SYMPHONY

SYMPHONY HOLDINGS LTD.

新灃集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 01223)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

GROUP FINANCIAL HIGHLIGHTS

- Group revenue decreased by 9.0% to HKD886.6 million for the six months ended 30 June 2009.
- Profit attributable to owners of the Company for the six months ended 30 June 2009 was HKD3.8 million.

CHAIRMAN'S STATEMENT AND OUTLOOK

I am pleased to present our interim results for the six months ended 30 June 2009. We delivered what we set to achieve by returning to profitability and building a strong foundation for future revenue growth.

Financial Results

Symphony Holdings Limited ("**Symphony**" or "**Company**", together with its subsidiaries, "**Group**") successfully returned to profitability in the midst of global recession notwithstanding a decline of 9.0% in revenue for the six months ended 30 June 2009. This was achieved through prudent and effective cost control programs. The Group's revenue was directly impacted by the weakening global retailing market caused by the worldwide financial turbulence. Gross profit was, however, HKD186,682,000, representing an upward shift of 33.0% as compared to the corresponding period in 2008.

Manufacturing

The Group's contract manufacturing business continued to yield positive contribution to the Group's total revenue despite the challenging operating environment. Stringent PRC legal requirements on labour and environment, appreciation of Renminbi, falling US dollar and increase in labour and raw material cost were parts of the causes for rising production costs. To mitigate this impact, the Group has migrated certain of its production lines to Vietnam where cheaper labour and transportation costs are conducive to manufacturing operation. It is foreseen that such migration may incur certain cessation costs and capital expenditure. During the first half of 2009, Symphony has established its second production plant in Tinh Hai Duong, Vietnam adding two production lines to meet its manufacturing needs.

Branding

Symphony's branding portfolio spreads over US and China.

The Group owns equity interests in Pony and Haggar, two heritage brands in US. The brands were adversely affected by the severe financial downturn in the States. Symphony recognizes the brand values and remains supportive of both brands. Through corporate re-organizing measures, Pony focuses on developing global licensing opportunities. Pony will become a much more scalable business, and will form a strong base to drive further revenue growth of the Group. The licensing model of Pony has been working really well in Argentina, South America. Pony has also lined up seasoned licensees in Europe as well as Asia, and will further develop the brand in China, Japan and Indonesia. We are very excited with the new Pony and the opportunities ahead globally. By means of intensive cost control measures and modification of branding strategies, the operations of Haggar was improving and recorded a positive EBITA for the six months ended 30 June 2009.

The Group is also the licensee, distributor or franchisee of Speedo, Berghaus, Helly Hansen and Mango in the People's Republic of China ("**PRC**"). Notwithstanding the fact that the global economic downturn has led to sluggish demand for consumer products, the Chinese domestic consumption market is holding up relatively well and the performance of our branding sector in PRC is improving. We believe that the Group will benefit greatly from our basket of well-known brands as the Chinese market continues to grow and be one of the few bright spots in the world economies. Speedo remained the revenue locomotive for the Group's PRC branding business. With two franchise stores in Beijing and Shanghai, the Mango business is gathering momentum. This June, Symphony became the exclusive licensee and distributor of Helly Hansen in the Chinese mainland for 20 years. Helly Hansen is a prestigious brand in the activewear and nautical market. Its Base Layer collection is a technology leader in the outdoor thermal protection market. Helly Hansen will be officially launched in PRC in 2010. Berghaus has its official launch in PRC at the British Embassy in Beijing this June.

Retailing

Another key part of the Group's strategies in China is the JFT stores. This January, Symphony has partnered Toyota Tsusho Corporation, a member of the renowned Japanese conglomerate, Toyota Motor Corporation, for the formation of JFT. JFT is a Japanese style fashion powerhouse for retailing and marketing of apparels, footwear and accessories originating from Japan, Europe and U.S.A. The first JFT flagship store opened in Hong Kong on 1 August 2009 in Causeway Bay. With the gradual recovery of the Hong Kong economy and the potential offered by the PRC retail market, there are plans to open further stores in other locations in Hong Kong and Shanghai in the coming future.

Outlook

We are continuing to look for investment opportunities in China that leverage on the Group's expertise in brand management and retail fashion.

The global financial and economic environment is expected to gradually stabilize in the second half of 2009, yet there is still a long way from a full recovery. The persistent high unemployment rate and underemployed population undermine consumer expenditure on a worldwide basis. This may result in an unfavourable effect on the Company's manufacturing and retailing sectors. Nevertheless, given the effective cost control schemes, the prudent management team, the Group's solid net cash position, its valuable portfolio of strong brands, being well-positioned in the growing Chinese market, the growth potential of Pony's licensing model, the Company remains cautiously optimistic about its future development and is confident that Symphony will, in the long run, benefit from the restored and growing economy.

OPERATION REVIEW

During the period under review, cost of sale was reduced by 16.1% to HKD699,955,000 as a result of effective cost control over labour and raw materials as well as product diversification. Distribution costs increased by 54.6% to HKD69,955,000 due to additional costs incurred in the retail branding business in PRC. Benefiting from the stabilization of the foreign exchange market during the first six months of 2009, the foreign exchange differences arising on translation of foreign operations was significantly reduced.

For the six months ended 30 June 2009, inventories increased by 15.0% to HKD309,485,000. This was mainly on the account of higher raw materials costs for production of high-end products. During the period under review, the Group has disposed of its held-for-trading investments which included but not limited to certain Hong Kong listed securities. Trade and other receivables slowed down from HKD459,061,000 to HKD320,402,000 due to reduced factory orders and consequently, trade and other payables also fell from HKD395,027,000 to HKD346,194,000.

Manufacturing and Retailing Business Market Information

During the period, sales to North America comprised 54.1% (2008: 52.0%) and orders to Europe comprised 29.4% (2008: 29.0%) of the total sales and the remaining 16.5% (2008: 19.0%) was shared between Asia, Africa, Australia, Latin America and the Middle East.

Production Facilities

The Group has an aggregate number of 35 production lines, of which six are in Panyu, ten are in Zhongshan, four are in Dongguan, six are in Fuzhou, and a further nine are in Vietnam.

Customer Relationship Maintenance and Research and Development

Our extensive experience and working knowledge on the manufacturing process, production materials and procurement allows us to work closely with our customers to achieve quality and efficiency and produce cost-effective products. Our dynamic brands development team provides their expertise and foresighted advice to our customers on the retail and wholesale market in mainland China. The maintenance of close relationship with our customers has built an in-depth understanding of their needs so that we are capable of anticipating and resolving their problems expeditiously and effectively. Our research and development team improves products design to maximize their comfort, endurance and functionality, and where necessary, introduces new technology to enhance their market appeal. Our value-added contributions enable us to maintain our long-term partnership with our customers.

Liquidity and Capital Resources

As at 30 June 2009, the Group had bank balances and cash of HKD331,090,000 (31 December 2008: HKD280,963,000). The Group was offered banking facilities amounting to HKD77,500,000 (31 December 2008: HKD117,500,000), none of which had been utilized, indicating a zero gearing ratio on the basis of total borrowings over shareholders' fund. The banking facilities were secured by corporate guarantees from the Company and its certain subsidiaries. There is currently no charge on the Group's assets.

Human Resources

As at 30 June 2009, the total number of employees of the Group was approximately 20,000. Employee cost (excluding directors' emoluments) amounted to approximately HKD197,947,000 (2008: HKD216,825,000).

In addition to competitive remuneration packages, discretionary bonuses and employee options are awarded to eligible staff of the Group based on their performance and individual merits.

Share Options

On 2 August 2006, the Company granted 166,050,000 share options at an exercise price of HKD1.032 each to the directors of the Company ("**Director(s)**") and the other eligible participants.

During the six months ended 30 June 2009, none of the share options granted and outstanding was exercised and 29,700,000 share options lapsed. As at 30 June 2009, the aggregate number of share options outstanding was 48,810,000.

FINANCIAL RESULTS

The board of Directors of the Company ("**Board**") is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2009 together with comparative figures for the corresponding period in 2008 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June,

	Notes	2009 HKD'000 (Unaudited)	2008 HKD'000 (Unaudited)
Revenue	3	886,637	974,453
Cost of sales		(699,955)	(834,082)
Gross profit		186,682	140,371
Other income		20,855	19,119
Distribution and selling expenses		(69,955)	(45,260)
Administrative expenses		(103,016)	(116,433)
Other expenses		(1,826)	(3,630)
Share of results of jointly controlled entities		(24,876)	(23,049)
Profit (Loss) before tax		7,864	(28,882)
Taxation	4	(1,782)	(2,942)
Profit (Loss) for the period	5	6,082	(31,824)
Other comprehensive income (expense)			
Exchange differences arising on translation of foreign operations		(1,198)	21,722
Fair value gain of available-for-sale investments		2,124	-
Re-classification adjustment to profit or loss upon disposal of available-for-sale investments		(28)	-
Reversal of deferred tax liability arising on revaluation of properties		(60)	-
Share of translation reserve of jointly controlled entities		1,762	3,787
Other comprehensive income for the period (net of tax)		2,600	25,509
Total comprehensive income (expense) for the period		8,682	(6,315)
Profit (Loss) for the period attributable to:			
Owners of the Company		3,818	(31,359)
Minority interests		2,264	(465)
		6,082	(31,824)
Total comprehensive income (expense) attributable to:			
Owners of the Company		6,412	(5,850)
Minority interests		2,270	(465)
		8,682	(6,315)
Earnings (Loss) per share			
Basic (HK cents)		0.22	(1.8)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 30 June 2009 HKD'000 (Unaudited)	At 31 December 2008 HKD'000 (Audited)
Non-current assets		
Property, plant and equipment	**272,672**	282,741
Investment properties	**116,000**	112,450
Prepaid lease payments	**49,539**	50,203
Interests in jointly controlled entities	**237,284**	206,021
Available-for-sale investments	**55,715**	54,366
Deferred tax assets	**13,503**	10,085
Tax recoverable	**17,214**	9,714
Club debentures	**2,003**	2,003
	763,930	727,583
Current assets		
Inventories	**309,485**	269,148
Amounts due from jointly controlled entities	**28,692**	50,692
Trade and other receivables	**320,402**	459,061
Prepaid lease payments	**1,310**	1,301
Held-for-trading investments	**206**	4,055
Bank balances and cash	**331,090**	280,963
	991,185	1,065,220
Current liabilities		
Trade and other payables	**346,194**	395,027
Amounts due to jointly controlled entities	**27,614**	28,006
Tax payable	**55,302**	55,641
Dividend payable	**17,440**	-
	446,550	478,674
Net current assets	**544,635**	586,546
Total assets less current liabilities	**1,308,565**	1,314,129
Non-current liabilities		
Deferred tax liabilities	**13,119**	9,925
Net Assets	**1,295,446**	1,304,204
Capital and reserve		
Share capital	**436,011**	436,011
Reserves	**824,334**	835,362
Equity attributable to owners of the Company	**1,260,345**	1,271,373
Minority interests	**35,101**	32,831
	1,295,446	1,304,204

Notes:

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Exchange**") ("**Listing Rules**") and with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2008.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("**new and revised HKFRSs**") issued by the HKICPA, which are effective for the Group's financial year beginning on 1 January 2009:

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

HKAS 1 (Revised 2007) has introduced a number of terminology changes, including revised titles for the condensed consolidated financial statements and has resulted in a number of changes in presentation and disclosure.

Hong Kong Financial Reporting Standard ("**HKFRS**") 8 is a disclosure standard that requires the identification of operating segments to be performed on the same basis as financial information that is reported internally for the purpose of allocating resources between segments and assessing their performance. The predecessor standard, HKAS 14 "Segment Reporting", required the identification of two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was geographical segments by location of customers. The application of HKFRS 8 has resulted in a re-designation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14.

The adoption of the new and revised HKFRSs has had no material effect on the reported results and financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs issued in 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009[2]
HKAS 27 (Revised 2008)	Consolidated and Separate Financial Statements[1]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[3]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[3]
HKFRS 3 (Revised 2008)	Business Combinations[1]
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners[1]
HK(IFRIC) – Int 18	Transfers of Assets from Customers[4]

[1] Effective for annual periods beginning on or after 1 July 2009
[2] Amendments that are effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, as appropriate
[3] Effective for annual periods beginning on or after 1 January 2010
[4] Effective for transfers on or after 1 July 2009

The adoption of HKFRS 3 (Revised 2008) may affect the Group's accounting for business combination for which the acquisition dates are on or after 1 January 2010. HKAS 27 (Revised 2008) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary.

The Directors anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and financial position of the Group.

3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1 January 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance. In contrast, the predecessor Standard (HKAS 14 "Segment Reporting") required an entity to identify two sets of segments (business and geographical) using a risks and returns approach, with the entity's "system of internal financial reporting to key management personnel" serving only as the starting point for the identification of such segments. In the past, the Group's primary reporting format was geographical segments by location of customers, irrespective of the original of goods. The application of HKFRS 8 has resulted in a re-designation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14.

In prior year, primary segment information was analyzed on the basis of geographical markets based on the locations of customers that the Group's goods was shipped to, i.e. United States of America, Canada, Europe, Asia, Australia and others. However, information reported to the chief operating decision maker, being the managing director, for the purpose of resource allocation and performance assessment focuses more specifically on the operation efficiency by each operation unit, i.e. footwear manufacturing, retailing and sourcing and property investment. The Group's reportable segments under HKFRS 8 are therefore as follows:

1. Footwear manufacturing;
2. Retailing and sourcing – retailing of and provision of sourcing services for branded apparel, swimwear and accessories; and
3. Property Investment.

Information regarding the above segments is reported below. Amounts reported for the corresponding period in prior year have been restated to conform to the requirement of HKFRS 8.

The following is an analysis of the Group's revenue and results by operating segments for the period under review:

For the six months ended 30 June 2009

	Footwear manufacturing HKD'000	Retailing and sourcing HKD'000	Property investment HKD'000	Consolidation HKD'000
REVENUE				
External sales	851,488	32,492	2,657	886,637
Segment profit (loss)	71,278	(15,141)	6,064	62,201
Corporate income:				
Dividend income				1,627
Interest income				3,533
Others				125
Other expenses				(1,826)
Central administrative costs				(32,920)
Share of results of jointly controlled entities				(24,876)
Profit before tax				7,864

For the six months ended 30 June 2008

	Footwear manufacturing HKD'000	Retailing and sourcing HKD'000	Property investment HKD'000	Consolidation HKD'000
REVENUE				
External sales	926,468	46,150	1,835	974,453
Segment profit (loss)	16,241	(5,077)	1,472	12,636
Corporate income:				
Dividend income				665
Interest income				7,520
Others				409
Other expenses				(3,630)
Central administrative costs				(23,433)
Share of results of jointly controlled entities				(23,049)
Loss before tax				(28,882)

Segment profit (loss) represents the profit (loss) earned/incurred by each segment without allocation of corporate income, such as dividend income and interest income, etc., other expenses, central administrative costs, and share of results of jointly controlled entities. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

The following is an analysis of the Group's assets by operating segment:

	30 June 2009 HKD'000	31 December 2008 HKD'000
Footwear manufacturing	844,542	959,202
Retailing and sourcing	55,554	49,577
Property investment	116,682	112,869
Total segment assets	1,016,778	1,121,648

4. TAXATION

	For the six months ended 30 June	
	2009 HKD'000	2008 HKD'000
Current tax charge:		
Hong Kong	1,411	364
Other jurisdictions	655	2,505
	2,066	2,869
Deferred tax (credit) charge:		
Current period	(284)	73
	1,782	2,942

Hong Kong Tax

Hong Kong Profits Tax is calculated at 16.5% (2008: 16.5%) of the estimated assessable profit for the period.

In March 2008 and March 2009, the Inland Revenue Department ("**IRD**") issued protective profits tax assessments, for an aggregate additional tax of approximately HKD43,100,000, relating to the years of assessment 2001/2002 and 2002/2003, that is, for the financial years ended 31 December 2001 and 2002 respectively, against certain wholly-owned subsidiaries of the Company.

The Group has lodged objections with IRD against the protective assessments. IRD agreed to hold over the tax claimed subject to the concerned subsidiaries' purchase of tax reserve certificates ("**TRCs**") of approximately HKD17,214,000, which was included in tax recoverable.

At 30 June 2009, the Directors believed that no provision for Hong Kong Profits Tax in respect of the above mentioned protective assessments is necessary. In addition, the inquiries from IRD are still at a fact-finding stage and IRD has not yet expressed any formal opinion on the potential tax liability, if any.

PRC Tax

The tax status for certain subsidiaries of the Group operating in PRC, including Zhongshan Jingmei Footwear Industry & Commerce Co Limited 中山精美鞋業有限公司("**Zhongshan Jingmei**"), Fuqing Grand Galatica Footwear Co. Ltd. 福清宏太鞋業有限公司("**Fuqing Grand Galatica**"), and Zhongshan Huali Footwear Industry & Commerce Co Ltd. 中山華利企業有限公司 ("**Zhongshan Huali**"), are as follows:

- Zhongshan Jingmei and Zhongshan Huali enjoyed the preferential tax rate of 12.5%, (being 50.0% of the applicable tax rate of 25.0%) for the six months ended 30 June 2008 and 2009; and

- Fuqing Grand Galatica enjoyed the preferential tax treatment of 9.0% (being 50.0% of the applicable tax rate of 18.0%) for the six months ended 30 June 2008 and that of 10.0% (being 50.0% of the applicable tax rate of 20.0%) for the six months ended 30 June 2009.

Deferred tax has been provided for in respect of the undistributed profits from the PRC subsidiaries having profits generated for the period amounting to approximately HKD2,539,000.

For other PRC subsidiaries, the applicable tax rate was 25.0% for the period under review.

Vietnam Tax

Stateway Vietnam Footwear Co. Ltd ("**Stateway Vietnam**") was entitled to an exemption from enterprise income tax for four years starting with the first profit-making year of 2008. For the following nine years, Stateway Vietnam would be entitled to further preferential tax treatment in a form of 50.0% reduction in the applicable tax rate in Vietnam.

Others

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

5. PROFIT (LOSS) FOR THE PERIOD

	For the six months ended 30 June	
	2009	2008
	HKD'000	HKD'000
Profit (Loss) for the period has been arrived at after charging (crediting):		
Depreciation and amortization	**21,453**	19,652
(Reversal of) Allowance for bad and doubtful debts	**(240)**	480
Amortization of prepaid lease payment	**655**	684
Research and development costs	**9,883**	22,675
Interest income from:		
Bank deposits	**(715)**	(5,830)
Available-for-sale investments	**(42)**	(98)
Trade debtors	**-**	(49)
Loans to a jointly controlled entity	**(2,776)**	(1,543)
Gain on fair value changes of held-for-trading investments	**(600)**	-
Increase in fair value of investment properties	**(3,550)**	-
Dividend income from available-for-sale investments	**(1,622)**	(665)
Dividend income from held-for-trading investments	**(5)**	-

6. DIVIDENDS

	For the six months ended 30 June	
	2009	2008
	HKD'000	HKD'000
2008 final dividend of HKD0.0100 per ordinary share declared	**17,440**	-
2007 final dividend of HKD0.0613 per ordinary share declared and paid	**-**	38,369

The Board do not recommend the payment of an interim dividend (2008: Nil).

7. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	For the six months ended 30 June	
	2009	2008
Earnings (Loss)		
Profit (Loss) for the period attributable to owners of the Company for the purpose of basic earnings (loss) per share (HKD)	**3,818,000**	(31,359,000)
Number of shares		
Number of ordinary shares for the purposes of basic earnings (loss) per share	**1,744,044,773**	1,744,044,773

No diluted earnings (loss) per share was presented for the six months ended 30 June 2009 and 2008 because the exercise of the Company's outstanding share options has an anti-dilutive effect.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend (2008: Nil) for the six months ended 30 June 2009.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules ("**CG Code**") throughout the six months ended 30 June 2009, only with deviation from code provision A.4.1 of the CG Code.

Under code provision A.4.1, non-executive directors should be appointed for a specific term and are subject to re-election. Directors (including non-executive Directors) were not appointed for specific term but are subject to retirement by rotation and re-election at annual general meeting in accordance with Bye-law 87 of the Bye-laws of the Company.

Audit Committee

The audit committee of the Company ("**Audit Committee**") comprises wholly non-executive Directors of the Company ("**Non-executive Directors**"), amongst which three are independent. The Audit Committee has reviewed with the management and the external auditors, Deloitte Touche Tohmatsu, the accounting principles and practices adopted by the Group and also discussed auditing, internal controls and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 June 2009 of the Group.

Remuneration Committee

The remuneration committee of the Company ("**Remuneration Committee**") comprises three independent non-executive Directors. It is responsible for advising the Board on the emolument policies towards Directors and senior management.

The terms of reference of the Audit Committee and the Remuneration Committee, explaining their roles and the authorities delegated to them by the Board, are available on request and included on the website of the Company.

Board of Directors

At an annual general meeting of the Company held on Wednesday, 10 June 2009, Mr. Chang Tsung Yuan, Mr. Cheng Kar Shing and Mr. Feng Lei Ming retired and were re-elected as Directors.

As from 10 June 2009 and up to the date of this announcement, the Board comprises:

Executive Director
Mr. Chan Ting Chuen *(Chairman)*
Mr. Sze Sun Sun Tony *(Deputy Chairman and Managing Director)*
Mr. Chang Tsung Yuan *(Deputy Chairman)*
Mr. Chan Lu Min
Dr. Ho Ting Seng
Ms. Chen Fang Mei *(Appointed on 10 July 2009)*

Non-executive Director
Mr. Li I Nan

Independent Non-executive Director
Mr. Cheng Kar Shing
Mr. Feng Lei Ming
Mr. Ho Shing Chak
Mr. Huang Shenglan *(Appointed on 10 July 2009)*

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the six months ended 30 June 2009, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PUBLICATIONS OF DETAILED RESULTS

The Interim Report containing the condensed consolidated financial statements and notes to the financial statements for the six months ended 30 June 2009 ("**2009 Interim Report**") will be published on both the websites of the Company (www.symphonyholdings.com) and the Exchange (www.hkex.com.hk). Shareholders shall receive copies of the 2009 Interim Report on or before Thursday, 17 September 2009.

APPRECIATION

On behalf of the Board, I would like to express our gratitude to all our customers, suppliers and shareholders for their continuous support. We would also like to thank our team of dedicated staff for their invaluable services and contributions throughout the period.

By Order of the Board
Chan Ting Chuen
Chairman

Hong Kong • 4 September 2009

* *For identification purposes only*