

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

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 IN RELATION TO DEEMED DISPOSAL OF INTEREST IN COLOUR LIFE

THE COLOUR LIFE RIGHTS ISSUE

Reference is made to the announcement of Colour Life (a non-wholly owned subsidiary of the Company) on 27 January 2025 in relation to, among other things, the Colour Life Rights Issue.

Colour Life proposes to implement the Colour Life Rights Issue on the basis of one (1) Rights Share for every four (4) existing Colour Life Shares held by the Qualifying Shareholders at the Subscription Price of HK\$0.165 per Rights Share, to raise gross proceeds of up to (i) approximately HK\$61.36 million by issuing up to 371,881,438 Rights Shares (assuming no exercise of any Colour Life Options and no change in the number of Colour Life Shares in issue on or before the Record Date); or (ii) approximately HK\$62.80 million by issuing up to 380,621,374 Rights Shares (assuming all Colour Life Options having been exercised and no other change in the number of Colour Life Shares in issue on or before the Record Date).

THE DEEMED DISPOSAL

As at the date of this announcement, the Company holds 780,104,676 Colour Life Shares, representing approximately 52.44% of the total issued share capital of Colour Life.

Taking into account, among others, its financial position, the Company has decided that it will not take up any Rights Shares under the Colour Life Rights Issue.

Assuming the maximum of 380,621,374 Rights Shares are fully subscribed under the Colour Life Rights Issue, immediately upon completion of the Colour Life Rights Issue, the shareholding interest of the Company in Colour Life will be diluted from approximately 52.44% to approximately 40.99% (assuming no other change in the issued share capital of Colour Life between the date of this announcement and the date of completion of the Colour Life Rights Issue).

Colour Life will remain a subsidiary of the Company immediately upon completion of the Colour Life Rights Issue and its financial results will continue to be consolidated in the financial statements of the Company.

LISTING RULES IMPLICATIONS

The dilution of shareholding interest in Colour Life held by the Company immediately upon completion of the Colour Life Rights Issue constitutes a deemed disposal of the Company under Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Deemed Disposal is more than 5% but less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company should note that the Colour Life Rights Issue is conditional upon, among others, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Accordingly, if the conditions to the Colour Life Rights Issue are not satisfied, the Colour Life Rights Issue will not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE COLOUR LIFE RIGHTS ISSUE

Reference is made to the announcement of Colour Life (a non-wholly owned subsidiary of the Company) on 27 January 2025 in relation to, among other things, the Colour Life Rights Issue.

Colour Life proposes to implement the Colour Life Rights Issue on the basis of one (1) Rights Share for every four (4) existing Colour Life Shares held by the Qualifying Shareholders at the Subscription Price of HK\$0.165 per Rights Share, to raise gross proceeds of up to (i) approximately HK\$61.36 million by issuing up to 371,881,438 Rights Shares (assuming no exercise of any Colour Life Options and no change in the number of Colour Life Shares in issue on or before the Record Date); or (ii) approximately HK\$62.80 million by issuing up to 380,621,374 Rights Shares (assuming all Colour Life Options having been exercised and no other change in the number of Colour Life Shares in issue on or before the Record Date).

The Colour Life Rights Issue is not underwritten. The Colour Life Rights Issue is available only to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

Details of the Colour Life Rights Issue are set out below:

Issue statistics

Basis of the Colour Life Rights Issue	:	one (1) Rights Share for every four (4) existing Colour Life Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.165 per Rights Share
Net price per Rights Share (i.e. Subscription Price less estimated expenses incurred in relation to the Colour Life Rights Issue)	:	approximately (i) HK\$0.1623 per Rights Share (assuming no exercise of any Colour Life Options and no change in the number of Colour Life Shares in issue on or before the Record Date); or (ii) HK\$0.1624 (assuming all Colour Life Options having been exercised and no other change in the number of Colour Life Shares in issue on or before the Record Date)

- Number of Rights Shares to be issued under the Colour Life Rights Issue :
- (i) up to 371,881,438 Rights Shares (assuming no exercise of any Colour Life Options and no change in the number of Colour Life Shares in issue on or before the Record Date), representing (1) approximately 25% of the issued share capital of Colour Life as at the date of this announcement; and (2) approximately 20% of the issued share capital of Colour Life as enlarged by the allotment and issue of the Rights Shares immediately after completion of the Colour Life Rights Issue; or
 - (ii) up to 380,621,374 Rights Shares (assuming all Colour Life Options having been exercised and no other change in the number of Colour Life Shares in issue on or before the Record Date), representing (1) approximately 25.59% of the issued share capital of Colour Life as at the date of this announcement; (2) approximately 25% of the issued share capital of Colour Life as enlarged by the exercise of the Colour Life Options in full; and (3) approximately 20% of the issued share capital of Colour Life as enlarged by the allotment and issue of the Rights Shares immediately after completion of the Colour Life Rights Issue
- Gross proceeds to be raised :
- up to (i) approximately HK\$61.36 million (assuming no exercise of any Colour Life Options and no change in the number of Colour Life Shares in issue on or before the Record Date); or (ii) approximately HK\$62.80 million (assuming all Colour Life Options having been exercised and no other change in the number of Colour Life Shares in issue on or before the Record Date)

Proposed use of proceeds : Colour Life intends to utilise the net proceeds from the Colour Life Rights Issue to (i) the general working capital of the Colour Life Group; (ii) the application of artificial intelligence technology in the Colour Life Group's community operations and big data construction in order to improve efficiency of the Colour Life Group's services; (iii) the development of the Colour Life Group's community value-added services; and (iv) working capital reserve.

Subscription Price

The Subscription Price is HK\$0.165 per Rights Share, which represents:

- (i) the closing price of HK\$0.165 per Colour Life Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 2.14% to the average of the closing prices per Colour Life Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day of approximately HK\$0.1686.

The Subscription Price was determined with reference to the recent market prices of the Colour Life Shares, the current market conditions, the financial position of the Colour Life Group and the reasons and benefits of the Colour Life Rights Issue as discussed in the section headed "REASONS FOR AND BENEFITS OF THE COLOUR LIFE RIGHTS ISSUE AND THE INTENDED USE OF PROCEEDS" below in this announcement.

The Directors consider that the terms of the Colour Life Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Conditions of the Colour Life Rights Issue

The Colour Life Rights Issue is conditional upon the fulfilment of each of the following conditions:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms);
- (ii) the electronic submission to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of each of the Prospectus Documents no later than the Prospectus Posting Date in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) and the requirements of the Listing Rules;
- (iii) the Prospectus Documents having been made available to the Qualifying Shareholders on the Prospectus Posting Date, and the Prospectus having been made available to the Non-Qualifying Shareholders, if any, for information purpose only on the Prospectus Posting Date; and
- (iv) each condition to enable the Rights Shares in their nil-paid or fully-paid forms to be admitted as eligible securities for deposit, clearance and settlement in the Central Clearing and Settlement System established and operated by HKSCC having been satisfied on or before the business day prior to the commencement of trading of the Rights Shares (in their nil-paid and fully-paid forms, respectively) and no notification having been received by Colour Life from HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused.

None of the above conditions can be waived. If any of the above conditions is not satisfied, the Colour Life Rights Issue will not proceed.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank pari passu in all respects with the Colour Life Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by Colour Life the record dates of which fall on or after the date of issue of the fully-paid Rights Shares.

For further details of the Colour Life Rights Issue, please refer to the announcement of Colour Life on 27 January 2025.

THE DEEMED DISPOSAL AND ITS FINANCIAL EFFECT

As at the date of this announcement, the Company holds 780,104,676 Colour Life Shares, representing approximately 52.44% of the total issued share capital of Colour Life.

Taking into account, among others, its financial position, the Company has decided that it will not take up any Rights Shares under the Colour Life Rights Issue. The Company has also been informed by its controlling shareholder, Fantasy Pearl, that Fantasy Pearl will not take up any Rights Shares under the Colour Life Rights Issue.

Assuming the maximum of 380,621,374 Rights Shares are fully subscribed under the Colour Life Rights Issue, immediately upon completion of the Colour Life Rights Issue, the shareholding interest of the Company in Colour Life will be diluted from approximately 52.44% to approximately 40.99% (assuming no other change in the issued share capital of Colour Life between the date of this announcement and the date of completion of the Colour Life Rights Issue).

Colour Life will remain a subsidiary of the Company immediately upon completion of the Colour Life Rights Issue and its financial results will continue to be consolidated in the financial statements of the Company. Accordingly, the Colour Life Rights Issue will not result in any gain or loss in the Company's consolidated statement of profit or loss.

INFORMATION ON THE COLOUR LIFE GROUP

The Colour Life Group is principally engaged in (1) the provision of property management services, which primarily include: (i) provision of services for communities under lump sum basis; (ii) provision of services for communities under commission basis; (iii) provision of pre-delivery services for property developers; and (iv) provision of consultancy services for property management companies; and (2) the provision of value-added services, which primarily include: (i) online promotion services; (ii) sales and rental assistance services; (iii) engineering services; and (iv) other value-added services.

Set out below is the key financial information of the Colour Life Group for the two financial years ended 31 December 2022 and 2023:

	For the year ended	
	2022	2023
	(Audited)	(Audited)
	<i>RMB'000</i>	<i>RMB'000</i>
Profit before tax	67,058	52,611
Profit/(loss) after tax	48,518	32,966

The unaudited net asset value of the Colour Life Group as at 30 June 2024 was approximately RMB4,489,158,000.

The table below illustrates the shareholding structure of Colour Life (i) as at the date of this announcement; and (ii) immediately upon completion of the Colour Life Rights Issue assuming (1) all of the Rights Shares have been taken up by the Qualifying Shareholders (except the Company and Fantasy Pearl) and no excess Rights Shares have been taken up; and (2) all of the Rights Shares have been taken up by the Qualifying Shareholders (except the Company and Fantasy Pearl) and all excess Rights Shares have been taken up on pro-rata basis:

(a) assuming no Colour Life Options have been exercised and there is no other change in the number of Colour Life Shares in issue on or before the Record Date

Shareholders of Colour Life	As at the date of this announcement		Assuming all of the Rights Shares have been taken up by the Qualifying Shareholders (except the Company and Fantasy Pearl) and no excess Rights Shares have been taken up		Immediately after completion of the Colour Life Right Issue Assuming all of the Rights Shares have been taken up by the Qualifying Shareholders (except the Company and Fantasy Pearl) and all excess Rights Shares have been taken up on pro-rata basis	
	<i>Number of Colour Life</i>		<i>Number of Colour Life</i>		<i>Number of Colour Life</i>	
	<i>Shares</i>	<i>Approximate %</i>	<i>Shares</i>	<i>Approximate %</i>	<i>Shares</i>	<i>Approximate %</i>
The Company (Note 1)	780,104,676	52.44	780,104,676	46.89	780,104,676	41.95
Fantasy Pearl (Note 1)	2,302,796	0.15	2,302,796	0.14	2,302,796	0.12
Splendid Fortune Enterprise Limited ("Splendid Fortune") (Note 2)	231,235,846	15.54	289,044,807	17.37	353,190,305	18.99
Sub-total	1,013,643,318	68.13	1,071,452,279	64.40	1,135,597,777	61.06
Public	473,882,436	31.87	592,353,045	35.60	723,809,415	38.94
Total	1,487,525,754	100	1,663,805,324	100	1,859,407,192	100

(b) assuming all Colour Life Options have been exercised in full and there is no other change in the number of Colour Life Shares in issue on or before the Record Date

Shareholders of Colour Life	Immediately after completion of the Colour Life Right Issue							
	As at the date of this announcement		Assuming all Colour Life Options have been exercised in full as at the Record Date		Assuming all of the Rights Shares have been taken up by the Qualifying Shareholders (except the Company and Fantasy Pearl) and no excess Rights Shares have been taken up		Assuming all of the Rights Shares have been taken up by the Qualifying Shareholders (except the Company and Fantasy Pearl) and all excess Rights Shares have been taken up on pro-rata basis	
	Number of Colour Life Shares	Approximate %	Number of Colour Life Shares	Approximate %	Number of Colour Life Shares	Approximate %	Number of Colour Life Shares	Approximate %
The Company (Note 1)	780,104,676	52.44	780,104,676	51.24	780,104,676	45.69	780,104,676	40.99
Fantasy Pearl (Note 1)	2,302,796	0.15	2,302,796	0.15	2,302,796	0.13	2,302,796	0.12
Splendid Fortune (Note 2)	231,235,846	15.54	231,235,846	15.19	289,044,807	16.93	350,160,205	18.40
Sub-total	1,013,643,318	68.13	1,013,643,318	66.58	1,071,452,279	62.75	1,132,567,677	59.51
Director of Colour Life								
Mr. Liu Hongcai	-	-	291,150	0.02	363,937	0.02	440,887	0.02
Public	473,882,436	31.87	508,551,030	33.40	635,688,788	37.23	770,098,308	40.47
Total	1,487,525,754	100	1,522,485,498	100	1,707,505,004	100	1,903,106,872	100

Notes:

1. The Company is owned as to 57.41% by Fantasy Pearl, which is owned as to 80% by Ice Apex Limited. Ice Apex Limited is wholly owned by Ms. Zeng Jie, Baby.
2. Splendid Fortune is owned as to 67.36% by Delight Vision Holdings Limited and 32.64% by Shenyang International Investment Co., Ltd. Delight Vision Holdings Limited is wholly owned by Jovial New Limited which is owned as to 100% by Ms. Zeng Jie, Baby.

INFORMATION ON THE GROUP

The Company is an investment holding company. The Group is principally engaged in the development and investment of residential and commercial properties, property management, commercial properties operation in the PRC.

REASONS FOR AND BENEFITS OF THE COLOUR LIFE RIGHTS ISSUE AND INTENDED USE OF PROCEEDS

Colour Life is a non-wholly owned subsidiary of the Company. The estimated net proceeds of the Colour Life Rights Issue, if fully subscribed, will be up to approximately HK\$60.36 million (assuming no exercise of any Colour Life Options and no change in the number of Colour Life Shares in issue on or before the Record Date) or approximately HK\$61.80 million (assuming all Colour Life Options having been exercised and no other change in the number of Colour Life Shares in issue on or before the Record Date). Colour Life intends to utilise the net proceeds from the Colour Life Rights Issue to (i) the general working capital of the Colour Life Group; (ii) the application of artificial intelligence technology in the Colour Life Group's community operations and big data construction in order to improve efficiency of the Colour Life Group's services; (iii) the development of the Colour Life Group's community value-added services; and (iv) working capital reserve.

The Board considers it is prudent and preferable to finance the long-term growth of the Colour Life Group in the form of equity fund raising which will not increase the Colour Life Group's financing costs. The Board believes that the Colour Life Rights Issue would offer equal opportunities and flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease their respective pro rata shareholdings in Colour Life by taking up their respective rights entitlement, applying for excess Rights Shares, acquiring additional rights entitlement or disposing of their rights entitlements in the open market (subject to availability). The Colour Life Rights Issue may provide the investors with a better and more diversified channel for investment returns. Also, the Colour Life Rights Issue will enable the Colour Life Group to strengthen its capital reserve and may enhance Colour Life Group's financial position to support its future development and possible investment opportunities that may arise in the future.

Having considered the above, the Directors are of the view that the Colour Life Rights Issue is in the best interests of the Company and its shareholders as a whole.

Taking into account, among others, its financial position, the Directors believe that it would be in the best interests of the Company and its shareholders as a whole not to take up any Rights Shares under the Colour Life Rights Issue.

LISTING RULES IMPLICATIONS

The dilution of shareholding interest in Colour Life held by the Company immediately upon completion of the Colour Life Rights Issue constitutes a deemed disposal of the Company under Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Deemed Disposal is more than 5% but less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company should note that the Colour Life Rights Issue is conditional upon, among others, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Accordingly, if the conditions to the Colour Life Rights Issue are not satisfied, the Colour Life Rights Issue will not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	the board of directors of the Company
“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 Options”	the 34,959,744 outstanding and vested share options to subscribe for new Colour Life Shares granted under the share options scheme of Colour Life that are exercisable on or before the Record Date

“Colour Life Rights Issue”	the proposed issue by Colour Life of the Rights Shares at the Subscription Price on the basis of one (1) Rights Share for every four (4) existing Colour Life Shares held on the Record Date payable in full on acceptance
“Colour Life Share(s)”	ordinary share(s) in the capital of Colour Life with a nominal value of HK\$0.10 each
“Company”	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 (Stock Code: 1777)
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Deemed Disposal”	the deemed disposal of interest in Colour Life by the Company as a result of dilution of the Company’s shareholding interest in Colour Life immediately upon completion of the Colour Life Rights Issue
“Director(s)”	the director(s) of the Company
“Fantasy Pearl”	Fantasy Pearl International Limited, a company incorporated in the British Virgin Islands with limited liability, which holds approximately 57.41% interest in the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Last Trading Day”	Friday, 24 January 2025, being the last trading day of the Colour Life Shares on the Stock Exchange immediately prior to the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	those overseas shareholder(s) of Colour Life and other person(s) whom the directors of Colour Life, after making relevant enquiries, consider it necessary or expedient not to offer the Rights Shares to on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus to be issued by Colour Life in relation to the Colour Life Rights Issue
“Prospectus Posting Date”	Monday, 3 March 2025, or such other day as may be determined by Colour Life, for the despatch of the Prospectus
“Qualifying Shareholder(s)”	the shareholder(s) of Colour Life, other than the Non-Qualifying Shareholders, whose names(s) appear(s) on the register of members of Colour Life as at the close of business on the Record Date
“Record Date”	Friday, 28 February 2025, or such other day as may be determined by Colour Life, being the date by reference to which entitlements to the Colour Life Rights Issue will be determined

“Rights Shares”	the new Colour Life Shares to be issued and allotted under the Colour Life Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.165 per Rights Share
“%”	per cent.

By Order of the Board
Fantasia Holdings Group Co., Limited
CHENG Jianli
Chairman

Hong Kong, 27 January 2025

As at the date of this announcement, the executive directors of the Company are Ms. Cheng Jianli, Mr. Timothy David Gildner and Mr. Lin Zhifeng; the non-executive directors of the Company are Ms. Zeng Jie, Baby and Mr. Su Boyu; and the independent non-executive directors of the Company are Mr. Guo Shaomu, Mr. Kwok Chi Shing and Mr. Ma Yu-heng.