

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



RICHFIELD GROUP HOLDINGS LIMITED
田 生 集 團 有 限 公 司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8136)

**UPDATES ON MAJOR TRANSACTION
AND
CLARIFICATION ANNOUNCEMENT**

The Board is pleased to announce that during the period from 30 July 2010 to 23 August 2010, after arm's length negotiations, the Purchaser(s), wholly owned subsidiaries of the Company, entered into the 154 Provisional Sale and Purchase Agreements with the 154 Vendors in relation to the acquisition of the 154 Property.

The entering into of the 154 Provisional Sale and Purchase Agreements and the 154 Acquisition will be aggregated with the Acquisition under the GEM Listing Rules.

The Directors noted that there are certain typographical errors to the manner of consideration payable for the Acquisition as disclosed in the announcement of the Company dated 30 July 2010 and will like to clarify the payment manner of the consideration payable for the Acquisition should be as disclosed herein instead.

UPDATES ON MAJOR TRANSACTION

Reference is made to the announcements of the Company dated 30 July 2010 and 19 August 2010 respectively (the "**Announcements**") in relation to, among others, the major transaction on the part of the Company in relation to the Project involving the Acquisition and the Redevelopment. Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Announcements.

The Board is pleased to announce that during the period from 30 July 2010 to 23 August 2010, after arm's length negotiations, the Purchaser(s), wholly owned subsidiaries of the Company, entered into provisional sale and purchase agreements (the "**154 Provisional Sale and Purchase Agreements**") with certain vendors (the "**154 Vendors**") in relation to the acquisition (the "**154 Acquisition**") of the whole property located at No. 154 of Carpenter Road (the "**154 Property**"), i.e. the property next to the Properties.

* For identification purposes only

The 154 Property comprises five (5) units. During the period from 30 July 2010 to 5 August 2010, the Purchasers have entered into the 154 Provisional Sale and Purchase Agreements for acquiring three units of the 154 Property as trading property in the ordinary course of business of the Group. On 23 August 2010, the Purchasers have entered into the other 154 Provisional Sale and Purchase Agreements for the acquiring the remaining two units of the 154 Property.

Given the geographical location of the 154 Property, which is just situated next to the Properties, the Company has changed its intention and the 154 Property will be subject to the Redevelopment with the Properties as well.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the 154 Vendors and, if applicable, their respective ultimate beneficial owners are Independent Third Parties. The 154 Vendors are individuals and/or corporate and are owners of the 154 Property.

Pursuant to the 154 Provisional Sale and Purchase Agreements, the 154 Vendors agreed to sell and the Purchasers agreed to acquire the 154 Property subject to and upon the terms and conditions of the 154 Provisional Sale and Purchase Agreements. It is intended that formal sale and purchase agreements for the 154 Acquisition (the "**154 Formal Sale and Purchase Agreements**") for the three units of the 154 Property shall be entered into on or before 27 August 2010. There will be no formal sale and purchase agreements for the other two units of the 154 Property.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, the 154 Property has a total gross area of approximately 6,700 sq. ft. and certain units of the 154 Property are subject to tenancies or licences.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the tenants and/or licensees and, if applicable, their respective ultimate beneficial owners are Independent Third Parties.

The considerations for the 154 Property were arrived at after arm's length negotiations between the parties to each of the 154 Provisional Sale and Purchase Agreements and are on normal commercial terms after having taken into account the market price of the 154 Property and comparison based on market prices of comparable properties of similar size, character and location have been made.

The total considerations for the 154 Property and the majorities of the Properties (excluding the Owned Property) are HK\$312,271,900 which will be settled by the Purchasers in cash in the following manners:

- (a) as to HK\$4,693,000 was paid to the Vendors and the 154 Vendors as deposit upon or before the entering into of the Provisional Sale and Purchase Agreements and the 154 Provisional Sale and Purchase Agreements;
- (b) as to HK\$15,192,500 will be paid to the Vendors and the 154 Vendors as further deposit upon the entering into of the Formal Sale and Purchase Agreements and the 154 Formal Sale and Purchase Agreements; and

- (c) as to the remaining balance of HK\$292,386,400 will be paid to the Vendors and the 154 Vendors upon completion of the Acquisition and the 154 Acquisition.

Completion of the 154 Property and the majorities of the Properties (other than the Owned Property) is intended to be on or before 22 October 2010.

The Redevelopment

The Company intends that both the 154 Property and the Properties, i.e. the properties located at Nos. 142 to 154 of Carpenter Road will be subject to the Redevelopment after the Acquisition and the 154 Acquisition.

Upon completion of the Acquisition and the 154 Acquisition, the Group will own 86.67% of the Properties, i.e. Nos. 142 to 152 of Carpenter Road and 100% of the 154 Property, i.e. No. 154 of Carpenter Road and will acquire the outstanding unacquired minority units of the Properties. The Board considers that there is no difficulty for the Group to acquire the outstanding unacquired minority units of the Properties. The Properties are located in Kowloon City, Hong Kong next to the Carpenter Road Park. The Board will redevelop the Properties into a mixed-use commercial and residential development comprising shops and residential apartments.

The Properties with the 154 Property have a site area of approximately 9,112 sq. ft. and the Redevelopment involves a total development area of approximately 82,000 sq. ft., with a total of approximately 14,000 sq. ft. for shops and approximately 68,000 sq. ft. for residential purpose. The preliminary redevelopment plan is that there will be a two-storey shopping mall with a 23-floor residential apartments, subject to any adjustments to the final redevelopment plan.

It is expected that the Redevelopment will be completed in or about 2015.

GEM Listing Rules Implications

The entering into of the 154 Provisional Sale and Purchase Agreements and the 154 Acquisition will be aggregated with the Acquisition under the GEM Listing Rules. After such aggregation, the Project (including the Acquisition, the 154 Acquisition and the Redevelopment) still constitutes a major transaction on the part of the Company under the GEM Listing Rules and is subject to the notification, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, no Shareholders have a material interest in the Project and/or the 154 Acquisition and no Shareholder would be required to abstain from voting if the Company has convened a general meeting for the approval of the Project and/or the 154 Acquisition.

In lieu of holding a general meeting to approve the 154 Acquisition, written approvals on the Project (including the 154 Acquisition) have been obtained from each of the Controlling Shareholders respectively which are in aggregate interested in 2,048,970,000 Shares, representing approximately 69.97% of the issued share capital of the Company pursuant to Rule 19.44 of the GEM Listing Rules. The Company will not hold a general meeting to approve the 154 Acquisition.

A circular containing, among others, details of the Project, will be despatched to the Shareholders for information only as soon as practicable on or before 17 September 2010.

CLARIFICATION ANNOUNCEMENT

The Directors noted that there are certain typographical errors to the manner of consideration payable for the Acquisition as disclosed in the announcement of the Company dated 30 July 2010 and will like to clarify that the total considerations for the majorities of the Properties (excluding the Owned Property) will be settled by the Purchasers in cash in the following manners:

- (a) as to HK\$2,080,000 was paid to the Vendors as deposit upon or before the entering into of the Provisional Sale and Purchase Agreements;
- (b) as to HK\$11,952,500 will be paid to the Vendors as further deposit upon the entering into of the Formal Sale and Purchase Agreements; and
- (c) as to the remaining balance of HK\$194,314,400 will be paid to the Vendors upon completion of the Acquisition.

By order of the board of directors of
RICHFIELD GROUP HOLDINGS LIMITED

Lee Wing Yin
Executive Director

Hong Kong, 23 August 2010

At the date of this announcement, the Company's executive directors are Mr. Pong Wai San, Wilson and Mr. Lee Wing Yin, the Company's non-executive director is Mr. Li Chi Chung and the Company's independent non-executive directors are Mr. Koo Fook Sun, Louis, Mr. Lai Hin Wing, Henry and Mr. Lung Hung Cheuk respectively.

This announcement, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the issuer. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from its date of posting and on the designated website of this Company at ir.sinodelta.com.hk/richfieldgp/.