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花 樣 年

FANTASIA

Fantasia Holdings Group Co., Limited

花樣年控股集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 01777)

VOLUNTARY ANNOUNCEMENT

The Board is pleased to announce that the Purchaser, a wholly-owned subsidiary of the Company, has entered into the Framework Agreement with, among others, the Vendor on 25 February 2010 (as further supplemented by a supplementary agreement dated 21 March 2010), and the Agreement with the Vendor on 11 June 2010. Pursuant to the terms of the Framework Agreement, the Vendor agreed to transfer the Assets to the Purchaser for a total consideration of RMB317,650,000 (equivalent to approximately HK\$362,407,000). The total consideration is made up of (i) the Loan, (ii) the Debt, and (iii) the Cash Consideration.

THE AGREEMENT

Date

11 June 2010

Parties

- (1) the Vendor
- (2) the Purchaser

To the best of the knowledge, information and belief of the Directors, having made reasonable enquiry, the Vendor and its ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

The assets to be acquired by the Purchaser under the Framework Agreement comprise of (i) 100% of the equity interests in Dongguan Huaqianli (together with any assets held by Dongguan Huaqianli), (ii) the Loan, and (iii) the Debt.

As at the date of this announcement, Dongguan Huaqianli owns the land use rights of Dongguan Land, located at Dongguan City, Huangjiang Town, Bei An District, the PRC, with a land area of approximately 96,862.6 square metres for commercial and residential use.

Consideration

Pursuant to the terms of the Framework Agreement, the total consideration for the transfer of the Assets is RMB317,650,000 (equivalent to approximately HK\$362,407,000), which is made up of (i) the Loan, (ii) the Debt, and (iii) the Cash Consideration.

The Directors are of the opinion that the total consideration is fair and reasonable and was determined after arm's length negotiation between the parties.

INFORMATION ABOUT DONGGUAN HUAQIANLI AND THE VENDOR

Dongguan Huaqianli is a limited liability company established in the PRC on 2 March 2010 with a registered capital of RMB10,000,000 (equivalent to approximately HK\$11,409,000) as at the date of this announcement. Dongguan Huaqianli is a project company holding the Dongguan Land and has not commenced any business as at the date of this announcement. As at the date of this announcement, Dongguan Huaqianli owns the land use rights of Dongguan Land.

To the best of the Directors' knowledge and belief, the Vendor is a limited liability company established in the PRC and is owned as to 31% by Chen Lian (陳練), 29% by He Po Ji (何頗記), 20% by Yuan Jin Rong (袁金榮) and 20% by Zhang Zheng Guang (張正光), all of whom are Independent Third Parties.

REASONS FOR THE ACQUISITION

The Company is principally engaged in property development in the PRC and the acquisition of Dongguan Huaqianli, which is a project company holding the Dongguan Land and has not commenced any business as at the date of this announcement, is considered by the Company to be in line with its ordinary and usual course of business. The acquisition allows the Company to further participate in real estate development in Dongguan City, Huangjiang Town, the PRC.

The Directors (including the independent non-executive Directors) consider that the Agreement is on normal commercial terms after arm's length negotiations between the parties, fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless otherwise requires:

“Agreement”	the agreement entered into between the Purchaser and the Vendor on 11 June 2010 pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase 100% of the equity interests in Dongguan Huaqianli
“Assets”	the assets of Dongguan Huaqianli (together with any assets held by Dongguan Huaqianli) which comprise of (i) 100% equity interests in Dongguan Huaqianli, (ii) the Loan, and (iii) the Debt
“Cash Consideration”	the sum of RMB10,000,000 (equivalent to approximately HK\$11,409,000) payable by the Purchaser to the Vendor in cash within 15 days from the date of the Agreement
“Company”	Fantasia Holdings Group Co., Limited, a company incorporated in the Cayman Islands, the securities of which are listed on the main board of the Stock Exchange
“Debt”	the debt (representing the obligations, indebtedness and liabilities) owed by Dongguan Huaqianli to the Vendor amounting to RMB64,650,000 (equivalent to approximately HK\$73,759,000), as at the date of the Framework Agreement
“Directors”	directors of the Company
“Dongguan Huaqianli”	東莞市花千里房地產開發有限公司 (Dongguan Huaqianli Property Development Company Limited*), a limited liability company established in the PRC and is wholly owned by the Vendor as at the date of this announcement
“Dongguan Land”	the parcel of land located at Dongguan City, Huangjiang Town, Bei An District, the PRC, land use right certificate number (東府國用(2010)第特153號), with a land area of approximately 96,862.6 square metres, for commercial and residential use
“Framework Agreement”	the framework agreement entered into among the Vendor, the Purchaser, 中洲置業投資有限公司 (Zhongzhou Property Investment Company Limited*) and 東莞市喀斯特環保科技有限公司 (Dongguan Ka Si Te Environmental Technology Company*) on 25 February 2010, as further supplemented by a supplementary agreement dated 21 March 2010, in relation to the transfer of the Assets

* For identification purposes only

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company or any of its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan of RMB243,000,000 (equivalent to approximately HK\$277,239,000) due and owing by Dongguan Huaqianli to the Vendor for the acquisition of Dongguan Land
“PRC”	the People’s Republic of China
“Purchaser”	東莞市花樣年房地產投資有限公司 (Dongguan Fantasia Real Estate Investment Company Limited*), a wholly-owned subsidiary of the Company and a limited liability company established under the laws of the PRC on 4 December 2006
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the Shares
“Shares”	the ordinary share(s) of HK\$0.10 each in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	廣州市藝祥裝飾有限公司 (Guangzhou Yixiang Decoration Company Limited*), a limited liability company established in the PRC and is owned as to 31% by Chen Lian (陳練), 29% by He Po Ji (何頗記), 20% by Yuan Jin Rong (袁金榮) and 20% by Zhang Zheng Guang (張正光), all of whom are Independent Third Parties
“%”	per cent.

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For illustration purposes, amounts in RMB in this announcement have been translated into HK\$ at HK\$1.00 = RMB0.8765.

By order of the Board
Fantasia Holdings Group Co., Limited
Pan Jun
Chairman

Hong Kong, 14 June 2010

As at the date of this announcement, 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.