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**SYMPHONY
SYMPHONY HOLDINGS LTD.**

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

PROPOSED BONUS WARRANT ISSUE

On 18 March 2016, the Board resolved to propose the Bonus Warrant Issue to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) existing issued Shares held on the Record Date.

Each Warrant will carry subscription right in the amount of HK\$1.00 which will entitle the holder thereof to subscribe in cash for the Warrant Share(s). The initial subscription price is HK\$1.00 per Warrant Share, subject to customary anti-dilutive adjustment provisions in the instrument constituting the Warrants. The Warrants will be exercisable at any time during the period of three years commencing from the date of the first issue of the Warrants up to the date immediately preceding the third anniversary of the date of first issue of the Warrants, which is expected to be from Wednesday, 6 July 2016 to Friday, 5 July 2019 (both days inclusive).

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the Warrant Shares.

* *For identification only*

The Bonus Warrant Issue is conditional upon, among other things, (i) the passing of relevant ordinary resolution(s) at the SGM to approve the Bonus Warrant Issue, including the grant of the Specific Mandate to issue the Warrants and the Warrant Shares; and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the Warrant Shares.

GENERAL

The SGM will be convened and held for the purpose of considering and, if thought fit, approving the Bonus Warrant Issue, including the grant of the Specific Mandate to issue the Warrants and the Warrant Shares.

A circular containing, among other things, further details of the Bonus Warrant Issue and a notice of the SGM will be despatched to the Shareholders on or before 29 April 2016.

Completion of the Bonus Warrant Issue is subject to the satisfaction of the conditions as mentioned above. As the Bonus Warrant Issue may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

THE PROPOSED BONUS WARRANT ISSUE

As disclosed in the annual results announcement of the Company dated 18 March 2016, the Board resolved to propose the Bonus Warrant Issue. Set out below are the key terms of the Bonus Warrant Issue.

Basis of the Bonus Warrant Issue

The Warrants are proposed to be issued to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) existing issued Shares held on the Record Date.

Subscription right

The Warrants will be issued in registered form and each Warrant will carry subscription right in the amount of HK\$1.00 which will entitle the holder thereof to subscribe in cash for the Warrant Share(s). The initial subscription price is HK\$1.00 per Warrant Share, subject to customary anti-dilutive adjustment provisions in the instrument constituting the Warrants. The Warrants will be exercisable at any time during the period of three years commencing from the date of the first issue of the Warrants up to the date immediately preceding the third anniversary of the date of first issue of the Warrants, which is expected to be from Wednesday, 6 July 2016 to Friday, 5 July 2019 (both days inclusive).

The initial subscription price of HK\$1.00 represents:

- (i) a premium of approximately 17.65% over the closing price of HK\$0.85 per Share as quoted on the Stock Exchange as at the date of this announcement;
- (ii) a premium of approximately 17.65% over the closing price of HK\$0.85 per Share as quoted on the Stock Exchange as at 18 March 2016, being the date of the Board meeting at which the Bonus Warrant Issue was approved;
- (iii) a premium of approximately 18.20% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last five consecutive trading days up to and including 18 March 2016 of HK\$0.846 per Share; and

- (iv) a premium of approximately 20.05% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 18 March 2016 of HK\$0.833 per Share.

The initial subscription price of HK\$1.00 was determined by the Board after taking into account the prevailing market prices of the Shares and the business prospects of the Group.

Exercise of the Warrants

Based on 2,698,213,580 Shares in issue as at the date of this announcement and assuming no further Shares will be issued and/or repurchased by the Company from the date of this announcement up to the Record Date, 539,642,716 Warrants carrying aggregate subscription rights of HK\$539,642,716 would be issued pursuant to the Bonus Warrant Issue. Each Warrant will carry subscription right in the amount of HK\$1.00 which will entitle the holder thereof to subscribe in cash for the Warrant Share(s). On the basis of the initial subscription price of HK\$1.00, on full exercise of the Warrants, 539,642,716 Warrant Shares would be allotted and issued, representing (i) 20% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Warrant Shares. Based on 539,642,716 Warrants to be allotted and issued and the initial subscription price of HK\$1.00 per Warrant Share, an amount of HK\$539,642,716 will be raised by the Company upon the exercise in full of the subscription rights attached to the Warrants.

The Warrant Shares will be allotted and issued under the Specific Mandate, and will rank pari passu in all respects with the then issued Shares.

Conditions of the Bonus Warrant Issue

The Bonus Warrant Issue is conditional upon, among other things, satisfaction of the following conditions:

- (i) the passing of relevant ordinary resolution(s) at the SGM to approve the Bonus Warrant Issue, including the grant of the Specific Mandate to issue the Warrants and the Warrant Shares; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the Warrant Shares.

Fractional entitlements

Fractional entitlements to the Warrants (if any) will not be issued to the Shareholders but will be aggregated and sold for the benefit of the Company.

Overseas and Non-qualifying Shareholders

In determining whether it would be necessary or expedient to exclude any Overseas Shareholder, the Directors will make enquiry pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange of the relevant place in which such Overseas Shareholder is residing. If the Directors are of the view that, after such enquiry, the exclusion of such Overseas Shareholder is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Warrants will not be granted to such Overseas Shareholder.

The Warrants which would otherwise be allotted and issued to such Non-qualifying Shareholder(s) under the Bonus Warrant Issue will be sold in the market as soon as possible if a premium, net of expenses, can be obtained. Any net proceeds of such sale, after deduction of expenses, will be distributed in Hong Kong dollars to such Non-qualifying Shareholder(s) at his/her/its/their own risk, unless the amount falling to be distributed to such person is less than HK\$100, in which case it will be retained for the benefit of the Company.

Application for listing of the Warrants and the Warrant Shares

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the Warrant Shares.

Certificates for the Warrants and board lot of the Warrants

Subject to the satisfaction of the conditions to the Bonus Warrant Issue, it is expected that the certificates for the Warrants will be posted on Wednesday, 6 July 2016 at the risk of the Qualifying Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Warrants are expected to commence on the Stock Exchange on Thursday, 7 July 2016.

The Warrants are expected to be traded on the Stock Exchange in board lots of 10,000 Warrants.

Closures of register of members

The register of members of the Company will be closed from Thursday, 16 June 2016 to Friday, 17 June 2016 (both days inclusive) in order to determine the entitlements of the Shareholders to the Bonus Warrant Issue.

The last day of dealings in the Shares cum-entitlements to the Bonus Warrant Issue will be on Monday, 13 June 2016. The first day of dealings in the Shares ex-entitlements to the Bonus Warrant Issue will be on Tuesday, 14 June 2016. In order to qualify for the Bonus Warrant Issue, the forms of transfer of Shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, situated at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:30 p.m. on Wednesday, 15 June 2016.

Odd lot arrangement of the Warrants

To alleviate the difficulties in trading odd lots of the Warrants, the Company will appoint a broker as an agent to provide matching services to those Qualifying Shareholders who wish to top up or sell their holdings of odd lots of the Warrants during the period from Thursday, 7 July 2016 to Thursday, 28 July 2016 (both dates inclusive). Shareholders should note that the matching service will be on a "best efforts" basis only. The successful matching of the sale and purchase of odd lots of the Warrants is not guaranteed and will depend on there being adequate amounts of odd lots of the Warrants available for such matching. Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility. Further details with respect to the odd lot arrangement of the Warrants will be disclosed in the circular of the Company which will contain further details of the Bonus Warrant Issue and a notice of the SGM.

REASONS FOR THE BONUS WARRANT ISSUE

The Company is a holding company. The principal business activities carried on by the Group are retailing and sourcing, outlet malls, duty free sales, branding, property investment and holding, and provision of financial services, including securities brokerage, margin financing, underwriting and placing, consulting and money lending. The Directors believe that the Bonus Warrant Issue will provide the Shareholders with an opportunity to participate in the growth of the Company. The Bonus Warrant Issue will also strengthen the equity base of the Company and increase the Company's working capital if and when the subscription rights attaching to the Warrants are exercised.

The Company intends to use the subscription monies received on exercise of the Warrants for general working capital and business development of the Group.

FUND RAISING ACTIVITY OF THE GROUP IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activity in the past twelve months before the date of this announcement.

EXPECTED TIMETABLE

The expected timetable for the Bonus Warrant Issue set out below is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Bonus Warrant Issue will be fulfilled. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

2016

Despatch of circular and notice of the SGM On or before
Friday, 29 April

Latest time for lodging forms of transfer of Shares
in order to qualify for attendance and voting at the SGM 4:30 p.m. on
Tuesday, 7 June

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| Latest time for lodging proxy forms for the SGM..... | 10:15 a.m. on Wednesday, 8 June |
| Closure of register of members of the Company to determine the qualification of the Shareholders in attending and voting at the SGM (both days inclusive) | From Wednesday, 8 June to Friday, 10 June |
| SGM..... | 10:15 a.m. on Friday, 10 June or so soon thereafter as the annual general meeting of the Company convened for the same date and place shall have concluded or been adjourned |
| Announcement of results of the SGM..... | Friday, 10 June |
| Last day of dealings in the Shares cum-entitlements to the Bonus Warrant Issue | Monday, 13 June |
| First day of dealings in the Shares ex-entitlements to the Bonus Warrant Issue..... | Tuesday, 14 June |
| Latest time for lodging forms of transfer of Shares in order to qualify for the Bonus Warrant Issue..... | 4:30 p.m. on Wednesday 15 June |
| Closure of register of members of the Company to determine the entitlements of the Shareholders to the Bonus Warrant Issue (both days inclusive) | From Thursday, 16 June to Friday, 17 June |
| Record Date for ascertaining the entitlements of the Shareholders to the Bonus Warrant Issue..... | Friday, 17 June |
| Despatch of certificates for the Warrants | Wednesday, 6 July |
| Commencement of dealings in the Warrants | 9:00 a.m. on Thursday, 7 July |

Designated broker starts to stand in the market
to provide matching service for odd lots of the Warrants. 9:00 a.m. on
Thursday, 7 July

Designated broker ceases to stand in the market
to provide matching service for odd lots of the Warrants. 4:00 p.m. on
Thursday, 28 July

GENERAL

The SGM will be convened and held for the purpose of considering and, if thought fit, approving the Bonus Warrant Issue, including the grant of the Specific Mandate to issue the Warrants and the Warrant Shares.

A circular containing, among other things, further details of the Bonus Warrant Issue and a notice of the SGM will be despatched to the Shareholders on or before 29 April 2016.

Completion of the Bonus Warrant Issue is subject to the satisfaction of the conditions as mentioned above. As the Bonus Warrant Issue may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions shall have the following meanings when used herein:

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| “Board” | the board of Directors |
| “Bonus Warrant Issue” | the proposed bonus issue of Warrants by the Company to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) existing issued Shares held on the Record Date |

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|---------------------------------|---|
| “Company” | Symphony Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1223) |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Non-qualifying Shareholder(s)” | Overseas Shareholder(s) whom the Directors are of the view that it would be necessary or expedient to exclude from the Bonus Warrant Issue under the laws of the places of his/her/its/their registered address(es) or the requirements of the relevant regulatory body or stock exchange in that place |
| “Overseas Shareholder(s)” | the Shareholder(s) whose registered address(es) as shown on the register of members of the Company on the Record Date is/are outside Hong Kong |
| “Qualifying Shareholder(s)” | the Shareholder(s) whose names appear on the register of members of the Company on the Record Date, other than the Non-qualifying Shareholder(s) |
| “Record Date” | Friday, 17 June 2016, being the expected record date for ascertaining the entitlements of the Shareholders to the Bonus Warrant Issue |

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| “SGM” | the special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the Bonus Warrant Issue, including the grant of the Specific Mandate to issue the Warrants and the Warrant Shares |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Specific Mandate” | a specific mandate to be sought at the SGM for the issue of the Warrants and the Warrant Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Warrant(s)” | the warrant(s) proposed to be issued by the Company which will carry the right to subscribe for the Warrant Share(s) at an initial subscription price of HK\$1.00 per Warrant Share, subject to adjustments |
| “Warrant Share(s)” | new Share(s) which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Warrant(s) |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent |

By order of the Board
Symphony Holdings Limited
Chow So Ying Anna
Company Secretary

Hong Kong, 24 March 2016

As at the date of this announcement, the Directors are:

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

Non-executive Director: Mr. Hong Kim Cheong

Independent non-executive Directors: Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie
Mr. Chow Yu Chun Alexander