



**Fantasia's contracted sales for the first quarter increased by 23% y-o-y to RMB2.063 billion  
Community services reaped benefits from favourable policies due to supply-side reforms**

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(5 April 2016 – 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) announces its sales performance for March. Fantasia Property Group, a subsidiary of the Group, achieved contracted sales of approximately RMB858 million for the month, up 28% year on year, with gross floor area (“GFA”) of 81,304 sq.m. in aggregate sold. For the first 3 months ended at 31 March 2016, the Group achieved contracted sales of approximately RMB2.063 billion in aggregate, up 23% year on year, with gross floor area (“GFA”) approximately 157,042 sq.m., in aggregate sold.

Thanks to the nationwide revival of major property markets in China, as well as the Group’s ongoing efforts in promoting end-user demand products and commercial complexes, the Group’s property development business recorded significant growth as compared to the previous month. According to the 100 City Price Index released by China Real Estate Index System (“CREIS”) in March 2016, prices of residential units (newly built) in 100 mainland cities averaged RMB11,303 per sq.m., up 1.90% month on month. For individual cities, 60 of 100 sample cities recorded month-on-month increases in flat prices. Cities where Fantasia attaches importance in developing, including Dongguan, Huizhou, Suzhou, Shenzhen and Nanjing, topped the list of the ten mainland cities with steepest price increases.

In terms of policies, representatives of the National People's Congress and the Chinese People's Political Consultative Conference (the "Two Conferences") have determined on the foci of policies towards inventory clearances according city-specific circumstances, property market adjustments according to region-specific circumstances and comprehensive rollouts of pilots on a shift from revenue tax to value-added tax. In March 2016, administrative adjustment efforts were seen strengthened in first- and second-tier cities including Shanghai, Shenzhen and Nanjing, etc., where flat prices experienced stronger rallies; while in third- and fourth-tier cities, where pressure from inventories remained high, were encouraged to have market demand unleashed. The Central Government also implemented measures to regulate order in the property market by tightening control on financial risks. These policies are expected to support steady and healthy development of the property markets across the country. Meanwhile Fantasia will grasp market opportunities to achieve unprecedented development in its property business.

Mr. Panjun, Chairman of the Board and Chief Executive Officer of Fantasia said, 2016 is a year when the Central Government attempts to go through major hurdles in its structural reform efforts. The array of adjustment policies mentioned above are weighed more on the “demand side”. “With persistent deepening of supply-side reforms, the property industry will embrace profound adjustments and accelerated innovation-driven transformations, which will eventually return to fundamentals as a service industry.”

On 27 March 2016, the research team of the Central Committee of Jiusan Society visited Shenzhen for field research focusing on a major subject of “new-type urbanization and community services”. The research team visited the centralized management centre of Colour Life Services Group Co. Ltd. (“Colour Life”; HKEx stock code: 1778), to comprehend in detail about Colour Life’s modern community service model of “Internet+ property management” and updates of transformations and upgrading of community economies. They also listened to briefings from Colour Life regarding community service innovations, community ecosystems as well as innovative products including “Colour Wealth Life Value-added Plan” and “Colour Life Residential”. The research team then visited Clean Water Dragon Court managed by Colour Life to study on location updates of establishment of Colour Life smart communities.

This research titled “New development in urbanization and community services” was jointly compiled by United Front Work Department of CPC Central Committee and the Central Committee of Jiusan Society. The research will make suggestions to national layout of “Four Comprehensive” targeting at stabilizing growth, promoting reform, making structural adjustment, contributing to the well-being of people’s livelihoods and preventing risk. It also has practical significance in accelerating supply-side structural reforms during the process of new-type urbanization, and also enhancing national governance system and governance modernization level. The research conducted by the Central

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Committee of Jiusan Society in Shenzhen focused on community services' role in stabilizing growth and making structural adjustments as a new industry.

According to China Property Management Association, as at the end of 2014, China had 105,000 property service enterprises managing various types of housing with GFA aggregating 16.5 billion sq.m. and achieved revenues aggregating over RMB350 billion for the year, hiring 7.11 million employees serving nearly 500 million households. After the listing of Colour Life in 2014, China Overseas Property Holdings Limited and Zhong Ao Home Group Limited were listed on the Hong Kong Stock Exchange in 2015. In addition, there were more than 16 property management companies had been listed on the National Equities Exchange and Quotations Systems ("NEEQ"). Traditional property management in China is upgrading and transforming into modern community services.

As a constituent of cities and societies, communities play in multiple roles including a carrier of social resources supporting in economic and social development, a basic unit in social living and intersections in community relations and anchoring points in community organizations. It plays an indispensable and extremely important social function and is entrusted with an important mission in supply-side structural reforms.

The Colour Life model has pioneered a new scene of community services in China. Mr. Pan Jun, Chairman of the Group, has been continuously offering advices and suggestions on community service development in recent years. Mr. Pan Jun indicates, the core of supply-side reform for the community service industry is under the scientific guidance of the government, allowing market rules to play a leading role in community service resource allocation, enhancing productivity of the supply side and improving the supply ecosystem in communities. On one hand, the industry should actively explore mergers and resource integration within the industry, in order to achieve resource optimization through scalability, collective development and branding. On the other hand, enterprises should significantly enhance efficiency and service quality in community management through information reforms, standardization and smart reforms. Furthermore, the industry has to adapt "Internet+" trends and consumptions upgrades of residents through groundbreaking innovations in business models to mobilize internal and external resources in communities, in order to build synergistic, mutually-supporting and renewable community ecosystems.

Conducting of field research by the Central Research Group brings the development in community service industry begins to the attention at the national level. The community service industry in China is expected to reap benefits from favourable policies.

In order to encourage core management staff to undertake roles in value creation and results performances, facilitate multi-level long-term share incentive mechanism, promote innovations in corporate governance and management structures, on 18 March 2016 Colour Life offered 34,247,488 share options, of which 1,460,000 share options went to nine directors of the Company and 32,787,488 share options went to certain employees of the Group and certain minority shareholders of the Company's subsidiaries. The exercise price of share options was HK\$5.76.

Fantasia was elected as one of the winners in "China's Best Property Enterprises in Brand Value in 2015" in the 9th "Guandian Annual Forum" held on 21-24 March 2016. The Group also ranked 41st on "2016 Top 100 Best Property Enterprises in China" and was named "Top 10 Excellent Light-asset Operating Enterprises" jointly compiled by institutions including Enterprise Research Institute of Development Research Centre of the State Council on 24-25 March 2016. This has proven the light-asset transformation of Fantasia had been recognized by both the industry and society.

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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. 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 progressing with 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, colourful and meaningful living space and experience and aims to deliver a unique and inspiring living space and experience to value-oriented customers.

To learn more about the Company, please visit Fantasia's website at: [www.cnfantasia.com/](http://www.cnfantasia.com/)

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