
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares in Symphony Holdings Limited, you should hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee at once.

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SYMPHONY
SYMPHONY HOLDINGS LIMITED

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

(Warrant Code: 01537)

**PROPOSALS INVOLVING
GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
REFRESHMENT OF SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Symphony Holdings Limited to be held at the Boardroom on the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong on Friday 14th June 2019 at 10:00 a.m. is set out in the notice of Annual General Meeting on pages 18 to 22 of this circular.

Whether or not you are able to attend the meeting, you are advised to read the notice and complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the scheduled time for holding the Annual General Meeting. You will not be precluded from attending and voting in person at the Annual General Meeting if you complete and return the proxy form.

Hong Kong, 26 April 2019

* For identification only

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday 14th June 2019 at 10:00 a.m. or any adjournment thereof
“Board”	the board of directors of the Company or a duly authorised committee thereof
“Bye-laws”	the bye-laws of the Company for the time being in force which was amended and approved by Shareholders on 25th July 2011
“CG Code”	the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules
“Close Associates”	has the meaning ascribed to it under the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda
“Company”	Symphony Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Exchange (Stock Code: 01223 and Warrant Code: 01537)
“Designated Stock Exchange”	the definition of Designated Stock Exchange as defined under the Bye-Laws
“Directors”	the director(s) of the Company for the time being
“Exchange”	The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HKD”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the proposed general and unconditional mandate to be granted to the Directors to allot, issue and deal with Shares not exceeding 20 per cent. of the total issued share capital of the Company in issue as at the date of passing of the relevant resolution at the Annual General Meeting
“Latest Practicable Date”	19 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange
“Memorandum of Association”	the memorandum of association of the Company
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of Annual General Meeting
“Participants”	eligible participants as defined under the Share Option Scheme
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate enabling the Directors to repurchase Shares as defined in the section headed “General Mandate to Issue and Repurchase Shares”

DEFINITIONS

“Scheme Mandate Limit”	the total number of Shares which maybe allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme) to be granted under the Share Option Scheme must not in aggregate exceed ten (10) per. cent of the Company’s issued Shares as at the date of approval of the Share Option Scheme
“SFO”	the Securities and Futures Ordinance of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HKD0.10 each in the share capital of the Company
“Share Option Scheme”	the share option scheme of the Company adopted on 10th June 2011 at the annual general meeting of the Company
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Exchange of their own securities on the Exchange
“Shareholder(s)”	registered holder(s) of Share(s)
“Takeover Code”	the Codes on Takeovers and Mergers and Share Repurchases
“Warrant(s)”	the warrant(s) issued by the Company which carries (carry) the right to subscribe for Share(s) at the subscription price of HKD1.00 per Share, subject to adjustments

LETTER FROM THE BOARD



SYMPHONY
SYMPHONY HOLDINGS LIMITED
新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

(Warrant Code: 01537)

Executive Directors:

Mr. Cheng Tun Nei (*Chairman & Chief Executive Officer*)
Mr. Chan Kar Lee Gary
Mr. Lee Cheung Ming

Independent Non-executive Directors:

Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie
Mr. Chow Yu Chun Alexander

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business

in Hong Kong:
10th Floor,
Island Place Tower
510 King's Road, North Point
Hong Kong

26 April 2019

*To Shareholders and
for information only, the Warrant holders*

Dear Sirs,

**PROPOSALS INVOLVING
GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
REFRESHMENT OF SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to decide whether to vote for or against the following proposed Ordinary Resolutions to be proposed at the Annual General Meeting for the approval of, inter alia:

* *For identification only*

LETTER FROM THE BOARD

- (a) the re-election of retiring Director(s);
- (b) the refreshment of the Scheme Mandate Limit on the grant of options under the Share Option Scheme; and
- (c) the grant of the Share Issue Mandate and Share Repurchase Mandate to Directors to issue new Shares and repurchase Shares.

RE-ELECTION OF RETIRING DIRECTOR(S)

At the Annual General Meeting, Mr. Chan Kar Lee Gary (“Mr. Chan”) and Mr. Wah Wang Kei Jackie (“Mr. Wah”) will retire as Directors by rotation and, being eligible, offer themselves for re-election in accordance with Bye-laws 87 and 88.

Mr. Chan and Mr. Wah’s re-appointment and remuneration packages have been reviewed, considered and recommended by the Nomination Committee and the Remuneration Committee.

Mr. Wah has also provided his confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers the re-election of Mr. Wah as independent non-executive director in the interests of the Company and shareholders as a whole.

Taking into account Mr. Chan’s and Mr. Wah’s management experience, qualifications, knowledge, skills and the businesses of the Group, the Board has resolved that separate resolution will be proposed for re-electing Mr. Chan and Mr. Wah at the Annual General Meeting.

Particulars of Mr. Chan and Mr. Wah are set out in Appendix I to this circular.

LETTER FROM THE BOARD

REFRESHMENT OF SCHEME MANDATE LIMIT OF THE SHARE OPTION SCHEME

The Company adopted the Share Option Scheme pursuant to an ordinary resolution passed by the Shareholders in a general meeting held on 10 June 2011 for the purpose of (a) providing eligible participants with the opportunity to acquire proprietary interests in the Company and (b) to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. At the annual general meeting of the Company held on 8 June 2018, the scheme mandate limit was refreshed and approved by the then Shareholders whereby an aggregate of 295,973,766 shares may be issued upon exercise of options granted under the Share Option Scheme subject to the Scheme Mandate Limit. Under the terms of the Share Option Scheme:

- (1) the maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme must not in aggregate exceed thirty (30) per cent. of the Shares in issue from time to time;
- (2) the total number of Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme) to be granted under the Share Option Scheme and any other share option scheme must not in aggregate exceed ten (10) per cent. of the Company's issued Shares as at the date of approval of the Share Option Scheme ("Scheme Mandate Limit");
- (3) subject to (1) above and without prejudice to (4) below, the Company may seek approval of the Shareholders in general meeting to refresh the Scheme Mandate Limit provided that the total number of Shares which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option scheme must not exceed ten (10) per cent. of the Shares in issue as at the date of the Shareholders' approval of the refreshing of the Scheme Mandate Limit (as at the Latest Practicable Date, ten (10) per cent. of the number of Shares in issue was 297,407,356) and, for the purpose of calculating the Scheme Mandate Limit as refreshed, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other option scheme) previously granted under the Share Option Scheme and any other share option scheme will not be counted;

LETTER FROM THE BOARD

- (4) subject to (1) above and without prejudice to (3) above, the Company may seek separate approval of the Shareholders in general meeting to grant options beyond the Scheme Mandate Limit or, if applicable, the refreshed limit referred to in (3) above to Participants specifically identified by the Company before such approval is sought.

From 8th June 2018, the date of the last annual general meeting of the Company, up until the Latest Practicable Date, no option was granted. Out of the 21,000,000 share options granted during the year ended 31 December 2017, 15,000,000 was exercised, 6,000,000 lapsed, none was cancelled.

As at the Latest Practicable Date, there are no options outstanding and unexercised since the date of adoption of the Share Option Scheme. The Directors have no present intention to grant any further options under the existing Scheme Mandate Limit prior to the Annual General Meeting. The Board wishes to take this opportunity to recommend for the Shareholders' approval at the Annual General Meeting that the existing Scheme Mandate Limit be refreshed so that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme of the Company shall be increased over a larger number of Shares (297,407,356 Shares) than the existing Scheme Mandate Limit (295,973,766 Shares). The Directors are of the view that in order to provide incentives and rewards to the eligible persons for their contribution to, and continuing efforts to promote the interests of, the Group by granting share options to them, the scheme mandate limit under the Share Option Scheme shall be refreshed to provide the Company with greater flexibility. Options previously granted under the Share Option Scheme of the Company (including options outstanding, cancelled or lapsed in accordance with the relevant scheme rules or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

If the Scheme Mandate Limit is refreshed, on the basis of 2,974,073,561 Shares in issue as at the Latest Practicable Date and assuming that no Shares are issued or repurchased prior to the Annual General Meeting, the Board will be able to grant options for subscription of up to 297,407,356 Shares, which do not include options that are outstanding, cancelled, or lapsed as at the Annual General Meeting. As at the Latest Practicable Date, the Company has not adopted any share option scheme other than the Share Option Scheme.

The refreshing of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an Ordinary Resolution to approve the refreshing of the Scheme Mandate Limit by the Shareholders at the Annual General Meeting; and
- (b) the Stock Exchange granting listing of and permission to deal in the Shares (representing ten (10%) per cent. of the issued share capital of the Company as at the date of the Annual General Meeting approving the refreshing of the Scheme Mandate Limit) which may fall to be issued pursuant to the exercise of options under the Share Option Scheme and any other share option scheme(s) of the Company.

LETTER FROM THE BOARD

Application will be made to the Exchange for the approval of the listing of and permission to deal in the Shares (representing a maximum of ten (10) per cent. of the issued share capital of the Company as at the date of the Annual General Meeting approving the refreshing of the Scheme Mandate Limit) which may fall to be issued pursuant to the exercise of options under the Share Option Scheme and any other share option scheme(s) of the Company.

GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on Friday, 8th June 2018, Directors were granted a general mandate to allot and issue Shares and a general mandate to repurchase Shares. These mandates will expire at the forthcoming Annual General Meeting. Directors propose to seek the approval of Shareholders at Annual General Meeting for the grant of:

- (a) the Share Issue Mandate to issue Shares up to a maximum of 20% of the issued share capital of the Company (being 594,814,712 Shares assuming the number of issued Shares as at the Latest Practicable Date is 2,974,073,561) as at the date of passing of the relevant resolution;
- (b) the Share Repurchase Mandate to repurchase Shares up to a maximum of 10% of the Shares in issue as at the date of passing of the relevant resolution; and
- (c) the extension of the Share Issue Mandate to issue Shares by the number of Shares purchased under the Share Repurchase Mandate mentioned in (b) above.

Directors believe that it is in the interests of the Company and Shareholders as a whole if the above general mandates are granted at the Annual General Meeting. Such general mandate as referred to in (a) to (c) provides Directors with flexibility to issue Shares especially in the context of a fundraising exercise or a transaction involving an acquisition by the Company where Shares are to be issued as consideration and which has to be completed speedily.

The explanatory statement to provide you with all the information necessary to enable you to make an informed decision on whether to vote for or against the resolutions concerning Share Repurchase Mandate as required by the Listing Rules is set out in Appendix II to this circular.

VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the Annual General Meeting will exercise his/her right under Bye-law 66 to demand a poll on all resolutions to be proposed at Annual General Meeting.

LETTER FROM THE BOARD

ACTION TO BE TAKEN

A form of proxy for Annual General Meeting is enclosed herewith. Whether or not you intend to attend Annual General Meeting, you are requested to complete the proxy form and return it to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time scheduled for holding the Annual General Meeting or any adjournment thereof.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held at the Boardroom on the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong on Friday, 14th June 2019 at 10:00 a.m. Notice of Annual General Meeting is set out on pages 18 to 22 of this circular.

As a token of appreciation to the shareholders or proxy of the shareholders for attending the Annual General Meeting in person, we shall distribute snack packs to the shareholders or proxy of the shareholders. However, irrespective of how many shares that the shareholder holds or how many shareholders that the proxy of the shareholder represents, we shall distribute only one set of snacks to each shareholder or each proxy of the shareholder who has attended this Annual General Meeting in person.

Snacks are available on a first-come-first-served basis while stock last.

BAD WEATHER ARRANGEMENT

In the event if Typhoon Signal No. 8 (or above) or a Black Rainstorm Warning Signal is hoisted:

- a) but lowered at or before 9:00 AM, the AGM will be held at 10:00 AM on the same day at the same venue; or
- b) but lowered at or before 2:00 PM, the AGM will be adjourned to 5:00 PM on the same day at the same venue; or
- c) but lowered after 2:00 PM, the AGM will be adjourned to 10:00 AM on Friday, 21st June 2019 at the same venue.

LETTER FROM THE BOARD

If the AGM is so adjourned, all resolutions set out in the Circular and the Notice to be proposed at the AGM will remain unchanged, and all such resolutions will be proposed at the adjourned AGM.

RESPONSIBILITY STATEMENT

This circular contains particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquires, and to the best of their knowledge and belief, there is no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors believe that the refreshment of the Scheme Mandate Limit, the extension of the Share Issue Mandate, the grant of the general mandates to issue and repurchase Shares, the re-election of Directors are in the interests of the Company and the Shareholders as a whole. The Directors recommend that the Shareholders vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
Symphony Holdings Limited
Cheng Tun Nei
Chairman

APPENDIX I PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

MR. CHAN KAR LEE GARY

Mr. Chan Kar Lee Gary, aged 63, was appointed executive director on 2 January 2014 and Chief Operating Officer on 1 November 2014. He was re-elected on 9 June 2017.

He possesses over 30 years of professional experience in marketing, sales, distribution and management in fast moving consumer goods with multi-national corporations such as LVMH, British American Tobacco and Imperial Tobacco Group.

Mr. Chan holds an EMBA degree awarded jointly by the HKUST Business School and the Kellogg School of Management of Northwestern University. He has also attended management courses at Stanford Law School, Harvard Business School, The Wharton School.

Mr. Chan entered into a service contract in respect of his appointment as an executive Director and Chief Operating Officer of the Company for a term of two years commencing from 1 January 2019. His appointment with the Company is also subject to the relevant provisions for retirement and re-election pursuant to bye-law 87 of the Bye-Laws. Pursuant to Mr. Chan's service contract, he will receive emoluments of HKD2,145,000 serving as an executive Director and Chief Operating Officer of the Company. His appointment and remuneration have been reviewed by the Nomination and Remuneration Committee and approved by the Board taking into account his duties and responsibilities, the prevailing market conditions and the performance of the Company. Given Mr. Chan's wide exposure and working experience in fast moving consumer goods over the past 30 years, he will bring valuable contribution towards the Group's diversified business. Save for serving as a director of the Company, he has not held directorship in other public companies in the last three years.

As at the Latest Practicable Date, Mr. Chan is beneficially interested in 9,000,000 Shares. Save as disclosed above, Mr. Chan is not related to any Director, senior management, substantial or controlling Shareholder of the Company, nor does he have any interest in the Share which is required to be disclosed under Part XV of SFO. There is no other matter that needs to be brought to the attention of Shareholders.

There is no other information relating to Mr. Chan that is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

MR. WAH WANG KEI JACKIE

Mr. Wah Wang Kei Jackie, aged 52, was appointed independent non-executive director of the Company on 27 November 2013 and re-elected on 10th June 2016.

He graduated from The University of Hong Kong in 1990 and was qualified as a solicitor in 1992. Up until 1997, Mr. Wah was a partner of a Hong Kong law firm. He is currently an executive director of CST Group Limited (HKSE: 985), the shares of whose are listed on the main board of the HKSE. Mr. Wah is also the Chairman of the Remuneration Committee and a member of both the Audit Committee and the Nomination Committee of the Company.

While other board members are seasoned businessmen or experienced financial professional, Mr. Wah was identified and recruited due to his professional experience as a legal practitioner. His experience working at directorial level in other listed companies will also complement current board membership portfolio. Throughout his previous tenure of office as a director of the Company, Mr. Wah has always been able to dedicate his time and effort in a way to enable him to fulfill his duty as a director of the Company. He used to serve as the executive director of G-Resources Group Limited (HKSE:1051) until he retired upon the conclusion of the annual general meeting of the company on 15 June, 2018.

There is neither service contract nor proposed length of service between Mr. Wah and the Company. His appointment with the Company is subject to the relevant provisions for retirement and re-election pursuant to bye-law 87 of the Bye-Laws. Mr. Wah will receive a total of HKD170,000 serving as an independent non-executive Director of the Company. His appointment and remuneration have been reviewed by the Nomination and Remuneration Committee and approved by the Board taking into account his duties and responsibilities, the prevailing market conditions and the performance of the Company.

As at the Latest Practicable Date, Mr. Wah is not interested in any Shares or share options of the Company. Save as disclosed above, Mr. Wah is not related to any Director, senior management, substantial or controlling Shareholder of the Company, nor does he have any interest in the Share which is required to be disclosed under Part XV of SFO. There is no other matter that needs to be brought to the attention of Shareholders.

There is no other information relating to Mr. Wah that is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

This explanatory statement contains information required under the Listing Rules to accompany the notice of Annual General Meeting at which a resolution is to be proposed in relation to the repurchase by the Company of its own Shares. Its purpose is to provide Shareholders with all information reasonably necessary for you to make an informed decision on whether to vote for or against the ordinary resolutions to approve the Share Repurchase Mandate at Annual General Meeting.

SHARE REPURCHASE RULES

The Listing Rules contain provisions to regulate the repurchase by companies with primary listings on the Exchange of their own securities.

Under the Share Repurchase Rules, any Share repurchases by a company with a primary listing on the Exchange has to comply with the following provisions:

(a) Shareholders' Approval

All on-market share repurchases by a company must obtain a specific approval or a general mandate in advance by way of ordinary resolution by shareholders. The shares proposed to be repurchased are fully paid up.

(b) Source of Funds

Repurchases must be made out of funds which are legally available for such purpose in accordance with Memorandum of Association, Bye-Laws and all applicable laws of Bermuda.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares of the Company was 2,974,073,561.

REASONS FOR SHARE REPURCHASE

Although Directors have no present intention to repurchase any Shares, they believe that it is in the best interests of the Company and the Shareholders for Directors to seek a general authority from Shareholders to enable the Company to repurchase Shares in the market. At any time in future when Shares are trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to Shareholders who retain investments in the Company. Shareholders' percentage interests in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company, thereby resulting in an increase in net assets and/or earnings per Share. Such repurchases will only be made when Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

Subject to the approval of the ordinary resolutions for the Share Repurchase Mandate, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 297,407,356 (at the practicable date) Shares on the basis that no further Share will be issued or repurchased prior to the date of Annual General Meeting.

FUNDING OF REPURCHASES

Directors propose that repurchases of Shares under the Share Repurchase Mandate would be financed from internal resources of the Company. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with Memorandum of Association, Bye-Laws and all applicable laws of Bermuda.

The Company is empowered by its Memorandum of Association and Bye-Laws to repurchase its Shares. The Bermuda laws provide that the consideration paid in connection with a share repurchase may only be paid out of the capital paid-up on the relevant shares, or the funds of the company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

Furthermore, the Companies Act provides that a company may not repurchase its own shares if on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

No material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31st December 2018) is anticipated in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. Directors do not propose to exercise the power granted pursuant to the Share Repurchase Mandate to such an extent that would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of Directors are from time to time appropriate for the Company. The number of Shares to be repurchased on any occasions and the price and other terms upon which Shares are repurchased will be decided by Directors at the relevant time having regard to the circumstances then pertaining.

SHARE PRICES

During each of the previous 12 months preceding the Latest Practicable Date, the highest and lowest traded price for Shares on the Exchange were as follows:

	Shares	
	Highest price <i>HKD</i>	Lowest price <i>HKD</i>
2018		
April	1.1	1.02
May	1.12	1.04
June	1.14	1.1
July	1.18	1.11
August	1.11	1.05
September	1.08	1.02
October	1.06	1.01
November	1.03	1
December	1.03	0.98
2019		
January	1.06	1.01
February	1.04	1.02
March	1.05	1
April (up to and including the Latest Practicable Date)	1	0.99

No repurchase of Shares has been made by the Company during the last 12 months immediately preceding the Latest Practicable Date (whether on the Exchange or otherwise).

DIRECTORS' UNDERTAKING

Directors have undertaken to the Exchange to exercise the powers of the Company to make purchase under the Share Repurchase Mandate in accordance with the Listing Rules, Memorandum of Association, Bye-Laws and all applicable laws of Bermuda.

EFFECT OF THE TAKEOVERS CODE

If on exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, the proportionate interest of a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rules 26 and 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Goldsilk Capital Limited, the largest substantial Shareholder, held approximately 35.97% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Share Repurchase Mandate (if granted) and none of the warrants is exercised, then (if such shareholding otherwise remained the same) the total interest of Goldsilk Capital Limited in the issued Shares would be increased to approximately 39.96% of the total issued share capital of the Company (on the basis that no Share is issued or repurchased by the Company prior to the Annual General Meeting). In the opinion of the Directors, such increase may give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Share Repurchase Mandate to such an extent as would result in takeover obligations.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CONNECTED PERSONS

None of the Directors or, to the best of their knowledge and having made all reasonable enquiries, or any of their close associates presently intends to sell any Shares in the Company/to the Company and/or its subsidiaries in the event that the Share Repurchase Mandate is approved by Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Share Repurchase Mandate is approved by Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



SYMPHONY
SYMPHONY HOLDINGS LIMITED
新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

(Warrant Code: 01537)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Symphony Holdings Limited will be held at the Boardroom on the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong on Friday, 14th June 2019 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements of the Company and the reports of Directors and the auditors for the year ended 31st December 2018.
2. To declare a final dividend of HKD0.012 per ordinary share of the Company for the year ended 31st December 2018.
3.
 - (a) To accept the retirement of Mr. Chan Kar Lee Gary as Director pursuant to bye-law 87 of the Bye-Laws and to re-elect Mr. Chan as Director;
 - (b) To accept the retirement of Mr. Wah Wang Kei Jackie as Director pursuant to bye-law 87 of the Bye-Laws and to re-elect Mr. Wah as Director;
 - (c) To authorise the Board to fix the remuneration of Directors.

* For identification only

NOTICE OF ANNUAL GENERAL MEETING

4. To re-appoint auditors and to authorise the Board to fix their remuneration.

To consider as special businesses and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

5. **“THAT**

- (a) subject to sub-paragraph (b) of this resolution, the exercise by Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares issued by the Company and to make offers, agreements and options (including warrants) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and the requirements of the Listing Rules and Bye-Laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares to be repurchased pursuant to the approval in sub-paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution,

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of Shareholders in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by Bye-Laws or any applicable laws to be held.”;

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6. “**THAT**

- (a) subject to sub-paragraph (c) of this resolution, the exercise by Directors during the Relevant Period (as hereinafter defined) of all the power of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and options (including warrants) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this resolution shall authorise Directors during the Relevant Period to make or grant offers, agreements and options (including warrants) which would or might require the exercise of the powers to allot, issue and deal with additional Shares in the capital of the Company under sub-paragraph (a) of this resolution after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by Directors pursuant to the approval in sub-paragraph (a) of this resolution, otherwise than pursuant to a Rights Issue (as hereinafter defined) or upon the exercise of rights of subscription or conversion under any outstanding warrants to subscribe for Shares or any securities which are convertible into Shares or the share option scheme of the Company or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares, or any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with Bye-Laws, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution,

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of Shareholders in general meeting; and

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- (iii) the expiration of the period within which the next annual general meeting of the Company is required by Bye-Laws or any applicable laws to be held; and

“**Rights Issue**” means an offer of Shares open for a period fixed by Directors to Shareholders on the register on a fixed record date in proportion to their holdings of such Shares (subject to such exclusion or other arrangements as Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company). “; and

7. “**THAT** conditional upon the passing of the ordinary resolutions numbers 5 and 6 set out in the notice convening this meeting being passed, the general mandate granted to Directors to allot, issue and deal with additional Shares pursuant to ordinary resolution number 6 above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company under the authority granted pursuant to ordinary resolution number 5 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution.”
8. “**THAT** the existing scheme mandate limit under the share option scheme of the Company adopted by a resolution of the Shareholders dated 10th June 2011 (the “**Share Option Scheme**”) be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued pursuant to the grant or exercise of the options under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution (the “**Refreshed Limit**”) and that the Directors be and are authorized subject to compliance with the Listing Rules, to grant options under the Share Option Scheme up to the Refreshed Limit and to exercise all powers of the Company to allot, issue and deal with Shares of the Company pursuant to the exercise of such options.”

By order of the Board
Anna Chow
Company Secretary

Hong Kong, 26 April 2019

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Notes:

- (a) A member, who is the holder of 2 or more Shares, entitled to attend and vote at Annual General Meeting is entitled to appoint more than one proxy to attend and vote on his/her behalf. A proxy needs not be a member of the Company but must be present in person at the meeting to represent the member. If more than one proxy is appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is appointed.
- (b) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same, and must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong ("Share Registrar"), not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
- (c) Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at Annual General Meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (d) The register of members will be closed for the purpose of determining the entitlements to the voting rights at Annual General Meeting from Tuesday, 11 June 2019 to Friday, 14 June 2019 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the voting rights at Annual General Meeting, all transfers of Shares accompanied by the relevant Share certificates must be lodged with the Share Registrar for registration no later than 4:30 p.m. on Monday, 10 June 2019. Warrant holder(s) who want(s) to be entitled to attend and vote at the 2018 Annual General Meeting should exercise their outstanding Warrants no later than 4:30 p.m. by Wednesday, 5 June 2019.
- (e) The proposed final dividend is expected to be distributed on Monday, 15 July 2019 to Shareholders whose names appear on the register of members of the Company as at the close of business on Monday, 24 June 2019. The register of members of the Company will be closed from Thursday, 20 June 2019 to Monday, 24 June 2019 (both days inclusive) during which no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Share Registrar for registration no later than 4:30 p.m. on Wednesday, 19 June 2019. Warrant holder(s) should exercise their outstanding Warrants no later than 4:30 p.m. on Monday, 17 June 2019 to ensure their entitlement to the proposed final dividend.
- (f) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.