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RICHLY FIELD

RICHLY FIELD CHINA DEVELOPMENT LIMITED
裕 田 中 國 發 展 有 限 公 司

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

(stock code: 313)

PROFIT WARNING

This announcement is made by Richly Field China Development Limited (the "**Company**") pursuant to Rules 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Directors**") of the Company (the "**Board**") wishes to inform the shareholders and potential investors that, based on the preliminary assessment of the unaudited financial statements of Company and its subsidiaries (the "**Group**") for the year ended 31 March 2018 (the "**FY2018**") and information currently available to the Board, it is expected that the Group will record a net loss attributable to the owners of the Company which is expected to be approximately 20% higher than that for the year ended 31 March 2017 (net loss has been restated due to change in an accounting policy), primarily due to a one-off expenditure in relation to the demolishment of certain completed properties held for sales with a total gross floor area of approximately 57,684.9 square meter in Changsha Outlets Project, which is a comprehensive project comprising "Globe Outlets" (commercial) and "Outlets Town" (residential) developed by the Group in Changsha, Hunan Province, the People's Republic of China. The Changsha Outlets Project is an integrated commercial and residential property project developed by Hunan Richly Field Outlets Real Estate Limited, a wholly-owned subsidiary of the Company, in Changsha, Hunan Province.

The aforesaid demolished properties were mainly villa properties, which in the current market condition are not easy for the Company to destock, thus makes it difficult for the Group to realise cash flow in a relatively short period of time. However, the new properties to be built in replacement of those demolished properties mainly comprised of high-end high-rise buildings, the future unit price of which is also expected to be determined at a profitable level for the Group. Besides, the total gross floor area of the new properties to be erected on the same parcel of land to which the demolished properties relate is much more higher than the previous villa properties, which to a certain extent can secure increasing popularity for the Outlets Town, which in turn can boost regular visits to Globe Outlets and thereby enhance our sales revenue. Therefore, the Board is of the view that the demolishment is in the long term interest of the Group.

The Company is in the process of finalizing the annual results of the Group for FY2018. The information contained in this announcement is only based on the preliminary assessment by the Board of the unaudited financial statements of the Group for FY2018 and the unaudited information currently available to the Company. Details of the Group's results for FY2018 will be disclosed as and when the audited final results of the Group for FY2018 is announced.

Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for FY2018, which is expected to be published on or before 30 June 2018 in accordance with the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Richly Field China Development Limited
Ma Jun
Chairman and Chief Executive Officer

Hong Kong, 26 June 2018

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Ma Jun (Chairman) and Mr. Chen Wei (Vice President), two non-executive directors, namely Dr. Wang Yucan and Mr. Li Yi Feng, and three independent non-executive directors, namely Ms. Hsu Wai Man Helen, Mr. Chau Shing Yim David and Mr. Xu Jinghong.