

FANTASIA  
花樣年

**Fantasia Holdings Group Co., Limited**  
**花樣年控股集團有限公司**

**Stock code: 1777.HK**

**Interim Result Presentation**

**Aug 2014**

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## Agenda

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1. **Business Review**
  2. Financial Review
  3. Outlook for 2H2014
  4. Appendix
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# Strategic Transformation: We Dedicate to Become a Social Community Service Platform

## 1 Property Development

- Focus on making breakthroughs on destocking through a variety of means and strategies so as to be well-prepared for the intensive launches of new properties in the second half of the year

## 2 Colour Life

- Provides integrated property management services to over 1000 projects with a total area of over 162m sq.m as of Jun 30 2014
- Widely recognized as "the largest community service company in China"

## 8 Education Service

- Commenced operation in 2014, and carry out resources integration along the two major directions, namely training for modern service industries and community education

## 3 Financial Service

- Operates on China's largest social platform uniquely owned by the Group
- Formed three major business modules, namely micro credit business, finance leasing business and P2P internet finance platform



## 7 Retirement Life Service

- Provide full chain senior service through subsidiary Futainian
- In the second half of 2014, we will further optimise the work scope of the back office works for retirement life service

## 4 Property International

- Actively involved in the growing market of providing management services to high-end properties in the property market
- Currently manage over 30 projects, of which 10 were newly commenced in the first half of 2014

## 6 Culture and Tourism

- 7 hotels under its operation (including hotels in US)
- Golf Course
- Art Museum

## 5 Business Management Service

- Actively participates in the operational planning, promotion and operation as well as investment invitation of the Group's certain large scale projects
- Also engages in providing light weight business services

# Colour Life Got Listed: Milestone for Our Transformation Story

- ✓ In Jun 2014, Colour Life Services Group Co., (SEHK: 1778) Ltd was listed in Hong Kong Stock Exchange
- ✓ The Offering Price was HK \$ 3.78 / share (Aug 7 closing price HK\$ 4.56 / share, with 20.6% growth), with net proceeds of approximately RMB 710 million
- ✓ Well received by investors with over 4 times oversubscription in the Hong Kong public offer tranche

**1**  
**China's Largest Community Services Operator**

- ✓ Over 1,000 residential communities <sup>(1)</sup>
- ✓ 162 mm sq.m. contracted GFA <sup>(1)</sup>
- ✓ A community services operator focusing on “people” services



**2**  
**Offline and Online Service Platform**

- ✓ Focus on developing offline and online service platform
- ✓ Enjoy growing disposable incomes of urban residents in China



(1) As of Jun 30 2014

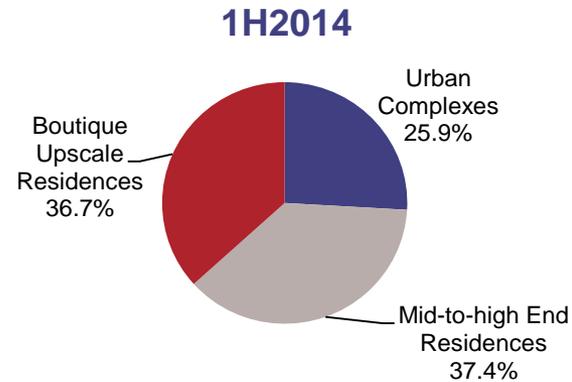
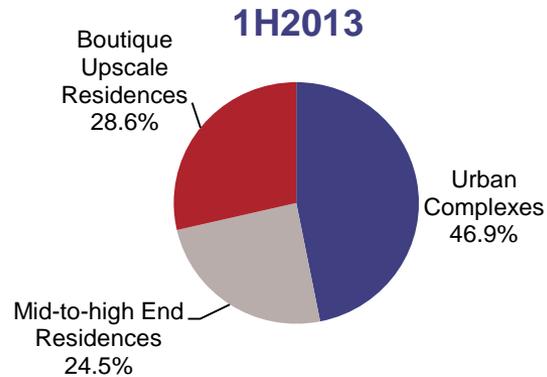
# Contract Sales Overview

- ✓ Contract sales for 1H2014 reached RMB1.8 billion;
- ✓ Contract sales GFA for 1H2014 reached 284,116 sq.m;

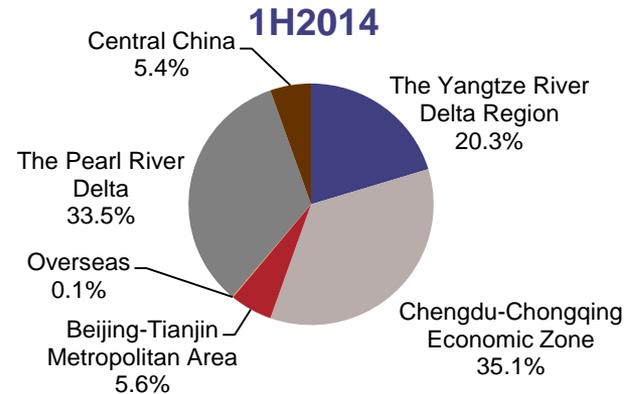
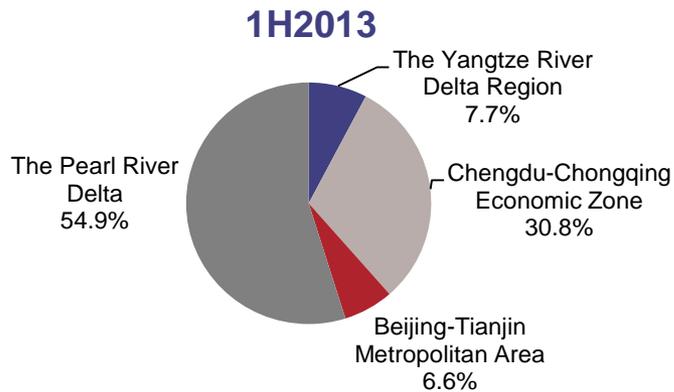
City	Project Name	GFA (sq.m)	Amount (million RMB)
Chengdu	Fantasia Town	44,559	208.3
Huizhou	Huiyang Special Town Project	32,752	179.3
Chengdu	Long Nian International Plaza	28,869	154.4
Guilin	Fantasia Town	27,927	146.6
Suzhou	Special Town	24,536	146.5
Guilin	Lakeside Eden	16,563	94.4
Wuhan	Love Forever	15,234	137.4
Wuxi	Love Forever	14,749	107.7
Tianjin	Love Forever	12,924	95.8
Chengdu	Huahao Garden	10,198	47.7
Other	Other Projects	55,929	486.0
<b>Total</b>		<b>284,116</b>	<b>1,800.0</b>

# Increasingly Diversified Revenue

## Contract Sales Breakdown (by Product)



## Contract Sales Breakdown (by Region)



# High Quality Land Bank

- As at 30 June 2014, the planned GFA of the Group's land bank amounted to approximately 9.86 mn sq.m., and the planned GFA of properties with framework agreements signed amounted to 6.34 mn sq.m
- In 1H2014, we acquired three pieces of land, one in Shenzhen and two in Nanjing, with total GFA 1.73 mn sq.m

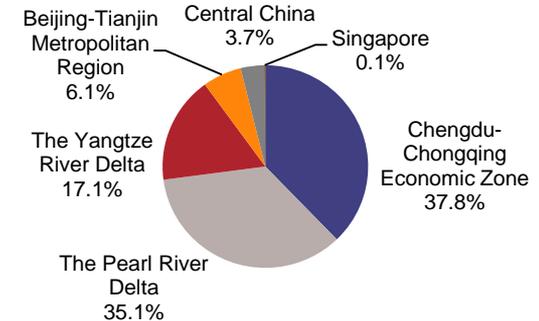
Beijing-Tianjin Metropolitan Region		
City	GFA (sq.m)	%
Beijing	215,000	1.3%
Tianjin	777,058	4.8%
<b>Subtotal</b>	<b>992,058</b>	<b>6.1%</b>

Central China		
City	GFA (sq.m)	%
Wuhan	607,369	3.7%

Chengdu-Chongqing Economic Zone		
City	GFA (sq.m)	%
Chengdu	6,000,347	37.0%
Kunming	113,172	0.8%
<b>Subtotal</b>	<b>6,113,519</b>	<b>37.8%</b>

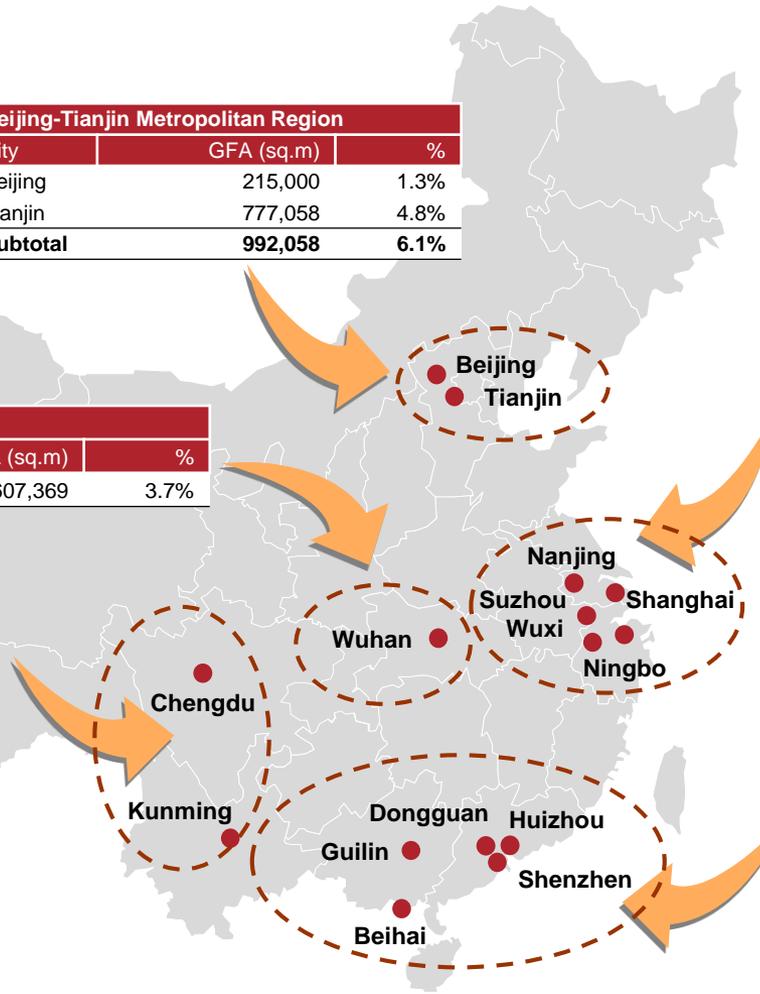
## Overseas project

City	GFA (sq.m)	%
Singapore	22,904	0.1%



The Yangtze River Delta		
City	GFA (sq.m)	%
Suzhou	712,667	4.4%
Wuxi	196,779	1.2%
Shanghai	738,800	4.6%
Nanjing	905,017	5.6%
Ningbo	217,507	1.3%
<b>Subtotal</b>	<b>2,770,770</b>	<b>17.1%</b>

The Pearl River Delta		
City	GFA (sq.m)	%
Shenzhen	2,394,136	14.8%
Huizhou	1,110,182	6.9%
Dongguan	39,945	0.2%
Guilin	1,977,154	12.2%
Beihai	176,899	1.1%
<b>Subtotal</b>	<b>5,698,316</b>	<b>35.2%</b>



# High Quality Land Bank (Cont'd)

## Land Bank Under Development

City	Project name	Aggregate GFA (sq.m.)	Product Category
Shenzhen	Longnian Building (龍年大廈)	38,482	Urban complex
	Phase 2 of Able	85,428	Urban complex
	Longqi Bay	38,139	Boutique upscale residence
Huizhou	Phase 4 and 5 of Fantasia Special Town	306,125	Mid-to-high end residence
	Phase 2 of Love Forever	41,391	Mid-to-high end residence
Dongguan	Wonderland (Commercial) Land Plot No. 1 (江山花園商業1#)	1,387	Boutique upscale residence
Guilin	Phase 2 and 3 of Guilin Fantasia Town	298,619	Urban complex
	Guilin Four Points by Sheraton(桂林福朋酒店)	28,647	Urban complex
	Block C of Guilin Lakeside Eden Community	206,788	Boutique upscale residence
	Block D of Guilin Lakeside Spring Dawn	123,000	Boutique upscale residence
	Block E of Guilin Lakeside Spring Dawn	119,709	Boutique upscale residence
Chengdu	Phase 2.2 of Grande Valley	52,006	Boutique upscale residence
	Phase 5 of Fantasia Town	367,297	Boutique upscale residence
	Phase 2 of Meinian International Plaza	487,843	Urban complex
	Phase 1 and 2.1 of Longnian International Center	477,507	Urban complex
	Four Points by Sheraton of Grande Valley	33,700	Hotel
Tianjin	Phase 1.3 of Love Forever	61,410	Boutique upscale residence
	Phase 4.1 of Love Forever	72,177	Boutique upscale residence
	Phase 1 of Huaxiang (花鄉)	16,479	Boutique upscale residence
Suzhou	Phase 1 of Fantasia Special Town	136,485	Boutique upscale residence
	Phase 2 of Fantasia Special Town	143,521	Boutique upscale residence
	Lago Paradise Land Plot No. 4	28,842	Boutique upscale residence
	Suzhou Hailrun Plaza	330,589	Urban complex
Wuxi	Phase 3 and 4 of Love Forever	177,360	Boutique upscale residence
Wuhan	Phase 1 and 2 of Love Forever (花郡)	189,709	Boutique upscale residence
North Sea	Mangrove	176,899	High end residence
Ningbo	Love Forever	217,507	Boutique upscale residence
<b>Total</b>		<b>4,257,045</b>	

# High Quality Land Bank (Cont'd)

## Land Bank Held for Future Development

City	Project name	Aggregate GFA (sq.m.)	Nature of land
Shenzhen	Nanshan District Project (TCL Project)	39,587	Industrial, commercial and financial
	Xinghua Industrial Project (興華工業項目)	37,500	Commercial and financial land use
	Lenian Plaza (樂年廣場)	90,000	Industrial plant and carpark
Huizhou	Phase 1 of Kangchengsiji Land Plot No. 8	33,254	Residential and commercial
	Phase 2 of Kangchengsiji	82,288	Residential and commercial
	Remaining phases of Kangchengsiji	487,737	Residential and commercial
	Qiuchang Project (秋長項目)	159,387	Residential
Suzhou	Remaining phases of Lago Paradise	73,229	Residential and commercial
Wuxi	Remaining phases of Wuxi Love Forever	19,420	Residential and commercial
Dongguan	Wonderland	38,558	Residential and commercial
Guilin	Remaining phases of Lakeside Eden	1,200,392	Residential and commercial
Chengdu	Remaining phases of Belle Epoque	265,812	Residential, commercial and ancillary
	Remaining phases of Grande Valley	730,585	Residential and commercial
	Remaining phases of Meinian International Plaza	23,903	Educational
	Remaining phases of Chengdu Longnian International Center	253,864	Residential and commercial
	Chengdu Pi County	129,814	Residential and commercial
Beijing	Qingnian Road Project	140,000	Commercial, office and carpark
Tianjin	Remaining phases of Love Forever	98,150	Residential
	Remaining phases of Huaxiang (花鄉)	260,700	Residential
	Meinian International Plaza	99,803	Office
	Yingcheng Lake Project	168,339	Residential, commercial and tourism
Nanjing	Fantasia Town	403,378	Residential and commercial
	Hailun Plaza	327,890	Commercial land use
Wuhan	Remaining phases of Love Forever (花郡)	68,891	Residential
	Fantasia Town Project	348,769	Residential
Singapore	6 Derbyshire	22,904	Residential and commercial
<b>Total</b>		<b>5,604,155</b>	

# Strategic Project Planning and Execution

## 1H2014 Newly Commenced Projects

Region	Project name	Type	Aggregate GFA (sq.m.)
<b>Pearl River Delta</b>			
Shenzhen	Phase 2 of Shenzhen Able	Plant and ancillary office	85,428
<b>Chengdu-Chongqing Economic Zone</b>			
Chengdu	Phase 2.2 of Chengdu Grande Valley	Residential and commercial	14,980
Chengdu	Phase 2.3 of Chengdu Meinian Plaza	Educational	48,992
<b>Yangtze River Delta</b>			
Suzhou	Phase 2 of Suzhou Fantasia Special Town	Residential	143,521
Suzhou	Suzhou Lago Paradise Land Plot No. 4	Residential, commercial and ancillary	9,166
<b>Central China</b>			
Wuhan	Phase 2 of Wuhan Love Forever (武漢花郡)	Residential, commercial and ancillary	100,450
<b>Beijing-Tianjin Metropolitan Area</b>			
Tianjin	Phase 4.1 of Tianjin Love Forever	Residential land use	72,177
Tianjin	Phase 1 of Tianjin Huaxiang (天津花鄉)	Residential land use	16,479
<b>Total</b>			<b>491,193</b>

# Strategic Project Planning and Execution (Cont'd)

## 1H2014 Completed Projects

Region	Project name	Aggregate GFA (sq.m.)
<b>Pearl River Delta</b>		
Shenzhen	Shenzhen Xingnian Plaza	52,340
Dongguan	Phase 3.2 of Dongguan Wonderland	86,965
Huizhou	Phase 3 of Huizhou Fantasia Special Town	159,918
Guilin	Phase 1.3 of Guilin Fantasia Town	100,497
Guilin	A1 District, North Coast of Guilin Lakeside Eden (桂林麓湖國際北岸A1區)	37,058
<b>Chengdu-Chongqing Economic Zone</b>		
Chengdu	Phase 2.2.1 of Chengdu Grande Valley	6,998
Chengdu	Phase 4.2 of Chengdu Fantasia Town	129,615
<b>Beijing-Tianjin Metropolitan Area</b>		
Tianjin	Phase 1.2 of Tianjin Love Forever	31,611
<b>Total</b>		<b>605,002</b>

## Agenda

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# Key Financial Highlights

## Profitability

Gross profit margin  
**34.7%**

EPS  
**RMB0.02 / share**

## Financial position

Cash on hand  
**RMB4.8 billion**

Net gearing<sup>(1)</sup>  
**84.5%**

## Financing activities in 1H2014

- Colour Life Services Group was listed in Hong Kong Stock Exchange with net proceeds of approximately **RMB 710 million** in Jun 30 2014
- Issued 864 million new shares to TCL, with net proceeds of approximately **RMB 940 million** on Jan 2014
  - Issued **USD300 million 10.625%** senior notes due 2019 in Jan 2014

(1) The calculation is (Total Interest Bearing Liabilities - Total cash and bank deposits including restricted deposits) / Total Equity

# Financial Performance

RMB mn	1H2013	1H2014	Change
Revenue	2,751	2,917	6.0%
Gross profit	1,030	1,011	(1.9%)
Core profit (netting of fair value change of IP and exchange gain / (loss))	228	184	(19.3%)
Net profit attributable to owners of the company	317	101	(68.1%)
Gross margin	37.5%	34.7%	(2.8pts)
Core profit margin	8.3%	6.3%	(2.0pts)

# Healthy Financial Position

RMB mn	Dec 31 2013	Jun 30 2014	Change
Cash <sup>(1)</sup>	3,632	4,802	32.2%
Total Assets	30,563	36,380	19.0%
Short-term debt	2,053	3,090	50.5%
Long-term debt	9,785	10,191	4.1%
Total debt	11,838	13,281	12.2%
Shareholder's equity	7,831	10,040	28.2%
Total debt over total asset	38.7%	36.5%	(2.2pts)
Net gearing <sup>(2)</sup>	104.8%	84.5%	(20.3pts)

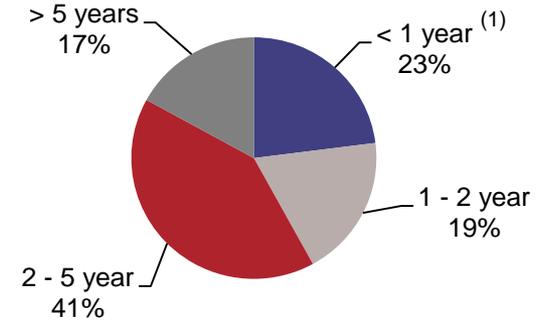
(1) Including bank balance and cash and restricted bank deposit

(2) The calculation is (Total Interest Bearing Liabilities - Total cash and bank deposits including restricted deposits) / Total Equity

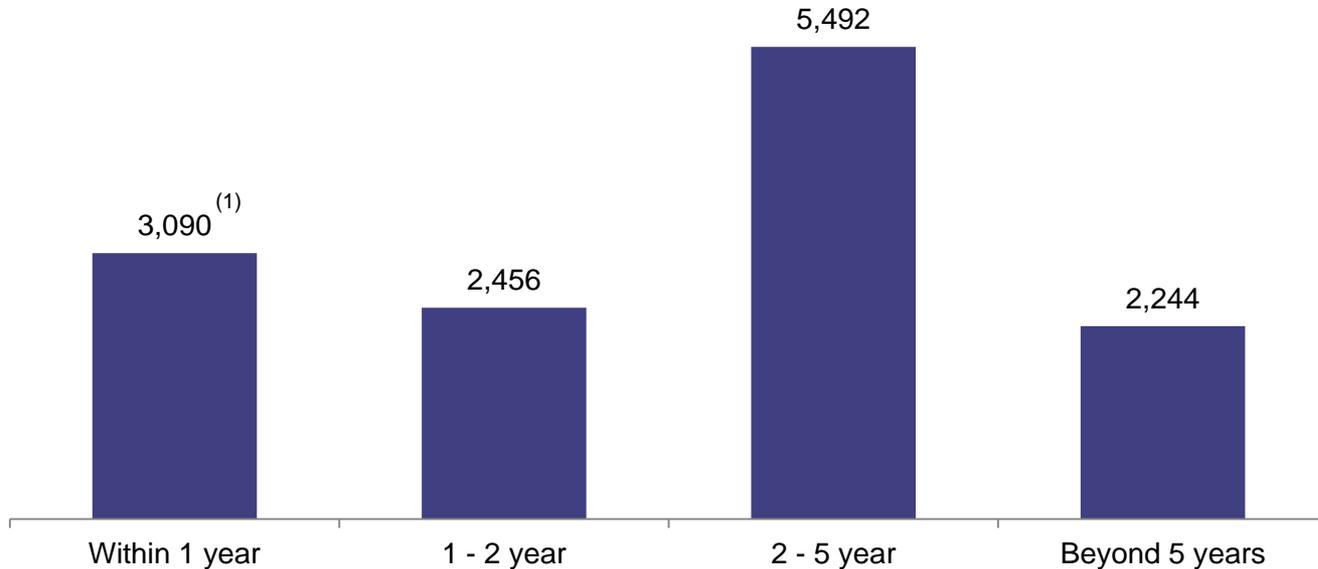
# Debt Maturity Profile

**As of June 2014, the company had a total debt of c. RMB 13.3bn**

**The total debt represented loans and senior notes, including offshore debt RMB7.0bn (52.8%) and onshore debt RMB6.3bn (47.2%).**



(RMB mn)

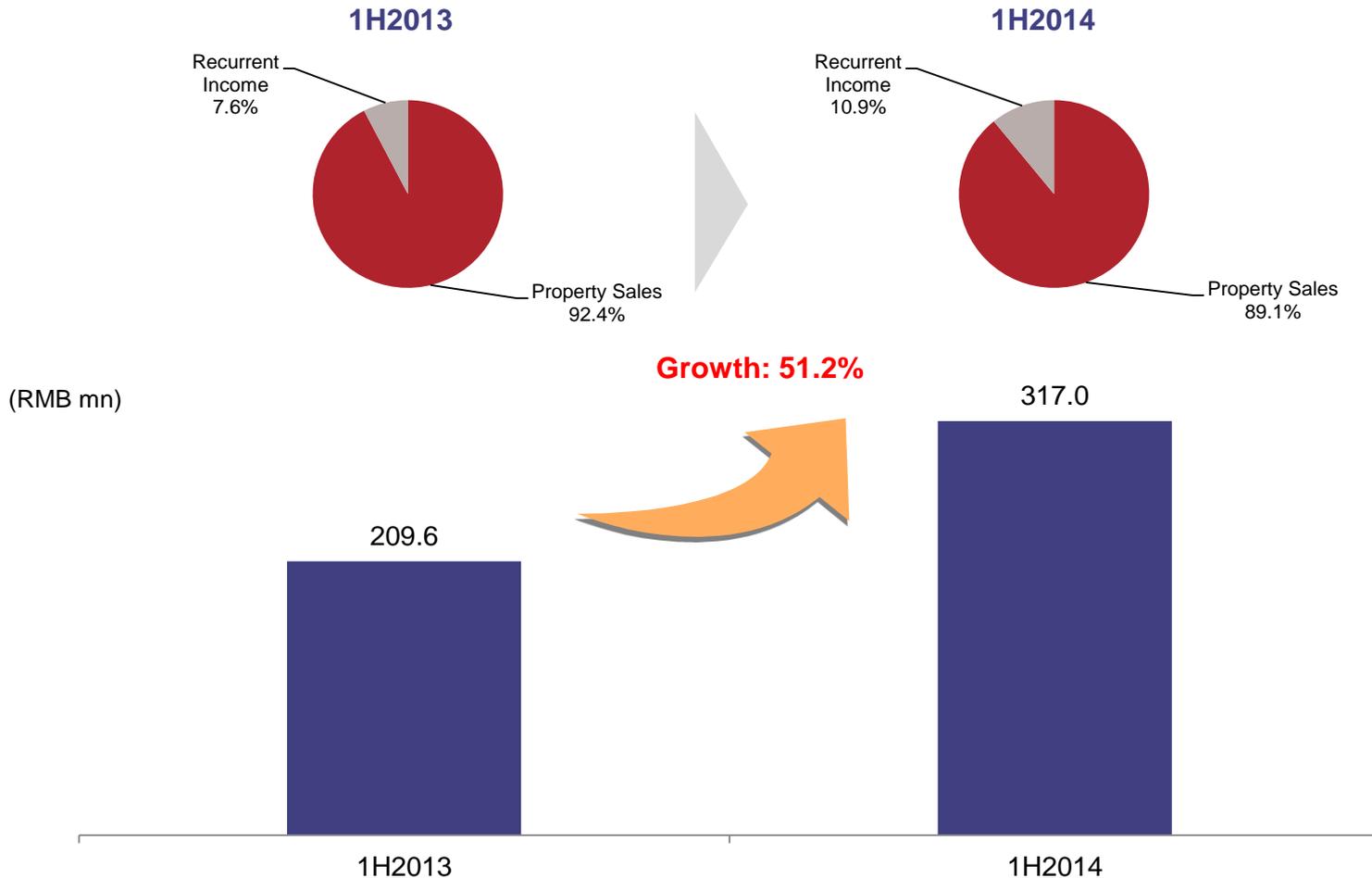


(1) Mainly related to the USD120m bond which will mature in May 2015

# Continuous Expansion of Property Services and Business Operating Capacity

*In 1H2014, our other business such as property operation and hotel services also achieved a sustainable growth.*

## Recurrent Revenue From Property Investment, Hotel and Community Services Businesses



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# Recent Development



- ✓ Fantasia endeavours to improve where traditional business is causing inconvenience to customers and insists on innovation
- ✓ Target to achieve strategic transformation in eight major sections, namely real estate development, Colour Life Services, financial services, international properties, cultural tourism, business management, senior housing and education industry
- ✓ Forms a diversified and multidimensional operation platform for the new community which is based on the residential community, business community, elderly service community and business community
- ✓ Gradually become a financial holding group that focuses on living space and experience

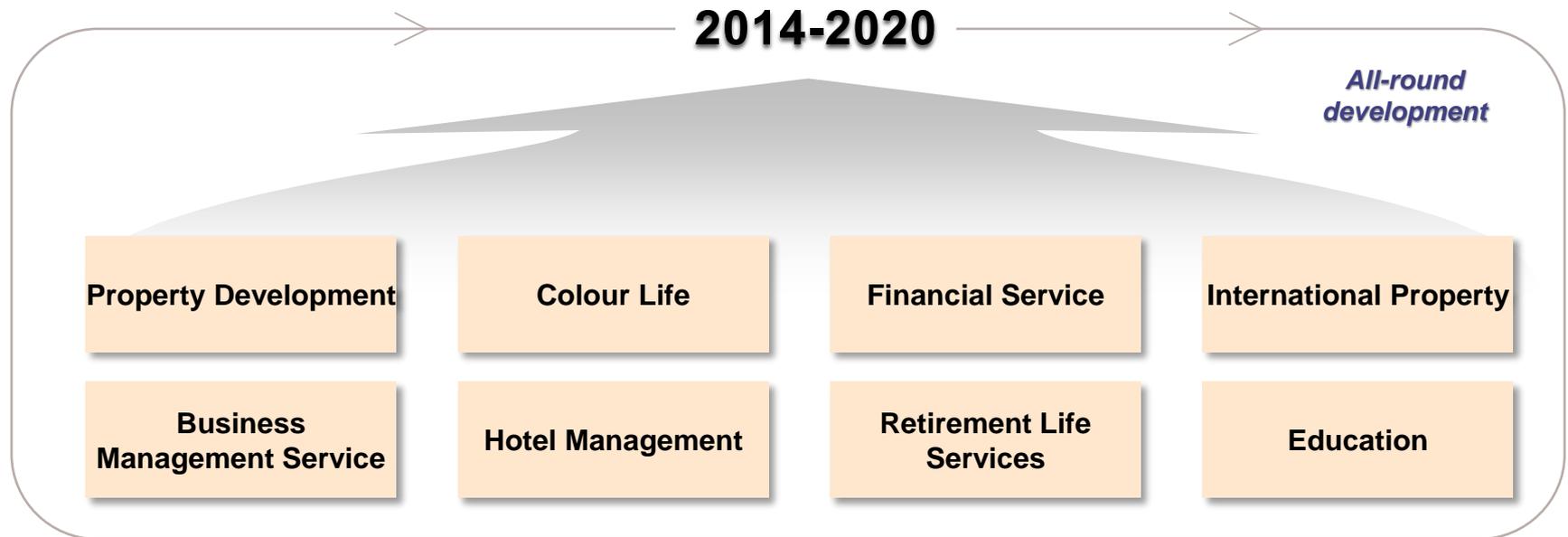
# Strategic Transformation for the Next Few Years



**From asset-heavy to asset-light**



**Offline + online services**



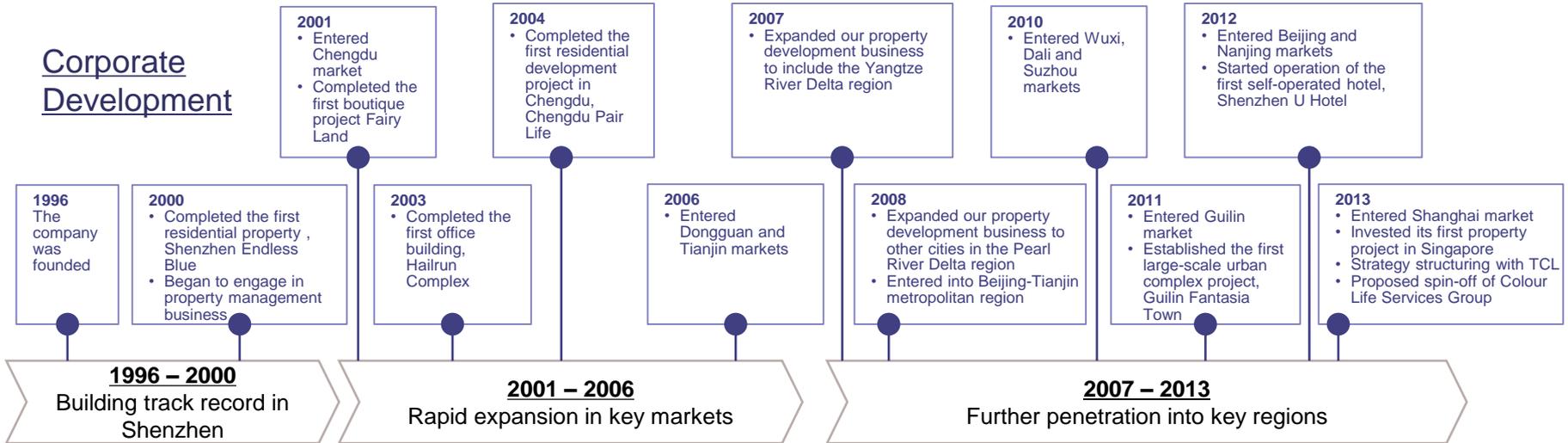
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  4. **Appendix**
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# Appendix: Key Milestones

## Corporate Development



## Capital Market Development



让生活更有风格

Making Life In Style

Please contact our IR team (Christy Zheng,  
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[www.cnfantasia.com](http://www.cnfantasia.com)