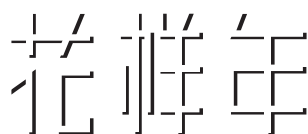


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*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Fantasia Holdings Group Co., Limited.*



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)**

**(1) MAJOR TRANSACTION:**

**ACQUISITION OF ALL THE EQUITY INTEREST IN THE  
TARGET COMPANY AND THE ACQUIRED INDEBTEDNESS**

**(2) SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE  
AND**

**(3) CONTINUING CONNECTED TRANSACTIONS RELATING TO  
LEASE OF PROPERTIES**

**MAJOR TRANSACTION**

**The Acquisition**

On 23 December 2013, Shenzhen Fantasia and Trade Dragon, wholly-owned subsidiaries of the Company, entered into with TCL Corporation, TCL (HK) and Hai Gu Zhou the Transfer Agreement pursuant to which it was conditionally agreed that Shenzhen Fantasia and Trade Dragon will acquire 100% equity interest in the Target Company and the Acquired Indebtedness.

## **General**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition are/is more than 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Acquisition and the transactions contemplated under the Transfer Agreement. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving the Acquisition and the transactions contemplated under the Transfer Agreement if the Company were to convene a general meeting for the approval of the Acquisition and the transactions contemplated under the Transfer Agreement.

As at the date of this announcement, the Controlling Shareholder controls an aggregate of 3,229,809,000 Shares, representing approximately 66.00% of the issued share capital of the Company. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained the written approval of the Controlling Shareholder in lieu of holding a general meeting to approve the Acquisition and the transactions contemplated under the Transfer Agreement.

A circular containing, among others, particulars of the Acquisition and the transaction contemplated under the Transfer Agreement and other information as required under the Listing Rules, will be sent to the Shareholders. In order to allow sufficient time for the Company to compile relevant information on the Target Group for the circular, the Company proposes to despatch the circular on or before 31 March 2014.

## **THE SUBSCRIPTION**

On 23 December 2013, the Company and TCL (HK) entered into the Subscription Agreement pursuant to which TCL (HK) conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue, the Subscription Shares for an aggregate consideration of HK\$1,220,180,544.55.

As at the date of this announcement, the Subscription Shares represent (i) approximately 17.65% of the issued share capital of the Company; and (ii) 15% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares will be issued by the Company under the General Mandate. An application has been made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## **CONTINUING CONNECTED TRANSACTIONS**

Prior to the execution of the Transfer Agreement, each of TCL Electronics and TCL Tongli has been using certain premises held by the Target Company for staff quarters, canteens, workshop and warehouse uses. Following completion of the Acquisition, TCL Electronics and TCL Tongli intend to continue to use the relevant premises pursuant to the Lease Agreements.

Following completion of the Subscription, TCL (HK) will become a substantial Shareholder and hence a connected person of the Company. Accordingly, the Lease Agreements will, upon completion of the Subscription, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The applicable percentage ratios for the continuing connected transactions contemplated under the Lease Agreements are less than 5%. The Lease Agreements will satisfy the exemption under Rule 14A.34(1) of the Listing Rules and will only be subject to the reporting and the announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40, of the Listing Rules, and will be exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **A. MAJOR TRANSACTION**

#### **THE ACQUISITION**

##### **Transfer Agreement**

##### *Date*

23 December 2013

##### *Parties*

- (a) TCL Corporation;
- (b) TCL (HK);
- (c) Hai Gu Zhou;
- (d) Shenzhen Fantasia; and
- (e) Trade Dragon.

### *Assets to be acquired*

(i) TCL Corporation conditionally agreed to sell and Shenzhen Fantasia conditionally agreed to purchase 45% of the equity interests in the Target Company, (ii) Hai Gu Zhou conditionally agreed to sell and Shenzhen Fantasia conditionally agreed to purchase 30% of the equity interests in the Target Company, and (iii) TCL (HK) conditionally agreed to sell and Trade Dragon conditionally agreed to purchase 25% of the equity interests in the Target Company.

TCL Corporation and Shenzhen Fantasia further agreed that TCL Corporation would assign to Shenzhen Fantasia the Acquired Indebtedness. The amount of the Acquired Indebtedness will be determined by the auditors of the Target Company as at completion of the Acquisition but in any event will not be more than RMB2,300,000,000.

### *Consideration*

The consideration for the acquisition of the equity interest in the Target Company is approximately RMB164.11 million (equivalent to approximately HK\$208.42 million), of which (a) approximately RMB73.85 million (equivalent to approximately HK\$93.79 million) is payable to TCL Corporation, (b) approximately RMB49.23 million (equivalent to approximately HK\$62.52 million) is payable to Hai Gu Zhou, and (c) the equivalent in HK\$ of approximately RMB41.03 million (equivalent to approximately HK\$52.11 million) is payable to TCL (HK). The Acquired Indebtedness will be acquired at its face value as at completion of the Acquisition which will be determined by the auditors of the Target Company but in any event will not be more than RMB2,300 million (equivalent to approximately HK\$2,921 million).

The Board is of the view that the consideration for the Acquisition is fair and reasonable and was determined after arm's length negotiation between the parties with reference to the consolidated net assets value of the Target Group and the principal amount of the Acquired Indebtedness.

The consideration for the Acquisition will be settled as follows:

- (a) as to RMB798.90 million, being part consideration for the Acquired Indebtedness will be payable to TCL Corporation by cash at completion; and as to approximately RMB73.85 million, being consideration for the acquisition of the 45% equity interest in the Target Company will be payable to TCL Corporation by cash at completion;
- (b) as to approximately RMB49.23 million payable to Hai Gu Zhou will be paid by cash at completion;
- (c) as to the equivalent in HK\$ of RMB41.03 million payable to TCL (HK) for the acquisition of the 25% equity interest in the Target Company will be set off against the aggregate Subscription Price in part payable by TCL (HK) to the Company; and

- (d) for the remaining consideration for the Acquired Indebtedness payable to TCL Corporation will be paid by cash within 3 years after completion of the Acquisition. The exact amount payable will be finally determined upon the audited amount of the Acquired Indebtedness as at completion of the Acquisition.

The cash consideration for the Acquisition will be satisfied by internal resources of the Group.

In connection with the Acquisition, the Guarantor, a wholly-owned subsidiary of the Company, agrees to, guarantee the payment by Shenzhen Fantasia to TCL Corporation of the remaining consideration for the Acquired Indebtedness payable after completion of the Acquisition.

### ***Conditions of the Acquisition***

The Acquisition is conditional upon, among others:

- (a) each party having obtained its internal approval in connection with the Acquisition;
- (b) the obtaining of the consent and the certificate of approval issued by the relevant authority in connection with the Acquisition;
- (c) the warranties given by Shenzhen Fantasia and Trade Dragon under the Transfer Agreement remain true and accurate in all material respects and there is no material omission;
- (d) the warranties given by TCL Corporation, TCL (HK) and Hai Gu Zhou under the Transfer Agreement remain true and accurate in all material respects and there is no material omission;
- (e) the Company having obtained the necessary approval of the Shareholders of the transactions contemplated under the Transfer Agreement in accordance with the Listing Rules;
- (f) the conditions precedents under the Subscription Agreement having been satisfied (other than in relation to the Transfer Agreement) or waived in accordance with the terms of the Subscription Agreement;
- (g) the existing agreements of the Target Group specified in the Transfer Agreement having been terminated;
- (h) the equity transfer agreements relating to the disposal of the Excluded Entities having been duly executed;

- (i) other obligations which are required to be performed before completion of the Acquisition having been performed; and
- (j) the auditors of the Target Company having issued an unqualified opinion in respect of the audited report of the Target Group for the financial period ended 30 September 2013.

Shenzhen Fantasia and Trade Dragon may waive the conditions in paragraphs (d) and (f) to (h) above and TCL Corporation, TCL (HK) and Hai Gu Zhou may waive the conditions in paragraph (c) above.

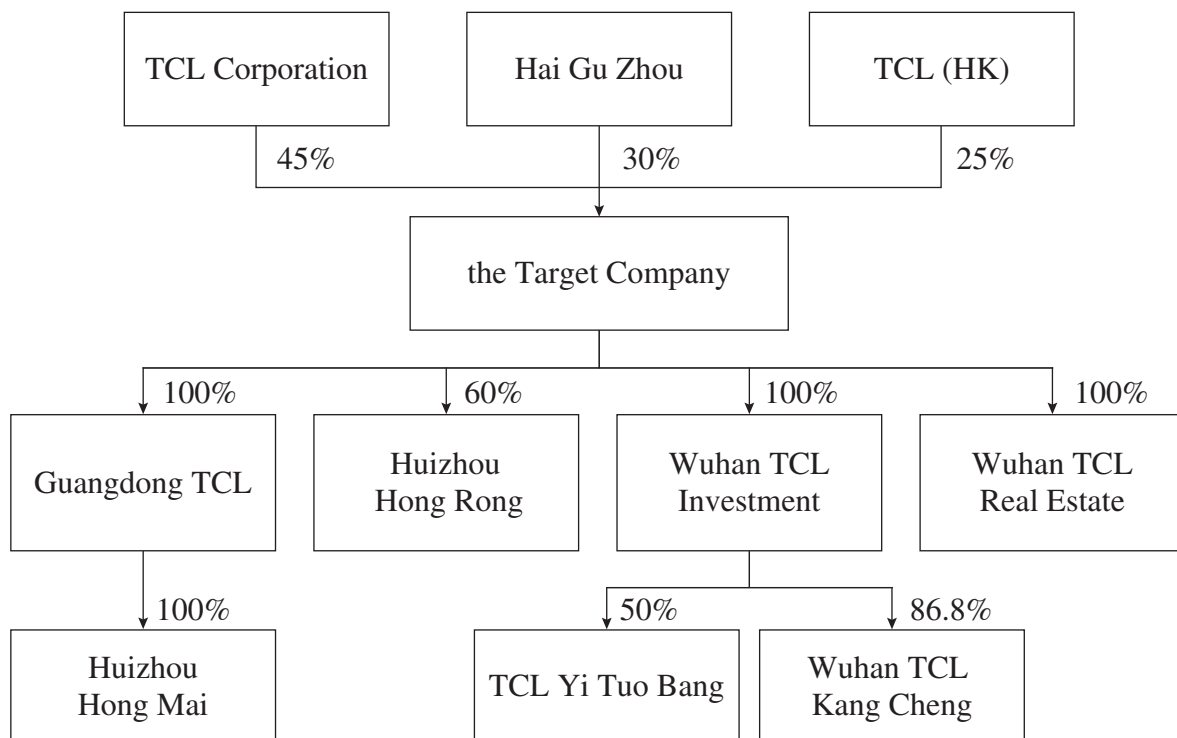
**Completion**

Completion of the Acquisition will take place on the business day immediately after the day on which all the conditions to completion of the Acquisition are satisfied (or waived).

**INFORMATION ON THE TARGET GROUP**

**Corporate Structure**

The corporate structure of the Target Group is as follows:



## The Target Group

The Target Company is a sino-foreign company established in the PRC. As at the date of the Transfer Agreement, the Target Company is owned as to 45% by TCL Corporation, as to 30% by Hai Gu Zhou and as to 25% by TCL (HK). Each of the other members of the Target Group is established in the PRC. The principal assets of the Target Group are the Properties.

Following completion of the Acquisition, each member of the Target Group will become a subsidiary of the Company.

## The Properties

The details of the Properties are set out below:

No.	Owner	Location	Gross Floor Area (sq.m.)	Uses
1.	the Target Company	No. 12, 13 District of Zhongkai in Huizhou City, Guangdong Province, PRC	546,186	Commercial and residential
2.	Guangdong TCL	Chayuan Village, Qiuchang Street, Huiyang District, Huizhou City, Guangdong Province, PRC	159,387	Commercial and residential
3.	Wuhan TCL Investment	The North of No. 2 Bohuan Road and the West of Huanhuzhong Road, Jinyinhu Street, Dongxihu District, Wuhan City, Hubei Province, PRC	207,919	Residential
4.	Wuhan TCL Kang Cheng	Wufeng Village, Hongshan District, Wuhan City, Hubei Province, PRC	293,604	Commercial, transportation and residential

## FINANCIAL INFORMATION ON THE TARGET GROUP

According to the pro forma consolidated financial statements for the nine months ended 30 September 2013 of the Target Group prepared in accordance with the international financial reporting standards, the consolidated net asset value of the Target Group as at 30 September 2013 is approximately RMB220.90 million (equivalent to approximately HK\$280.54 million).

According to the audited consolidated financial statements for the two financial years ended 31 December 2012 of the Target Group (including the Excluded Entities) prepared in accordance with the generally accepted accounting principles in the PRC, the consolidated net profits (both before and after taxation) of the Target Group (including the Excluded Entities) are as follows:

	<b>Year ended 31 December 2012</b> <i>(in RMB'000)</i>	<b>Year ended 31 December 2011</b> <i>(in RMB'000)</i>
Net profits before tax	321,646	385,811
Net profits after tax	212,463	280,143

## INFORMATION ON THE COUNTERPARTIES

TCL Corporation and its subsidiaries (including TCL (HK)) is a major PRC conglomerate that designs, develops, manufactures and markets a wide range of the electronic, telecommunications, information technology and electrical products.

Hai Gu Zhou is a company established in the PRC. Its principal business is property investment and management.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, TCL Corporation, TCL (HK), Hai Gu Zhou and their respective ultimate beneficial owner are third parties independent of the Company and connected persons of the Company.

## INFORMATION ON THE COMPANY AND REASONS FOR THE ACQUISITION

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

In order to enhance its position in the PRC property market, the Board believes that the Acquisition will provide a good opportunity for project development in Huizhou City and Wuhan City, the PRC. The Acquisition will allow the Company to further participate in real estate development in Huizhou City and Wuhan City, the PRC.

The Directors consider that the Acquisition, the Guarantee and the transactions contemplated under the Transfer Agreement are on normal commercial terms after arm's length negotiation between the parties, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition is/are more than 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Acquisition and the transactions contemplated under the Transfer Agreement. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving the Acquisition and the transactions contemplated under the Transfer Agreement if the Company were to convene a general meeting for the approval of the Acquisition.

As at the date of this announcement, the Controlling Shareholder controls an aggregate of 3,229,809,000 Shares, representing approximately 66.00% of the issued share capital of the Company. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained the written approval of the Controlling Shareholder in lieu of holding a general meeting to approve the Acquisition and the transactions contemplated under the Transfer Agreement.

## **GENERAL**

A circular containing, among others, particulars of the Acquisition and the transaction contemplated under the Transfer Agreement and other information as required under the Listing Rules, will be sent to the Shareholders. In order to allow sufficient time for the Company to compile relevant information on the Target Group for the circular, the Company proposes to despatch the circular on or before 31 March 2014.

## **B. THE SUBSCRIPTION**

### **SUBSCRIPTION AGREEMENT**

#### **Date**

23 December 2013

#### **Parties**

- (a) the Company; and
- (b) TCL (HK).

#### **Subscription Shares**

Pursuant to the Subscription Agreement, the Company conditionally agreed to allot and issue, and TCL (HK) conditionally agreed to subscribe for, the Subscription Shares at the Subscription Price of HK\$1.4129 per Subscription Share.

As at the date of this announcement, the Subscription Shares represent (i) approximately 17.65% of the issued share capital of the Company; and (ii) 15% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

#### **Subscription Price**

The Subscription Price represents:

- (i) a premium of approximately 6.23% over the closing price of HK\$1.33 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 6.23% over the average closing price per Share of HK\$1.33 for the last 5 consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 4.66% over the average closing price per Share of HK\$1.35 for the last 10 consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 1.88% over the average closing price per Share of HK\$1.44 for the last 30 consecutive trading days up to and including the Last Trading Day; and
- (v) a discount of 14.57% over the unaudited consolidated net asset value per Share of approximately HK\$1.65 as at 30 June 2013.

The Subscription Price was arrived at after negotiations between the Company and TCL (HK) with reference to the recent trading performance of the Shares. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### **Conditions of the Subscription**

The Subscription is conditional upon, among others:

- (a) the Listing Committee granting or agreeing to grant the listing of, and permission to deal in, the Subscription Shares;
- (b) the warranties given by the Company under the Subscription Agreement remain true and accurate, not misleading and there is no material omission;
- (c) the warranties given by TCL (HK) under the Subscription Agreement remain true and accurate, not misleading and there is no material omission; and
- (d) the conditions precedents under the Transfer Agreement (other than those relating to the Subscription) having been satisfied or waived in accordance with the terms of the Transfer Agreement.

The Company may waive the conditions in paragraph (c) above and TCL (HK) may waive the condition in paragraph (b) above. In the event that any of the conditions of the Subscription is not fulfilled (or waived in accordance with the terms of the Subscription Agreement) on or before the 45th business day after the date of the Subscription Agreement or such later date as the parties may agree, the Subscription Agreement will cease and determine and all rights and obligations under the Subscription Agreement will be terminated save for any rights and obligations accrued before termination.

### **Completion**

Subject to the satisfaction (or waiver) of the conditions to completion of the Subscription, completion of the Subscription will take place on the day on which the Acquisition will be completed.

### **Nomination of Directors**

In connection with the Subscription, TCL (HK) will nominate two persons to be non-executive Directors who will not be interested in 10% or more in the shares of TCL Corporation. Further announcement will be made following appointment of any Directors in accordance with the Listing Rules.

## **Undertakings**

For the period of 90 days after completion of the Subscription, the Company agreed that it would not take the following actions without the prior written consent of TCL (HK):

- (a) repurchase, place or issue, or offer to place or issue, or grant any option, right or warrant to subscribe for Shares or securities convertible into or exchangeable for Shares;
- (b) agree to the foregoing; or
- (c) announce any intent or agreement with respect to consenting to the above transactions.

## **Ranking of the Subscription Shares**

The Subscription Shares, when allotted and issued, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

## **Mandate to issue the Subscription Shares**

The Subscription Shares will be allotted and issued pursuant to the General Mandate and is not subject to Shareholders' approval. The maximum number of Shares that can be issued under the General Mandate is 1,354,932,350 Shares. As at the date of this announcement, no Shares have been issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of the Subscription Shares.

## **Application for listing**

Application has been made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## **REASON FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

Net proceeds from the Subscription will amount to approximately HK\$1,220.18 million and will be used for the development of the Company's existing and future property projects in the PRC and general working capital purposes.

The Board considers that the Subscription represents an opportunity for the Group to introduce a long-term strategic investor and at the same time to raise capital for the Company for further development of the businesses of the Group.

## **FUND RAISING ACTIVITIES OF THE COMPANY IN THE LAST TWELVE MONTHS**

The Company has not carried out any equity fund raising activities during the 12 months immediately preceding the date of this announcement.

## CHANGES TO THE SHAREHOLDING IN THE COMPANY AS A RESULT OF THE ISSUE OF THE SUBSCRIPTION SHARES

The following table sets out the shareholding structure of the Company (based on the best knowledge of the Directors) (i) as at the date of this announcement, and (ii) immediately upon the completion of the Subscription (assuming that save for the issue of the Subscription Shares, there is no issue of new Shares from the date of this announcement to the date of completion of the Subscription and there is no exercise of any options granted under the Share Option Scheme):

	As at the date of this announcement		Upon completion of the Subscription	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Controlling Shareholder	3,229,809,000	66.0	3,229,809,000	56.1
TCL (HK)	0	0	863,600,074	15.0
Public Shareholders	1,663,924,750	34.0	1,663,924,750	28.9
Total	<u>4,893,733,750</u>	<u>100</u>	<u>5,757,333,824</u>	<u>100</u>

### C. CONTINUING CONNECTED TRANSACTIONS

#### LEASE AGREEMENTS

##### Lease Agreement with TCL Electronics

##### Date

1 November 2013

##### Parties

- (a) the Target Company as landlord; and
- (b) TCL Electronics as tenant.

To the knowledge of the Company, TCL Electronics is a subsidiary of TCL Corporation and is principally engaged in research and development, manufacture and sale of electronic devices.

##### Leased Premises and Area

No. 12, 13 District of Zhongkai in Huizhou City, Guangdong Province, PRC with a leasing area of 22,611.90 sq. m.

##### Term

From 1 November 2013 to 31 October 2016

**Rental**

RMB226,119.0 (equivalent to approximately HK\$287,171) per month with an annual increase of 3%

**Lease Agreement with TCL Tongli***Date*

1 September 2013

*Parties*

- (a) the Target Company as landlord; and
- (b) TCL Tongli as tenant.

To the knowledge of the Company, TCL Tongli is a subsidiary of TCL Corporation and is principally engaged in research and development, manufacture and sale of electronic devices.

**Leased Premises and Area**

No. 12, 13 District of Zhongkai in Huizhou City, Guangdong Province, PRC with a leasing area of 43,046.14 sq. m.

**Term**

From 1 September 2013 to 30 April 2015

**Rental**

RMB421,315.0 (equivalent to approximately HK\$535,070) per month

**Annual Cap**

Based on the Lease Agreements, the maximum aggregate amount receivable by the Target Company for the 12 months ending on 31 December 2014, the 12 months ending on 31 December 2015 and the 12 months ending on 31 December 2016 will not exceed RMB7,782,775 (equivalent to approximately HK\$9,884,124), RMB4,494,065 (equivalent to approximately HK\$5,707,463) and RMB2,398,896 (equivalent to approximately HK\$3,046,598), respectively.

## **REASONS FOR THE LEASE AGREEMENTS**

Prior to the execution of the Transfer Agreement, each of TCL Electronics and TCL Tongli has been using the certain premises held by the Target Company for staff quarters, canteens, workshop and warehouse uses. Following completion of the Acquisition, TCL Electronics and TCL Tongli intend to continue to use such premises pursuant to the Lease Agreements. The Directors consider that the rentals payable by TCL Electronics and TCL Tongli under the Lease Agreements are at market rate with reference to the market rent of similar premises in similar location.

The Directors (including the independent non-executive Directors) consider that the continuing connected transactions contemplated under the Lease Agreements are based on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Following completion of the Acquisition and the Subscription, TCL (HK) will become a substantial Shareholder and hence a connected person of the Company. TCL Electronics and TCL Tongli are associates of TCL (HK). Accordingly, the Lease Agreements will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The applicable percentage ratios for the continuing connected transactions contemplated under the Lease Agreements are less than 5%. Therefore, the Lease Agreements will satisfy the exemption under Rule 14A.34(1) of the Listing Rules and will only be subject to the reporting and the announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40, of the Listing Rules, and will be exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **DEFINITIONS**

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

“Acquired Indebtedness”	all the indebtedness due to TCL Corporation by certain members of the Target Group at completion of the Acquisition
“Acquisition”	the acquisition by the Group of all the equity interest in the Target Company and the Acquired Indebtedness
“associate”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“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

“connected person”	has the meaning ascribed to it in the Listing Rules
“Controlling Shareholder”	Fantasy Pearl International Limited, a company incorporated in the British Virgin Islands
“Director”	director of the Company
“Excluded Entities”	the certain entities held by the Target Company as at the date of the Transfer Agreement which will be disposed of by the Target Company according to the Transfer Agreement
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 10 May 2013
“Group”	the Company and its subsidiaries prior to completion of the Acquisition
“Guangdong TCL”	廣東(惠州)TCL工業文化創意園發展有限公司 (Guangdong (Huizhou) TCL Industrial & Cultural Creative Park Development Co., Ltd.*), a company established in the PRC
“Guarantor”	花樣年集團(中國)有限公司 (Fantasia Group (China) Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of the Company
“Hai Gu Zhou”	深圳市海谷州置業發展有限公司 (Shenzhen Hai Gu Zhou Property Development Co., Ltd.*), a company established in the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Huizhou Hong Mai”	惠州市鴻邁園林綠化有限公司 (Huizhou Hong Mai Gardening Co., Ltd.*), a company established in the PRC
“Huizhou Hong Rong”	惠州市TCL鴻融置業有限公司 (Huizhou TCL Hong Rong Property Co., Ltd.*), a company established in the PRC
“Last Trading Day”	23 December 2013, being the last day on which the Shares were traded on the Stock Exchange prior to the release of this announcement



“Lease Agreements”	collectively, (i) the lease agreement dated 1 November 2013 entered into between the Target Company as landlord and TCL Electronics as tenant in relation to the leasing of certain premises, and (ii) the lease agreement dated 1 September 2013 entered into between the Target Company as landlord and TCL Tongli as tenant in relation to the leasing of certain premises
“Listing Committee”	has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan (Republic of China) for the purposes of this announcement
“Properties”	the properties, the particulars of which are set out in the section headed “The Properties” in this Announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of the Company with a nominal value of HK\$0.10 each
“Share Option Scheme”	the share option scheme adopted by the Company on 27 October 2009
“Shareholder(s)”	the holder(s) of the Share(s)
“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
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by TCL (HK)
“Subscription Agreement”	the subscription agreement dated 23 December 2013 entered into between TCL (HK) and the Company in relation to the Subscription

“Subscription Price”	a subscription price of HK\$1.4129 per Share
“Subscription Shares”	863,600,074 new Shares
“subsidiary”	has the meaning ascribed to it in section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Target Company”	惠州TCL房地產開發有限公司 (Huizhou TCL Real Estate Development Co., Ltd*), a company established in the PRC
“Target Group”	the Target Company and its subsidiaries (other than the Excluded Entities)
“TCL (HK)”	T.C.L. Industries Holdings (H.K.) Limited (T.C.L. 實業控股(香港)有限公司), a company incorporated in Hong Kong and a wholly-owned subsidiary of TCL Corporation
“TCL Corporation”	TCL集團股份有限公司 (TCL Corporation*), a joint stock company established under the laws of the PRC
“TCL Electronics”	TCL海外電子(惠州)有限公司 (TCL Oversea Electronics (Huizhou) Limited*), a company established under the laws of the PRC
“TCL Tongli”	TCL通力電子(惠州)有限公司 (TCL Tongli Electronics (Huizhou) Limited*), a company established under the laws of the PRC
“TCL Yi Tuo Bang”	TCL伊托邦(武漢)城市建設投資有限公司 (TCL Yi Tuo Bang (Wuhan) Urban Construction Investment Co., Ltd.*), a company established under the laws of the PRC
“Trade Dragon”	Trade Dragon Holdings Limited (勝圖控股有限公司), a company incorporated in Hong Kong
“Transfer Agreement”	the agreement dated 23 December 2013 entered into between TCL Corporation, TCL(HK), Hai Gu Zhou, Shenzhen Fantasia and Trade Dragon in relation to the Acquisition
“Wuhan TCL Investment”	武漢TCL置地投資有限公司 (Wuhan TCL Property Investment Co., Ltd.*), a company established in the PRC
“Wuhan TCL Kang Cheng”	武漢TCL康城房地產有限公司 (Wuhan TCL Kang Cheng Real Estate Co., Ltd.*), a company established in the PRC

“Wuhan TCL Real Estate” 武漢TCL房地產有限公司 (Wuhan TCL Real Estate Co., Ltd.\*), a company established in the PRC

“%” per cent

*For illustration purposes, amounts in RMB in this announcement have been translated into HK\$ at RMB1.00 = HK\$1.27.*

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

Hong Kong, 23 December 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.*

\* *For identification purposes only*