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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)

**ISSUANCE OF ADDITIONAL CNY1,000,000,000
9.5% SENIOR NOTES DUE 2019
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH
THE CNY600,000,000 9.5% SENIOR NOTES DUE 2019 ISSUED
ON 4 MAY 2016)**

Reference is made to the announcement of the Company dated 27 April 2016 and 22 August 2016 in respect of the Original Notes and the Additional Notes Issue, respectively.

On 22 August 2016, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with China Merchants Securities (HK), BofA Merrill Lynch and Guotai Junan International in connection with the Additional Notes Issue.

The estimated net proceeds of the Additional Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses, will amount to approximately CNY1,001.8 million and the Company intends to use the net proceeds to refinance certain of its existing indebtedness. The Company may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of proceeds.

The Original Notes are listed on the Official List of the SGX-ST. Approval in-principle has been received for the listing and quotation of the Additional Notes on the Official List of the SGX-ST. Admission to the Official List of the SGX-ST and quotation of the Additional Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Additional Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees (if any). SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Additional Notes has been sought in Hong Kong.

THE PURCHASE AGREEMENT

Date: 22 August 2016

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors;
- (c) China Merchants Securities (HK);
- (d) BofA Merrill Lynch; and
- (e) Guotai Junan International.

China Merchants Securities (HK), BofA Merrill Lynch and Guotai Junan International are the joint lead managers and joint bookrunners in respect of the offer and sale of the Additional Notes. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of China Merchants Securities (HK), BofA Merrill Lynch and Guotai Junan International is an independent third party and not a connected person of the Company.

The Additional Notes and the Subsidiary Guarantees have not been and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States and may only be offered, sold or delivered outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Accordingly, the Additional Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S. None of the Additional Notes will be offered to the public in Hong Kong and none of the Additional Notes will be placed with any connected persons of the Company.

Principal terms of the Additional Notes

The principal terms of the Additional Notes are the same as the terms of the Original Notes as set forth in the announcement of the Company dated 27 April 2016, other than the following:

Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of CNY1,000,000,000 which will mature on the interest payment date on or nearest to 4 May 2019, unless earlier redeemed pursuant to the terms thereof.

Offering Price

The offering price of the Additional Notes will be 101.625% of the principal amount of the Additional Notes plus accrued interest from (and including) 4 May 2016 to (but excluding) 29 August 2016.

Reasons for the Additional Notes Issue

The Company intends to use the proceeds of the Additional Notes to refinance certain of its existing indebtedness. The Company may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of proceeds.

Listing

The Original Notes are listed on the Official List of the SGX-ST. Approval in-principle has been received for the listing and quotation of the Additional Notes on the Official List of the SGX-ST. Admission to the Official List of the SGX-ST and quotation of the Additional Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Additional Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees (if any). SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Additional Notes has been sought in Hong Kong.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Additional Notes”	the additional 9.5% Senior Notes due 2019 in the principal amount of CNY1,000,000,000 to be issued by the Company on terms and conditions of the Original Notes (to be consolidated and form a single series with the Original Notes)
“Additional Notes Issue”	the issue of the Additional Notes by the Company
“Board”	the board of Directors
“BofA Merrill Lynch”	Merrill Lynch International, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Additional Notes
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement

“China Merchants Securities (HK)”	China Merchants Securities (HK) Co., Ltd, one of the joint lead managers and joint bookrunners in respect of the offer and the sales of the Additional Notes
“Company”	Fantasia Holdings Group Co., Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”, “we”, “our” and “us”	the Company and its subsidiaries
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Additional Notes
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Subsidiary Guarantees”	limited recourse guarantees given by the JV Subsidiary Guarantors on the Additional Notes
“JV Subsidiary Guarantors”	Subsidiary Guarantors that in the future provide JV Subsidiary Guarantees
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Original Notes”	CNY600,000,000 9.5% Senior Notes due 2019 issued by the Company on 4 May 2016
“Purchase Agreement”	the purchase agreement dated 22 August 2016 entered into between and among the Company, the Subsidiary Guarantors and China Merchants Securities (HK), BofA Merrill Lynch and Guotai Junan International in relation to the Additional Notes Issue
“RMB” or “CNY”	Renminbi, the lawful currency of the PRC
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subsidiary Guarantees”	the guarantees provided by the Subsidiary Guarantors in respect of the Additional Notes
“Subsidiary Guarantors”	the subsidiaries of the Company which guarantee the Additional Notes
“United States”	the United States of America
“%”	per cent.

* *in alphabetical order*

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

Hong Kong, 23 August 2016

As at the date of this announcement, the executive Directors are Mr. Pan Jun, Ms. Zeng Jie, Baby, Mr. Lam Kam Tong and Mr. Zhou Jinquan; the non-executive Directors are Mr. Li Dong Sheng and Mr. Yuan Hao Dong and the independent non-executive Directors are Mr. Ho Man, Mr. Huang Ming, Dr. Liao Jianwen, Ms. Wong Pui Sze, Priscilla, JP and Mr. Guo Shaomu.