executive directors. The executive directors assess segment profit or loss using a measure of operating profit. The measurement policies the Group used for segment reporting under HKFRS 8 are the same as those used in its HKFRS financial statements, except that certain items are not included in arriving at the operating results of the operating segments (mainly corporate income and expenses).

Segment assets include all assets with the exception of corporate assets, including available-for-sale financial assets and corporate assets which are not directly attributable to the business activities of operating segments as these assets are managed on a group basis.

	Property Assembly and Brokerage Business Six months ended 31 December		Property Development Business – Hong Kong Six months ended 31 December		Property Development Business – the United Kingdom Six months ended 31 December		Property Investment and Trading Business Six months ended 31 December		Others Six months ended 31 December		Total Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)
Reportable segment revenue:												
From external customers	48,086	47,724	-	-	-	-	3,129	1,644	1,336	-	52,551	49,368
Reportable segment profit/(loss)	18,931	14,176	(220)	(591)	(116)	2,383	1,770	849	120	-	20,485	16,817
Reportable segment assets	43,718	644,712	446,746	448,493	1,657	342,869	262,532	221,007	627	-	755,280	1,657,081

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000 (Restated)
Report segment revenue	52,551	49,368
Rental income derived from new segment – Property Investment and Trading Business	-	(1,644)
Consolidated revenue	52,551	47,724
Reportable segment profit	20,485	16,817
Net fair value gain on financial assets at fair value through profit or loss	254	-
Reclassified from equity to profit or loss on disposals of available-for-sale financial assets	7,545	-
Reclassified from equity to profit or loss on significant decline in fair value of available-for-sale financial assets	-	(9,865)
Unallocated corporate income	4,126	31,971
Unallocated corporate expenses	(17,891)	(5,346)
Profit before income tax	14,519	33,577

4. REVENUE AND OTHER INCOME

The Group's principal activities are disclosed in note 1 to this announcement. Revenue from the Group's principal activities and other income recognised during the period are as follows:

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Revenue		
Commission income	46,768	46,933
Lease management services income	1,318	791
Rental income from investment properties	3,129	—
Renovation services income	1,336	—
	52,551	47,724
Other income		
Dividend income	2,361	1,488
Exchange gains, net	—	29,313
Reclassified from equity to profit or loss on disposals of available-for-sale financial assets	7,545	—
Interest income	1,921	1,332
Net fair value gain on financial assets at fair value through profit and loss	254	—
Rental income	453	4,630
Sundry income	389	334
	12,923	37,097
	65,474	84,821

5. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging the following:

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Depreciation	3,872	3,911
Directors' remuneration	1,000	970
Exchange losses, net	9,966	—
Reclassified from equity to profit or loss on significant decline in fair value of available-for-sale financial assets	—	9,865

6. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 31 December 2013: 16.5%) on the estimated assessable profit arising in Hong Kong for the current period.

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 31 December 2014 (six months ended 31 December 2013: Nil).

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following:

	Six months ended 31 December	
	2014 (Unaudited)	2013 (Unaudited)
Profit for the period, attributable to owners of the Company (HK\$'000)	10,719	30,120
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ('000)	3,478,500	3,478,500
Basic and diluted earnings per share (HK cent)	0.31	0.87

There were no diluted potential ordinary shares for the six months ended 31 December 2014 and 2013 as the outstanding share options were out of the money for the purpose of the diluted earnings per share calculation.

9. GOODWILL

Goodwill arose from the acquisition of Richfield Realty Limited ("Richfield Realty") in 2007. The net carrying amount of goodwill can be analysed as follows:

	31 December 2014 (Unaudited) HK\$'000	30 June 2014 (Audited) HK\$'000
Attributable to the Property Assembly and Brokerage Business	73,000	73,000

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	31 December 2014 (Unaudited) HK\$'000	30 June 2014 (Audited) HK\$'000
Non-current		
Listed equity securities – Hong Kong	18,656	18,333
Listed debts investments – Hong Kong	25,737	25,460
Listed debts investments – outside Hong Kong	4,995	5,028
Unlisted investment funds	12,193	26,754
	61,581	75,575
Current		
Listed debts investments – Hong Kong	24,976	25,178
	86,557	100,753
Net carrying amount at beginning of the period/year	100,753	90,676
Additions	1,818	33,367
Disposals	(16,750)	(25,437)
Change in fair value credited to revaluation reserve in equity	736	2,147
Net carrying amount at end of the period/year	86,557	100,753

Listed equity securities, listed debts investments and unlisted investment funds with carrying amounts of HK\$18,656,000 (30 June 2014: HK\$18,333,000), HK\$55,708,000 (30 June 2014: HK\$55,666,000) and HK\$0 (30 June 2014: HK\$15,365,000) respectively are stated at fair value. The fair values have been determined directly by reference to published price and quotations in active markets.

Unlisted investment funds with a carrying amount of HK\$12,193,000 (30 June 2014: HK\$11,389,000) are measured at cost less impairment losses as the variability in the range of reasonable fair value estimates is significant and the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value. The directors of the Company are of the opinion that the fair value cannot be measured reliably.

As at 31 December 2014, available-for-sale financial assets were individually determined to be impaired on the basis of a material decline in their fair value below cost which indicated that the investment costs may not be recovered. During the period, no impairment loss (six months ended 31 December 2013: HK\$9,865,000) on these investments was recognised in profit or loss. As at 31 December 2014, the fair value of individual impaired available-for-sale equity securities was nil (30 June 2014: Nil).

11. TRADE RECEIVABLES

The Group generally allows a credit period of 1 month (2013: 1 month) to its trade customers within Property Assembly and Brokerage Business, in accordance with the terms of the mutual agreements after individual negotiations.

Based on the invoice dates, ageing analysis of trade receivables is as follows:

	31 December 2014 (Unaudited) HK\$'000	30 June 2014 (Audited) HK\$'000
Within 90 days	14,443	9,060
91 to 180 days	10,183	2,850
181 to 365 days	3,402	1,393
Over 365 days	194	2,751
	28,222	16,054

12. RESTRICTED BANK DEPOSITS

These bank deposits are kept in the separate bank accounts by the Group as (i) these are temporarily received from the developers of the property assembly projects and are held on behalf of the developers for the purpose of the payments of initial deposits to the owners of the properties in accordance with the provisional sale and purchase agreements; and (ii) the rental income and rental deposits are temporarily received on behalf of the developers.

As these bank deposits are restricted to a specific use by the Group, they are not under the cash management of the Group.

13. SHARE CAPITAL

	Number of shares	(Unaudited) HK\$'000
Authorised		
Ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Issued and fully paid		
Ordinary shares of HK\$0.01 each		
At 1 July 2014 and 31 December 2014	3,478,500,000	34,785

14. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following material transactions with its related parties during the period:

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Printing services fees paid to a related company in which one of the directors of the Company is a common director and controlled by one of the substantial shareholders of the Company	–	15
Renovation service income received from a related company controlled by one of the substantial shareholders of the Company	300	–
Rental expenses paid to a related company owned by a director of a subsidiary of the Company	397	477
Rental expenses paid to a related company owned by a substantial shareholder of the Company	1,920	1,920
	2,617	2,412

These transactions were conducted at pre-determined prices in accordance with terms mutually agreed between the Group and these related parties. These transactions are conducted in the normal course of business.

Key management personnel compensation

	Six months ended 31 December	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Short-term employee benefits	6,640	3,951

15. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2:	Inputs other than quoted prices included within level 1 that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3:	Inputs for the asset and liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within the financial assets is categorised in its entirety based on the lowest level of input that is significant to the fair value measurement.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
31 December 2014				
Assets:				
Available-for-sale financial assets				
– Listed equity securities	18,656	–	–	18,656
– Listed debts investments	55,708	–	–	55,708
Financial assets at fair value through profit or loss				
– Unlisted investment funds	1,626	–	–	1,626
Total and net fair values	75,990	–	–	75,990
30 June 2014				
Assets:				
Available-for-sale financial assets				
– Listed equity securities	18,333	–	–	18,333
– Listed debts investments	55,666	–	–	55,666
– Unlisted investment funds	15,365	–	–	15,365
Financial assets at fair value through profit or loss				
– Unlisted investment funds	1,372	–	–	1,372
Total and net fair values	90,736	–	–	90,736

During the six months ended 31 December 2014, there was no transfers between Level 1 and Level 2, or transfers into or out of Level 3 in the reporting period.

16. LITIGATIONS

As at 31 December 2014, there were two litigation claims against the Group. One of the litigation relates to labour dispute made against the Group. This claim concerned the former employee of the Group who made claim on account of alleged bonuses due in relation to the property assembly projects undertaken by the Group during his course of employment. The Labour Tribunal judged that the Group is liable to pay HK\$4,100,000 to the former employee. Accordingly, the provision for legal claim of approximately HK\$4,100,000 has been provided for the year ended 30 June 2013. The Group appealed against the decision to the High Court. By the judgment of the Court of First Instance, the case was remitted to the Labour Tribunal for retrial. As at the date of the approval of the interim result, the litigation is still in progress.

There was another labour dispute made against the Group. This claim concerned some former employees of the Group who made claims on holiday pay and allowance compensation during their course of employment. In the event the Group is unsuccessful in defending such claims, the Group may be liable to pay a maximum amount of approximately HK\$723,000 to these claimants. The management of the Group considers it too early to conclude that the Group is liable to pay the claimed amount; and accordingly, so that no provision has been made for these claims. As at the date of the approval of the interim result, the litigation is still in progress.

17. SUBSEQUENT EVENT

On 11 December 2014, the Company entered into an agreement with Richfield (Holdings) Limited ("RHL") and Mr. Au Wing Wah ("Mr. Au") (the "Agreement"), pursuant to which (i) the Company conditionally agreed to sell and RHL conditionally agreed to purchase the entire issued share capital of Vastwood Limited (the "Sale Share") and all obligations, liabilities and debts owing or incurred by the Vastwood Limited and its subsidiaries (the "Vastwood Group") to the Group excluding the Vastwood Group whether actual, contingent or deferred and irrespective whether the same is due and payable on completion (the "Sale Loan") (the "Disposal"); and (ii) the Company conditionally agreed to repurchase and RHL conditionally agreed to sell 760,000,000 Shares (the "Repurchase Shares") held by RHL to be repurchased by the Company under the Agreement (the "Share Repurchase"), which is equivalent to the consideration for the Disposal pursuant to the terms and conditions of the Agreement. The Repurchase Shares will be cancelled immediately after completion.

The Disposal constitutes a special deal of the Company under Rule 25 of The Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). In addition, the Disposal and the Share Repurchase constitute a connected and discloseable transaction of the Company under the Listing Rules. The Disposal and the Share Repurchase are subject to, among other things, approval by the independent shareholders at the extraordinary general meeting ("EGM") by way of poll on 17 February 2015. The detail of the above connected transaction is set out in the Company's announcements dated 11 December 2014, 2 January 2015, 11 January 2015, the Company's circular dated 11 January 2015 and the Company's supplemental circular dated 30 January 2015.

The independent shareholders have casted in favour of the Disposal and the Share Repurchase at the EGM held on 17 February 2015. The completion of the Disposal and the Repurchase Shares will take place on the date falling the fifth business date after the fulfillment of the condition precedent (or such other date as the parties to the Agreement may mutually agree).

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 31 December 2014 (six months ended 31 December 2013: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in provision of property brokerage services, carrying out schemes for property consolidation, assembly and redevelopment, property investment and property trading and property development. After the completion of the Disposal as mentioned in the note 17 to the Condensed Financial Report above, the Group will cease to engage in provision of property brokerage service and carrying out schemes for property consolidation and assembly. The Group will be principally engaged in property investment and trading and property development.

During the period under review, those engaged property assembly projects are all residential and commercial properties which are located in Hong Kong Island and Kowloon. Regarding the property development business, the Group is engaged in 2 projects, which are located in Hong Kong. The Group has also commenced to explore potential property investment and trading opportunities and has acquired two potential commercial properties in Hong Kong for investment purpose in previous year.

FINANCIAL REVIEW

The Group recorded a turnover of approximately HK\$52,551,000 for the six months ended 31 December 2014, representing an increase of approximately 10% comparing with that of approximately HK\$47,724,000 for the corresponding period of last financial year. The improvement in turnover was mainly attributed to the additional turnover from the property investment and trading business of HK\$3,129,000 which became one of the ordinary activities of the Group since the end of last financial year. In respect of the business of property assembly and brokerage, it still contributes a revenue of approximately HK\$48,086,000, representing approximately 92% of the revenue of the Group for the period and it was approximately equal to the revenue of the corresponding period of last financial year of approximately HK\$47,724,000 due to the sustained poor market sentiment for property assembly and brokerage business sector in Hong Kong and only 2 major property assembly projects were completed during both periods.

Profit before income tax of the Group for the six months ended 31 December 2014 was approximately HK\$14,519,000, representing a decrease of approximately 56.8% comparing with the profit before income tax of approximately HK\$33,577,000 for the corresponding period of last financial year. The decrease was mainly attributable to the exchange loss recognised for the depreciation of British Pound ("GBP"). Thus, the profit attributable to owners of the Company for the period of approximately HK\$10,719,000 was recorded for the period and it represents a decrease of approximately 64.4% when compared with the profit attributable to owners of the Company of approximately HK\$30,120,000 for the corresponding period of last financial year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2014, the Group has net current assets of approximately HK\$994,251,000 (30 June 2014: approximately HK\$984,022,000), including cash and bank balances of approximately HK\$607,766,000 (30 June 2014: approximately HK\$734,053,000).

The gearing ratio was 13.7% as at 31 December 2014 (30 June 2014: 17.3%). The gearing ratio is derived by dividing the total of bank overdraft, bank loans, amount due to non-controlling shareholder and finance lease liabilities by total assets. The gearing ratio remained relatively stable in the financial period under review compared to 30 June 2014.

During the six months ended 31 December 2014, the Group financed its operations with its own working capital and borrowings. As at 31 December 2014, total unsecured and secured bank borrowings of the Group amounted to approximately HK\$43,420,000 (30 June 2014: HK\$130,752,000), which are repayable with a period of not exceeding 5 years. Total other borrowings of the Group amounted to HK\$220,223,000 (30 June 2014: HK\$220,439,000), which are also repayable within a period (including amount due to non-controlling shareholder) of not exceeding 5 years.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As set out in the note 17 to the Condensed Financial Report the Company entered into the Agreement with RHL and Mr. Au on 11 December 2014, pursuant to which (i) the Company conditionally agreed to sell and RHL conditionally agreed to purchase the Sale Share and the Sale Loan; and (ii) the Company conditionally agreed to repurchase and RHL conditionally agreed to sell the Repurchase Shares, which is equivalent to the consideration for the Disposal pursuant to the terms and conditions of the Agreement. The Repurchase Shares will be cancelled immediately after completion.

The Disposal constitutes a special deal of the Company under Rule 25 of the Takeovers Code. In addition, the Disposal and the Share Repurchase constitute a connected and discloseable transaction of the Company under the Listing Rules. The Disposal and the Share Repurchase are subject to, among other things, approval by the independent shareholders at the EGM by way of poll. The detail of the above connected transaction is set out in the Company's announcements dated 11 December 2014, 2 January 2015, 11 January 2015, the Company's circular dated 11 January 2015 and the Company's supplemental circular dated 30 January 2015.

PLEDGE OF ASSETS

As at 31 December 2014, investment properties and leasehold properties of the Group with a carrying value of approximately HK\$0 and HK\$97,046,000 (30 June 2014: approximately HK\$225,000,000 and HK\$98,237,000), respectively were pledged to secure banking facilities for the Group.

CONTINGENT LIABILITIES

Save as disclosed in note 16 to the Condensed Financial Report, the Company and one of its subsidiaries had executed guarantees of HK\$144,000,000 each (30 June 2014: HK\$238,000,000) in respect of the banking facilities of the associate for the property development projects at Nos. 18–32 Junction Road, Kowloon, Hong Kong as at 31 December 2014.

LEASE AND CONTRACTED COMMITMENTS

The Group leases a number of properties under operating leases. The leases run for an initial period of two years, with an option to renew the lease and renegotiated the terms at the expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases include contingent rentals.

At 31 December 2014, the total future minimum lease payments under non-cancellable operating leases payable by the Group as follows:

As Lessee

	31 December 2014 (Unaudited) HK\$'000	30 June 2014 (Audited) HK\$'000
Within one year	4,584	1,173
In the second to fifth years	3,645	–
	8,229	1,173

The Group leases its properties under operating lease arrangements which run for an initial period of two years, with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenants. None of the leases include contingent rentals.

At 31 December 2014, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

As Lessor

	31 December 2014 (Unaudited) HK\$'000	30 June 2014 (Audited) HK\$'000
Within one year	6,227	5,950
In the second to fifth years	10,485	12,796
	16,712	18,746

Save for the above commitment, as at 31 December 2014, neither the Group nor the Company had any other significant commitments.

FOREIGN EXCHANGE EXPOSURE

The Group's income and expenditure during the six months ended 31 December 2014 were denominated in United States dollars ("US\$"), GBP, HK\$ and Renminbi ("RMB"), and most of the assets and liabilities as at 31 December 2014 were denominated in US\$, GBP, HK\$ and RMB. Accordingly, the Board is of the view that, to a certain extent, the Group is exposed to foreign currency exchange risk. For the US\$ foreign exchange exposure, the Board believes the exposure is small as the exchange rate of US\$ to HK\$ is comparatively stable. However, the Group is exposed to RMB and GBP foreign exchange exposure and fluctuation of exchange rates of RMB and GBP against HK\$ could affect the Group's results of operations. During the period, no hedging transaction or arrangement was made since the exchange rates of RMB and GBP to HK\$ were fluctuated within a tolerable range.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

SEGMENT INFORMATION

The analysis of the principal activities of the operations of the Group are set out in note 3 to the Condensed Financial Report.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2014, the Group had 105 (30 June 2014: 105) employees, including Directors. Total staff cost (including Directors' emoluments) was approximately HK\$24,430,118 for the six months ended 31 December 2014 as compared to approximately HK\$21,217,000 for the six months ended 31 December 2013. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong and share option scheme.

BUSINESS OVERVIEW

Property Assembly and Brokerage Business

The global economic recovery continued moderate and uneven in 2014. The US economy gained further traction. The Federal Reserve ended its asset purchase programme in October 2014. However, the economic recovery in Europe and Japan was still inactive. The economy of Hong Kong gradually growth in the third quarter of 2014, growing by 2.7% in real terms over a year earlier. The real GDP also rebounded notably, by 1.7% in the third quarter. The residential property market of Hong Kong stayed more active in the third quarter of 2014, but the trading level remained low by historical standard. The flat prices also increased with the overall flat prices in the secondary market being rose by 6% between June and September 2014.

The performance for the property assembly and brokerage business of the Group was still affected by the sluggish property market transactions for the property assembly and brokerage business sector in Hong Kong. The increment of land supply, high acquisition price and the demand management measures introduced by the government continue to affect the redevelopment plans of developers and in turn has seriously challenged the property assembly and brokerage business.

During the six months period ended 31 December 2014, the turnover from the property assembly and brokerage business was approximately HK\$48,086,000, which is approximately equal to that of the corresponding period of the last financial year of approximately HK\$47,724,000. The Group recorded an operating profit for the property assembly and brokerage business of approximately HK\$18,931,000, representing an increase of approximately 34% comparing with the operating profit of approximately HK\$14,176,000 for the corresponding period of the last financial year. Since the cost of acquisition and construction were increased noticeably that affected the redevelopment plans of developers and the progress of the property assembly projects. Some of the property assembly projects have been affected and was suspended during the period. Yet the mild result improvement for the period was mainly attributable to the implementation of cost reduction for the period.

For the six months ended 31 December 2014, the Group has completed 2 major assembly projects only, which are located in Hong Kong Island and Kowloon, including Mid-levels and Tai Kok Tsui,. The total contract sum and the total revenue for these major completed projects recorded for the six months ended 31 December 2014 are approximately HK\$321,938,000 and HK\$3,251,000, respectively, while the total accumulated contract sum for these major completed projects since their commencement is approximately HK\$1,649,751,000. The revenue received from those projects completed in previous years is approximately HK\$27,281,000, and the revenue received from other incomplete projects is approximately HK\$17,554,000.

Property Development Business

The Group kept on expanding its property development business, with a conservative strategy on investment in new projects in view of the uncertainties in the global scene. It continued to be affected by various measures adopted by the government to curb the rising property prices. The property value was increased moderately for the period with low transaction volume.

During the period under review, the Group was engaged in 2 property development projects, which are located in Hong Kong. A shareholder's agreement with a wholly owned subsidiary of Phoenix Asia Real Estate Investment, a client of the Group for establishing an associate for a property development project at Nos. 18–32 Junction Road, Kowloon, Hong Kong ("Junction Road Property"), which the Group has 30% equity interests, has been proceeded in 2011. The project has a site area of approximately 10,200 square feet and a gross floor area of approximately 84,000 square feet. The project will be developed into a composite residential and commercial building. The development work has been commenced in 2011 and is expected to be completed in 2015.

In addition, the Group has acquired all the property units of another project at Nos. 142–154 Carpenter Road, Kowloon ("Carpenter Road Property") in June 2012. It has a site area of approximately 9,100 square feet. The Group held 100% equity interests of the project. On 17 January 2014, the Group has entered into a provisional agreement for sale and purchase to dispose 49% equity interests in those wholly owned subsidiaries which holds the Carpenter Road Property. The transaction was completed on 17 March 2014. The disposal represents a good opportunity for realization of the Group's investment in the Carpenter Road Property whilst allows the Group to maintain its interests in the redevelopment of the Carpenter Road Property.

Since there was a landmark judgment delivered by the Court of Final Appeal ("CFA") of Hong Kong in May 2013 for the definition of "House", these two projects were restricted under the relevant lease. On 25 June 2014, a new practice note for the "House" restrictions under Government leases has been circulated by the Lands Administration Office of the Lands Department in regards to the landmark judgment delivered by CFA. The applications regarding the redevelopment of the projects are still subject to review by the relevant government departments. At the same time, the Group is proceeding to evaluate the possible impact of the new practice note and the CFA Judgment on the redevelopment of the above two projects at this stage. In the meantime, the Group will co-operate with its joint venture partners to assess the possible impact of the new practice note and the CFA Judgment before deciding on the actions to be taken.

Property Investment and Trading Business

Due to the cooling measure of the Government, the revenue of property assembly and brokerage business has decreased significantly over the past few years. The Group has commenced to explore potential property investment and trading opportunities with a view to provide steady income source to the Group. The Group has acquired two potential commercial properties for investment purpose in previous years, which are located in Hong Kong Island and Kowloon.

Ground Floor Shop at Kimberley Road, Tsim Sha Tsui

The property is located at the ground floor and mezzanine floor of Wing Lee Building at No. 27–31C Kimberley Road, Tsim Sha Tsui, Kowloon with approximately 3,340 square feet. It is currently leased by a local style restaurant. Being benefited by the appreciable growth of inbound tourism, the Group believes that this property could generate stable rental income for the Group.

Roof of Block C of Sea View Estate, North Point

The other property is located at the front portion of the roof of Sea View Estate in North Point, which is facing the South of Victoria Harbour in Hong Kong Island. The Group believes that it can be converted into an eye-catching rooftop advertising signage with approximately 300 square meters. The construction work of the advertising signage is in progress and it is expected to be completed in the 1st quarter of 2015.

During the period, the property investment and trading business recorded a gross rental income of approximately HK\$3,129,000. The operating profit for the property investment and trading business was approximately HK\$1,770,000. It is expected to provide a steady income source to the Group.

PROSPECTS

The economy of Hong Kong gradually growth in the third quarter of 2014, growing by 2.7% in real terms over a year earlier. The residential property market of Hong Kong stayed more active in the third quarter of 2014, but the trading level remained low by historical standard. The flat prices also increased with the overall flat prices in the secondary market being rose by 6% between June and September 2014. The property owners kept sitting on the sideline and awaiting further changes and tendency of the market while developers adopted a conservative purchasing strategy. The demand management measures of government, increment of land supply and the high acquisition price continued to affect the redevelopment plans of developers and in turn seriously challenged the property assembly and brokerage business of the Group.

In view of the arduous business environment of the property assembly and brokerage business in Hong Kong, the Directors consider that the Disposal as mentioned in the note 17 to the unaudited condensed consolidated financial statements of this interim result above provides the Group with an exit opportunity to realise its investment in the property assembly and brokerage business with uncertain prospect, and to focus on other businesses which can contribute better returns to the Group.

The Remaining Group after the Disposal will be principally engaged in property investment and trading and property development. Currently, the Remaining Group owns ground floor shops at Kimberley Road, Tsim Sha Tsui and a roof top with advertising signage in North Point for lease. Besides, it currently engaged in two property development projects in Hong Kong, including 51% interest in the project located at Nos. 142–154 Carpenter Road, Kowloon and 30% interest in a project located at Nos. 18–32 Junction Road, Kowloon. Those projects can provide good revenue base, which benefit the Company and the shareholders as a whole in the long run. The Group will continue to explore other business opportunities both locally and internationally. The experience of the Group obtained in those projects can be applicable to our future property development projects. The Group is conscious to monitor and analyze the impact of the local and global economy so as to make cautious business decisions and to adjust our development plan if necessary so as to maximize the return to the shareholders of the Company.

CONTINUING CONNECTED TRANSACTIONS

On 23 September 2014, the Board approved the renewal of two tenancy agreements of the Company (the "Tenancy Agreements") with Flexwood Limited ("Flexwood") as landlord, which were signed on 23 September 2014, pursuant to which the Company will continue to rent two existing premises owned by Flexwood for a term of two years commencing from 15 October 2014 with the monthly rents of HK\$140,000 and HK\$180,000 respectively. The Directors consider that it is in the commercial interest of the Company if the Company continues to rent the existing office premises as it is not easy to identify other appropriate premises and the Company will bear unnecessary relocation costs and expenses if the Company has to move to other premises. Flexwood is a property holding company wholly and beneficially owned by Mr. Pong Wai San, Wilson ("Mr. Pong"), a consultant and substantial shareholder of the Company. Accordingly, Flexwood is a connected person to the Company as defined under the Listing Rules and the transaction contemplated under the tenancy agreement constitutes a continuing connected transaction on the part of the Company under Chapter 14A of the Listing Rules. The detail of the above continuing connected transaction is set out in the Company's announcement dated 23 September 2014.

CONNECTED TRANSACTION

As set out in the note 17 to the Condensed Financial Report, the Company entered into the Agreement with RHL and Mr. Au on 11 December 2014, pursuant to which (i) the Company conditionally agreed to sell and RHL conditionally agreed to purchase the Sale Share and the Sale Loan at the consideration of approximately HK\$269.2 million; and (ii) the Company conditionally agreed to repurchase and RHL conditionally agreed to sell the Repurchase Shares at the consideration of approximately HK\$269.2 million, which is equivalent to the consideration for the Disposal pursuant to the terms and conditions of the Agreement. The Repurchase Shares will be cancelled immediately after completion.

The Disposal constitutes a special deal of the Company under Rule 25 of the Takeovers Code. In addition, the Disposal and the Share Repurchase constitute a connected and discloseable transaction of the Company under the Listing Rules. The Disposal and the Share Repurchase are subject to, among other things, approval by the independent shareholders at the EGM by way of poll. The detail of the above connected transaction is set out in the Company's announcements dated 11 December 2014, 2 January 2015, 11 January 2015, the Company's circular dated 11 January 2015 and the Company's supplemental circular dated 30 January 2015.

Save as disclosed above, there were no significant connected party transactions entered into by the Group for the six months ended 31 December 2014.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed shares during the six months ended 31 December 2014.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in the Model Code as set out in the Appendix 10 of the Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by Directors throughout the six months ended 31 December 2014.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "Code") as set out in Appendix 14 of the Listing Rules. The Company has complied with the code provisions set out in the Code throughout the six months ended 31 December 2014, except for the deviation that the post of chairman has been vacant since the resignation of Mr. Pong on 5 February 2008. If candidate with suitable skill and experience is identified within or outside the Group, the Company will make necessary arrangement for the new appointment at appropriate time.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

AUDIT COMMITTEE

The Company established an audit committee (the "Committee") on 2 May 2002, with written terms of reference in compliance with the Listing Rules, which were revised on 28 February 2011 and 30 March 2012 respectively, for the purpose of reviewing and providing supervision over the financial reporting process and internal control of the Group. The Committee comprises three independent non-executive Directors, namely Mr. Koo Fook Sun, Louis, Mr. Lung Hung Cheuk and Ms. Yeung Wing Yan, Wendy. The unaudited consolidated results of the Group for the six months ended 31 December 2014 have been reviewed by the Committee, who is of the opinion that such statements comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

CHANGE OF COMPANY NAME

The name of the Company shall be changed from “Richfield Group Holdings Limited 田生集團有限公司” to “Winfull Group Holdings Limited 宏輝集團控股有限公司”, following the approval by the shareholders of the Company by way of special resolution at the extraordinary general meeting on 17 February 2015 of the Company, subject to the issuance of certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands.

AMENDMENT AND RESTATEMENT OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION

In view of the change of Company name, the Memorandum and Articles of Association will be amended and restated to reflect the change of name and dual foreign name of the Company, with such amendments to take effect when the change of Company name becomes effective. The Memorandum and Articles of Association shall be amended by replacing all references to “Richfield Group Holdings Limited 田生集團有限公司” with “Winfull Group Holdings Limited 宏輝集團控股有限公司”.

By Order of the Board
Lee Wing Yin
Executive Director

Hong Kong, 17 February 2015

As at the date of this announcement, the executive Directors are Mr. Lee Wing Yin and Mr. Ngan Man Ho, the non-executive Director is Mr. Lai Hin Wing, Henry and the independent non-executive Directors are Mr. Koo Fook Sun, Louis, Mr. Lung Hung Cheuk and Ms. Yeung Wing Yan, Wendy respectively.