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SYMPHONY HOLDINGS LIMITED

(新豐集團有限公司) *

(Incorporated in Bermuda with limited liability)

(Stock code: 01223)

DISCLOSEABLE TRANSACTION DISPOSAL OF A SUBSIDIARY AND ACQUISITION OF 4,000,000 SHARES IN BEL GLOBAL RESOURCES HOLDINGS LIMITED

On 27 June 2008, the Vendor, a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with the Purchaser pursuant to which the Vendor agreed to sell the Sale Share and assign the Debt, and the Purchaser agreed to purchase the Sale Share and accept the assignment of the Debt at an aggregate consideration of HK\$110,000,000.00.

A deposit represented by the payment of the sum of HK\$5,000,000.00 in cash and the acquisition of 4,000,000 ordinary shares of par value of HK\$0.10 each in Bel Global from the Purchaser at a price of HK\$1.25 per share, representing 0.23% of the entire issued share capital of Bel Global, was made by the Purchaser to the Seller upon the signing of the Agreement. The balance of the aggregate consideration in the sum of HK\$100,000,000.00 will be settled in cash upon Completion and thereafter, Bright Boom will cease to be a subsidiary of the Company.

Since the aggregate consideration for the Disposal is HK\$110,000,000.00 and the applicable percentage ratios exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. Although each of the relevant percentage ratios of the transaction for the Acquisition is less than 5% for the purpose of Chapter 14 of the Listing Rules, since the transaction involves both an acquisition and a disposal and the transaction is classified by reference to the larger of the acquisition or disposal in accordance with Rule 14.24 of the Listing Rules, the Acquisition also constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. A circular containing further details in respect of the Disposal and the Acquisition will be despatched to the Shareholders as soon as practicable in compliance with the Listing Rules.

THE SALE AND PURCHASE AGREEMENT

On 27 June 2008, the Vendor, a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with the Purchaser pursuant to which the Vendor agreed to sell the Sale Share and assign the Debt, and the Purchaser agreed to purchase the Sale Share and accept the assignment of the Debt at an aggregate consideration of HK\$110,000,000.00. The principal terms of the Sale and Purchase Agreement are set out below:

Date

27 June 2008

Parties

Vendor : Cosmo

Purchaser : Mr. Sy. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, the Purchaser is a third party independent of the Company, its Directors, chief executive and substantial Shareholders or their respective associate as defined in the Listing Rules.

Subject Matter of the Sale and Purchase Agreement

The Sale Share represents the entire issued share capital of Bright Boom, a wholly-owned subsidiary of the Company. Bright Boom is engaged in the business of investment holding.

Bright Boom is the beneficial owner of 10,000 shares in the capital of Keenson representing its 100% of the issued share capital. Keenson owns the Property.

The Sale Share will be sold free from any encumbrance as of Completion. The Debt will be assigned by the Vendor to the Purchaser free from any encumbrance as of Completion.

Consideration

The aggregate consideration for the sale and purchase of the Sale Share and the assignment of the Debt consists of the sum of HK\$105,000,000.00 in cash and the acquisition of 4,000,000 Bel Global Shares at a price of HK\$1.25 per share, representing 0.23% of the entire issued share capital of Bel Global.

The aggregate consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser, having regard to (i) the carrying value of Bright Boom and Keenson in the consolidated financial statements of the Company as at 30 April 2008 subject to further adjustment at Completion; (ii) the actual amount of the Debt, being HK\$96,887,623.00, owed by Bright Boom to the Vendor; (iii) the market value of the Property, being approximately HK\$108,000,000.00, confirmed by an Independent Third Party surveyor by reference to the prevailing market value of comparable properties in the same vicinity and (iv) the market value of the Bel Global Shares being HK\$1.25 per Bel Global Share as at 26 June 2008.

Further adjustments including one by reference to the rental to be received in respect of the Property from the date of the Agreement to Completion (which belongs to the Company) and the deposit in respect of the tenancy for the Property (to be transferred from the Company to the Purchaser upon Completion) will be made at Completion. Such adjustment will not affect the consideration.

The Property was acquired by a wholly-owned subsidiary of the Company on 30 October 2007. Particulars of the Property were the subject of the announcement of the Company dated 30 October 2007 and the circular dated 16 November 2007. The acquisition price of the Property (taking into account of transaction costs) and the Sale Share at the time was in aggregate HK\$95,963,435.00. As the consideration for the Sale Share and the assignment of the Debt is in aggregate HK\$110,000,000.00 (being HK\$13,112,376.99 and HK\$96,887,623.00 for the Sale Share and the assignment of Debt respectively), the Disposal and the Acquisition together represents a gain of HK\$14,036,565.00 to the Company. It is intended that the proceeds derived from the Disposal and the Acquisition will be used by the Company as working capital.

The consideration for the assignment of the Debt represents the actual amount of the Debt owed by Bright Boom to the Company.

A deposit represented by the payment of the sum of HK\$5,000,000.00 in cash and the transfer of 4,000,000 Bel Global Shares was made by the Purchaser to the Seller upon signing of the Agreement. The balance of the aggregate consideration in the sum of HK\$100,000,000.00 will be settled in cash upon Completion.

The Agreement is unconditional.

Completion

Completion will take place on 29 October 2008 (or such other date as may be agreed by the parties in writing).

On Completion, the remaining balance of the consideration in the total sum of HK\$100,000,000.00 will be paid by the Purchaser to the Vendor in cash.

Upon Completion, the Group will cease to hold any equity interest in Bright Boom, which in turn will cease to be a subsidiary of the Company accordingly.

INFORMATION OF THE GROUP

The Company is an investment holding company. The principal activities of the Group are the manufacturing and trading of footwear, property investment and investment holding in Hong Kong and the People's Republic of China.

INFORMATION OF BRIGHT BOOM AND KEENSON

Bright Boom is a company incorporated in the British Virgin Islands on 17 January 2008 with limited liability. It is a wholly-owned subsidiary of the Company, and is the beneficial owner of the entire issued share capital of Keenson. During the period ended 30 April 2008, Bright Boom had no net profits or loss and its net asset value as at 30 April 2008 was HK\$10,000.00.

Keenson is a company incorporated in Hong Kong with limited liability and it is the legal and beneficial owner of the Property. The following are the audited results of Keenson for the years ended 31 December 2007 and 2006 and its net liabilities as at 31 December 2007 and 2006:

	Year ended 31 December 2007 HK\$	Year ended 31 December 2006 HK\$
Net loss for the year <i>(before and after tax and extraordinary items)</i>	10,497	8,702
	At 31 December 2007 HK\$	At 31 December 2006 HK\$
Net liabilities	1,415,751	1,405,254

The principal business activities of Bright Boom and Keenson are investments holding.

INFORMATION OF BEL GLOBAL

Bel Global is a company incorporated in Bermuda which shares are listed on the Exchange (Stock Code: 00761). The following are the audited results of Bel Global for the years ended 31 December 2007 and 2006 and its net asset value as at 31 December 2007 and 2006:

	Year ended 31 December 2007 HK\$	Year ended 31 December 2006 HK\$
Net profit for the year <i>(before tax and extraordinary items)</i>	4,952,000	18,854,000
Net profit for the year <i>(after tax and extraordinary items)</i>	4,714,000	18,083,000
	At 31 December 2007 HK\$	At 31 December 2006 HK\$
Net asset value	122,765,000	125,705,000

The principal business activities of Bel Global are design, manufacture and sale of leather garments, fur coats, microfiber coats; trading of tanned leather and fur pelts.

REASONS AND BENEFIT FOR THE DISPOSAL AND THE ACQUISITION

The Property was originally acquired by Keenson for use by the Company. At the time of such acquisition, the Company had anticipated that further office and showroom space was required to accommodate its expansion needs in its brand building operations.

Amidst the strong headwind of the US recession which may have repercussions on orders, the Company decided that expansion should be incremental to take into account the turn in economic conditions. An offer was made by the Purchaser to the Company for the purchase of the Sale Share and the assignment of the Debt at a consideration which will allow the Company to crystallize a gain and redeploy its capital.

The payment arrangement (by cash and the Acquisition) was a result of commercial negotiation. Since the Directors consider that the transfer price of HK\$1.25 per Bel Global Share is a fair value and the current intention of the Company is to hold the Bel Global Shares for only a short term, the Directors considered that this payment arrangement is acceptable. The Directors consider that the terms of the Sale and Purchase Agreement, the assignment of Debt and the Acquisition are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole, and the Disposal and the Acquisition are entered into by the Company in the ordinary and usual course of its business.

GENERAL

Based on the calculation reckoned on the 100% of the aggregate assets of Bright Boom, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. As one of the terms of the Disposal, the Company agreed to accept Bel Global Shares as part of the consideration for the Disposal. Although each of the relevant percentage ratios of the transaction for the Acquisition is less than 5% for the purpose of Chapter 14 of the Listing Rules, since the transaction involves both an acquisition and a disposal and the transaction is classified by reference to the larger of the acquisition or disposal in accordance with Rule 14.24 of the Listing Rules, the Acquisition also constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

A circular containing, among other things, further details of the Disposal and the Acquisition will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

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

"Acquisition"	4,000,000 Bel Global Shares
"Agreement" or "Sale and Purchase Agreement"	a sale and purchase agreement with the Purchaser pursuant to which the Vendor agreed to sell the Sale Share and assign the Debt, and the Purchaser agreed to purchase the Sale Share and accept the assignment of the Debt at an aggregate consideration of HK\$110,000,000.00
"Bel Global"	Bel Global Resources Holdings Limited, a company incorporated in Bermuda which shares are listed on the Exchange (Stock Code: 00761). Bel Global is principally engaged in design, manufacture and sale of leather garments, fur coats, microfibre coats; trading of tanned leather and fur pelts; and is an Independent Third Party
"Bel Global Shares"	ordinary shares of par value HK\$0.10 each in Bel Global
"Mr. Sy" or "Purchaser"	Sy Chin Mong Stephen. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Mr. Sy is an Independent Third Party.
"Board"	board of Directors of the Company
"Bright Boom"	Bright Boom Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
"Company"	Symphony Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Exchange (Stock Code : 01223)
"Cosmo" or "Vendor"	Cosmo Group Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Company
"Completion"	29 October 2008, completion of the sale and purchase of the Sale Share and the assignment of Debt pursuant to the Sale and Purchase Agreement
"Debt"	all the amounts which Bright Boom and Keenson owe to the Vendor immediately prior to Completion to be assigned to the Purchaser upon Completion under the assignment of Debt
"Director(s)"	executive director(s), non-executive director and independent non-executive director(s) of the Company
"Disposal"	the proposed disposal of a subsidiary pursuant to the Sale and Purchase Agreement

“Exchange”	The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Keenson”	Keenson Asia Limited, a company incorporated in Hong Kong with limited liability
“Listing Rules”	Rules Governing the Listing of Securities on the Exchange
“Property”	the property situated at the 8th Floor of Island Place Tower, 510 King’s Road, North Point, Hong Kong
“Sale Share”	the one ordinary share of US\$1.00 in the share capital of Bright Boom, representing 100% of its entire issued capital
“Shareholder(s)”	shareholder(s) of the Company

By Order of the Board
Sze Sun Sun Tony
Director

Hong Kong, 30 June 2008

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

Executive Directors: Mr. Li Kwok Lung Alfred Ronald, Mr. Sze Sun Sun Tony, Mr. Chang Tsung Yuan, Mr. Ku Edward Y., Mr. Chan Lu Min, Dr. Ho Ting Seng, Mr. Chan Ting Chuen

Non-executive Directors: Mr. Li I Nan

Independent Non-executive Directors: Mr. Cheng Kar Shing, Mr. Feng Lei Ming, Mr. Ho Shing Chak

* *For identification purposes only*