



## **Fantasia achieved contracted sales of RMB702 million in January Combining properties and finance to establish community financial holding group**

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(4 February 2016 – Hong Kong) Fantasia Holdings Group Co., Limited (“Fantasia” or the “Company”, which together with its subsidiaries, is referred to as the “Group”; HKEx stock code: 1777) announces that 2016 will mark the year when the Group inaugurate a new five-year development period, when its eight core business segments will migrate to phases of model expansion and rapid development, paving the way to establish itself as a financial holding group underpinned by integrated community services by 2020.

On 12 January 2016, Shenzhen Home E&E Commercial Services Group Co., Ltd. (“Home E&E”), an indirect subsidiary of Fantasia, hosted a gong ceremony in National Equities Exchange and Quotations (“NEEQ”) Centre in Beijing. Home E&E has officially listed on the NEEQ market under the stock code: 834669, marking it the first listed company in the business of short-term rentals and resort property operation.

This marked a perfect conclusion to the first phase of Fantasia Group’s strategic transformation. According to its strategic plan, Fantasia had kicked-start a “two-step” strategic transformation in 2012. During the first phase between 2012 and 2015, it focused on building community service platform and establishing the eight core business segments.

During the first stage, Fantasia ranked among top 100 in the property sector three consecutive years with annual contracted sales exceeding RMB10 billion. The successful listing of Colour Life on the Main Board of Hong Kong Stock Exchange pioneered a new era for the property management industry in China, while the listing of Home E&E on NEEQ set a benchmark for resort property operators in China. In addition, the landscape of Fantasia’s cultural tourism business has begun to take shape with completion of an acquisition into Morning Star Travel. With parallel progression of transformation of traditional businesses and incubation of emerging industries, Fantasia has completed development of its multiple-capital funding platform operation system underpinned by integrated community services.

Mr. Pan Jun, Chairman and CEO of Fantasia said, the Group’s second stage of strategic transformation seeks to build, adjust and facilitate its business structure further with establishment of an organic ecosystem as the core. Though strategic partnerships, mergers and acquisitions to promote model expansion and rapid development in the eight business segments to eventually evolve into a financial holding group underpinned by integrated community services focusing on living spaces and experiences.

On 6 January 2016, 95epay (雙乾支付), a third-party payment company which focuses on customers from internet financial platforms, announced a partnership with Suzhou Branch of China Minsheng Banking Corp. Ltd. to launch, for the first time in the internet financial sector in China, a “four-party custodian” model. Being one of the third-party payment companies which has a full community finance license under Fantasia, 95epay will provide effective payment instruments and payment platform support to the community finance business of the Group in a move that markets the initial formation of Fantasia’s community financial closed-loop.

At the moment, Fantasia sees its community finance group expand into all types of businesses including offline small loans, online community P2P finance and insurance brokerage, thereby establishing a rich community-based financial product supply end. Online community P2P financial products have made considerable progresses in product ideas and process experiences from the past. With the use of community resources and a unique model, the Group made many positive explorations in community banking and community loans and achieved many encouraging market outcomes. As an important part in perfecting community finance solutions, Fantasia Group launched an insurance brokerage business last year in a major collaboration that includes many mainstream local and foreign insurers, a move that has effectively enriched the community financial product line. Furthermore, the Group has also established Fantasia Fund Company to further explore and facilitate financial property business model.

In property business sector, the property sector in mainland China has entered into the traditional low season in the run-up to Chinese New Year holidays. Fantasia proactively adjusted its sales pace according to market changes. In January 2016, the Group achieved contracted sales of approximately RMB702 million, representing a year-on-year increase of 31.9%, with 46,300 sq.m. in aggregate gross floor area sold.

Mr. Pan Jun indicated that the external economic environment is lingered with complexities while the domestic economy in China is still subject to pressure for downward adjustments. The property sector is still playing an important role in the process of maintaining steady growth for the economy in China. Stimulant policies with digestion of inventories as the core will gradually be introduced. The property market in China will see further exacerbate in structural differentiation in 2016. The mainstream cities will embrace a return on value, which will benefit Fantasia's strategy of taking roots in first- and second-tier cities.

On 12 January 2016, a research report released by Moody's Investors Service indicated that the acquisition of Morning Star Travel announced on 28 December 2015 and the issue of RMB1.1 billion five-year domestic corporate bonds completed on 4 January 2016 of Fantasia had yet to make immediate impact. Therefore, its credit outlook for Fantasia remains stable. This domestic bond issue can improve Fantasia's liquidity, extend the maturity profile of its indebtedness and to slightly reduce its overall weighted-average cost of borrowing.

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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/](http://www.cnfantasia.com/)

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