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Company Operation Information

Fantasia:

- Contracted sales in August reached approximately RMB2.98 billion, up by approximately 4.4% year-on-year
- From January to August, accumulated contracted sales reached approximately RMB19.81 billion, up by approximately 26.2% year-on-year
- Fantasia announced 2019 interim results with significant improvement in performance and healthy financial position
- Citi assigned Fantasia "Buy" rating with target price of 1.55 HKD

Colour Life:

- Colour Life announced its 2019 interim results with remarkable results achieved in the transformation into a platformization enterprise

(4 September, 2019 – Hong Kong) Fantasia Holdings Group Co., Limited (hereinafter referred to as "Fantasia", HKEx stock code: 1777) announced its sales performance for August 2019. Shenzhen Fantasia Real Estate Group Limited, a subsidiary of the Group, achieved contracted sales of approximately RMB2.98 billion for its real estate business in August, up by 4.4% year-on-year. The sales area sold in August was approximately 267,049 sq.m., and selling price per square metre was approximately RMB11,159. From January to August, total contracted sales amounted to approximately RMB19.81 billion, representing an increase of 26.2% year-on-year. Total contracted sales area from January to August was 1,710,292 sq.m., and selling price per square metre was approximately RMB11,583.



Fantasia announced 2019 interim results



Citi assigned Fantasia "Buy" rating



Company Operation Information (Continued)

Fantasia announced 2019 interim results with significant improvement in performance and healthy financial position

On 21 August, Fantasia Holdings Group Co., Ltd. held 2019 Interim Result Announcement Conference in Shenzhen. During the reporting period, Fantasia achieved total property contracted sales of RMB13.169 billion, representing a year-on-year increase of 16.5%. Fantasia's total revenue for the period amounted to RMB8,577 million, representing a year-on-year increase of 65.1%. The gross profit margin was 29.6%, maintaining relatively high level in the industry. Fantasia recorded a net profit of approximately RMB244 million, representing a year-on-year increase of 35.6%. The net gearing ratio was 79.5%, maintaining a healthy financial position.

At the result announcement conference, the investors focused on the land bank of the Company. As of 30 June 2019, the planned GFA of land bank of Fantasia amounted to approximately 33.2 million sq.m. (including the total GFA of urban renewal projects of approximately 16.72 million sq.m. which are expected to be convertible into land bank in the future). The land bank were mainly located in the top five metropolitan areas across the country, with over 90% of which were located in the first-tier and second-tier cities. Among which, 53% of the land bank were located in the Guangdong-Hong Kong-Macao Greater Bay Area. Fantasia will continue to extend its presence across the Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing Metropolitan Area, Central China Metropolitan Area, Yangtze River Delta Metropolitan Area and Bohai Rim Metropolitan Area in order to continuously expand its vertical strategic move in each metropolitan area and improve the Group's land bank deployment.

Currently, Fantasia has 39 urban renewal projects in the Greater Bay Area which are at different development stages. Among these projects, 22 projects are located in Shenzhen covering Futian, Luohu, Nanshan and other core districts of the city. Fantasia has also established business presence in cities such as Huizhou, Dongguan, Zhongshan, Foshan and Guangzhou, with planned total GFA of approximately 16.72 million sq.m. and total value of land bank of approximately RMB352.6 billion. It is expected that 20 urban renewal projects will be converted into land for development in the coming three years with expected total GFA of land supply of approximately 6.31 million sq.m. and total value of approximately RMB133.4 billion.

Citi assigned Fantasia “Buy” rating with target price of 1.55 HKD

After the announcement of interim results by Fantasia on 21 August, Citi released its report on the same day which assigned Fantasia a “Buy” rating with a target price of HK\$1.55. Under the theme of “New strategy, new management: stabilize B/S, improve operation and investment”, the report concluded that Fantasia maintained stable net gearing ratio through proactive debt management with control over total debts, repayment of all 2019 offshore debts by July 2019 and the start of preliminary arrangement for 2021 offshore debts.

The report pointed out that, with better efficiency (faster asset turn), diversified land banking (urban renewal projects, industrial landing with 360.com, etc.), partnership (cooperation with CIFI in Shenzhen and Wuhan) and proactive but prudent land acquisitions via open market, the management is committed to the goal of developing the Company into one of the national top 50 enterprises. The imminent conversion of Shenzhen urban renewal projects can be a next catalyst.



Company Operation Information (Continued)

Colour Life announced 2019 interim results

On 21 August, Colour Life Group under Fantasia Holdings announced its 2019 interim results with stable growth in revenue, profits and other financial data. With further increase in the platform service area and rapid growth in the gross merchandise volume of online platforms, the transformation into a platformization enterprise has achieved remarkable results.

During the reporting period, Colour Life recorded a revenue of RMB1,812 million and net profit attributable to the shareholders of RMB216 million, representing a year-on-year increase of 3.1% and 23.2% respectively. As of 30 June 2019, the total debts decreased by RMB1,021 million over that as at the end of 2018 to RMB2,639 million, and the debt-to-asset ratio decreased by 4.7 percent points to 63.0%, demonstrating further optimization in its financial structure.

As at 30 June 2019, registered users of Colour Life's ecosystem amounted to 32.01 million, of which 16.41 million were ecosystem active users, representing a degree of activeness of 51.3%. The gross merchandise volume of online platforms for the first half of the year reached RMB5,547 million, representing a year-on-year increase of 27.3%. The value-added services revenue was RMB200 million. The gross profit margin increased by 10.1 percent points year-on-year to 81.9%, contributing 33.2% of the profit. As at 30 June 2019, the area under management amounted to 564 million sq.m., the cooperation and alliance area amounted to 642 million sq.m., and the accumulated platform service area reached 1,206 million sq.m., leading to further economy of scale.

Successful convention of the extraordinary general meeting of Colour Life

Colour Life successfully held its extraordinary general meeting on 23 August, at which the shareholders considered and approved the subscription agreement entered into between Qifei International Development Co. Limited (the "Subscriber") and Colour Life on 19 July 2019 to approve the allotment and issuance of subscription shares to the Subscriber. Pursuant to the agreement, the Subscriber had agreed to subscribe 22,956,000 new ordinary shares at the price of HK\$5.22 per share. Upon completion of the subscription, the Subscriber and its associates will hold 3.05% shares of Colour Life.

The Subscriber is an indirect wholly owned subsidiary of 360 Security Technology Co., Ltd. ("360.com"). Leveraging on the strength of 360.com in core security capacity, it is expected that Colour Life will cooperate with 360.com in community security and many other areas in the future to further improve the online and offline security operation performance of Colour Life, with an aim to establish more private and secure smart communities for the property owners.



About Fantasia

Founded in 1998, Fantasia Holdings Group Co., Ltd. Was successfully listed on the Main Board of the Stock Exchange of Hong Kong in November 2009 under the stock code 1777 with its headquarter in Shenzhen, and has completed its business strategic layout in the upcoming era of mobile internet and customer big data. Through the “real estate + community” dual-head strategy, Fantasia Group is committed to building China's first-class real estate community “intelligence” makers and the largest community O2O service platform. Currently, Fantasia focuses its business in core first-tier and second-tier cities and metropolitan areas such as the Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing Metropolitan Area, Central China Metropolitan Area, Yangtze River Delta Metropolitan Area and Bohai Rim Metropolitan Area. At the same time, Fantasia also has one publicly-listed subsidiary, namely Colour Life Services Group Co., Ltd. (1778.HK), which has become the world’s largest residential community service operation provider.

Fantasia is committed to becoming the leading industry participant, providing a joyful, colourful and meaningful living space and experience and aiming to deliver unique and inspiring living space and experience to value-oriented customers.

To know more about the Company, please visit Fantasia’s website at www.cnfantasia.com

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