



Company Operation Information

Fantasia's contracted sales up 104.4% year on year to RMB844 million in May on the back of revival of property markets in China's major cities

(1 June 2015 – 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), is pleased to announce its sales updates for May 2015. The real estate business segment maintains substantial growth, which is expected to lead to a record high in annual sales for the year.

In accordance with its plan, the Group's property segment has been launching more projects, speeding up inventory clearance, and stepping up sales efforts in Shenzhen since May. In particular, it launched the Longqi Bay No.1 project, which is situated at Dapeng Peninsula, a high-end recreational resort area, in late-May.. The project mainly comprises of scarce villas and high-end apartments with a total GFA of approximately 39,000 sq.m..



花样
创造
价值。

Longqi Bay Project in Shenzhen

Company Operation Information *(Cont.)*

As Fantasia's first luxurious residential project, Longqi Bay No.1 project is well received on the market. The unit price of some of the properties in that project may hit a new high among the luxurious residential properties in Shenzhen.

Currently, most of Fantasia's projects are located in first- and second-tier cities, and the Company has realised sustainable development in major cities. The Company's land bank in first-tier cities such as Shenzhen, Beijing, Shanghai and Tianjin as well as the provincial capitals, including Chengdu, Kunming, Wuhan and Nanjing, accounts for 72.6% of its total land bank of 14.55 million sq.m.. In particular, the Company's land bank in Shenzhen alone reaches 2.39 million sq.m., which accounts for 16.4% of its total land reserves. Notably, Guangdong Free Trade Zone will be a catalyst for appreciation of the high-quality land resources in some areas, including Shekou of Shenzhen.

Fantasia's Chairman and CEO, Mr. Pan Jun, said that the Group had plenty of saleable properties with those for 2015 worth approximately RMB28 billion. The property markets of major cities, as represented by Shenzhen, are booming gradually. The upward trend of the first- and second-tier cities' housing markets has already gathered momentum, and the Company is set to benefit from it. Mr. Pan said he was very optimistic about Fantasia's attainment of its annual sales target of RMB11 billion.

Property Sales *(Note: Data in this news letter is unaudited and may be adjusted)*

In May, the Chinese government implemented a number of favourable housing and financial policies which favoured the property market, leading to a sharp increase in transaction volume in the first-tier cities within a short period of time. Long queues for home purchases was seen in some cities, and properties of some projects even sold out on the launch day there. According to the official figures released by the country's National Bureau of Statistics, Shenzhen, Beijing, Shanghai and Guangzhou ranked among the Chinese cities which recorded property price rises in April, and the first-tier cities registered such increases for the first time since May 2014. In particular, the increase in Shenzhen's house price ranked first in China for four consecutive months.

Property Sales (Cont.) (Note: Data in this news letter is unaudited and may be adjusted)

Thanks to the reviving property markets in China's first- and second-tier cities and the Group's insight into the trends of the sector there, Fantasia has adjusted its regional business strategy by focusing on the country's major cities and thus achieved continuous growth.

The Company recorded contracted sales of RMB844 million with 113,317 sq.m. in aggregated gross floor area ("GFA") sold in May, up 15.84% and 9.09% month on month, respectively, and up 104.38% and 68.21% year on year, respectively. For the first five months ended 31 May 2015, the Group sold approximately 446,710 sq.m. of accumulated GFA and recorded the corresponding aggregate contracted sales of approximately RMB3.246 billion, which represented year-on-year increases of 102.27% and 139.19% respectively.

City	Project Name	Product Type	GFA Sold	Sales Amount
			(sq.m.)	(RMB 0'000)
Shenzhen	Long Nian Plaza	Urban Complex	3,248	8,785
Chengdu	Love Forever	Mid-to-high residence	350	147
	Meinian Plaza	Urban Complex	8,866	8,250
	Huahao Garden	Mid-to-high residence	24	6
	Fantasia Town	Mid-to-high residence	37,403	14,844
	Funian Plaza	Urban Complex	36	21
	Grande Valley	Boutique upscale residence	9,890	7,461
	Mont Conquerant	Boutique upscale residence	3,451	1,801
	Long Nian International Plaza	Urban Complex	32,469	16,362
	Dongguan	Mont Conquerant	Boutique upscale residence	49
Wonderland		Mid-to-high residence	2,035	2,000
Jiangshan Hui		Mid-to-high residence	107	168

Property Sales (Cont.) (Note: Data in this news letter is unaudited and may be adjusted)

City	Project Name	Product Type	GFA Sold	Sales Amount
			(sq.m.)	(RMB 0'000)
Tianjin	Huaxiang	Boutique upscale residence	401	372
	Meinian Plaza	Urban Complex	7,214	13,657
	Love Forever	Boutique upscale residence	27,948	14,865
Huizhou	Huiyang Special Town project	Mid-to-high residence	44,467	21,487
	Love Forever	Mid-to-high residence	542	311
	Kang Town	Mid-to-high residence	38,317	20,358
	Xiangxie Garden	Mid-to-high residence	75	46
	Cuiya Garden (TCL remaining building)	Mid-to-high residence	63	40
	Palm Garden	Mid-to-high residence	25	11
Suzhou	6# project	Boutique upscale residence	2,304	2,183
	4# project	Boutique upscale residence	3,314	4,262
	Special Town	Boutique upscale residence	6,366	3,616
	Hailrun Complex	Urban Complex	23,425	38,787
Wuxi	Love Forever	Boutique upscale residence	7,969	4,914
	Hailrun Plaza	Urban Complex	7,312	5,137
Guilin	Fantasia Town	Urban Complex	25,687	12,344
	Lakeside Garden	Boutique upscale residence	44,553	23,749
Shanghai	Beilun Ningbo	Boutique upscale residence	29,256	26,447
Singapore	Singapore Project	Boutique upscale residence	843	8,683
Nanjing	Nanjing Project	Urban Complex	7,604	12,942
Wuhan	Wuhan Fantasia Town	Mid-to-high residence	39,614	21,126
	Love Forever	Boutique upscale residence	31,483	29,328
Total			446,710	324,584



Company Updates *(Cont.)*

Notably, several large-scale property developers, including Vanke, Poly Real Estate, and China Overseas Property, etc. are planning to spin off their property management business after Colour Life Services Group Co., Limited (“Colour Life” ; HKEx stock code: 1778)’s listing. This demonstrates that the “Colour Life Model” is gaining recognition in both the property sector and the capital market.

Pan Jun commented that the current market concentration in the community service field remained low and therefore, competitors were not considered as threats to the Company in the short run. He said the Group would launch a more systematic “community+” scheme so as to further strengthen its leading position in the Chinese community service market.

On 30 April, Standard & Poor’s upgraded the Company’s credit outlook to “Stable” from “Negative” and affirmed its “B+” long-term corporate credit rating for the Company and its “B” rating on the issue of the Company’s outstanding senior unsecured notes. This reflects the company’s improved profitability and financial capability. As of the end of 2014, the cash and bank balance was approximately RMB4.653 billion, up 28.1% year-on-year compared with that at the end of 2013. Net gearing ratio was reduced significantly by 18.1 percentage points to 86.7%. Stand & Poor’s expressed a view that Fantasia’s refinancing risk was manageable given the level of its cash position and short-term borrowings.

Company Updates *(Cont.)*

Fantasia makes continuous improvements in its credit profile. The Company repaid the US Dollar bonds due in 2015 in May by internal free cash. Meanwhile, On 27 May, the Company proposed to issue US\$200 million senior notes due in 2018 with a coupon rate of 11.50% per annum, and Bank of America Merrill Lynch, China Merchants Securities (HK), CITIC CLSA Securities, Deutsche Bank and UBS were the joint lead managers and joint bookrunners of the issue. A number of investment banks' participation in the issue reflected the capital market's recognition of Fantasia's business model. The maximum net proceeds from the issue of the senior notes is estimated to be approximately US\$194.5 million, equivalent to approximately HK\$1.508 billion, and will be used to refinance certain of its existing indebtedness.

About Fantasia

Founded in 1998, Fantasia Holdings Group Co., Ltd was listed in November 2009 on The Stock Exchange of Hong Kong Ltd. under the ticker 1777.HK. Fantasia has completed compilation of its strategic blueprint based on mobile internet and businesses in the age of big customer data for the future. It has evolved into a leading financial holding group with financial services as a driver, community services as a platform, and development as a means. Its businesses cover eight major value-add service areas from community financial services, resident community services under the Colour Life brand, property development, international commercial property services, community cultural tourism, community business management, community senior living and community education industry.

At the moment, Fantasia is progressing with international development of its businesses and has established subsidiaries in Hong Kong, Taipei, Singapore and Tokyo. It has invested in projects located in Singapore, the United States of America and Taiwan.

IR Contact:

Fantasia Holdings Group Co., Limited

Ms. Christy Zheng

IR Department

Tel: +852 3521 1536/+86 755 2269 9738

Email: zhengjy@cfnfantasia.com

PR Contact:

iPR Ogilvy & Mather

Ms. Natalie Tam

Co. Managing Director

Tel: +852 2136 6185

Email: fantasia@iprogilvy.com