



## Fantasia Holdings Group Announces 2014 Interim Results

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### Fantasia Double Capital Force Platform Unfolded Potential Become Industrial Benchmark in Light Asset Transformation

#### **Business Review**

- ✓ On 30 June 2014, Colour Life Services Group Limited (stock code: 1778), the subsidiary of the Company, successfully listed on the Main Board of The Stock Exchange of Hong Kong, with the fund-raising of over RMB710 million
- ✓ Total revenue increased by 6.3% over the same period last year to approximately RMB2,917 million
- ✓ Gross profit amounted to approximately RMB1,011 million while gross profit margin remained at a high level of 34.7%
- ✓ Basic earnings per share for the first half year of 2014 was RMB0.02
- ✓ The Group's bank balance and cash as at 30 June 2014 was approximately RMB4,802 million, representing an increase of 32.2% as compared to that as at 31 December 2013

14 August 2014, Hong Kong - **Fantasia Holdings Group Co., Limited** ("Fantasia" or "the Group", SEHK stock code 1777), a leading property developer and property related services provider in China, announces Interim Results of the Group for the six months ended 30 June 2014 (the "Reviewing Period").

On 13 August, Fantasia Holdings Group Co., Ltd. held the Board Meeting. Ms. ZENG Jie Baby, the founder of Fantasia, Mr. Pan Jun, Chairman of the Board and Chief Executive Officer and other members of the Board attended the meeting and passed through the Company's 2014 Interim Results. As at 30 June 2014, Fantasia achieved a total revenue amounted to approximately RMB2,971 million, increased by 6.3% over the same period last year, the increase is primarily attributable to the increase in the Group's total gross floor area in accordance with the Group's development plan delivered to purchasers as compared to the corresponding period in 2013. For the period under review, gross profit increased by 34.7% to approximately RMB1,011 million. Basic earnings per share for the first half year of 2013 was RMB0.02.

**Mr. PAN Jun, Chairman and CEO of Fantasia**, said, "We are pleased to see the significant growth in all the business sectors, which is a strong proof that we have achieved outstanding results in our light-asset transformation. In 2014, China's economy is undergoing an unprecedented comprehensive restructuring and to promote the profound changes in the domestic real estate market. With our management team's perspective insights and the sober understanding of the

market trend, we pioneered the strategy of transformation from real estate developer to social community services operator, which has highly recognized in the industry. We are pleased to see our leadership in the strategic light-asset transformation, which has achieved remarkable success.”

### **Rapid Development of Community Services**

#### **Potential Broke Out after Listing**

Based on the corporate philosophy of bringing “community service to the family” and constant improvement in service quality and customer satisfaction, Colour Life strived to develop its business rapidly in the first half of the year. As of June 30, 2014, Colour Life had 1,037 management service projects with an aggregate area of approximately 162 million sq.m., representing a growth of 68.6% and 76.8% as compared to 2013, respectively. Meanwhile, Colour Life also provided consultancy services to residential community, further expanding the coverage of our service platform.

On 30 June 2014, Colour Life was successfully listed on the Main Board of the Hong Kong Stock Exchange and was hot sought-after by Qihoo 360 and other Internet tycoons. The market capital surpassed many real estate companies listed in Hong Kong. The listing of Colour Life opened a new chapter for Fantasia, indicating the excellent controlling capability and strong allocating abilities of the Company.

Colour Life is also a major achievement generated by the transformation of Fantasia Group. Hence, Fantasia has become the largest social community services operator in China. In light of the current development pace, Fantasia is expected to be the world’s No.1 operator in social community service. The Colour Life model is a success, setting itself as an example for future development of Fantasia’s other platforms.

### **Steady Expansion of Financial Business**

Financial Business is an important direction of Fantasia’s transformation. Since its operation from 2013 on China’s largest social platform owned by the Group, our financial sector innovatively adopts the internet finance model and focuses on the development of large scale financial holding system, financial platform and financial ecosystem of the Group so as to establish the financial value chain between major sectors of the Group and develops a distinctive model of “community finance”.

Currently, Fantasia has formed three business models in a micro credit, finance lease and P2P Internet financial network, and try to promote factoring, consumer finance, insurance and payment etc., related businesses in the future, in order to fully satisfy the comprehensive financial needs of our corporate and individual customers. In the first half of the year, we established 11 new branches for our micro credit business, Hehenian Online has seen a surge in new registered users of the community. In addition, the mode of our community leasing business became clear, in which we targeted strategic industries such as the cultural consumption industry, smart hospitality industry and the community transport and logistics industry. Furthermore, we refined the product type of our 1+N direct lease and leaseback products. The business development in the future will optimistically.

### **Gradual Transformation for Real Estate Business**

Fantasia has started to abandon the idea of pursuing scale for its property development, and rather focus on the idea of light asset operation which emphasizes economic efficiency and investment returns. Its property group made the best endeavor in moving beyond to the light asset industry, which has been the main theme of 2014. The Group divided its business into property fund and construction agency, with a major goal of converting to the mode of property fund. The changes thus

heralded a brand new property development and light asset operation mode in Mainland China.

The transition of the mode of the property segment signified that the eight major business segments of Fantasia Group had been fully developed. Property fund will be a key financial service platform for Fantasia to develop itself into a financial holding group.

According to Mr. Pan Jun, the value of Fantasia in the future will rest on developing itself into a professional property enterprise. To this end, changes have to be made for achieving “Four Changes”: (1) to changes the existing mindset and achieve a breakthrough from the conventional mode along with resources of other segments, with a change of focus from establishing standards to carrying out in-depth initiatives; (2) to achieve highly effective operation by changing from focusing standardization to focusing on efficiency; (3) to deliver professional services to enhance revenue, changing from being technology-based to being profit-driven; (4) to pay attention to consolidated growth, stress on the two-way development of profit and scale and seek the avenue for rapid and effective growth, with a changes of focus on result to a focus on growth.

### **Senior housing business and cultural tourism business start to unfold potential**

In the first half year of 2014, Shuangziqiao Day Care Center and the home-based elderly care service stations were in well management and operation, and the elderly care apartments are to be launched. Fantasia’s community senior citizen services starts to unfold its potential. With the promotion and development of the elderly service industry in the PRC as our mission, the senior housing business of Fantasia is developing various in-depth elderly service projects in order to explore an innovative mode in modern elderly services. We have completed the structuring of “From Regimen to Elderly Service”, a community based elderly service system, supplemented with “Five Major Products”, namely home care, health care, rehabilitation therapy, nutrition catering and spiritual consolation. With “To Serve” as our core philosophy, we aim to become an enterprise which put great emphasis on elderly service with the support of the government. In the first half of the year, senior housing businesses such as the “Apartments for the Elderlies” and “Ziyue University” were fully launched.

The cultural tourism business of the Company achieved continuous and steady development. In the first half of the year, Fantasia completed the acquisition of Hotel 373 on the Fifth Avenue in New York, USA. As of June 2014, Fantasia Hotel Management Company Limited has 7 hotels under its operation. The Group’s education sector commenced operation in 2014 officially. The education sector will carry out resources integration along the two major directions, namely training for modern service industries and community education. Besides, in the first half of the year, we further organized and consolidated our resources in cultural tourism, formulated new development mind-set and mode to successfully develop new financial and Internet based market products. We made achievements in exploring new modes and expanded our business to Manhattan, USA and Taipei, where our “U Hotel” brand was awarded “The Most Promising Hotel Brand in the PRC for 2013”. Now the cultural tourism business of Fantasia covers hotels, golf, high-end city clubs, private clubs, theme parks and museums.

### **Achieve strategic transformation in eight major sections**

#### **Gradually become a financial holding group**

In the demonstration effect and the capital effects of Colour Life, Fantasia's other business segments in 2014 significantly accelerated the pace of development. As China's leading property development and social community services providers, Fantasia aims to promote the real estate development,

Colour Life Services, financial services, international properties, cultural tourism, business management, senior housing and education industry, and has achieved strategic transformation in eight major sections. It 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. By using finance as the lever and services as the platform, we gradually become a financial holding group that focuses on living space and experience.

While deliver regular and stable returns to shareholders and investors, Fantasia also continues to provide an interesting, tasteful and colorful living space and experience for our customers. The company integrates the social responsibility into the enterprise development strategy, actively participating in social activities, for example the promotion on development of public art. On February 2014, Fantasia support the UABB activities to promote the development of public art in Shenzhen and won the "partner" title.

The “Zhi – Museum of Art” (知 · 美術館) invested by Fantasia was officially opened on 21 July 2014, feathering Ms. ZENG Jie Baby, the founder of Fantasia. The museum has an aggregate gross floor area of 2,353 square meters and is the only museum of art in China designed by the famous Japanese architect master Mr. Kengo Kuma. The “Zhi – Museum of Art” will become a vital platform for the exchange, presentation and research of art as well as an education base of art in China.

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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”, with its assets amounting to over RMB30 billion. 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 pushing forward 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, colorful and meaningful living space and experience and aims to deliver a unique and inspiring living space and experience to value-oriented customers.

This press release is distributed by Wonderful Sky Financial Group Limited on behalf of Fantasia.

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