

The official launch of Colour Life Residence marks acceleration of Fantasia's community service business ecosystem strategy

(6 July 2015 – Hong Kong) **Fantasia Holdings Group Co., Limited** (“Fantasia”, or the “Company”, which together with its subsidiaries referred to as the “Group”; HKEx stock code: 1777), is pleased to announce its sales updates for June 2015, as well as the official launch of Colour Life Residence that aims at connecting and integrating the existing industry chains and accelerating Fantasia's community service business ecosystem strategy.

Colour Life Services Group Co., Limited (“Colour Life”; HKEx stock code: 1778), a subsidiary of Fantasia, in celebration of its first anniversary as a listed company on 30 June 2015, announced the official launch of Colour Life Residence. This marks the first time in the property development industry in China a transformation from a developer and seller of real estate to an all-rounded provider of community services. This is an attempt to bring the real estate industry back to its fundamental attribute of serving people, aiming at accommodating the era of big consumption development trend in Mainland China better.

Colour Life Residence is essentially an attempt by Colour Life to establish a mutually beneficial and win-win cooperation model through integrating numerous community business participants including property developers, financial institutions, retail tenants and suppliers of vertical applications, etc. The service offerings are to be distributed under a unified brand name “Colour Life Residence”. Property owners are allotted in large volumes long-term consumption rights vouchers, which can used on the mobile application platform Caizhiyun for mass consumption items covering clothing, food, lodging, transportation, travelling all the way to home refurbishments and automobiles, etc.

This Colour Life Residence model is set to mark another profound change for the property industry in China. Just as Xiaomi that seeks to profit from Internet services with a biased emphasis on services over handsets; Qihu 360 that seeks to profit from internet users with a biased emphasis on users over software; and Apple that seeks to profit from the user platform with a biased emphasis on platform over hardware, Fantasia is now establishing a business model that seeks to profit from platform and services. This model marks a migration of the role of property developers from selling flats to selling services, and community property management enterprises become strong integrator of industrial chain instead of industry affiliate.

At the moment, Colour Life Residence 1.0 is currently conducting the first batch of beta launches in Fantasia Town, Phase Two in Wuhan and Kang Tow, Phase Three in Huizhou. Property developers, business partners and financial institutions including as SF Express, JD.com, Ping An Bank, An Bang Insurance, China Minsheng Investment, UnionPay, Tenpay, Shanghai Wejoin Investment, Wuxi Lakeview Park Real Estate Company, Xi'an Rongxin Holding Company and Jiangsu City Property Group(江蘇城置集團) have signed cooperation agreements with Colour Life.

The industry and business partners are optimistic about the development prospects of Colour Life Residence. Under this model, property developers will transform the one-off property purchase behaviour into community consumption behaviour that will last for 70 years. High home prices are thereby lowered by regression and home buyers become the largest beneficiaries. This will also bring mutual benefits and create a win-win situation with business partners on Colour Life community service platform.

Fantasia's Chairman and CEO, Mr. Pan Jun, said that the launch of Colour Life Residence marks an important step in speeding up the development of a community business ecosystem. The Company is currently adopting a "Community +" strategy which consists of "4 big communities + 4 big applications + social media platform + big data centers". This strategy will connect and integrate numerous resources in external traditional and new industries comprehensively through a community service platform, in order to create a community business ecosystem that is based on communities and families, open to sharings and creating win-win situation with business partners.

Taking Tencent's open ecosystem business model as a reference, the Group promotes company-wide cross-sector synergies to achieve organic amalgamation of its financial services, community services, healthcare and elderly services with the community service platform of Colour Life while introducing into it external businesses. The Group cooperates with enterprises such as Mengniu, SF Express, JD.com, Jingyuan(金谷園)and Little Bunny Professional Dry Clean and launches a variety of value-added services including e-Wealth Management and e-Rental. The Group also opens accesses to its platform from renowned suppliers such as Lenovo and China Telecom. This lays a good foundation for the model's large-scale replication in the next stage.

On 29 June, China Merchants Securities issued a research report that says Colour Life has become a well-known pillar high growth enterprise in the property management industry in China. Haitong Securities also considers that the establishment of a business ecosystem will improve operating efficiency, lower the costs and accomplish better value-add on properties via the Internet platform based on big data. In addition, Citibank, which has raised its target price for Fantasia's shares, points out that pioneering a business model transformation, Fantasia has been enjoying successes from an optimized scale of property development business and exploited synergies generated from the new businesses.

On real estate development segment, the property market in Mainland China continues to revive and persistent growth is seen in the Group property sales. In June 2015, the Company achieved contracted sales of RMB801 million with 101,302 sq.m. in aggregated gross floor area ("GFA") sold, up 80.88% and 60.12% year on year, respectively. As of 30 June 2015, the accumulated GFA sold year to date in 2015 was approximately 548,011 sq.m. and the corresponding contracted sales aggregated approximately RMB4.047 billion, representing increases of 92.88% and 124.84%, respectively, year on year. The Company is optimistic about its annual sales results.

During the presentation of "Research Results of Top 100 Property Service Providers in China" held on 12 June in Beijing, Colour Life scooped various awards including "2015 Top 10 All-round Property Service Providers", "2015 Top 10 Property Service Providers in terms of Growth", "2015 Top 100 Property Service Providers with Leading Customer Satisfaction" and "2014 World's Largest Community Service Provider in terms of Residential Property Area Managed".

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About Fantasia Holdings Group Co., Limited

Founded in 1998, Fantasia was successfully listed on the main board of the Stock Exchange of Hong Kong in November 2009 under the stock code 1777. Fully completed its business strategic layout under the upcoming era of mobile internet and client database, Fantasia Group is a leading financial holding group in China, with a business model driven by financial operations, anchored on services, and supported by property development. Fantasia conducts all-rounded real estate financial operations, investments, developments, operations and community services, covering eight major areas of value-added services, namely financial services, Colour Life Group, property development, commercial community services, cultural and tourism, commercial services, senior citizen services and education.

Currently, Fantasia is progressing with its international business expansion plan by setting up branches in Hong Kong, Taipei, Singapore and Tokyo as well as investing a property development project in Singapore, the United States and Taiwan. It commits to be the leader which provides a joyful, colourful and meaningful living space and experience and aims to deliver a unique and inspiring living space and experience to value-oriented customers.

To learn more about the Company, please visit Fantasia's website at: www.cnfantasia.com/

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