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花 樣 年

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: 1777)

DISCLOSEABLE TRANSACTION

ACQUISITION OF NINGBO CENTURY HUAFENG REAL ESTATE LIMITED

The Board is pleased to announce that on 27 June 2013, Shenzhen Fantasia, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement with the Vendor, pursuant to which the Vendor has agreed to sell and Shenzhen Fantasia has agreed to purchase 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited and the Shareholder's Loan at a consideration of RMB480,690,000 (equivalent to approximately HK\$605,669,400). Together with the 30.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited acquired by Shenzhen Fantasia under the Previous Agreement from Huafeng at a consideration of RMB100,000,000 (equivalent to approximately HK\$126,000,000), upon completion of the Share Purchase Agreement, Ningbo Century Huafeng Real Estate Limited will become an indirect wholly-owned subsidiary of the Company.

Ningbo Century Huafeng Real Estate Limited is principally engaged in property development and operation in the PRC and as the date of this announcement, it owns the land use right (土地使用權) of the Land.

As one of the applicable percentage ratios in respect of the Acquisition is above 5% but below 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and is therefore subject to the announcement requirement.

THE SHARE PURCHASE AGREEMENT

Date

27 June 2013

Parties

- (1) the Vendor
- (2) Shenzhen Fantasia

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

Assets to be acquired

Pursuant to the Share Purchase Agreement, the Vendor has agreed to sell and Shenzhen Fantasia has agreed to purchase 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited and the Shareholder's Loan.

Upon completion of the Share Purchase Agreement, Shenzhen Fantasia will hold the entire interests in Ningbo Century Huafeng Real Estate Limited, which in turn, holds the land use right (土地使用權) of the Land with a total site area of approximately 75,432 square meters and the plot ratio of 1.9994 for residential use. The land use rights in relation to the Land will expire on 22 May 2080.

Consideration and other expenses

The consideration under the Share Purchase Agreement is RMB480,690,000 (equivalent to approximately HK\$605,669,400) consisting of a consideration of RMB230,690,000 (equivalent to approximately HK\$290,669,400) for the acquisition of 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited and a consideration of RMB250,000,000 (equivalent to approximately HK\$315,000,000) for the acquisition of the Shareholder's Loan and shall be paid as follows:—

- (a) RMB10,000,000 (equivalent to approximately HK\$12,600,000) of which shall be paid by Shenzhen Fantasia to the Vendor as deposit three (3) days from date of signing and commencement of the Share Purchase Agreement; and
- (b) the remaining RMB470,690,000 (equivalent to approximately HK\$593,069,400) shall be payable in full by Shenzhen Fantasia to the Vendor one (1) business day upon fulfillment of: (i) all governmental, regulatory and other third party consents, approvals, licences, permits, authorisations, waivers and exemptions as may be necessary to enable Shenzhen Fantasia and/or its nominee to be registered as holder of 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited having been

obtained and the memorandum of association of Ningbo Century Huafeng Real Estate Limited being amended as appropriate to facilitate the transaction contemplated under the Share Purchase Agreement; and (ii) all completion deliverables including but not limited to corporate, legal, company secretarial and financial records, company chops, governmental licenses and internal control records of Ningbo Century Huafeng Real Estate Limited and all its subsidiaries (if any) together with all agreements have been executed by Ningbo Century Huafeng Real Estate Limited and all its subsidiaries (if any) and all relevant information, licenses, approvals in relation to the Land having been delivered to Shenzhen Fantasia.

The Board is of the view that the Consideration is fair and reasonable and the Consideration was determined after arm's length negotiation between the parties with reference to the estimated market value of the Land and the net asset value of Ningbo Century Huafeng Real Estate Limited.

The Consideration will be satisfied by internal sources of the Group.

Ningbo Century Huafeng Real Estate Limited shall terminate all service agreements with its existing employees as of the date of this announcement and any expenses arising therein shall be borne by the Vendor. The Vendor and Shenzhen Fantasia further agreed that Ningbo Century Huafeng Real Estate Limited shall terminate certain ongoing agreements executed by Ningbo Century Huafeng Real Estate Limited and/or its subsidiaries and any expenses arising from such termination shall also be borne by the Vendor.

Shenzhen Fantasia shall be responsible for fees incurred from the due diligence and audit necessary for the Acquisition and the relevant attestation and registration fees incurred as a result of the Acquisition. Relevant tax incurred as a result of the Acquisition shall be undertaken by Shenzhen Fantasia and the Vendor in accordance with the PRC laws and regulations.

INFORMATION ON THE COMPANY AND REASONS FOR THE ACQUISITION

The Group is a leading property developer and property related service provider in the PRC. 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 the PRC, including the Chengdu-Chongqing Economic Zone, the Pearl River Delta region, the Yangtze River

Delta region and the Beijing-Tianjin metropolitan region.

The Group plans to continue to concentrate on these regions and intends to procure more land in each of these regions by adhering to the disciplined approach of the Group.

The Board believes that the Acquisition will provide a good business opportunity in the real estate development in Ningbo, the PRC, and the Acquisition will allow the Company to further enhance its position in the market in Ningbo, the PRC.

The Directors consider that the Share Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms after arm's length negotiation between the parties, fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON NINGBO CENTURY HUAFENG REAL ESTATE LIMITED

Ningbo Century Huafeng Real Estate Limited is a limited liability company incorporated in the PRC with a registered capital of RMB427,500,000 (equivalent to approximately HK\$538,650,000) and is principally engaged in property development and operation. As at the date of this announcement, Ningbo Century Huafeng Real Estate Limited is owned as to 69.5% by the Vendor and as to 30.5% by the Group.

According to the audited financial statements for the two financial years ended 31 December 2012 of Ningbo Century Huafeng Real Estate Limited prepared in accordance with generally accepted accounting principals in PRC, the net loss (before and after taxation and extraordinary items) for each of the two financial years ended 31 December 2012 and the net asset value as at 31 December 2012 of Ningbo Century Huafeng Real Estate Limited are as follows:

	Financial year ended	
	31 December	
	2011	2012
	<i>RMB</i>	<i>RMB</i>
	(audited)	(audited)
Net loss before taxation and extraordinary items	(1,518,618)	(1,161,608)
Net loss after taxation and extraordinary items	<u>(1,518,618)</u>	<u>(1,161,608)</u>
		As at
		31 December
		2012
		<i>RMB</i>
		(audited)
Net asset value		<u>425,647,900</u>

INFORMATION ON THE VENDOR

To the best of the Directors' knowledge and belief, the Vendor is principally engaged in network technology development, business management consultancy, import and export business and advertising business.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios in respect of the Acquisition is above 5% but below 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and is therefore subject to the announcement requirement.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless otherwise requires:

“Accounts”	the audited financial statements of Ningbo Century Huafeng Real Estate Limited made up as at 31 March 2013 and all notes, reports, statements and other documents annexed to those accounts
“Acquisition”	the acquisition of 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited pursuant to the Share Purchase Agreement and the acquisition of 30.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited pursuant to the Previous Agreement
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday) on which banks are open for business in Hong Kong
“Company”	Fantasia Holdings Group Co., Limited (花樣年控股集團有限公司), a company incorporated in the Cayman Islands, the securities of which are listed on the main board of the Stock Exchange
“Consideration”	consideration of the acquisition of 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited and the Shareholder's Loan pursuant to the Share Purchase Agreement
“Directors”	directors of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huafeng”	華豐置業有限公司, a company incorporated in the PRC with limited liability and an Independent Third Party
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company or any of its connected persons (as defined in the Listing Rules)
“Land”	the parcel of land located in No. 1 Feng Yang Road East, Bei Lun Xin Qi and Huangshan West Road South, Bei Lun District, Ningbo City (寧波市北侖區北侖新碶鳳洋一路東、黃山西路南) with a total site area of approximately 75,432 square meters and the plot ratio of 1.9994 for residential use
“Ningbo Century Huafeng Real Estate Limited”	寧波世紀華豐房產有限公司 (Ningbo Century Huafeng Real Estate Limited), a company incorporated in the PRC with limited liability and is owned as to 69.5% by the Vendor and 30.5% by Shenzhen Fantasia as at the date of this announcement
“PRC”	People’s Republic of China, and for the purposes of this announcement, excludes Hong Kong, Macao Special Administrative Region and Taiwan
“Previous Agreement”	the share purchase agreement dated 15 May 2013 entered into between Huafeng and Shenzhen Fantasia in relation to the acquisition of 30.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the Shares
“Shareholder’s Loan”	RMB250,000,000 (equivalent to approximately HK\$315,000,000) due from Ningbo Century Huafeng Real Estate Limited to the Vendor as at the date of the Share Purchase Agreement

“Share Purchase Agreement”	the share purchase agreement dated 27 June 2013 entered into between the Vendor and Shenzhen Fantasia in relation to the acquisition of 69.5% of the entire issued share capital of Ningbo Century Huafeng Real Estate Limited and the Shareholder’s Loan
“Shenzhen Fantasia”	深圳市花樣年地產集團有限公司 (Shenzhen Fantasia Real Estate Group Limited*), a wholly-owned subsidiary of the Company and a company established in the PRC with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	深圳市同用積分科技有限公司, a company incorporated in the PRC with limited liability and an Independent Third Party
“%”	per cent.

For illustration purposes, amounts in RMB in this announcement have been translated into HK\$ at RMB1.00 = HK\$1.26.

By order of the Board
Fantasia Holdings Group Co., Limited
Pan Jun
Chairman

Hong Kong, 27 June 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 Jinqun; and the independent non-executive Directors are Mr. Ho Man, Mr. Liao Martin Cheung Kong, JP, Mr. Huang Ming and Mr. Xu Quan.

* *For identification purposes only*