

ANNOUNCEMENT

Hong Kong – August 18, 2015 – Reference is made to the announcement of Fantasia Holdings Group Co., Limited (the “**Company**”) (Hong Kong Stock Code: 01777) dated August 18, 2015 (the “**Announcement**”) in relation to the receipt of number of consents necessary for certain proposed amendments (the “**Proposals**”) to:

- the indenture, dated as of May 27, 2013 (as supplemented or amended to the date hereof, the “**2016 Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 7.875% Senior Notes Due 2016 (CMU Instrument Number CILHFN13009, Common Code 093560574, ISIN HK0000150760) (the “**2016 Notes**”), pursuant to a consent solicitation statement dated July 27, 2015 (the “**2016 Notes Consent Solicitation Statement**”);
- the indenture, dated as of September 27, 2012 (as supplemented or amended to the date hereof, the “**2017 Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 13.75% Senior Notes Due 2017 (Common Code 083300086, ISIN XS0833000861) (the “**2017 Notes**”), pursuant to a consent solicitation statement dated July 27, 2015 (the “**USD Notes Consent Solicitation Statement**” and, together with the 2016 Notes Consent Solicitation Statement, the “**Consent Solicitation Statements**” and each, a “**Consent Solicitation Statement**”);
- the indenture, dated as of January 23, 2014 (as supplemented or amended to the date hereof, the “**2019 Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 10.625% Senior Notes Due 2019 (Common Code 101760685, ISIN XS1017606853) (the “**2019 Notes**”), pursuant to the USD Notes Consent Solicitation Statement; and
- the indenture, dated as of January 22, 2013 (as supplemented or amended to the date hereof, the “**2020 Indenture**” and, together with the 2016 Indenture, the 2017 Indenture and the 2019 Indenture, the “**Indentures**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 10.75% Senior Notes Due 2020 (Common Code 087618153, ISIN XS0876181537) (the “**2020 Notes**” and, together with the 2016 Notes, the 2017 Notes and the 2019 Notes, the “**Notes**” and each, a “**Series**”), pursuant to the USD Notes Consent Solicitation Statement.

Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Announcement.

The Company is pleased to announce the execution of the supplemental indentures (the “**Supplemental Indentures**”), all dated August 18, 2015 (the “**Effective Time**”), by and among the Company, the Subsidiary Guarantors and, in each case, the relevant trustee, giving effect to the Proposals in compliance with the conditions contained in each of the Indentures. The Supplemental Indentures bring the Indentures into conformity with the terms of the Company’s 11.50% Senior Notes due 2018 issued on June 1, 2015. The Company will send copies the relevant Supplemental Indentures to Holders of any Series of the Notes upon request.

For a detailed statement of the Proposals, Holders of the Notes should refer to the relevant Consent Solicitation Statements and to related documents.

The Company expects to pay the Consent Fee to the Holders of each Series of the Notes as soon as practicable in accordance with the terms set forth in the Consent Solicitation Statements.

Each of the Supplemental Indentures will not become operative until the Company has paid the Consent Fee to the Holders of each Series of the Notes who have validly delivered the consents pursuant to the Consent Solicitation. From and after the Effective Time, each present and future Holder of each Series of the Notes will be bound by the terms of the relevant Indentures as amended by the relevant Supplemental Indentures, whether or not such Holder delivered a consent.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions.

ABOUT THE COMPANY

The Company is a leading property developer and property related service provider in China. The Company first commenced its property development business in Shenzhen in 1996. Leveraging its broad experience and capabilities, the Company has successfully expanded into, and currently focuses its real estate activities in the Chengdu-Chongqing Economic Zone, the Pearl River Delta region, the Yangtze River Delta region and the Beijing-Tianjin metropolitan region, four of the fastest-growing economic regions in China, and has recently expanded into and plans to also focus on Central China.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

FORWARD-LOOKING INFORMATION

Forward-looking statements in this announcement, including those statements relating to the Consent Solicitation, such as the payment of the consent fee, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for any Series of the Notes; changes in the business and financial condition of the Company and its subsidiaries; and changes in the debt markets in general.

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

Hong Kong, August 18, 2015

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.