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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)**

**INSIDE INFORMATION  
MEMORANDUM OF UNDERSTANDING  
IN RELATION TO THE POSSIBLE DISPOSAL**

This announcement is made by Richly Field China Development Limited (the “**Company**”, which together with its subsidiaries shall be referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that on 29 June 2021 after trading hours, 裕田幸福城(北京)投資顧問有限公司 (Richly Field (Beijing) Investment Consulting Co., Ltd\*), and 奧特萊斯世界名牌折扣城控股有限公司 (Globe Outlets City Limited) (collectively the “**Potential Sellers**” and each a “**Potential Seller**”, both of which are wholly-owned subsidiaries of the Company) entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 樂沃居控股集團有限公司 (Lewoju Holding Group Company Limited\*) (the “**Potential Purchaser**”) and the Target Companies (as defined below). Pursuant to the MOU, the Potential Purchaser is contemplating the possible acquisition of, and the Potential Sellers are contemplating the possible disposal of (the “**Possible Disposal**”) all the equity interests beneficially held by the Potential Sellers in 湖南裕田奧特萊斯置業有限公司 (Hunan Richly Field Outlets Real Estate Limited\*), 長沙裕田奧特萊斯企業管理有限公司 (Changsha Yutian Outlets Business Administration Co. Limited\*) and 長沙裕田奧萊物業管理有限公司 (Changsha Yutian Outlets Properties Management Company Limited\*) (collectively the “**Target Companies**”). The primary business activity of the Target Companies is the development of the Changsha Outlets Project, details of which are further disclosed in the Interim Report of the Company published by the Company on the website of The Stock Exchange of Hong Kong Limited on 16 December 2020. Details of the MOU are set out as follows:

## **THE MOU**

Date: 29 June 2021 (after trading hours)

Parties:

1. The Potential Sellers
2. The Potential Purchaser
3. The Target Companies

To the directors’ best knowledge, information and belief after having made all reasonable inquiries, the Potential Purchaser and its ultimate beneficial owners are third parties independent from the Company and its connected persons (as defined in the Listing Rules).

## **ASSETS CONTEMPLATED TO BE DISPOSED**

Pursuant to the MOU, the Potential Sellers are contemplating the possible disposal of, and the Potential Purchaser is contemplating the possible acquisition of, all of the equity interests in the Target Companies. As at the date of this announcement, the Potential Sellers collectively own 100% of the equity interests in the Target Companies.

## **INFORMATION ABOUT THE POTENTIAL PURCHASER**

To the best knowledge of the Company, 樂沃居控股集團有限公司 (Lewoju Holding Group Company Limited\*) (“**Lewoju Group**”) is a private company incorporated in the People’s Republic of China (“**PRC**”) in 2017. Headquartered in Changsha City, Hunan Province, it is an enterprise group whose main business involves real estate development, equity investment, art collection and other fields.

The Lewoju Group possesses second-level real estate development qualifications, and its subsidiaries include 湖南燎原房地產開發有限公司 (Hunan Liaoyuan Real Estate Development Co., Ltd.\*), 湖南省將華置業有限公司 (Hunan Jianghua Real Estate Co., Ltd.\*), 樂沃居(珠海)置業有限公司 (Lewoju (Zhuhai) Real Estate Co., Ltd.\*), 長沙恆儀文化科技開發有限公司 (Changsha Hengyi Cultural Technology Development Co., Ltd.\*), 長沙大觀置業有限公司 (Changsha Daguan Real Estate Co., Ltd.\*), etc. These property development companies focus on cultivating strong second-tier core cities such as Changsha, Nanchang and Zhuhai.

At the same time, the Lewoju Group also cooperated with other property developers to jointly develop multiple real estate projects in Changsha, Zhuzhou, Hengyang, Chenzhou, Shaoyang and other places. The Lewoju Group has a project that is proximate to the Changsha Outlets Project.

## **DURATION**

In the event that the Possible Disposal materialises, the Possible Disposal is anticipated to be completed on or before 31 December 2021.

## **CONSIDERATION**

The consideration for the Possible Disposal shall comprise of (i) the final consideration RMB1 payable by the Potential Purchaser to the Potential Sellers, and (ii) the Potential Purchaser assuming all liabilities of the Target Companies.

## **FORMAL AGREEMENT**

The parties to the MOU agreed to negotiate in good faith with a view to, subject to all material terms being agreed on, entering into legally binding formal agreement(s) in relation to the Possible Disposal.

## **CONFIDENTIALITY**

The parties to the MOU shall assume strict confidentiality obligations for the matters involved in the MOU and all information that came to their knowledge concerning the Possible Disposal (except for those required to be provided or disclosed to relevant government agencies or departments or relevant regulatory agencies as required by laws and regulations). If any party divulges the other party's confidential information and causes any party to suffer economic losses, or causes the other party or a third party to suffer damage, the party that leaks the confidential information shall be liable for compensation.

## **BINDING EFFECT**

The MOU does not impose legally binding obligations on the parties in relation to the Possible Disposal, save only for the provisions relating to confidentiality which shall be legally binding.

## **REASONS FOR AND BENEFIT OF THE POSSIBLE DISPOSAL**

The Target Companies are indirectly wholly-owned subsidiaries of the Company incorporated in the PRC with limited liability. The primary business activity of the Target Companies is the development of the Changsha Outlets Project, which is a comprehensive project comprising the “Globe Outlets” (commercial) and “Outlets Town” (residential) developed by the Group in Changsha, Hunan Province, the PRC. As at 30 September 2020, the Target Companies were estimated to be carrying an unaudited net liability of approximately HK\$609 million. The Possible Disposal, if materialised, will release the Group from the liabilities of the Target Companies. It would therefore enable the Group to rationalize and deploy resources on other areas of operations with the objective of enabling the Group to improve its overall business performance.

## **GENERAL**

In the event that the Possible Disposal materialises, it may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) in relation to the Possible Disposal will be made by the Company as and when appropriate in compliance with the Listing Rules.

There is no assurance of the Company that the Possible Disposal, or any transactions referred to in this announcement, will materialise or eventually be consummated. Shareholders of the Company and potential investors should note that the Possible Disposal is subject to, among other things, the entering into of formal agreements, the major terms and conditions of which are yet to be agreed upon. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

**Richly Field China Development Limited**

**Li Yi Feng**

*Chairman and Chief Executive Officer*

Hong Kong, 29 June 2021

*As at the date of this announcement, the Board comprises two executive directors, namely Mr. Li Yi Feng (Chairman and Chief Executive Officer) and Mr. Chen Wei (Vice President) and three independent non-executive directors, namely Ms. Hsu Wai Man Helen, Mr. Wong Chi Hong William and Mr. Xu Jinghong.*

\* *For identification purposes only*