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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 Cayman Islands with limited liability)*  
(Stock Code: 01777)



**COLOUR LIFE SERVICES GROUP CO., LIMITED**  
彩生活服務集團有限公司  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 1778)

**DISCLOSEABLE TRANSACTION –  
DEEMED DISPOSAL**

**PLACING OF NEW SHARES UNDER  
GENERAL MANDATE**

Placing Agent

**UOBKayHian**

**UOB Kay Hian (Hong Kong) Limited**

On 20 December 2017 (after trading hours), Colour Life, a non-wholly owned subsidiary of Fantasia, entered into the Placing Agreement with the Placing Agent pursuant to which Colour Life agreed to place, through the Placing Agent on a best effort basis, up to 87,246,000 new Colour Life Shares to places at the Placing Price of HK\$5.00 per Colour Life Share. The Placing Shares represent approximately 8.76% of the existing issued share capital of Colour Life and approximately 8.06% of the issued share capital of Colour Life as enlarged by the issue of the Placing Shares.

The Placing is not subject to the approval of the shareholders of Colour Life, as the Placing Shares will be issued pursuant to the General Mandate.

The Placing is conditional upon, among others, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares.

The Placing constitutes a deemed disposal by Fantasia. As one of the applicable percentage ratios in respect of the Placing is over 5% but less than 25%, the Placing constitutes a discloseable transaction for Fantasia and is subject to the reporting and announcement requirements but exempted from the requirement of the approval of the shareholders of Fantasia under the Listing Rules.

**Shareholders and potential investors of Fantasia or Colour Life should note that the Placing is subject to the satisfaction of the conditions to the Placing Agreement and may or may not proceed to Completion. Shareholders and potential investors of Fantasia and Colour Life are reminded to exercise caution when dealing in the securities of Fantasia or Colour Life.**

## **The Placing Agreement**

Date: 20 December 2017

### **Parties**

- (a) Colour Life
- (b) the Placing Agent

To the best knowledge of the Directors, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected with either Fantasia or Colour Life and their respective connected persons.

### **Placing Shares**

The Placing Agent has conditionally agreed with Colour Life to place, on a best effort basis, up to 87,246,000 new Colour Life Shares to not less than six independent individuals, corporate and/or institutional placees, who and whose ultimate beneficial owners are not connected persons of Fantasia or Colour Life, and are third parties independent of Fantasia or Colour Life and their respective connected persons. It is not expected that the Placing Agent or any placees will become a substantial shareholder (as defined in the Listing Rules) of Colour Life as a result of the Placing.

The Placing Shares represent (i) approximately 8.76% of the existing issued share capital of Colour Life, and (ii) approximately 8.06% of the issued share capital of Colour Life as enlarged by the issue of the Placing Shares.

Based on the closing price of the Colour Life Shares of HK\$5.32 per Colour Life Share on 20 December 2017, the date of the Placing Agreement, the Placing Shares have a market value of HK\$464,148,720 and an aggregate nominal value of HK\$8,724,600. After deducting expenses relating to the Placing, the net price per Placing Share is approximately HK\$4.98.

### **Placing Price**

The Placing Price of HK\$5.00 per Placing Share was arrived at after arm's length negotiation between Colour Life and the Placing Agent with reference to the prevailing market price of the Colour Life Shares.

The Placing Price represents:

- (i) a discount of approximately 6.02% to the closing price of HK\$5.32 per Colour Life Share as quoted on the Stock Exchange on 20 December 2017, the date the Placing Agreement;
- (ii) a discount of approximately 1.26% to the average closing price of HK\$5.064 per Colour Life Share as quoted on the Stock Exchange for the last five trading days up to and including 19 December 2017, the date immediately preceding the date of the Placing Agreement; and
- (iii) a premium of approximately 1.75% to the average closing price of HK\$4.914 per Colour Life Share as quoted on the Stock Exchange for the last ten trading days up to and including 19 December 2017, the date immediately preceding the date of the Placing Agreement 2017.

Given that the Placing Price was set with reference to the market price of the Colour Life Shares, the directors of Fantasia or Colour Life consider that the Placing Price is fair and reasonable under the present market conditions. The directors of Fantasia or Colour Life are also of the view that the Placing is in the interest of Fantasia and Colour Life and their respective shareholders as a whole.

### **Condition of the Placing Agreement**

Completion of the Placing is conditional upon the satisfaction of the following conditions by not later than 5 January 2018 (or such later date as may be agreed between the Placing Agent and Colour Life):

1. there shall not have occurred any breach or any event render untrue or inaccurate, any of the representations, warranties or undertakings under the Placing Agreement;
2. listing of and permission to deal in all the Placing Shares being granted (subject only to allotment) by the Listing Committee of the Stock Exchange in principle and dealings of the Placing Shares being allowed by the Stock Exchange (and such listing and permission not subsequently being revoked);
3. no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Placing void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to the Placing (other than such orders or decisions as would not have a material adverse effect on the legal ability of Colour Life to proceed with the Placing); and
4. the Placing Agreement not being rescinded by the Placing Agent pursuant to the terms thereto.

If the conditions to the Placing are not fulfilled on or before 5 January 2018 (or such later date as may be agreed between the parties), the Placing Agreement and all rights and obligations thereunder will cease and terminate.

### **General Mandate to issue Shares**

The Placing Shares will be issued under the General Mandate. On the date of the annual general meeting for the approval of the General Mandate, Colour Life had 999,149,000 Shares in issue, and the General Mandate was to allot and issue up to 199,829,800 Shares, representing 20% of the number of Shares in issue as at the date of the passing of the resolution.

As at the date of this announcement, no Colour Life Shares have been issued under the General Mandate, and Colour Life has not carried out any buy-back of Shares in the 30 days immediately preceding the date of the Placing Agreement.

On the assumption of that the Placing Shares can be placed in full, Colour Life will have unused General Mandate to issue up to 112,583,800 Colour Life Shares upon Completion.

The Placing is not subject to the approval of the shareholders of Colour Life as the Placing Shares will be issued pursuant to the General Mandate.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

### **Rescission**

The Placing Agent has the right to rescind the Placing Agreement if at any time on or prior to the completion date:

- (A) if there has come to the notice of the Placing Agent:
  - (a) that any statement contained in this announcement was, when the announcement was issued, or has become, untrue, incorrect or misleading in any respect; or
  - (b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this announcement, constitute an omission therefrom; or
  - (c) any breach of the undertakings, warranties and representations of the Placing Agreement; or
  - (d) any material breach of any of the obligations imposed upon any party to the Placing Agreement (other than the Placing Agent); or

- (e) any of the undertakings, warranties and representations in the Placing Agreement would be untrue or inaccurate or misleading in any respect if given at that time; or
  - (f) any adverse change in the business or in the financial or trading position or prospects of any member of the Colour Life Group taken as a whole which is material in the context of the Placing; or
- (B) if there develops, occurs, or comes into effect:
- (a) any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, whether or not *sui generis* with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the sole and absolute opinion of the Placing Agent would prejudice the success of the Placing; or
  - (b) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which, in the sole and absolute opinion of the Placing Agent, would prejudice the success of the Placing; or
  - (c) any change in conditions of local, national or international securities markets occurs which in the sole and absolute opinion of the Placing Agent would prejudice the success of the Placing ; or
  - (d) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or the PRC and if in the sole and absolute opinion of the Placing Agent any such new law or change would materially and adversely affect the business or financial prospects of the Colour Life Group and/or prejudice the success of the Placing; or
  - (e) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or the PRC which would, in the sole and absolute opinion of the Placing Agent, prejudice the success of the Placing; or
  - (f) any litigation or claim of material importance of any third party being instigated against any member of the Colour Life Group, which has or may have a material adverse effect on the business or financial prospects of the Colour Life Group and which in the sole and absolute opinion of the Placing Agent would materially prejudice the success of the Placing.

## Ranking of the Placing Shares

The Placing Shares, when fully paid, will rank *pari passu* in all respects with the Colour Life Shares in issue on the completion date of the Placing, including the right to any dividends or distribution declared on or after the date of completion of the Placing.

## Completion of the Placing

Completion of the Placing is expected to take place on the second Business Day (or such other time or date as Colour Life and the Placing Agent may agree in writing) after the condition to the Placing has been satisfied.

## EFFECT ON THE SHAREHOLDING OF COLOUR LIFE FOLLOWING COMPLETION OF THE PLACING

Assuming there is no change to the issued share capital of Colour Life between the date of the Placing Agreement and Completion, the effect on the shareholding structure of Colour Life as a result of the Placing will be as follows:

Shareholders	Shareholding as at the date of this announcement		Shareholding after completion of the Placing	
	Shares	% of shareholding	Shares	% of shareholding
Fantasia	720,988,259	72.41%	720,988,259	66.57%
Zeng Jie, Baby	1,343,000	0.13%	1,343,000	0.12%
Sub-total	722,331,259	72.54%	722,331,259	66.70%
the placees	–	–	87,246,000	8.06%
Other public shareholders	273,409,741	27.46%	273,409,741	25.25%
Total	<u>995,741,000</u>	<u>100.00%</u>	<u>1,082,987,000</u>	<u>100.00%</u>

Upon completion of the Placing, the interest of Fantasia in Colour Life will be reduced from 72.41% to 66.57%, and Colour Life will remain as a subsidiary of Fantasia. Subject to final audit, Fantasia is expected to realise a gain on disposal of approximately RMB109,417,000.

## CAPITAL-RAISING ACTIVITIES IN THE PAST 12 MONTHS

Colour Life has not carried out any capital raising activities in the 12 months immediately preceding the date of this announcement.

## REASONS FOR THE PLACING AND USE OF PROCEEDS

The net proceeds from the Placing is expected to be approximately HK\$434.7 million and will be used as general working capital of Colour Life and future expansion of the business of Colour Life.

Meanwhile, with reference to the joint announcements of Fantasia and Colour Life dated 14 November 2017 and 19 December 2017, the Placing is also being carried out to maintain the public float requirement of Colour Life as required by Rules 8.08(1)(a) of the Listing Rules as well as broadening the shareholder base and the capital base of Colour Life.

The Placing is being conducted independent of the Transaction (as defined in the joined announcement of Fantasia and Colour Life dated 14 November 2017).

Pursuant to the joint announcement of Fantasia and Colour Life dated 19 December 2017, Colour Life will issue Colour Life Shares to satisfy part of the consideration for the Transaction (the “**Consideration Issue**”). Upon completion of the Placing and the Consideration Issue, the shareholding structure of Colour Life will be as follows:

Shareholders	Shareholding as at the date of this announcement		Shareholding after completion of the Placing		Shareholding after completion of the Placing and the Consideration Issue	
	Shares	% of shareholding	Shares	% of shareholding	Shares	% of shareholding
Fantasia	720,988,259	72.41%	720,988,259	66.57%	952,488,259	72.46%
Zeng Jie, Baby	1,343,000	0.13%	1,343,000	0.12%	1,343,000	0.10%
Sub-total	722,331,259	72.54%	722,331,259	66.70%	953,831,259	72.56%
The places	–	–	87,246,000	8.06%	87,246,000	6.64%
Other public shareholders	273,409,741	27.46%	273,409,741	25.25%	273,409,741	20.80%
Total	<u>995,741,000</u>	<u>100.00%</u>	<u>1,082,987,000</u>	<u>100.00%</u>	<u>1,314,487,000</u>	<u>100.00%</u>

## Financial information of Colour Life

The net asset value of Colour Life was approximately RMB1,563.0 million as at 30 June 2017. The financial results of Colour Life for the two years ended 31 December 2015 and 2016 and the six months ended 30 June 2017 are as follows:

	For the years ended 31 December		For the six months ended 30 June
	2015	2016	2017
	(audited)	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net profit before tax	252,083	297,793	171,241
Net profit after tax	182,655	216,011	115,338

## Listing Rules Implications for Fantasia

As the interest of Fantasia in Colour Life will be reduced from 72.41% to 66.57% upon completion of the Placing, the Placing constitutes a deemed disposal by Fantasia. As one of the applicable percentage ratios in respect of the Placing is over 5% but less than 25%, the Placing constitutes a discloseable transaction for Fantasia and is subject to the reporting and announcement requirements but exempted from the requirement of the approval of the shareholders of Fantasia under the Listing Rules.

## GENERAL

Colour Life is principally engaged in the provision of property management services, engineering services, community leasing, sales and related services.

Fantasia is principally engaged in the business of property development, property investment, property agency services, property operation and hotel services.

**Shareholders and potential investors of Fantasia and Colour Life should note that the Placing is subject to the satisfaction of the conditions to the Placing Agreement and may or may not proceed to Completion. Shareholders and potential investors of Fantasia and Colour Life are reminded to exercise caution when dealing in the securities of Fantasia or Colour Life.**



## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors;
“Business Day”	any day (excluding Saturday and Sunday) on which banks are generally open for business in Hong Kong;
“Colour Life”	Colour Life Services Group Co., Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Colour Life Group”	Colour Life and its subsidiaries;
“Colour Life Shares”	ordinary shares of HK\$0.10 each in the share capital of Colour Life;
“connected persons”	has the meaning ascribed thereto under the Listing Rules;
“Fantasia”	Fantasia Holdings Group Co., Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“General Mandate”	the general mandate granted by the shareholders of Colour Life to the directors of Colour Life pursuant to the resolutions passed at the annual general meeting of Colour Life held on 24 May 2017;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Placing”	the placing of the Placing Shares pursuant to the terms of the Placing Agreement;

“Placing Agent”	UOB Kay Hian (Hong Kong) Limited, a licensed corporation to carry on Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 6 (Advising on Corporate Finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Placing Agreement”	a conditional placing agreement entered into between the Colour Life and the Placing Agent dated 20 December 2017 in relation to the Placing;
“Placing Price”	HK\$5.00 per Placing Share;
“Placing Shares”	up to 87,246,000 Colour Life Shares to be placed pursuant to the terms of the Placing Agreement;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

*Certain amounts and percentage figure in this announcement have been subject to recording adjustments. As such, there may be discrepancies in the tables between totals and sums of amounts listed therein. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.*

By Order of the Board  
**Colour Life Services Group Co., Limited**  
**彩生活服務集團有限公司**  
**TANG Xuebin**  
*Executive Director and Chief Executive Officer*

Hong Kong, 20 December 2017

*As at the date of this announcement, the board of directors of Fantasia comprises Mr. Pan Jun, Ms. Zeng Jie, Baby, Mr. Lam Kam Tong, Mr. Deng Bo as executive directors, Mr. Li Dong Sheng and Mr. Lian Qian as non-executive directors, and Mr. Ho Man, Mr. Huang Ming, Dr. Liao Jianwen, Ms. Wong Pui Sze, Priscilla, JP and Mr. Guo Shaomu as independent non-executive directors.*

*As at the date of this announcement, the board of directors of Colour Life comprises Mr. TANG Xuebin and Mr. DONG Dong as executive directors; Mr. PAN Jun, Mr. LAM Kam Tong and Mr. ZHOU Hongyi as non-executive directors; and Mr. TAM Chun Hung, Anthony, Dr. LIAO Jianwen and Mr. XU Xinmin as independent non-executive directors.*