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FANTASIA

Fantasia Holdings Group Co., Limited

花樣年控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01777)

PROPOSED ISSUE OF CNY-DENOMINATED SENIOR NOTES

The Company proposes to conduct an international offering of CNY-denominated senior notes.

The pricing of the Notes, including the aggregate principal amount, the Offer Price and the interest rate, will be determined through a book building exercise to be conducted by BofA Merrill Lynch, Citi, HSBC and China Merchants Securities (HK), the joint lead managers and the joint bookrunners of the Proposed Notes Issue. Upon finalizing the terms of the Notes, it is expected that BofA Merrill Lynch, Citi, HSBC, China Merchants Securities (HK) and the Company, among others, will enter into the Purchase Agreement.

The Company intends to use the proceeds of the Notes to refinance certain of its existing indebtedness, to finance its existing and new property development projects (including land premium and construction costs), and for other general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of proceeds.

Approval in-principle has been received for the listing and quotation of the Notes on the Official List of the SGX-ST. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Notes, the Subsidiary Guarantees, the Subsidiary Guarantors or their respective subsidiaries or associated companies (if any). SGX-ST assumes no responsibility for the contents of this announcement.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED NOTES ISSUE

Introduction

The Company proposes to conduct an international offering of CNY-denominated senior notes.

The pricing of the Notes, including the aggregate principal amount, the Offer Price and the interest rate, will be determined through a book building exercise to be conducted by BofA Merrill Lynch, Citi, HSBC and China Merchants Securities (HK), the joint lead managers and the joint bookrunners of the Proposed Notes Issue.

As at the date of this announcement, the amount, terms and conditions of the Proposed Notes Issue have yet to be determined. Upon finalizing the terms of the Notes, it is expected that BofA Merrill Lynch, Citi, HSBC, China Merchants Securities (HK) and the Company, among others, will enter into the Purchase Agreement. The Company will make a further announcement in respect of the Proposed Notes Issue upon the signing of the Purchase Agreement.

The Notes and the Subsidiary Guarantees have not been and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States and may only be offered, sold or delivered outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Accordingly, the Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed with any connected persons of the Company.

Information of the Company and Reasons for the Proposed Notes Issue

The Group is a leading property developer and property related service provider in China. For four consecutive years from 2009 to 2012, members of the Group ranked among the China Top 100 Real Estate Developers (中國房地產百強企業) and the China Top 100 Property Management Companies (中國物業服務百強企業) by the China Real Estate Top 10 Research Team (中國房地產 Top 10 研究組). The Group was also ranked among the China Real Estate Top 100 Listed Companies (中國房地產上市公司百強) in 2011 and the Top 50 China Real Estate Listed Companies in terms of Comprehensive Strength (中國房地產上市公司綜合實力五十強) in 2011 and 2012 by the China Real Estate Research Institute, China Real Estate Association and China Real Estate Assessment Center. The Group first commenced its property development business in Shenzhen in 1996. Leveraging on the Group's broad experience and capabilities, the Group has successfully expanded into, and currently focuses its real estate activities in, four of the fastest-growing economic regions in China, including the Chengdu-Chongqing Economic Zone, the Pearl River Delta region, the Yangtze River Delta region and the Beijing-Tianjin metropolitan region.

The Company intends to use the proceeds of the Notes to refinance certain of its existing indebtedness, to finance its existing and new property development projects (including land premium and construction costs), and for other general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of proceeds.

Listing

Approval in-principle has been received for the listing and quotation of the Notes on the Official List of the SGX-ST. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Notes, the Subsidiary Guarantees, the Subsidiary Guarantors or their respective subsidiaries or associated companies (if any). SGX-ST assumes no responsibility for the contents of this announcement.

No listing of the Notes has been sought in Hong Kong.

GENERAL

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“BofA Merrill Lynch”	Merrill Lynch International, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“China Merchants Securities (HK)”	China Merchants Securities (HK) Co., Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes
“Citi”	Citigroup Global Markets Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes
“CNY” or “RMB”	Renminbi, the lawful currency of the PRC
“Company”	Fantasia Holdings Group Co., Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	the CNY senior notes to be issued by the Company subject to the terms and conditions of the Purchase Agreement

“Offer Price”	the final price at which the Notes will be sold
“Proposed Notes Issue”	the proposed issue of the Notes by the Company
“Purchase Agreement”	the purchase agreement proposed to be entered into between, among others, the Company, BofA Merrill Lynch, Citi, HSBC and China Merchants Securities (HK) in relation to the Proposed Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantees”	the guarantees provided by the Subsidiary Guarantors in respect of the Proposed Notes Issue
“Subsidiary Guarantors”	the subsidiaries of the Company which guarantee the Notes
“United States”	the United States of America

By Order of the Board
FANTASIA HOLDINGS GROUP CO., LIMITED
Pan Jun
Chairman

Hong Kong, 20 May 2013

As at the date of this announcement, the executive Directors are Mr. Pan Jun, Ms. Zeng Jie, Baby, Mr. Lam Kam Tong and Mr. Zhou Jinquan; and the independent non-executive Directors are Mr. Ho Man, Mr. Liao Martin Cheung Kong, JP, Mr. Huang Ming and Mr. Xu Quan.