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花 樣 年 控 股 集 團 有 限 公 司

FANTASIA

Fantasia Holdings Group Co., Limited

花 樣 年 控 股 集 團 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01777)

**SUPPLEMENTAL RESTRUCTURING DEED
AND
SHARE PLEDGE BY CONTROLLING SHAREHOLDER**

This announcement is made pursuant to Rule 13.09(1) and Note (3) to Rule 10.07(2) of the Listing Rules.

On 16 July 2010, the Investors, the Controlling Shareholders and the Company entered into the Supplemental Restructuring Deed, pursuant to which the payment obligations of the Controlling Shareholders with respect to the Agreed Payment have been postponed to a date falling on or before 30 July 2010, and each of the Investors has agreed to provide, within one Business Day after, among others, the full settlement of the Agreed Payment, an undertaking to the Controlling Shareholders not to dispose of its Shares held by it as at the date of the lock-up undertaking for a period commencing from the date of the lock-up undertaking and expiring on 31 December 2010. The Investors Share Charge will be released within one Business Day after, among others, full settlement of the Agreed Payment.

The Company has been advised by the Controlling Shareholders that on 15 July 2010, Fantasy Pearl entered into the Term Loan Facility for the purposes of funding part of the payment obligations of the Controlling Shareholders with respect to the Agreed Payment. As security for the Term Loan Facility, Fantasy Pearl entered into the Bank Share Pledge on the same date.

This announcement is made pursuant to Rule 13.09(1) and Note (3) to Rule 10.07(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

We refer to our prospectus dated 12 November 2009 (the “**Prospectus**”). Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as those defined in the Prospectus.

Pursuant to the terms of the Restructuring Deed, the Controlling Shareholders shall pay to each Investor an amount equivalent to the Agreed Payment on a date no later than the 10th business day immediately after the 20 trading day period following the end of the Lock-up Period in the event that an Investor has not received an amount in cash equivalent to an internal rate of return of 18.5% per annum on its Pro-rata Share of the Original Equity Investment Amount for the period between the Funding Date and the Listing Date (both dates inclusive) in accordance with the terms of the Restructuring Deed.

On 16 July 2010, the Investors, the Controlling Shareholders and the Company entered into a supplemental restructuring deed (the “**Supplemental Restructuring Deed**”), pursuant to which the payment obligations of the Controlling Shareholders with respect to the Agreed Payment have been postponed to a date falling on or before 30 July 2010, and each of the Investors has agreed to provide, within one Business Day after, among others, the full settlement of the Agreed Payment, an undertaking to the Controlling Shareholders not to, without the prior written consent of the Controlling Shareholders, dispose of its Shares in the Company held by it as at the date of the Supplemental Restructuring Deed, save as otherwise permitted in the lock-up undertaking, for a period commencing from the date of the lock-up undertaking and expiring on 31 December 2010. Pursuant to the terms of the Supplemental Restructuring Deed, the security created by Fantasy Pearl, one of the Controlling Shareholders, in favour of the Investors over 470,205,000 Shares representing approximately 9.65% of the issued share capital of the Company as at the date of this announcement (the “**Investors Share Charge**”) will be released within one Business Day after, among others, full settlement of the Agreed Payment. Save for the above, all other material terms of the Restructuring Deed remain unchanged and continue to be in full force and effect.

The Company has been advised by the Controlling Shareholders that on 15 July 2010, Fantasy Pearl, one of the Controlling Shareholders, obtained a term loan facility of US\$20 million (the “**Term Loan Facility**”) from Industrial and Commercial Bank of China Limited (the “**Bank**”), an authorized institution as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and an independent third party, for the purposes of funding part of the Agreed Payment. As security for the Term Loan Facility, Fantasy Pearl pledged 450,000,000 Shares (representing approximately 9.23% of the issued share capital of the Company as at the date of this announcement) held by it in the Company in favour of the Bank on the same date (the “**Bank Share Pledge**”).

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

Hong Kong, 16 July 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.