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)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

The board (the "Board") of directors (the "Directors") of Richly Field China Development Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim financial results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2015 (the "Reporting Period") together with comparative unaudited figures for the six months ended 30 September 2014 (the "Corresponding Period") and selected explanatory notes as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 September 2015

		Six months ended 30 September	
		2015	2014
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
REVENUE	*4*	**54,412**	36,069
Cost of sales		**(79,933)**	(33,286)
Gross (loss)/profit		**(25,521)**	2,783
Other income and gains	*4*	**1,189**	5,600
Gain on step acquisition of a subsidiary		**—**	10,742
Selling expenses		**(16,506)**	(11,751)
Administrative expenses		**(45,604)**	(46,143)
Finance costs	*5*	**(13,152)**	(1,386)
Share of results of associates		**—**	67,761
(LOSS)/PROFIT BEFORE TAX	*6*	**(99,594)**	27,606
Income tax	*7*	**—**	—
(LOSS)/PROFIT FOR THE PERIOD		**(99,594)**	27,606

	Notes	Six months ended 30 September **2015** ***HK$'000*** **(Unaudited)**	2014 *HK$'000* (Unaudited)
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		**(10,331)**	222
Share of other comprehensive loss of associates		**—**	(1,524)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD		**(10,331)**	(1,302)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD		**(109,925)**	26,304
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*8*		
Basic		**HK(1.38) cents**	HK0.31 cents
Diluted		**HK(1.38) cents**	HK0.31 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2015

	Notes	**30 September 2015** ***HK$'000*** **(Unaudited)**	31 March 2015 *HK$'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**40,011**	43,674
Investment properties		**722,483**	749,805
Prepaid land lease payments		**1,229,889**	1,283,540
Investments in associates		**27,469**	26,048
Available-for-sale investment		**2,724**	—
Goodwill		**125,786**	125,786
Total non-current assets		**2,148,362**	2,228,853
CURRENT ASSETS			
Properties under development		**1,054,740**	942,889
Completed properties held for sales		**292,084**	310,888
Inventories		**—**	4,550
Trade receivables	*9*	**11,666**	7,554
Prepayments, deposits and other receivables		**107,119**	114,550
Cash and cash equivalents		**44,985**	45,180
Total current assets		**1,510,594**	1,425,611
CURRENT LIABILITIES			
Trade payables	*10*	**415,447**	336,568
Receipts in advance, other payables and accruals		**908,544**	1,003,491
Due to related parties		**12,179**	13,935
Interest-bearing bank and other borrowings	*11*	**744,466**	646,618
Provision		**8,771**	6,193
Tax payable		**122,931**	129,602
Total current liabilities		**2,212,338**	2,136,407
NET CURRENT LIABILITIES		**(701,744)**	(710,796)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,446,618**	1,518,057
NON-CURRENT LIABILITIES			
Due to related parties		**203,427**	205,478
Interest-bearing bank and other borrowings	*11*	**974,640**	1,175,388
Deferred tax liability		**8,676**	8,991
Total non-current liabilities		**1,186,743**	1,389,857
Net assets		**259,875**	128,200
EQUITY			
Equity attributable to owners of the Company			
Issued capital	*12*	**594,331**	445,748
Deficit		**(334,456)**	(317,548)
Total equity		**259,875**	128,200

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 September 2015 have been prepared in accordance with the applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

As at 30 September 2015, the Group had net current liabilities of HK$701,744,000. The Group recorded a consolidated loss of HK$99,594,000 (consolidated profit for the six months ended 30 September 2014: HK$27,606,000) for the six months ended 30 September 2015. 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; (ii) an unutilised banking facility (the "Bank Loan") of RMB169,000,000 (equivalent to approximately HK$205,893,000); (iii) an unutilised revolving loan facility (the "Other Loan") of HK$149,884,000 and (iv) the 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. Accordingly, the interim condensed consolidated financial statements of the Group have been prepared on a going concern basis.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2015 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2016 annual financial statements. Details of these changes in accounting policies are set out in note 2.

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2015 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2015 included in the annual report.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The HKICPA has issued the following amendments to HKFRSs that are first effective for current accounting period of the Group.

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

The Group has adopted these new and revised HKFRSs and the adoption of these new and revised HKFRSs did not have a significant impact on the Group's result and financial position.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. OPERATING SEGMENT INFORMATION

Over 90% of the Group's revenue, expenses and assets are generated from the Group's property development projects in Changsha of Hunan Province (the "Changsha Project") and Qinhuangdao of Hebei Province (the "Qinhuangdao Project"), in the People's Republic of China (the "PRC"). The management of the Group 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 directors are of the opinion 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.

For the six months ended 30 September 2015 and 2014, the Group had no transactions with external customer which individually contributed over 10% of the Group's total revenue.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

		Six months ended 30 September	
		2015	2014
	Note	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue			
Sales of properties		**42,162**	34,884
Sales of fashion wears and accessories		**2,830**	675
Rental income		**8,415**	478
Management fee income		**1,005**	32
		54,412	36,069
Other income and gains			
Bank interest income		**62**	322
Other interest income	*(a)*	**—**	4,253
Exchange gains, net		**139**	—
Others		**988**	1,025
		1,189	5,600

Note:

(a) During the six months ended 30 September 2015, the Group has not recognised interest income (six months ended 30 September 2014: HK$4,253,000) in respect of a loan to Qinhuangdao Outlets Real Estate Co., Ltd ("Qinhuangdao Outlets"), a wholly-owned subsidiary of the Company from the change of an associate with effective from 1 September 2014.

5. FINANCE COSTS

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

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on bank and other loans	**119,010**	93,908
Less: Interest capitalised	**(105,858)**	(92,522)
	13,152	1,386

The capitalisation rates used to determine the amount of borrowing costs eligible for capitalisation for the six months ended 30 September 2015 and 2014 were 7.01% and 6.38%, respectively.

6. (LOSS)/PROFIT BEFORE TAX

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

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of goods sold#	**61,387**	26,221
Cost of services provided#	**873**	447
Depreciation of property, plant and equipment	**2,282**	1,254
Depreciation of investment properties#	**18,429**	5,441
Provision for compensation	**2,845**	346
Reversal the write-down of inventories#	**(756)**	—
Write-down of inventories to net realisable value#	**—**	1,177
Amortisation of prepaid land lease payments	**15,009**	5,908
Less: Amount capitalised	**(2,869)**	(3,244)
	12,140	2,664
Minimum lease payments under operating leases in respect of land and buildings	**188**	104
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**9,614**	14,449
Pension scheme contributions	**1,144**	1,103
	10,758	15,552
Exchange losses, net	**—**	12

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

7. INCOME TAX

For the Group's subsidiaries established in the PRC, PRC Enterprise Income Tax is calculated at the rate of 25% (six months ended 30 September 2014: 25%).

No provision for PRC Enterprise Income Tax and Hong Kong profits tax has been made for the six months ended 30 September 2015 as the Group did not generate any assessable profits arising in PRC and Hong Kong respectively during the period (six months ended 30 September 2014: Nil).

8. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic (loss)/earnings per share amounts is based on the earnings/(loss) for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic (loss)/earnings per share amounts presented for the six months ended 30 September 2015 and 2014 in respect of a dilution as the share options outstanding had no dilutive effect on the basic (loss)/earnings per share amounts presented.

The calculations of basic (loss)/earnings per share are based on:

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/Earnings		
(Loss)/Earnings attributable to ordinary equity holders of the Company, used in the basic (loss)/earnings per share calculation	**(99,594)**	27,606

	Number of shares	
	Six months ended 30 September	
	2015	2014
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period, used in the basic (loss)/earnings per share calculation	**7,226,155,036**	8,889,933,837

9. TRADE RECEIVABLES

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Rental receivables	**7,290**	—
Rental recognized using the straight-line method	**4,376**	7,554
	11,666	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:

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within one year	**7,290**	—

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

10. 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:

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within one year	**395,658**	315,365
One to two years	**—**	—
Over two years	**19,789**	21,203
	415,447	336,568

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

11. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 September 2015			31 March 2015		
	Contractual interest rate	**Maturity**	***HK$'000***	Contractual interest rate	Maturity	*HK$'000*
Current						
Bank loans — secured	**6.6%–12.0%**	**Oct 2015–May 2016**	**512,905**	12.0%	Jul 2015–Dec 2015	441,875
Bank loan — unsecured	**7.0%**	**Jun 2016**	**21,929**	—	—	—
Other loans — unsecured	**5.0%–6.1%**	**On demand**	**209,632**	5.0%–6.1%	On demand–Aug 2015	204,743
			744,466			646,618
Non-current						
Bank loans — secured	**12.0%**	**Nov 2016–Dec 2016**	**974,640**	6.6%–12.0%	May 2016–Dec 2016	1,175,388
			1,719,106			1,822,006
Analysed into:						
Bank loans repayable:						
Within one year			**534,834**			441,875
In the second year			**974,640**			1,175,388
			1,509,474			1,617,263
Other loans repayable:						
Within one year			**209,632**			204,743
			1,719,106			1,822,006

Certain bank loans of the Group are secured by certain lands of the Group with net carrying amounts as listed below:

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Investment properties	**113,434**	115,324
Prepaid land lease payments	**351,834**	357,693
Properties under development	**26,303**	26,741
Competed properties held for sales	**44,831**	45,577

(a) The Group's banking facilities amounting to RMB300,000,000 (equivalent to approximately HK$365,490,000), of which HK$159,597,000 (31 March 2015: HK$165,387,000) had been utilised, are secured by the pledge of certain of the Group's investment properties, prepaid land lease payments, properties under development and completed properties held for sales.

(b) As at 30 September 2015, a bank loan of HK$1,327,947,000 (31 March 2015: HK$1,451,875,000) is secured by the Group's entire equity interest in Hunan Richly Field. It is guaranteed by Leung Ho Hing ("Mr. Leung"), a former substantial shareholder and now an independent third party. In connection thereto, the Company provided a counter-guarantee to Mr. Leung.

    On 21 December 2014, Mr. Leung and a related company, JeShing which is wholly-owned by Wang Hua ("Mr. Wang") entered the Supplemental Agreement 2 to provide a guarantee to the bank loan.

(c) On 8 August 2014, He Dazhao ("Mr. He") entered into a loan agreement with the Group, pursuant to which Mr. He provided a loan of HK$200,000,000. Mr. He was a former shareholder of the Group.

    The balance was guaranteed by Mr. Wang, a substantial shareholder of the Group, interest-bearing at 5% per annum and payable within one year.

(d) The Group's banking facilities amounting to RMB18,000,000 (equivalent to HK$21,929,000) (31 March 2015: Nil) had been utilised as at 30 September 2015, are guaranteed by Mr. Wang, a substantial shareholder of the Group and 南京金盛國際家居市場經營管理有限公司, a company which Mr. Wang is a substantial shareholder.

(e) All of the Group's bank and other loans are denominated in RMB and Hong Kong dollars.

12. SHARE CAPITAL

Shares

	Note	**30 September 2015** **HK$'000** **(Unaudited)**	31 March 2015 *HK$'000* (Audited)
Authorised:			
20,000,000,000 (At 31 March 2015: 20,000,000,000) ordinary shares of HK$0.05 (At 31 March 2015: HK$0.05) each		**1,000,000**	1,000,000
Issued and fully paid:			
11,886,619,070 (At 31 March 2015: 8,914,964,303) ordinary shares of HK$0.05 (At 31 March 2015: HK$0.05) each	*(a)*	**594,331**	445,748

Note:

(a) During the period, the Company allotted and issued 2,971,654,767 offer shares under the open offer fully underwritten by the underwriter on the basis of one offer share for every three existing shares held on the record date ("Open Offer"). Details of the results of Open Offer were set out in the Company's announcements dated 21 July 2015 and 10 August 2015, respectively.

13. CONTINGENT LIABILITIES

(a) The Group may be subject to claims for compensation for failure to deliver the shop premises of the Changsha project and provision of HK$2,845,000 was recognised in this respect as at 30 September 2015. While claims for compensation for some of the tenants were based on parameters which cannot be ascertained at this stage (e.g., monthly contingent rental charges over the tenants, which are based on certain percentages of the monthly turnover of the individual outlet shops), no reliable estimation can be made on the amount of the potential compensation payable for these tenants as at 30 September 2015. No claim for compensation has been lodged against the Group up to the date of these financial statements.

(b) 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 of 30 September 2015, as the aforesaid conditions were met, there will be no penalty payable to local government.

14. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties and some other properties under operating lease arrangements, with leases negotiated for terms ranging from six months to twenty years.

As at the end of reporting period, certain of the Group's existing operating lease arrangements are with terms of contingent lease payments and are calculated based on a percentage of relevant performance of the tenants, ranging from 5% to 10%, pursuant to the rental agreements.

As at the end of reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 September 2015 HK$'000 (Unaudited)	31 March 2015 HK$'000 (Audited)
Within one year	**10,397**	10,148
In the second to fifth year, inclusive	**39,678**	39,504
	50,075	49,652

(b) As lessee

As at the end of reporting period, the Group leases certain of its office properties and staff quarters under operating lease arrangements. The leases for the office properties and staff quarters are negotiated for terms of one year.

As at the end of reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 September 2015 HK$'000 (Unaudited)	31 March 2015 HK$'000 (Audited)
Within one year	**51**	—

15. COMMITMENTS

As at the end of reporting period, the Group had commitments in respect of property development expenditures as below:

	30 September 2015 HK$'000 (Unaudited)	31 March 2015 HK$'000 (Audited)
Contracted, but not provided for	**184,970**	498,250
Authorised, but not contracted for	**2,106,858**	2,007,146
	2,291,828	2,505,396

16. EVENTS AFTER THE REPORTING PERIOD

(i) On 30 October 2015, the Company, the Subscriber (Mr. He Da Zhao, an independent third party) and the Guarantor (Mr. Wang Hua) entered into the Agreement in relation to the issue of the convertible note in the principal amount of HK$130,000,000. Details of the convertible note are set out in the announcement dated on 30 October 2015.

(ii) On 17 November 2015, the Company has entered into the Subscription Agreement with the Subscriber (Sino Dynamics Investments Limited, a company indirectly wholly-owned by Mr. Du Wei and a substantial shareholder of the Company) and the Guarantor (Mr. Du Wei), pursuant to which the Subscriber has conditionally agreed to subscribe and the Company has conditionally agreed to allot and issue an aggregate of 1,300,000,000 new Shares at the Subscription Price of HKD0.10 per Subscription Share for an aggregate consideration of HKD130,000,000, and the Guarantor had agreed to guarantee the performance of the obligations of the Subscriber under the Subscription Agreement. Details are set out in the announcement dated on 17 November 2015.

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 Reporting Period, the Group recorded revenue from sales of properties of HK$42,162,000, mainly attributable to delivery of part of the shops and Phase 1 of residential property and the rental income of HK$8,415,000, 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$365,490,000) for a term of three years at an interest rate of 5% per annum (the "Other Loan"). It 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$365,490,000) (the "Bank Loan"). As at 30 September 2015, HK$215,606,000 of the Other Loan and RMB131,000,000 (equivalent to approximately HK$159,597,000) 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 Reporting Period, 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 Reporting Period, 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.

Last year, 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 Reporting Period, 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 Reporting Period. The Group is working with the government to proceed with the assignment of approximately 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 traditionally relied by commercial properties 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 Reporting Period, the Group recorded a total revenue of HK$54,412,000 as compared to HK$36,069,000 in the Corresponding Period. As set out in note 4, the revenue of the Reporting Period was mainly attributable to the sales of the properties of the Changsha Outlets Project in the amount of HK$42,162,000 compared to HK$34,884,000 for the Corresponding Period. Sales of the fashion wears and accessories also recorded revenue in the amount of HK$2,830,000 for the Reporting Period compared to HK$675,000 for the Corresponding Period. Rental income of HK$8,415,000 for the Reporting Period compared to HK$478,000 for the Corresponding Period, from the leasing of the outlet plaza of the Changsha Outlets Project. Management fee income of HK$1,005,000 for the Reporting Period compared to HK$32,000 for the Corresponding Period, received from the tenants and residents of Changsha Outlets Project.

The loss attributable to equity holders amounted to HK$99,594,000 as compared to profit of HK$27,606,000 in the Corresponding Period. The loss per share for the Reporting Period was HK1.38 cents as compared to profit per share of HK0.31 cents for the Corresponding Period.

SIGNIFICANT INVESTMENTS

The Group did not have any significant investments during the Reporting Period.

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 Reporting Period.

CAPITAL STRUCTURE

During the period under review, 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 30 September 2015, the unaudited net assets attributable to owners of the Company amounted to HK$259,875,000 (31 March 2015: HK$128,200,000), representing an increase of 103% 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 30 September 2015, the unaudited net assets value per share was HK$2.19 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 related parties.

As at 30 September 2015, the Group had cash and bank balances of HK$44,985,000 (31 March 2015: HK$45,180,000). The Group's current ratio (measured as total current assets to total current liabilities) was 0.68 times (31 March 2015: 0.67 times). The increase in the current ratio was mainly due to the increase in receipts in trade payables and interest-bearing bank and other borrowings in current portion.

As at 30 September 2015, the secured and unsecured interest-bearing bank borrowings of the Group amounted to HK$1,487,545 (31 March 2015: HK$1,617,263,000) and HK$21,929,000 (31 March 2015: Nil), respectively. The unsecured interest-bearing other borrowings amounted to HK$209,632,000 (31 March 2015: HK$204,743,000). The gearing ratio, which is calculated as a percentage of total interest bearing borrowings to total equity, was 662% (31 March 2015: 1,421%). The decrease in the gearing ratio was mainly due to the repayment of interest-bearing bank and other borrowings.

During the Reporting Period, net proceeds of the Open Offer amounted to approximately HK$241,600,000 which intended for the purpose of development of trampoline parks business in the PRC, second phase of commercial properties in Changsha Outlets Project, repayment of the other loan and remaining for general working capital to strengthen the Company's financial position.

PLEDGE OF ASSETS

As at 30 September 2015, property interest held by the Group with net carrying amount of HK$536,402,000 (31 March 2015: HK$545,335,000) were pledged to PRC banks for the Group's borrowings. In addition, as at 30 September 2015 and 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.

COMMITMENT

As at 30 September 2015, the Group, as lessee, had future minimum lease payment of HK$51,000 under non-cancellable operating leases (31 March 2015: Nil).

As at 30 September 2015, the Group had capital commitments contracted, but not provided for and authorised, but not contracted for in respect of property development expenditures of HK$184,970,000 (31 March 2015: HK$498,250,000) and HK$2,106,858,000 (31 March 2015: HK$2,007,146,000), respectively.

CONTINGENT LIABILITIES

(a) The Group may be subject to claims for compensation for failure to deliver the shop premises of the Changsha project and provision of HK$2,845,000 was recognised in this respect as at 30 September 2015. While claims for compensation for some of the tenants were based on parameters which cannot be ascertained at this stage (e.g., monthly contingent rental charges over the tenants, which are based on certain percentages of the monthly turnover of the individual outlet shops), no reliable estimation can be made on the amount of the potential compensation payable for these tenants as at 30 September 2015. No claim for compensation has been lodged against the Group up to the date of these financial statements.

(b) 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 of 30 September 2015, as the aforesaid conditions were met, there will be no penalty payable to local government.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2015, the Group employed a total of 203 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

The golden age of China's real estate industry has already gone, and it has now entered into a "silver age" after nearly two decades of rapid development. Being an industry that is relatively vulnerable to the country's macro policies, the real estate industry has been in a listless state, especially since the second half of last year.

In the opinion of the Group, despite its current downturn, the real estate industry has an economic and political impact that cannot be ignored, and the ultimate goal of the country's regulation on the real estate industry is to promote its healthy development instead of curbing its growth. Therefore, the real estate industry will remain a pillar industry in the coming 15 or 20 years from a long-term prospect, and urbanization will serve as a major driver to the sustainable development. The pursuit for a high-quality lifestyle will continue to support the development of housing for improvement, upscale property and property with characteristics. Getting products closer to the market would surely lead to a step ahead.

Being a real estate developer, the Group has adapted to the "silver age" by developing the right products, reaching out to the right clients, attending to details, expanding market and extending the industrial chain. This is also the long-term development target of the Group.

The Group's business model is characterized by commercial property and property with characteristics, including Globe Factory Outlet Center and low-density and high-quality residential property, tourism property, senior care property, 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. Its main businesses and categories include the world-renowned discount stores, clothing and ornaments for men and women from China's first-line and second-line brands, cosmetic products, jewelries, sports and leisure products, children's playground, IMAX cinema, European and American-style streets, catering from various countries. Each project covers an area of up to hundred thousands square meters, creating a shopping environment that is different from the traditional shopping and exudes a vivid air of European and American style in terms of architecture styles and shopping environment for modern people. Outlets have become a brand new lifestyle, whose vitality lies in the beautiful landscapes, rich availability of luxury brands, low profile luxury, affordable prices, refreshing air, delicious food and pleasant experiences. This has also demonstrated the vitality of Globe Factory Outlet Center.

While enhancing the business level, the Group is also working on the improvement of building construction and quality of housing units being delivered. The Group has taken many measures to further enhance the commercial operation and property management standards of the companies within the Group, such as expanding Wi-Fi coverage, providing free shuttle facilities and setting up online forums for property owners. Therefore, the Group is of the view that it has taken a lead amid transformation of the real estate industry. Meanwhile, its early possession of large-area land parcels has laid an unparalleled foundation for the development of these properties with characteristics, an advantage that is desired by general real estate developers.

During this Reporting Period, approximately 300,000 square meters in Changsha Outlets Commercial Phase 2 has entered the design and planning stage. The project begins its construction in 2015, with international and commercial-style streets as its principal commercial form. The project introduces commercial products, culture, foods and entertainment of different countries, including Europe, America, Japan and Korea, in order to build an outlet commercial town which focuses on shopping experience and to have a greater influence in Central China.

Besides, Changsha, Wuhan and Nanchang were listed in the seventh batch of national cities of China. The Wangcheng Economic Development Zone in which Changsha project located also becomes the core zone in Xiangjiang New District. Leveraging on the highly favorable policies and concentrated industry and population, Changsha project will provide more support to the Group in terms of sales results and cash flows.

With the introduction of the accommodative policies in relation to the real estate industry along with the supporting financial policies by the Central Government, the domestic economic growth is expected to stabilize gradually, and to shift from focusing on growth pace to emphasizing more on balance and quality. As a result, the domestic real estate transaction volume has recently increased, and the housing prices of first- and second-tier cities have shown an upward trend. The Group will seize this opportunity to speed up business growth by improving the product mix to achieve quicker sales and payment collection and to accelerate asset turnover.

To ensure the competitive edges of the Group, the Company completed acquisition of the remaining 60% equity interest in the Qinhuangdao Outlets Project in September 2014 and has paid a deposit of RMB155 million for the land parcel in Changchun for the Jilin Outlets Project. Both projects will be developed as complex projects based on Globe Factory Outlet Center. The total investment for the Qinhuangdao Outlets Project and the Jilin Outlets Project is expected to exceed RMB6 billion, and the total investment in Changsha Outlets Project is estimated to be RMB5 billion. The Company will roll out the above investments in the coming 3 to 6 years and accelerate collection of property sales proceeds through progressive development. Therefore, the Company does not expect any significant pressure for capital. In addition, the Group will continue to expand financing channels and is actively seeking fund raising possibilities in Hong Kong's capital market. Moreover, a higher receivable turnover arising from an enriched portfolio of available-for-sale inventories will provide a good capital guarantee to the Group's sustainable development.

In addition, the sufficient land reserve of the Group accumulated in the past has laid a sound foundation for the Group to flexibly adapt to market changes. The Group will also continue to seek opportunities to acquire more lands.

INTERIM DIVIDEND

The Board did not recommend any interim dividend for the Reporting Period (30 September 2014: 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 Reporting Period, the Company has applied and complied with all the code provisions set out in the CG Code, except for the following deviation:

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 Reporting Period, Mr. Ma Jun assumed the roles of both chairman and chief executive of the Company. 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.

INTERNAL CONTROL

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

As set out in the Company's announcement dated 4 June 2014, according to the follow-up review report issued by the Internal Control Consultants, the Internal Control Consultants consider that the Group possesses adequate internal control and financial reporting systems to meet the obligations under the Listing Rules.

During the Reporting Period, the Board, through the audit committee of the Company, has conducted a review of the effectiveness of the 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 set out in Appendix 10 to 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 Reporting Period.

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

During the Reporting Period, the Company and any of its subsidiaries did not purchase, sell or redeem any of the Company's listed securities.

AUDIT COMMITTEE REVIEW

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed reviewing, internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 September 2015.

PUBLICATION OF INTERIM RESULTS AND INTERIM 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 2015/2016 Interim Report will also be available on both websites and despatched to the shareholders of the Company in due course.

By Order of the Board
Richly Field China Development Limited
Ma Jun
Chairman

Hong Kong, 26 November 2015

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Ma Jun (Chairman), Mr. Xin Songtao and Mr. Li Yi Feng; one non-executive Director, namely 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*