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SYMPHONY

SYMPHONY HOLDINGS LIMITED

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1223)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

On 30 October 2007, Yue Hing, a wholly-owned subsidiary of the Company, was notified by its property agent that its offer to acquire the Property from Max Billion at a consideration of HK\$92,000,000.00 had been accepted.

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 to the Listing Rules. A circular containing further information in respect of the Acquisition will be dispatched to the Shareholders as soon as practicable.

THE AGREEMENT

Date

25 October 2007

Parties

- Vendor : Max Billion, an Independent Third Party and is principally engaged in property investment. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Max Billion and its ultimate beneficial owner are Independent Third Parties.
- Purchaser : Yue Hing, a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability.

The Property

The Property is located at 8/F, Island Place Tower, 510 King's Road, North Point, Hong Kong and has a gross area of approximately 20,090 square feet. The Property will be delivered to the Purchaser upon Completion subject to and with the benefit of two existing tenancies at an aggregate monthly rental of HK\$251,125.00 (exclusive of government rates, government rent, management fee and all other outgoings and other utilities charge). The Directors have no information of the net profits attributable to the Property for the two financial years immediately preceding the Acquisition. The two tenancies will expire on 30 November 2008 and 14 May 2009 respectively. The Property is currently used by the tenants as their commercial offices.

Consideration and payment terms

The consideration of HK\$92,000,000.00 for the Property has been determined after arm's length negotiations between the parties by reference to the prevailing market value of similar properties in the commercial market in North Point. The Group currently intends to finance the consideration of the Property wholly through internal source. In accordance to the terms of the Agreement, the consideration for the Property shall be payable to the Vendor in cash in the following manner:

- (a) an initial deposit in the sum of HK\$5,000,000.00 has been paid upon the signing of the Agreement;
- (b) a further deposit of HK\$4,200,000.00 shall be paid on or before 16 November 2007; and
- (c) the remaining balance of HK\$82,800,000.00 shall be paid upon Completion which is expected to be on or before 22 January 2008.

Completion

Pursuant to the Agreement, the parties are required to enter into a formal agreement for the sale and purchase of the Property on or before 16 November 2007. Completion of the sale and purchase of the Property shall take place on or before 22 January 2008.

REASON FOR THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and trading of footwear, property investment and investment holding.

The Group's property investment portfolio aims strategically at premium properties with prospect of appreciation of property value. The Property is located in North Point area which is one of the popular commercial districts in Hong Kong. It is also within close proximity to the Group's current office premises. Upon the expiration of the two existing tenancies, the Company intends to regain possession of the Property. The Acquisition enables the Group to enlarge its office and showroom

space which is anticipated to be required in the near future in congruity with the Group's business expansion needs. The Directors consider that the terms of the Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

As the relevant percentage under the size tests (as defined in the Listing Rules) exceeds 5% but does not exceed 25%, the Agreement constitutes a discloseable transaction for the Company under Chapter 14 to the Listing Rules. A circular containing further information in respect of the Agreement will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

“Acquisition”	the acquisition of the Property contemplated under the Agreement
“Agreement”	the provisional agreement for sale and purchase of the Property dated 25 October 2007 entered into between the Vendor and the Purchaser
“Company”	Symphony Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Exchange
“Completion”	completion of the sale and purchase of the Property pursuant to the Agreement
“Director(s)”	director(s) of the Company
“Exchange”	The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	Rules Governing the Listing of Securities on the Exchange
“Max Billion”	Max Billion Finance Limited, a company incorporated in Hong Kong and an Independent Third Party principally engaged in property investment
“Property”	8/F, Island Place Tower, 510 King's Road, North Point, Hong Kong
“Purchaser”	Yue Hing

“Share(s)”	ordinary share(s) of HK\$0.25 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Vendor”	Max Billion
“Yue Hing”	Yue Hing Holdings Limited, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company

By Order of the Board
Li, Kwok Lung Alfred Ronald
Chairman

Hong Kong, 1 November 2007

As at the date hereof, the Board of the Company comprises 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 and Mr. Chan Ting Chuen as executive directors, Mr. Li I Nan as non-executive director, Mr. Cheng Kar Shing, Mr. Feng Lei Ming and Mr. Ho Shing Chak as independent non-executive directors.

** for identification purposes only.*