



田 生 集 團 有 限 公 司*
RICHFIELD GROUP HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8136)



2009/2010
First Quarterly Report

* For identification purposes only



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of Richfield Group Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to Richfield Group Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

FIRST QUARTERLY RESULTS (UNAUDITED)

The board of directors (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 three months ended 30 September 2009 together with the comparative unaudited figures for the corresponding periods in 2008 as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months ended 30 September 2009

	Notes	Three months ended 30 September	
		2009 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000
REVENUE	3	22,258	19,356
Cost of sales		(12,169)	(10,142)
Gross profit		10,089	9,214
Other income	3	736	897
Selling and distribution expenses		(774)	(725)
Administrative expenses		(2,586)	(6,229)
PROFIT BEFORE INCOME TAX		7,465	3,157
Income tax expense	4	(1,300)	(1,384)
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY		6,165	1,773
DIVIDENDS	5	–	–
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	6		
Basic		HK0.21 cent	HK0.06 cent
Diluted		N/A	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 September 2009

	Three months ended 30 September	
	2009 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000
Profit for the period	6,165	1,773
Other comprehensive income		
Net fair value gain/(loss) on available-for-sale financial assets	16,912	(1,901)
Total comprehensive income/(loss) for the period	23,077	(128)
Total comprehensive income/(loss) attributable to: Owners of the Company	23,077	(128)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 September 2009

	Share capital (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Fair value reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
At 1 July 2008	29,285	747,769	–	12,699	789,753
Profit for the period	–	–	–	1,773	1,773
Other comprehensive loss	–	–	(1,901)	–	(1,901)
Total comprehensive income/(loss) for the period	–	–	(1,901)	1,773	(128)
Dividend paid	–	(20,997)	–	–	(20,997)
Transactions with owners	–	(20,997)	–	–	(20,997)
At 30 September 2008	29,285	726,772	(1,901)	14,472	768,628

	Share capital (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Fair value reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
At 1 July 2009	29,285	726,772	3,444	28,376	787,877
Profit for the period	–	–	–	6,165	6,165
Other comprehensive income	–	–	16,912	–	16,912
Total comprehensive income for the period	–	–	16,912	6,165	23,077
At 30 September 2009	29,285	726,772	20,356	34,541	810,954



NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Richfield Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 10 January 2002 as 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 Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The subsidiaries (together with the Company referred to as the “Group”) are principally engaged in the provision of property brokerage services, provision of schemes for property consolidation, assembly and redevelopment and property trading in Hong Kong (the “Property Assembly and Brokerage Business”), the trading of recycled computers and the trading of bags and accessories. The Group has suspended the businesses of the trading of recycled computers and the trading of bags and accessories from 1 September 2009.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The unaudited condensed consolidated interim financial statements of the Group for the three months ended 30 September 2009 (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 GEM of the Stock Exchange.

The Condensed Financial Report should be read in conjunction with the annual financial statements of the Company for the 15 months ended 30 June 2009 (the “2009 Annual Financial Statements”).

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.

The Condensed Financial Report have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and available-for-sale financial assets 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 thousand (“HK\$’000”) unless otherwise stated.

Principal accounting policies

The accounting policies and methods of computation adopted in the preparation of the Condensed Financial Report are consistent with those adopted in the 2009 Annual Financial Statements, except for in the current period, the Group has applied for the first time the new standards, amendments and interpretations issued by the HKICPA in which HKFRS 1 (Revised 2007) Presentation of financial statements is relevant to and effective for the Group’s financial statements for the annual period beginning on 1 July 2009.

HKAS 1 (Revised 2007) Presentation of financial statements

The adoption of HKAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income, for example fair value change on available-for-sale financial assets. HKAS 1 only affects the presentation of owner changes in equity and introduces a "Statement of comprehensive income". It has had no impact on the reported results or financial position of the Group. Comparatives have been restated to conform with the revised standard.

3. REVENUE AND OTHER INCOME

Revenue represents the net invoiced value of goods sold and net value of services rendered, after allowances for returns and trade discounts. All significant transactions amongst the companies comprising the Group have been eliminated on consolidation. Revenue and other income recognised during the period are as follows:

	Three months ended 30 September	
	2009 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000
Revenue		
Sales of goods	2,123	4,734
Commission income	20,135	14,622
	22,258	19,356
Other income		
Interest income	577	488
Dividend income	–	197
Sundry income	159	212
	736	897
	22,994	20,253

4. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (three months ended 30 September 2008: 16.5%) on the estimated assessable profit arising in Hong Kong for the current period.

Deferred tax had not been provided for the Group because the Group had no material temporary differences at the balance sheet date (30 September 2008: Nil).

5. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the three months ended 30 September 2009 (three months ended 30 September 2008: Nil).



6. EARNINGS PER SHARE

The calculations of basic earnings per share for the three months ended 30 September 2009 are based on the unaudited consolidated net profit attributable to owners of the Company for the three months ended 30 September 2009 of approximately HK\$6,165,000 (three months ended 30 September 2008: HK\$1,773,000) and on the weighted average number of 2,928,500,000 shares during the three months ended 30 September 2009 (three months ended 30 September 2008: 2,928,500,000 shares).

Diluted earnings per share for the three months ended 30 September 2009 and the corresponding periods in 2008 are not disclosed as no dilutive events existed during those periods.

FINANCIAL REVIEW RESULTS

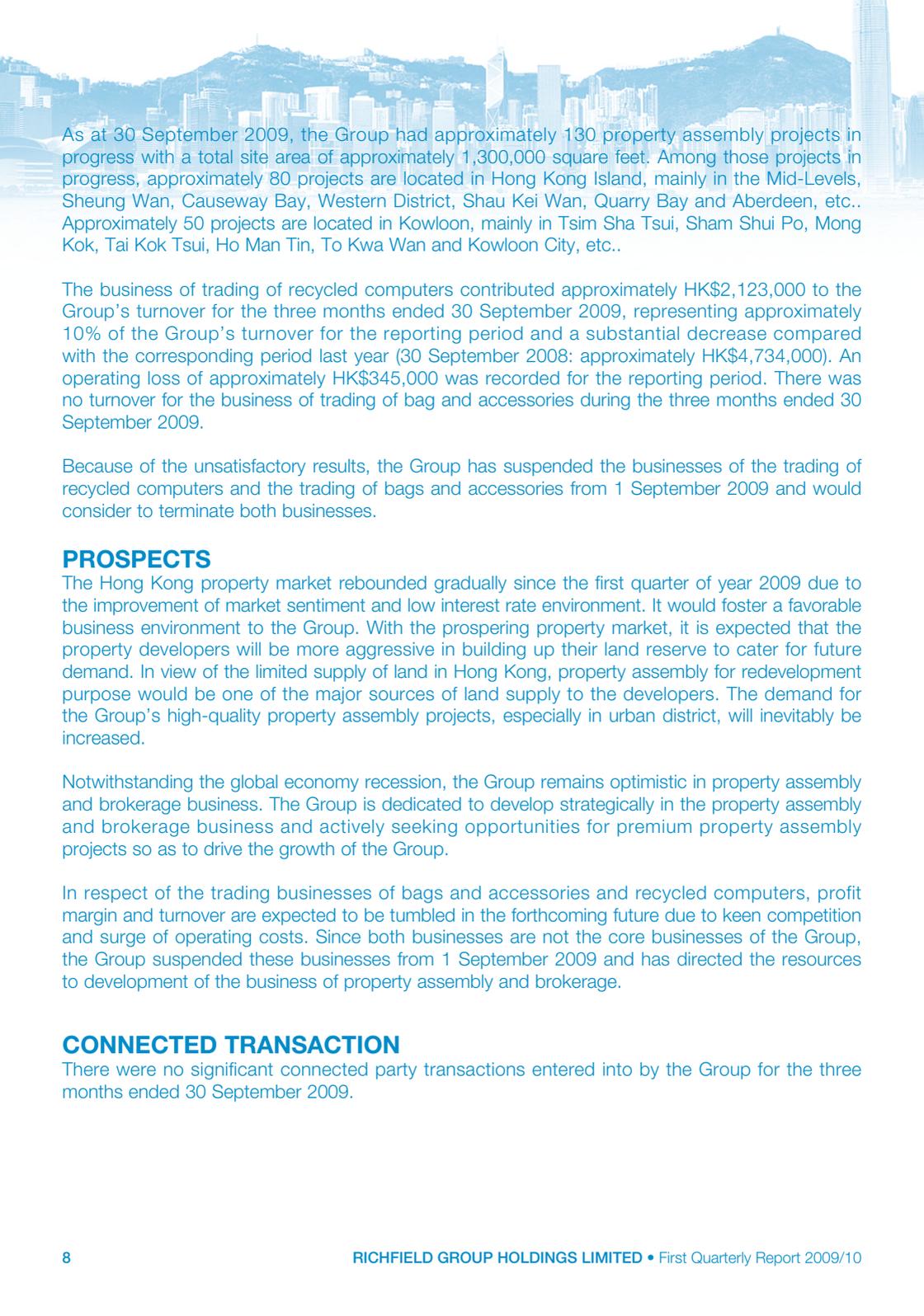
During the three months ended 30 September 2009, the Group recorded a turnover of approximately HK\$22,258,000, representing an increase of approximately 15% compared with the corresponding period last year of approximately HK\$19,356,000. The increase in turnover was mainly attributed to the increase in turnover of the Property Assembly and Brokerage Business. In respect of the Property Assembly and Brokerage Business, it contributes approximately HK\$20,135,000 to the turnover of the Group for the period and this represents an increase of approximately 38% compared with the corresponding period last year of approximately HK\$14,622,000 because of the improved market condition since the mid of 2009.

Profit before income tax of the Group for the three months ended 30 September 2009 was approximately HK\$7,465,000, representing an increase of approximately 136% when compared with the corresponding period last year of approximately HK\$3,157,000. Due to the increase of turnover for the period ended 30 September 2009, profit attributable to owners for the period was increased to approximately HK\$6,165,000 compared with that of approximately HK\$1,773,000 for the corresponding period last year.

BUSINESS REVIEW

During the three months ended 30 September 2009, the economy and property market were improved gradually due to the improvement of market sentiment, the Group continued to expand its core business, the provision of property assembly, brokerage and trading of property. Turnover from the Property Assembly and Brokerage Business for the three months ended 30 September 2009 was approximately HK\$20,135,000, representing an increase of approximately 38% (30 September 2008: approximately HK\$14,622,000). Operating profit for the Property Assembly and Brokerage Business was approximately HK\$7,420,000 which was decreased by approximately 9% compared with that of approximately HK\$8,194,000 for the corresponding period last year.

During the period under review, the Group has completed 3 assembly projects, which are mainly located in the densely populated areas in Hong Kong Island and Kowloon, such as Causeway Bay, Western District, Mongkok, etc., with the total contract sum and the total gross profit of approximately HK\$554,960,000 and approximately HK\$2,000,000 respectively.



As at 30 September 2009, the Group had approximately 130 property assembly projects in progress with a total site area of approximately 1,300,000 square feet. Among those projects in progress, approximately 80 projects are located in Hong Kong Island, mainly in the Mid-Levels, Sheung Wan, Causeway Bay, Western District, Shau Kei Wan, Quarry Bay and Aberdeen, etc.. Approximately 50 projects are located in Kowloon, mainly in Tsim Sha Tsui, Sham Shui Po, Mong Kok, Tai Kok Tsui, Ho Man Tin, To Kwa Wan and Kowloon City, etc..

The business of trading of recycled computers contributed approximately HK\$2,123,000 to the Group's turnover for the three months ended 30 September 2009, representing approximately 10% of the Group's turnover for the reporting period and a substantial decrease compared with the corresponding period last year (30 September 2008: approximately HK\$4,734,000). An operating loss of approximately HK\$345,000 was recorded for the reporting period. There was no turnover for the business of trading of bag and accessories during the three months ended 30 September 2009.

Because of the unsatisfactory results, the Group has suspended the businesses of the trading of recycled computers and the trading of bags and accessories from 1 September 2009 and would consider to terminate both businesses.

PROSPECTS

The Hong Kong property market rebounded gradually since the first quarter of year 2009 due to the improvement of market sentiment and low interest rate environment. It would foster a favorable business environment to the Group. With the prospering property market, it is expected that the property developers will be more aggressive in building up their land reserve to cater for future demand. In view of the limited supply of land in Hong Kong, property assembly for redevelopment purpose would be one of the major sources of land supply to the developers. The demand for the Group's high-quality property assembly projects, especially in urban district, will inevitably be increased.

Notwithstanding the global economy recession, the Group remains optimistic in property assembly and brokerage business. The Group is dedicated to develop strategically in the property assembly and brokerage business and actively seeking opportunities for premium property assembly projects so as to drive the growth of the Group.

In respect of the trading businesses of bags and accessories and recycled computers, profit margin and turnover are expected to be tumbled in the forthcoming future due to keen competition and surge of operating costs. Since both businesses are not the core businesses of the Group, the Group suspended these businesses from 1 September 2009 and has directed the resources to development of the business of property assembly and brokerage.

CONNECTED TRANSACTION

There were no significant connected party transactions entered into by the Group for the three months ended 30 September 2009.

SHARE OPTIONS

During the three months ended 30 September 2009, no share option was granted, exercised or lapsed under the share option scheme adopted on 21 May 2002.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2009, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rules 5.46 of the GEM Listing Rules, were as follows:

Director	Number of Shares		Total	Approximate percentage of shareholding
	Personal interest	Corporate interest		
Mr. Pong Wai San, Wilson ("Mr. Pong")	352,176,000	936,794,000 (Note)	1,288,970,000	44.01%

Note: These shares are beneficially owned by Virtue Partner Group Limited, a company wholly owned by Mr. Pong.

All the interests disclosed above represent long position in the shares of the Company.

Save as disclosed above, as at 30 September 2009, none of the directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules.

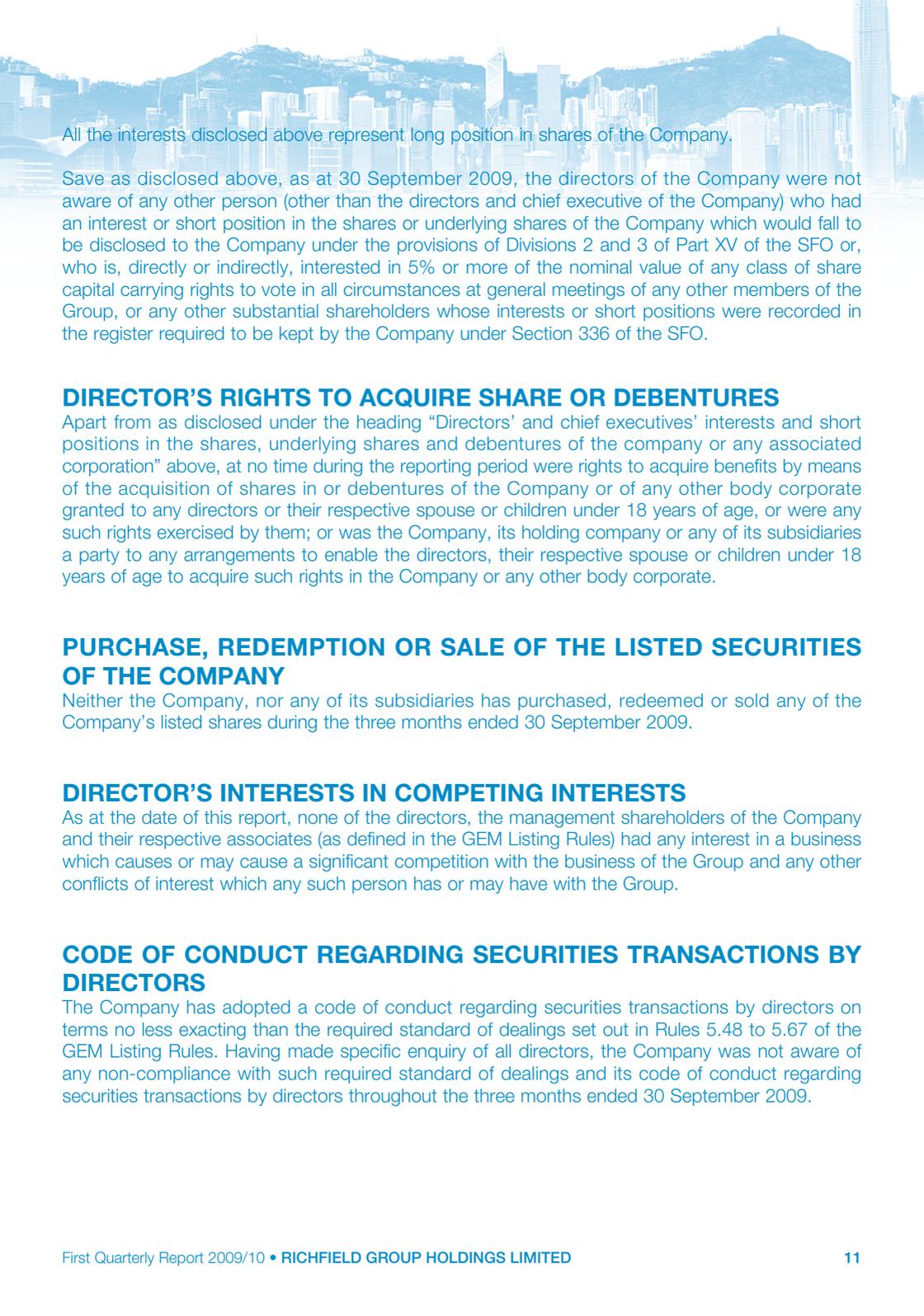
SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 September 2009, other than the interests of certain directors and chief executive of the Company as disclosed under the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the company or any associated corporation" above, the interests or short positions of person in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Capacity in which shares are held	Number of issued shares	Percentage of the issued share capital
Ms. Tung Ching Yee, Helena (Note 1)	Family interest	1,288,970,000	44.01%
Virtue Partner Group Limited (Note 2)	Beneficial owner	936,794,000	31.99%
Richfield (Holdings) Limited (Note 3)	Beneficial owner	760,000,000	25.95%
Mr. Au Wing Wah ("Mr. Au") (Note 3)	Interest in controlled corporation	760,000,000	25.95%
Vastwood Limited (Note 3)	Beneficial owner	760,000,000	25.95%
Richfield Group Holdings Limited (Note 3)	Interest in controlled corporation	760,000,000	25.95%
Ms. Kong Pik Fan (Note 4)	Family interest	760,000,000	25.95%

Notes:

- Ms. Tung Ching Yee, Helena is the wife of Mr. Pong and accordingly deemed to be interested in the shares beneficially owned by Mr. Pong in his own capacity and through his controlled corporation, Virtue Partner Group Limited, under SFO.
- These shares are beneficially owned by Virtue Partner Group Limited, a company wholly owned by Mr. Pong.
- These shares are beneficially owned by Richfield (Holdings) Limited, a company wholly owned by Mr. Au, and therefore Mr. Au deemed to be interested in the shares owned by Richfield (Holdings) Limited, under SFO. On 12 June 2008, Richfield (Holdings) Limited as a chargor has executed a share charge in favour of Vastwood Limited, a wholly-owned subsidiary of Richfield Group Holdings Limited, as a chargee in respect of the fixed charge over these 760,000,000 shares. Therefore, Richfield Group Holdings Limited deemed to be interested in the shares owned by Vastwood Limited under SFO.
- Ms. Kong Pik Fan is the wife of Mr. Au and accordingly deemed to be interested in the shares beneficially owned by Mr. Au in his own capacity and through his controlled corporation, Richfield (Holdings) Limited, under SFO.



All the interests disclosed above represent long position in shares of the Company.

Save as disclosed above, as at 30 September 2009, the directors of the Company were not aware of any other person (other than the directors and chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTOR'S RIGHTS TO ACQUIRE SHARE OR DEBENTURES

Apart from as disclosed under the heading "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the company or any associated corporation" above, at no time during the reporting period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors, their respective spouse or children under 18 years of age to acquire such rights in the Company or any other body corporate.

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 three months ended 30 September 2009.

DIRECTOR'S INTERESTS IN COMPETING INTERESTS

As at the date of this report, none of the directors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

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 Rules 5.48 to 5.67 of the GEM 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 three months ended 30 September 2009.



CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 15 of the GEM Listing Rules. The Company has complied with the code provisions set out in the Code throughout the three months ended 30 September 2009, except for the deviations that (i) Mr. Li Chi Chung, the non-executive director of the Company, was appointed without specific term of service since no appointment letter has been entered between Mr. Li and the Company but his appointment is subject to retirement by rotation and offers himself for re-election in accordance with the articles of association of the Company; and (ii) 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 set up an audit committee (the “Committee”) on 2 May 2002, with written terms of reference in compliance with the GEM Listing Rules, 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 of the Company, namely Mr. Koo Fook Sun, Louis, Mr. Lai Hin Wing, Henry and Mr. Lung Hung Cheuk. The unaudited consolidated results of the Group for the three months ended 30 September 2009 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.

By Order of the Board
Mr. Pong Wai San, Wilson
Executive Director

Hong Kong, 10 November 2009

As at the date of this report, the Company’s executive director is Mr. Pong Wai San, Wilson, 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.