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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Fantasia Holdings Group Co., Limited 花樣年控股集團有限公司, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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: 01777)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the Annual General Meeting to be held at Salon 6 Ballroom, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 13 May 2011 at 10:30 a.m. is set out on pages 12 to 15 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with the 2010 annual report of the Company which has been dispatched to the Shareholders with this circular.

Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

Hong Kong, 24 March 2011

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at Salon 6 Ballroom, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 13 May 2011 at 10:30 a.m., or any adjournment thereof, notice of which is set out on pages 12 to 15 of this circular
“Articles”	the articles of association of the Company as may be amended from time to time
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Fantasia Holdings Group Co., Limited 花樣年控股集團有限公司, an exempted company incorporated in the Cayman Islands with limited liability, and the securities of which are listed on the Main Board of the Stock Exchange
“Companies Law”	the Companies Law (2004 Revision) of the Cayman Islands for the time being in force
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Fantasia Group (China)”	Shenzhen Fantasia Technology Co., Ltd. (深圳市花樣年科技有限公司), a limited liability company established under the laws of the PRC on 20 January 2006 and subsequently renamed as Shenzhen Fantasia Group Co., Ltd. (深圳市花樣年集團有限公司) in 2006 then Fantasia Group (China) Co., Ltd. (花樣年集團(中國)有限公司) in 2007 and in which we have 100% equity interest
“Fantasy Pearl”	Fantasy Pearl International Limited, a limited liability company incorporated under the laws of the British Virgin Islands on 12 July 2007. It is 80% owned by Ice Apex Limited and 20% owned by Graceful Star Overseas Limited, Ice Apex Limited and Graceful Star Overseas Limited being ultimately owned by Ms. Zeng Jie, Baby and Mr. Pan Jun respectively
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	the general and unconditional mandate to the Directors to allot and issue new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution in relation thereto
“Latest Practicable Date”	17 March 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company as may be amended from time to time
“PRC”	The People’s Republic of China
“Repurchase Mandate”	the general and unconditional mandate to the Directors to exercise the power of the Company to repurchase the fully paid up Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution in relation thereto
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Shareholder(s)”	the holder(s) of the Share(s)
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shenzhen Fantasia Investment”	Shenzhen Xingyan Investment Development Co., Ltd. (深圳市星彥投資發展有限公司), a limited liability company established under the laws of the PRC on 28 September 1996 and subsequently renamed as Shenzhen Fantasia Investment Development Co., Ltd. (深圳市花樣年投資發展有限公司) in 2001 and in which we have 52% equity interest
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases
“%”	per cent.

LETTER FROM THE BOARD

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: 01777)

Executive Directors:

Mr. Pan Jun (*Chairman*)

Ms. Zeng Jie, Baby

Mr. Feng Hui Ming

Mr. Chan Sze Hon

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. Ho Man

Mr. Liao Martin Cheung Kong, JP

Mr. Huang Ming

Mr. Xu Quan

Principal place of business in

Hong Kong:

Room 1103

Top Glory Tower

262 Gloucester Road

Causeway Bay

Hong Kong

24 March 2011

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to (i) the granting to the Directors the Repurchase Mandate; (ii) the granting to the Directors the Issue Mandate; (iii) the extension of the Issue Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iv) the re-election of the retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares in the share capital of the Company subject to the criteria set out in this circular. In particular, Shareholders should note that the maximum number of shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution subject to the Listing Rules. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required to be held by law or the Articles, or the date upon which such authority is revoked or varied by an ordinary resolution of the Company in a general meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement which is set out in Appendix II to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to grant to the Directors a general and unconditional mandate to allot and issue new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation thereto. Subject to the passing of the ordinary resolution granting the Issue Mandate and on the basis of 4,873,888,750 Shares in issue as at the Latest Practicable Date and that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Issue Mandate to issue 974,777,750 Shares, being 20% of the issued share capital of the Company as at the date of passing of the resolution to approve the Issue Mandate. The Issue Mandate will end on the earliest of the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required to be held by law or the Articles, or the date upon which such authority is revoked or varied by an ordinary resolution of the Company in a general meeting.

Subject to the passing of the aforesaid ordinary resolutions in relation to the Repurchase Mandate and the Issue Mandate, an ordinary resolution will also be proposed to authorise the Directors to extend the Issue Mandate to issue and allot Shares in an amount not exceeding the aggregate nominal amount of the Shares repurchased by the Company pursuant to the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Pursuant to the Articles, Mr. Feng Hui Ming, Mr. Ho Man and Mr. Liao Martin Cheung Kong, JP will retire from offices as Directors at the Annual General Meeting and, being eligible, will offer themselves for re-election as Directors. Information on the retiring Directors is set out in Appendix I to this circular.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 12 to 15 of this circular.

Pursuant to the requirements of the Listing Rules, all votes to be taken at the Annual General Meeting will be by poll.

A form of proxy for the Annual General Meeting is enclosed herewith. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy and return it to the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event no later than 48 hours before the time appointed for holding the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof in person should you so wish.

RECOMMENDATION

The Directors consider that the re-election of retiring Directors, the proposed granting of the Repurchase Mandate and the Issue Mandate to the Directors and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with respect to the Company. The information contained herein relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular the omission of which would make any statement herein misleading insofar as it relates to the Company.

Yours faithfully,

By order of the Board of

FANTASIA HOLDINGS GROUP CO., LIMITED

Pan Jun

Chairman

APPENDIX I DETAILS OF THE DIRECTORS TO BE RE-ELECTED

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

Mr. FENG Hui Ming (馮輝明), aged 40, is an executive Director. He is also the vice president of Fantasia Group (China) and the director of a number of the Group's subsidiaries. Mr. Feng joined our Group in 2005 as a deputy general manager of Shenzhen Fantasia Investment and is primarily responsible for the investment management of our Group. Prior to joining our Group, he was the manager of the investment department and later the chief financial officer of Jia Zhao Ye Properties (Shenzhen) Co., Ltd. (佳兆業地產(深圳)有限公司) from 2003 to 2004 and the general manager of Suzhou Fuyin Investment Development Co., Ltd. (蘇州市富銀投資發展有限公司) from 2004 to 2005. Mr. Feng received a Bachelor's degree in forestry economics and management from Northeast Forestry University (東北林業大學) in 1993 and a Master's degree in economics from Zhongnan University of Economics and Law (中南財經大學) in 1996. Mr. Feng was appointed as a Director on 4 November 2008.

Mr. Feng has entered into a service agreement with the Company for a term of three years commencing on 25 November 2009 subject to termination by not less than three months' notice in writing served by either party on the other and is subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles. His emoluments are determined with reference to his duties and responsibilities with the Company and the Company's remuneration policy. Mr. Feng is entitled to participate in the Company's retirement scheme, share option scheme and accident insurance scheme, and is also entitled to use a company car which is, in the opinion of the Board, suitable to his position, and be reimbursed all reasonable expenses incurred in relation to the company car (including fuel, maintenance and insurance). Mr. Feng has received salary of RMB2,218,000 for year 2010.

Mr. Feng has no interests in the Shares within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Feng is independent from and not related to any other Directors, senior management or substantial shareholders of the Company. Mr. Feng has not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in respect of Mr. Feng and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

APPENDIX I DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Mr. HO Man (何敏), aged 41, is an independent non-executive Director. He is also the chairman of our Company's audit committee and a member of each of our Company's remuneration committee and nomination committee, respectively. Mr. Ho holds an EMBA degree from Tsinghua University, a Master of Science degree in Finance from the London Business School and is a Chartered Financial Analyst and Certified Public Accountant. Mr. Ho has over 14 years of experience in private equity and financial industry. He joined Chepstow Capital Advisers Limited, a Hong Kong based midmarket private equity house, as managing director in January 2010 and is responsible for deal sourcing, evaluation and structuring, negotiation, post investment monitoring and realization, with particular emphasis on Hong Kong and the PRC. Prior to this, Mr. Ho joined CLSA Capital Partners (HK) Limited ("CLSA") in August 1997 and until October 2009 was the managing director, head of China Growth and Expansion Capital of CLSA. Mr. Ho was a non-executive director and a member of the audit committee of SCUD Group Limited (飛毛腿集團有限公司), a company listed on the Main Board of the Stock Exchange, and a non-executive director and an audit committee member of Shanghai Tonva Petrochemical Co., Ltd. (上海棟華石油化工股份有限公司), a company listed on the Growth Enterprise Market of the Stock Exchange, until October 2009. Mr. Ho was appointed as an independent non-executive Director on 12 October 2009.

Mr. Ho has entered into an appointment letter with the Company for a term of three years commencing on 25 November 2009 and is subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the prevailing market conditions. Under the appointment letter, Mr. Ho is entitled to receive an annual fee of RMB240,000.

Mr. Ho has no interests in the Shares within the meaning of Part XV of the SFO. Mr. Ho is independent from and not related to any other Directors, senior management or substantial shareholders of the Company. Save as disclosed above, Mr. Ho has not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in respect of Mr. Ho and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

APPENDIX I DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Mr. LIAO Martin Cheung Kong, JP (廖長江), Aged 53, is an independent non-executive Director. He is also a member of each of our Company's audit committee, remuneration committee and nomination committee, respectively. Mr. Liao was appointed a Justice of the Peace in 2004. He is elected Deputy (Hong Kong) to the 11th National People's Congress of the PRC and a Member of the 11th Shanghai Municipal Committee of the Chinese People's Political Consultative Conference. In Hong Kong, Mr. Liao serves as vice chairman of the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, a Council member and a Court member of the University of Hong Kong, a director of the Hong Kong Sports Institute Limited and a member of the Capital Adequacy Appeal Tribunal. He also sits on a number of other statutory and advisory bodies set up by the Hong Kong Government and is active in community service. Mr. Liao graduated with a Bachelor of Economic Science (Hons) degree and a Master of Laws degree from University College London. Mr. Liao was Called to the Bar in England and Wales in 1984 and was Called to the Bar in Hong Kong in 1985 and has been a practising barrister in Hong Kong since 1985. Mr. Liao is also an advocate and solicitor admitted in Singapore since 1992. Mr. Liao was appointed as an independent non-executive Director on 12 October 2009.

Mr. Liao has entered into an appointment letter with the Company for a term of three years commencing on 25 November 2009 and is subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the prevailing market conditions. Under the appointment letter, Mr. Liao is entitled to receive an annual fee of RMB240,000.

Mr. Liao has no interests in the Shares within the meaning of Part XV of the SFO. Mr. Liao is independent from and not related to any other Directors, senior management or substantial shareholders of the Company. Mr. Liao has not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in respect of Mr. Liao and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,873,888,750 Shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 487,388,875 Shares, being 10% of the entire issued share capital of the Company.

2. REASONS FOR SHARES REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its Shareholders as a whole as such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and the Articles and the laws of the Cayman Islands. Any repurchase of Shares will be made out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purpose of the purchase or, if authorized by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles and subject to the Companies Law, out of capital. In accordance with the laws of the Cayman Islands, the shares so repurchased would be treated as cancelled.

The Directors consider that the exercise of the Repurchase Mandate in full will not have a material adverse impact on the working capital or gearing level of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2010), the Directors do not propose to exercise the Repurchase Mandate to such

extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2010) which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months before the printing of this document are as follows:

	Price Per Share	
	Highest HK\$	Lowest HK\$
2010		
April	1.84	1.42
May	1.44	1.09
June	1.47	1.18
July	1.60	1.28
August	1.53	1.18
September	1.39	1.18
October	1.45	1.23
November	1.51	1.23
December	1.41	1.26
2011		
January	1.47	1.32
February	1.37	1.10
March (up to the Latest Practicable Date)	1.28	1.13

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Memorandum and the Articles and the laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No connected persons have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, nor have undertaken not to do so, in the event that the Repurchase Mandate is granted by the Shareholders.

6. TAKEOVERS CODE AND THE PUBLIC FLOAT REQUIREMENT

If a Shareholder's proportionate interest in the voting capital of the Company increases as a result of a share repurchase, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a general offer for Shares under Rule 26 of the Takeovers Code.

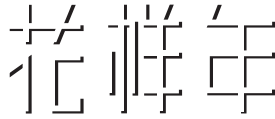
As at the Latest Practicable Date, to the best knowledge and belief of the Company, Fantasy Pearl, a company indirectly owned as to 80% by Ms. Zeng Jie, Baby and as to 20% by Mr. Pan Jun, was beneficially interested in an aggregate of approximately 65.14% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the shareholding in the Company held by them would be increased to approximately 72.38% of the issued share capital of the Company. Accordingly, such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors will not exercise the Repurchase Mandate to such an extent as a result of such repurchase, the number of Shares held by the public would fall below 25% of the total number of Shares in issue.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



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: 01777)

NOTICE IS HEREBY GIVEN that the annual general meeting of FANTASIA HOLDINGS GROUP CO., LIMITED (the “**Company**”) will be held at Salon 6 Ballroom, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 13 May 2011 at 10:30 a.m., for the purposes of considering and, if thought fit, passing the following resolutions (with or without modifications):

As Ordinary Business

1. To receive, consider and adopt the report of the directors of the Company (the “**Directors**”), the audited consolidated financial statements and the independent auditor’s report for the year ended 31 December 2010.
2. To declare a final dividend for the year ended 31 December 2010 of HK 4.00 cents per Share in the aggregate amount of HK\$194,955,550 to be paid out of the Company’s share premium account to the existing shareholders of the Company whose names appeared on the register of members of the Company at the close of business on 13 May 2011, pursuant to the articles of association of the Company, with such dividend to be paid in such manner as determined by the Directors to be appropriate.
3. To re-elect Mr. Feng Hui Ming, a retiring Director, as an executive Director.
4. To re-elect Mr. Ho Man, a retiring Director, as an independent non-executive Director.
5. To re-elect Mr. Liao Martin Cheung Kong, JP, a retiring Director, as an independent non-executive Director.
6. To authorise the board of Directors of the Company (the “**Board**”) to fix the remuneration of the Directors.
7. To re-appoint the auditors of the Company (the “**Auditors**”) and to authorise the Board to fix the remuneration of the Auditors.

NOTICE OF ANNUAL GENERAL MEETING

As Special Business

To consider and, if thought fit, pass the following resolutions as ordinary resolutions of the Company:

8. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares of HK\$0.1 each in the capital of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of the shares which are authorised to be purchased by the directors of the Company pursuant to the approval in paragraph (a) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Company’s articles of association to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”

9. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of

NOTICE OF ANNUAL GENERAL MEETING

HK\$0.1 each in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval granted in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) any share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Company’s articles of association to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

10. “**THAT** conditional upon the passing of the resolutions nos. 8 and 9 as set out in the notice convening the meeting of which these resolutions form part (the “**Notice**”), the general mandate granted to the directors of the Company pursuant to the resolution no. 9 as set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 8 as set out in the Notice, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board
FANTASIA HOLDINGS GROUP CO., LIMITED
Pan Jun
Chairman

Hong Kong, 24 March 2011

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on behalf of him. A proxy need not be a shareholder of the Company.
2. A form of proxy for the annual general meeting is enclosed. In order to be valid, a form of proxy, together with the power of attorney or other authority (if any), under which the form is signed must be deposited at the Company’s branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
3. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the meeting or any adjourned meeting or upon the poll concerned if the shareholders of the Company so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.
4. The register of members of the Company will be closed from Friday, 6 May 2011 to Friday, 13 May 2011 both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the annual general meeting, all transfers of shares, accompanied by the relevant share certificates and appropriate transfer forms, must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 5 May 2011.
5. With respect to the resolution set out in resolution no. 8 of the notice, approval is being sought from shareholders of the Company for a general mandate to be given to the directors to repurchase shares of the Company.
6. With respect to the resolutions set out in resolution nos. 9 and 10 of the notice, approval is being sought from shareholders of the Company for general mandates to be given to the directors to allot, issue and deal with shares of the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at the date of this notice, the executive Directors are Mr. Pan Jun, Ms. Zeng Jie, Mr. Feng Hui Ming and Mr. Chan Sze Hon, the independent non-executive Directors are Mr. Ho Man, Mr. Liao Martin Cheung Kong, JP, Mr. Huang Ming and Mr. Xu Quan.