SYMPHONY

SYMPHONY HOLDINGS LIMITED

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 2013

CHAIRMAN'S STATEMENT

In the 2012 Annual Report, I took the opportunity to alert our shareholders of the severity of the external forces, which were working in tandem to adversely affect the future of the shoe manufacturing industry. Hence, the Company accelerated its pace of transformation by moving away from a sunset industry and speeding up the development of other business sectors.

As the year 2013 rolled on, earlier market uncertainties gathered further momentum in the US and Europe and adversely affected consumers' sentiments and investors' confidence in emerging nations. Even the once favored economic rising stars such as Brazil, Russia, India, and China were not immuned from the global slowdown. The oil rich Middle East and North African nations also found themselves embroiled in the aftermath of Arab Spring uprising and their economies, likewise, suffered a setback. Neither are the diversified and resource-rich ASEAN nations spared the consequences of the economic malaise. As a result, forecasts of global output and trade performance for 2013 and 2014 were repeatedly adjusted downward. Most recently, even the Asian markets are spooked by the specter of a possible currency crisis resembling that of the late 1990s.

Taking into account of the above, it is fair and reasonable to conclude that not only were the formidable challenges the Company had encountered in 2012 not overcome, the conditions further deteriorated. The performance of our own shoe manufacturing generally mirrored the industry-wide outlook. With the decline in output in the midst of higher costs, it has effectively squeezed out the last of a minuscule margin to make this business a viable one to be in.

* *For identification purposes only*

Confronted with such a serious challenge, the Company quickly undertook a corporate-wide strategy review, involving our factory and senior management team, it dawned on us that the shoe manufacturing industry has been caught in a vicious and intense life-and-death struggle of attrition, the likelihood for us to win in this contest is slim. Moreover, this harsh environment could be long drawn out lasting several years. After a thorough assessment, it was concluded that the best course of action and the most sensible response would be for the Company to exit the manufacturing operation.

As a result of the above decision, our management team planned, organized, and energetically implemented the exit strategy through a series of related transactions ensuring that transition is carried out smoothly without interrupting ongoing operations.

These actions include the disposal of Zhongshan land and the entire factory assets owned by the Company both in China and Vietnam. The relevant disposal agreement entered in June this year was subsequently approved at the Company's special general meeting held on 28th August 2013, final settlement of accounts, book closing and transfer will be concluded soon afterwards. To further accelerate the pace of transformation and consolidation, the Company took the opportunity in March 2013 to acquire the remaining 50% equity interest in PONY it did not hold so as to realize its goal of becoming the sole owner of the PONY brand globally, except for PRC and Taiwan. The Company considers re-establishing the image of "PONY" brand in the U.S.A. is of primary importance, as "PONY" has been a known USA-based brand since 1972. The Company entered into a license agreement in June with respect to the use of "PONY" trademark in the U.S.A. and Canada, once again affirming the brand's authenticity as a heritage brand of U.S.A. origin. Concurrently, the Company disposed of its 18.32% equity interest in Grand Wealth, which has a 50% equity interest in Haggar, the man's brand.

After exiting the shoe manufacturing business, the Company will have a simpler organization, a clearer focus centering on creating values through delivery of quality services and serving customers. The two principal areas of future concentration are ownership and control of the PONY brand and Shenyang Park Outlets, China. Other branding businesses which the Company took interests in earlier are now in their final stages of consolidation or disposal. It is our objective to apply the proceeds from current disposal of factory assets and from new fundraising exercise to invest in PONY brand development efforts, to develop outlet mall management capabilities, and to collaborate with potential outlet mall owners to manage their assets. We remain open to new investment opportunities and to invest in potentially profitable ventures.

This new beginning should be welcomed by all stakeholders as it clearly demonstrates our commitment to start mining the abundant opportunities in the service sector and to excel in it. New values are to be created and profits derived, not from manufacturing of products, but from identifying unfulfilled consumer needs and then skillfully applying under-utilized or new capabilities to satisfy those needs for profit. As the Chinese economy expands, the source of growth is expected to favor services over products. In its new role, the Company is well positioned to profitably exploit its unique position to apply its competencies, influence, and experience to increase revenues and the bottom-line through PONY branding, sales and marketing, e-commerce and licensing, and through management fees and revenue sharing from operations of outlet malls, and provision of a wide range of higher value-add, management services.

With the impending change, the Company's missions are simplified. They are, firstly, to manage, develop, and expand the global network of the PONY brand to raise its brand profile and achieve success in the marketplace, and secondly to promote and manage the Park Outlets facilities in Shenyang to achieve profitability, market influence and success, while at the same time to identify new opportunities to extend its capabilities to attract interested outlet mall owners in China through collaboration, consultancy and service management contracts.

In addition, the Company recognizes that in order to build a successful brand, it will require sustainable commitment to goals and sizeable investments over multiple years.

The second sector that the Company will devote resources to and specialize in is the management of outlet malls in China. We believe that our professional team has developed the core competencies and comparative advantage in this particular market niche in China. Through close collaboration with our partner, Mitsubishi Estate Co. Ltd and our local networks, we have successfully built up a quality China-based outlet mall management system. Our Shenyang Park Outlets is a well recognized landmark and an attractive showcase. In view of the foregoing, we will now be actively exploring several potential opportunities in this niche, either to manage already completed outlet malls through management contracts, or to make investments in building new ones.

Our employees have embraced the news of our change with great enthusiasm. They are noticeably energized and ready to contribute in bringing about the long-term success of the Company.

OPERATION REVIEW

Continuing operations

The continuing operations of the Group, after the disposal of the manufacturing division, consists of (a) retailing and sourcing (b) branding (c) property investment and holding and (d) management and operation of the outlet mall in the PRC.

For the first half of 2013, revenue of the Group jumped from HK$75.8 million of the same period last year to HK$90.9 million this year as a result of the acquisition of PONY brand, the opening of Shenyang Park Outlets and the increase in Speedo sales. Distribution and selling expenses rose from HK$47.5 million to HK$55.3 million due to the commencement of business operation of Shenyang Park Outlets. Likewise, the administrative expenses also increased from HK$48.3 million to HK$66.0 million. Gross profit of the first half of 2013 also increased from HK$23.0 million to HK$36.3 million. Share of losses in jointly controlled entities fell from HK$41.3 million to HK$24.7 million due to efforts to trim down the non-performing business units and partly due to the improvement in retail sales and better cost control. Loss for the period was reduced from HK$166.0 million in 2012 to HK$60.3 million as there was no extraordinary one-off expenditure this year, compared to the previous year.

Discontinued operations

The principal activities of the Group were used to be footwear manufacturing and trading. As a result of increasing production costs and declining gross profit margin in the past few years, the Group had started relocating its footwear manufacturing facilities to Henan, the PRC and Vietnam way back in 2011. It had also closed down its production lines in Zhongshan, Panyu and Fujian in the last two years. In view of the continued increase in labour costs and overheads, it is the business strategy of the Group to downsize its manufacturing division. The disposal of the manufacturing sector has permitted the Group to generate financial resources for, and direct its focus to concentrate on, other core activities where the Group enjoys competitive advantages and core competencies.

Liquidity and Capital Resources

As at 30 June 2013, the Group had bank balances and cash of HK$122.0 million (31 December 2012: HK$480.1 million) for continuing operations. The Group was offered banking facilities amounting to HK$911.1 million (31 December 2012: HK$841.4 million) for both continuing and discontinued operations. As at 30 June 2013, the Group's total borrowing was HK$530.9 million (31 December 2012: HK$437.4 million). The Group has variable interest-rate bank loans which carry interest range from 1.3% to 2.9% per annual for the six months ended 30 June 2013. The effective interest rate of the Group's bank loans is 1.8% (2012: 1.88%). The gearing ratio stood at 36.24% (2012: 29.33%), based on total borrowing over shareholders' equity. The banking facilities were secured by corporate guarantees from the Company and certain of its subsidiaries. Bank loans are secured by certain land and buildings, investment properties and pledged bank deposits of the Group.

Human Resources

As at 30 June 2013, the total number of employees of the Group for the continuing operations is 500 while that of the discontinued operations is 16,000. Employee costs (excluding directors' emoluments) amounted to approximately HK$241.3 million (2012: HK$264.7 million).

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

For the six months ended 30 June 2013, the Group has granted no share option, there was no outstanding, lapsed or cancelled share option pursuant to the 2011 share option scheme.

Event After Reporting Period

The proposed very substantial disposal agreement in connection with Yi Ming Investments Limited and its subsidiaries was duly passed by the Independent Shareholders by way of poll at the SGM held on 28 August 2013.

On 22nd August 2013, the Company and China Rise Securities Co. Ltd. (the "Placing Agent") entered into a placing agreement ("Placing Agreement") pursuant to which the Placing Agent has conditionally agreed to place, on a fully underwritten basis, not less than 712,500,000 new shares and not more than 787,500,000 new shares to not less than six independent places at a price of HK$0.38 per placing share. The placing shares to be placed under the Placing Agreement will be issued pursuant to a specific mandate to be obtained at the special general meeting.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	NOTES	Six months ended 30 June 2013 HK$'000 (Unaudited)	2012 HK$'000 (Unaudited & re-presented)
Continuing operations			
Revenue	3	**90,899**	75,839
Cost of sales		**(54,618)**	(52,884)
Gross profit		**36,281**	22,955
Other income		**41,885**	42,130
Distribution and selling expenses		**(55,331)**	(47,530)
Administrative expenses		**(66,042)**	(48,281)
Other expenses		**(8,263)**	(4,585)
Share of results of joint ventures		**(24,666)**	(41,312)
Finance costs		**(4,340)**	(3,157)
Loss before income tax expense		**(80,476)**	(79,780)
Income tax credit/(expense)	4	**2,150**	(6,949)
Loss for the period from continuing operations		**(78,326)**	(86,729)
Discontinued operations			
Profit/(loss) for the period from discontinued operations, after tax	6	**18,011**	(79,248)
Loss for the period	5	**(60,315)**	(165,977)
Other comprehensive income, after tax			
Items that may not be reclassified to profit or loss:			
Surplus arising on revaluation of properties		**6,291**	–
Deferred tax liability arising on revaluation of properties		**(147)**	–
		6,144	–
Items that may be reclassified to profit or loss:			
Fair value gain of available-for-sale investments		**39**	448
Release of investments revaluation reserve to profit or loss upon disposal of available-for-sale investments		**(45)**	(113)
Exchange differences arising on translation of foreign operations		**22,592**	(12,159)
Share of other comprehensive income of joint ventures		**(1,491)**	(483)
		21,095	(12,307)
Other comprehensive income for the period		**27,239**	(12,307)
Total comprehensive income for the period		**(33,076)**	(178,284)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013

		Six months ended 30 June	
		2013	2012
	NOTES	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited & re-presented)
Loss for the period attributable to:			
Owners of the Company		**(47,350)**	(172,664)
Non-controlling interests		**(12,965)**	6,687
		(60,315)	(165,977)
Total comprehensive income for the period attributable to:			
Owners of the Company		**(26,532)**	(182,605)
Non-controlling interests		**(6,544)**	4,321
		(33,076)	(178,284)
Loss per share	*8*		
Basic and diluted			
From continuing and discontinued operations		**(HK3.62 cents)**	(HK13.20 cents)
From continuing operations		**(HK5.00 cents)**	(HK7.14 cents)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2013

	NOTES	**30 June 2013** **HK$'000** **(Unaudited)**	31 December 2012 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment	*9*	**513,686**	571,383
Investment properties	*9*	**742,082**	506,880
Prepaid lease payments		**292,650**	291,363
Intangible assets		**209,951**	–
Deposit paid for acquisition of an investment property	*9*	**–**	150,288
Interests in joint ventures	*10*	**(20,522)**	1,242
Advances to joint ventures	*10*	**–**	108,348
Available-for-sale investments		**–**	2,334
Deferred tax assets		**21,027**	18,457
Tax recoverable		**52,315**	45,414
Club debentures		**2,002**	2,003
Loan receivables		**3,106**	–
Restricted bank deposit		**3,794**	3,729
		1,820,091	1,701,441
Current assets			
Inventories		**56,432**	254,211
Amounts due from joint ventures	*10*	**45,942**	4,212
Trade and other receivables	*12*	**106,347**	328,225
Prepaid lease payments		**7,522**	7,394
Pledged bank deposit		**37,941**	78,319
Bank balances and cash		**121,990**	480,102
		376,174	1,152,463
Assets of a disposal group classified as held for sales	*11*	**1,186,620**	–
Assets classified as held for sales		**–**	120,383
		1,562,794	1,272,846

	NOTES	30 June 2013 HK$'000 (Unaudited)	31 December 2012 HK$'000 (Audited)
Current liabilities			
Trade and other payables	13	**324,758**	551,668
Amounts due to joint ventures		**30,157**	24,259
Tax payable		**54,666**	75,293
Bank borrowings	14	**530,879**	437,426
		940,460	1,088,646
Liabilities of a disposal group classified as held for sale	11	**575,207**	–
		1,515,667	1,088,646
Net current assets		**47,127**	184,200
Total assets less current liabilities		**1,867,218**	1,885,641
Non-current liabilities			
Deferred tax liabilities		**87,898**	74,257
Net assets		**1,779,320**	1,811,384
Capital and reserves			
Share capital	15	**130,804**	130,804
Share premium and reserves		**1,334,152**	1,360,684
Equity attributable to owners of the Company		**1,464,956**	1,491,488
Non-controlling interests		**314,364**	319,896
		1,779,320	1,811,384

Notes:

1. BASIS OF PREPARATION

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

The accounting policies used in the unaudited 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 2012, except as those explained below.

Intangible assets (acquired through acquisition of subsidiaries during the period)

(i) Acquired intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Trademarks

The trademarks have been granted for periods ranging between 7 to 15 years by the relevant government agency with the option of renewal when expire. The trademarks may be renewed at little or no cost to the Group. As a result, the trademarks are assessed as having indefinite useful lives.

(ii) Impairments

Intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately.

In the current interim period the Group has applied, for the first time, the following revised standards, amendment and interpretations ("**new/revised HKFRSs**") issued by the HKICPA:

HKFRS (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 27 (Revised in 2011)	Separate Financial Statements
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures

The following new and revised HKFRSs are relevant to the Group's condensed consolidated financial statements.

Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income". The amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The presentation of other comprehensive income section has been modified for such disclosures accordingly.

HKFRS 10 – Consolidated Financial Statements

HKFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. HKFRS 10 contains extensive guidance on the assessment of control. For example, the standard introduces the concept of "de facto" control where an investor can control an investee while holding less than 50% of the investee's voting rights in circumstances where its voting interest is of sufficiently dominant size relative to the size and dispersion of those of other individual shareholders to give it power over the investee. Potential voting rights are considered in the analysis of control only when these are substantive, i.e. the holder has the practical ability to exercise them. The standard explicitly requires an assessment of whether an investor with decision making rights is acting as principal or agent and also whether other parties with decision making rights are acting as agents of the investor. An agent is engaged to act on behalf of and for the benefit of another party and therefore does not control the investee when it exercises its decision making authority. The accounting requirements in the existing HKAS 27 on other consolidation related matters are carried forward unchanged. As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption of the standard does not change any of the control conclusions reached by the Group is respect of its involvement with other entities as at 1 January 2013.

HKFRS 11 – Joint Arrangements

Joint arrangements under HKFRS 11 have the same basic characteristics as joint ventures under HKAS 31. Joint arrangements are classified as either joint operations or joint ventures. Where the Group has rights to the assets and obligations for the liabilities of the joint arrangement, it is regarded as a joint operator and will recognise its interests in the assets, liabilities, income and expenses arising from the joint arrangement. Where the Group has rights to the net assets of the joint arrangement as a whole, it is regarded as having an interest in a joint venture and will apply the equity method of accounting. HKFRS 11 does not allow proportionate consolidation. In an arrangement structured through a separate vehicle, all relevant facts and circumstances should be considered to determine whether the parties to the arrangement have rights to the net assets of the arrangement. Previously, the existence of a separate legal entity was the key factor in determining the existence of a jointly controlled entity under HKAS 31. As a result of the adoption of HKFRS 11, the Group has changed its accounting policy with respect to interests in joint arrangements and re-evaluated its involvement with joint arrangements.

The Group has reclassified its interests in jointly controlled entities to interests in joint ventures. The interests continue to be accounted for using the equity method and therefore the reclassification does not have any material impact on the financial position and financial results of the Group.

Except for the adoption of amendments to HKAS 1, other new and revised HKFRSs did not have an impact on the Group's financial position and performance.

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

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-financial Assets[1]
HKFRS 9	Financial Instruments[2]
Amendments to HKFRS 7 and HKFRS 9	Mandatory Effective Date of HKFRS 9 and Transition Disclosure[2]
HK(IFRIC) – Int 21	Levies[1]

1 Effective for annual periods beginning on or after 1 January 2014
2 Effective for annual periods beginning on or after 1 January 2015

Having assessed the impact of these revised standards, amendments and interpretations on the Group's financial statements, the directors of the Company have so far concluded that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. SEGMENT INFORMATION

During the period, the Group obtained control of China Ocean Resources Limited ("**China Ocean**") by acquiring the remaining 50% equity interest it did not hold. Prior to this acquisition, the Group already held a 50% equity interest of China Ocean which was recongised as a non-controlling equity investment. The principal activity of China Ocean is trademark rights licensing, trading and retailing of footwear, apparel and accessories under the "PONY" brand. The activities of China Ocean have become a new reportable and operating segment of the Group and are separately assessed by the chief operating decision maker.

In addition, the Group has decided to dispose of its footwear manufacturing segment which is presented as discontinued operations. Details are set out in Note 6 to these unaudited condensed consolidated financial statements.

The Group's reportable and operating segments under HKFRS 8 are as follows:

Continuing operations:

- Retailing and sourcing – retailing and provision of sourcing services for branded apparel, swimwear and accessories;
- Branding – development and management of "PONY" brand;
- Property investment and holding; and
- Outlet malls.

Discontinued operations:

- Footwear manufacturing.

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

Six months ended 30 June 2013

	Continuing operations				Discontinued operations	
	Retailing and sourcing *HK$'000*	**Branding** *HK$'000*	**Property investment and holding** *HK$'000* **(Unaudited)**	**Outlet malls** *HK$'000*	**Footwear manufacturing** *HK$'000*	**Consolidated** *HK$'000*
REVENUE						
External sales	**77,683**	**2,770**	**3,740**	**6,706**	**865,882**	**956,781**
Segment profit/(loss)	**(14,999)**	**(4,769)**	**(1,071)**	**(33,450)**	**15,699**	**(38,590)**
Corporate income						
– Interest income						**2,645**
– Gain on disposal of a joint venture						**11,054**
– Fair value gain on re-measurement of equity in a joint venture						**5,159**
– Gain on disposal of available-for-sale investments						**45**
– Bargain purchase arising on acquisition						**12,992**
– Others						**2,307**
Central administrative costs						**(33,440)**
Share of results of joint ventures						**(24,666)**
Loss before income tax expense						**(62,494)**

Six months ended 30 June 2012

	Continuing operations				Discontinued operations	
	Retailing and sourcing *HK$'000*	Branding *HK$'000*	Property investment and holding *HK$'000* (Unaudited)	Outlet malls *HK$'000*	Footwear manufacturing *HK$'000*	Consolidated *HK$'000*
REVENUE						
External sales	71,576	–	4,263	–	898,021	973,860
Segment profit/(loss)	(38,977)	–	17,914	22,983	(80,445)	(78,525)
Corporate income						
– Interest income						3,804
– Gain on disposal of available-for-sale investments						189
– Others						401
Central administrative costs						(44,507)
Share of results of joint ventures						(41,312)
Loss before income tax expense						(159,950)

Segment profit/(loss) represents the profit earned or the loss incurred by each segment without allocation of corporate income, which includes interest income, gain on disposal of a joint venture, fair value gain on re-measurement of equity in a joint venture, gain on disposal of available-for-sale investments, bargain purchase arising on acquisition and others, central administrative costs which include bank charges, donations and loss on disposal of property, plant and equipment, etc. and share of results of joint ventures. This is the information 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 reportable segment:

Six months ended 30 June 2013

	Continuing operations				**Discontinued operations**	
	Retailing and sourcing *HK$'000*	**Branding** *HK$'000*	**Property investment and holding** *HK$'000*	**Outlet malls** *HK$'000*	**Footwear manufacturing** *HK$'000*	**Consolidated** *HK$'000*
			(Unaudited)			
Assets for reportable segment	**90,411**	**252,412**	**904,602**	**684,351**	**1,186,620**	**3,118,396**
Unallocated corporate assets						**264,489**
Consolidated total assets						**3,382,885**

As at 31 December 2012

	Continuing operations				Discontinued operations	
	Retailing and sourcing *HK$'000*	Branding *HK$'000*	Property investment and holding *HK$'000*	Outlet malls *HK$'000*	Footwear manufacturing *HK$'000*	Consolidated *HK$'000*
			(Audited)			
Assets for reportable segments	109,264	–	791,785	646,324	562,371	2,109,744
Unallocated corporate assets						864,543
Consolidated total assets						2,974,287

All assets are allocated to reportable segments other than advances to joint ventures, interests in joint ventures, available-for-sale investments, deferred tax assets, tax recoverable, club debentures, amounts due from joint ventures, assets classified as held for sales, bank balances and cash, restricted bank deposit and pledged bank deposit.

4. INCOME TAX CREDIT/(EXPENSE)

	Continuing operations Six months ended 30 June		**Discontinued operations Six months ended 30 June**		**Consolidated Six months ended 30 June**	
	2013	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Current tax charge:						
Hong Kong	**–**	–	**–**	–	**–**	–
Other jurisdictions	**(102)**	(8,649)	**(27)**	(470)	**(129)**	(9,119)
Deferred tax charge:						
Current period	**2,252**	1,700	**56**	1,392	**2,308**	3,092
	2,150	(6,949)	**29**	922	**2,179**	(6,027)

Hong Kong Tax

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

From 2008 to 2011, the Inland Revenue Department ("**IRD**") issued protective profits tax assessments for additional profits tax to certain wholly-owned subsidiaries of the Company relating to the years of assessment of 2001/2002 to 2004/2005 i.e. for the four financial periods ended 31 December 2004.

The Group had lodged objections with the IRD against the protective profits tax assessments. The IRD agreed to hold over the additional tax claimed subject to the relevant subsidiaries' purchases of tax reserve certificates ("**TRCs**") amounted to approximately HK$23 million. These TRCs were purchased and included in tax recoverable as at 30 June 2013 and 31 December 2012. In July and August 2012, the Group purchased additional TRCs amounted to HK$10.2 million relating to the year of assessment of 2004/2005 at the request of IRD.

In December 2011, the Deputy Commissioner of the IRD issued his written determinations. Among others, he is of the view that the wholly-owned subsidiaries referred to above are subject to Hong Kong profits tax and confirmed/revised the protective profits tax assessments for 2001/2002 to 2004/2005 in the amount of approximately HK$306 million in aggregate. In January 2012, the Group filed notices of appeal to the Board of Review objecting to the written determinations the IRD issued in December 2011.

In March 2012, the IRD also issued protective profits tax assessments for profits tax or additional profits tax for HK$90.5 million in aggregate in accordance with the written determinations referred to above to the wholly owned subsidiaries concerned for the year of assessment 2005/2006. The Group had lodged objections with the IRD against these protective profits tax assessments. The IRD agreed to hold over the additional tax claimed subject to the Group purchasing TRCs amounted to HK$12 million which the Group did in July 2012.

The protective assessments issued by IRD according to his determination for additional profits tax in aggregate of HK$396.5 million mentioned above for the years of assessment from 2001/2002 to 2005/2006 were issued on three alternative bases on the same set of profits for each year of assessment.

In March 2011, the Group filed an application to the Court for a judicial review contending, inter alia, whether the IRD has the power to issue multiple assessments against different group companies for the same set of profits for the years of assessment of 2001/2002 to 2004/2005.

The judicial review proceedings were heard on the 1st and 2nd February of 2012. The judgment in respect of the judicial review was handed down in May 2012. Among others, the Group's application for relief to quash each of the assessments issued by the IRD and the conditional holdovers were not granted. The Court of First Instance held that the IRD can issue multiple assessments in respect of the same set of profits to different taxpayers on alternative bases, so long as there is no double recovery of tax.

In October 2012, the IRD also issued protective profits tax assessments for profits tax or additional profits tax for HK$124.5 million in aggregate to the wholly-owned subsidiaries relating to the year of assessment from 2006/07 to 2009/10 on three alternative bases on same set of profits for each year of assessment. The Group had lodged objections against the IRD regarding these protective profits tax assessments. The IRD agreed to holdover the additional claimed subject to the Group's purchasing tax reserve certificate amounted to HK$6.9 million which were done by the Group in January 2013.

Based on the mode of operations and activities of the subsidiaries and the merit of the Group's position, the directors are of the opinion that the group companies concerned are not subject to Hong Kong profits tax.

The Group's appeal to the Board of Review is pending. The eventual outcome of this action which is being handled by the Group's tax counsel and the financial impact thereof on the Group, if any, cannot be readily ascertained at this stage.

The People's Republic of China (the "PRC") Tax

All group companies operating in the PRC are subject to the applicable tax rate of 25% during the current and prior periods.

Vietnam Tax

Stateway Vietnam Footwear Co. Ltd. ("**Stateway Vietnam**") enjoyed the preferential tax rate of 20% for the years from 2006 to 2015. The tax rate will increase to 25% thereafter. Furthermore, Stateway Vietnam was entitled to an exemption from enterprise income tax for two years and a further tax preferential treatment in the form of a 50% reduction for the following three years in the preferential rate in Vietnam. The first tax exemption period of Stateway Vietnam commenced in 2009.

Continuance Vietnam Footwear Co. Ltd. ("**Continuance Vietnam**") was entitled to exemption from enterprise income tax for two years and a further tax preferential treatment in the form of a 50% reduction for the following three years in the applicable tax rate in Vietnam. The first tax exemption period of Continuance Vietnam commenced in 2011.

For the Group's other subsidiary in Vietnam, the applicable tax rate was 25% during the period.

United States of America (U.S.A.)

Two subsidiaries, Pony International LLC and Pony, Inc. were incorporated in U.S.A and are a domestic tax-exempt enterprise and a domestic taxable enterprise respectively.

Others

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

5. LOSS FOR THE PERIOD

	Continuing operations Six months ended 30 June		Discontinued operations Six months ended 30 June		Consolidated Six months ended 30 June	
	2013	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
(Loss)/profit for the period has been arrived at after charging/(crediting):						
Depreciation of property, plant and equipment	**16,107**	5,773	**8,188**	15,721	**24,295**	21,494
Provision/(reversal of provision) for bad and doubtful debts	**5,000**	–	**(5,880)**	(120)	**(880)**	(120)
Allowance for inventories, net	**7,833**	9,086	**5,530**	2,997	**13,363**	12,083
Amortisation of prepaid lease payments	**3,722**	–	**–**	270	**3,722**	270
Research and development costs	**94**	–	**8,402**	9,060	**8,496**	9,060
Provision for financial guarantee contracts	**–**	2,400	**–**	–	**–**	2,400
Severance and termination costs	**–**	–	**–**	47,392	**–**	47,392
Government grant	**–**	(34,171)	**–**	–	**–**	(34,171)
Interest income from:						
Bank deposits	**(362)**	(237)	**(2,283)**	(275)	**(2,645)**	(512)
Advance to a joint venture	**–**	(3,208)	**–**	–	**–**	(3,208)
Available-for-sale investments	**–**	(84)	**–**	–	**–**	(84)
Gain on disposal of available-for-sale investments	**(45)**	(189)	**–**	–	**(45)**	(189)
Gain on disposal of an investment property	**(180)**	–	**–**	–	**(180)**	–
(Gain)/loss on disposal/deregistration of subsidiaries	**(3,348)**	783	**–**	–	**(3,348)**	783
Increase in fair value of investment properties	**(2,000)**	(2,000)	**–**	–	**(2,000)**	(2,000)
Gain on disposal of a joint venture	**(11,054)**	–	**–**	–	**(11,054)**	–
Bargain purchase arising on acquisition	**(12,992)**	–	**–**	–	**(12,992)**	–
Fair value gain on re-measurement of equity in a joint venture	**(5,159)**	–	**–**	–	**(5,159)**	–

6. DISPOSAL OF SUBSIDIARIES

a) On 28 June 2013, the Group entered into a conditional sale and purchase agreement (the "**Disposal Agreement**") with a related party (the "**Purchaser**"), pursuant to which the Company conditionally agreed to dispose of, and the Purchaser conditionally agreed to purchase, the entire issued share capital of Yi Ming Investments Limited ("**Yi Ming**"), an indirect wholly-owned subsidiary of the Company, and the shareholder's loan due by Yi Ming and its subsidiaries (together the "Disposal Group") for an aggregate consideration of approximately HK$429,199,000 (collectively referred to as the "Disposal"), subject to adjustments. The Disposal Group is principally engaged in footwear manufacturing and one of the major components of the Group. The Disposal is expected to be completed on 31 August 2013. Details of the Disposal are disclosed in the circular of the Company dated 12 August 2013.

Accordingly, the footwear manufacturing business was classified as discontinued operations and the related results for the six months ended 30 June 2013 and 2012 were as follows:

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue	**865,882**	898,021
Cost of sales	**(796,309)**	(847,211)
Gross profit	**69,573**	50,810
Other income	**13,453**	5,238
Distribution costs	**(10,889)**	(28,293)
Administrative expenses	**(52,066)**	(59,239)
Other operating expenses	**(1,069)**	(48,379)
Finance costs	**(1,020)**	(307)
Profit/(loss) before taxation	**17,982**	(80,170)
Income tax credit	**29**	922
Profit/(loss) for the period from discontinued operations	**18,011**	(79,248)

b) On 7 June 2013, the Group disposed of its subsidiary Always Gain Holdings Limited ("**Always Gain**") which is engaged in trademark rights licensing. The net assets of Always Gain at the date of disposal were as follow:

	HK$'000
	(Unaudited)
Net assets are disposed of:	
Intangible assets	38,758
Amount due from a related company	580
Bank balances and cash	15
Amount due to a related company	(16,603)
Deferred tax liabilities	(3,864)
	18,886
Gain on disposal of a subsidiary	3,348
Total consideration	22,234

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary was as follows:

	HK$'000
	(Unaudited)
Cash consideration	22,234
Bank balances and cash disposed of	(15)
	22,219

7. DIVIDENDS

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
2011 final dividend of HK$0.01 per share paid	**–**	13,080

No final dividend was declared and paid in 2013 for the year ended 31 December 2012. The directors do not recommend the payment of any interim dividend (2012: Nil) for the period ended 30 June 2013.

8. LOSS PER SHARE

From continuing and discontinued operations

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

(a) Basic loss per share

	Six months ended 30 June	
	2013	2012
	HK\$'000	*HK\$'000*
	(Unaudited)	(Unaudited)
For continuing and discontinued operations:		
Loss for the purposes of basic loss per share	**(47,350)**	(172,664)
For continuing operations:		
Loss for the purposes of basic loss per share	**(65,361)**	(93,416)
For discontinued operations:		
Earnings/(loss) for the purposes of basic earnings/(loss) per share	**18,011**	(79,248)
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	**1,308,034**	1,308,034
	HK cents	*HK cents*
	(Unaudited)	(Unaudited)
Earnings/(loss) per share for the discontinued operations attributable to owners of the Company – Basic	**1.38**	(6.06)

(b) Diluted loss per share

The amount of diluted loss per share is the same as basic loss per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2013 and 2012.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Property, plant and equipment

During the period, the Group acquired property, plant and equipment at a cost of HK$38,730,000 (six months ended 30 June 2012: HK$9,655,000).

The buildings of the Group located in the PRC and Hong Kong were fair valued on 30 June 2012 and 2013 by Prudential Surveyors (Hong Kong) Limited ("Prudential"), an independent firm of professional property valuers, Chartered Surveyors. The fair value of land and buildings, adopted the direct comparison approach with reference to market comparable sales evidence available in the market and where appropriate on the depreciated replacement cost approach in the absence of comparable sales evidence, resulted in an surplus of HK$6,291,000 (six months ended 30 June 2012: HK$Nil) which was credited directly to the properties revaluation reserve.

Investments properties

During the period, the Group acquired investment properties at a total cost of HK$238,411,000 (six months ended 30 June 2012: HK$53,803,000). The Group's investment properties and investment properties under development were fair valued on 30 June 2013 and 2012 by Prudential. The valuation of investment properties and investment properties under development, adopted the direct comparison approach with reference to the market comparable sales evidence available in the market and income approach respectively, resulted in an increase in fair value of investment properties of HK$2,000,000 during the period (six months ended 30 June 2012: HK$2,000,000) which was credited directly to profit or loss for the six months ended 30 June 2013.

Deposit paid for acquisition of an investment property

The amount was transferred to investment properties during the period upon payment of the remaining balance.

10. MOVEMENTS IN INTERESTS IN JOINT VENTURES

Interests in joint ventures and advance to joint ventures

During the period ended 30 June 2013, the Group acquired the remaining 50% equity interest of a joint venture with a carrying value of approximately HK$6,642,000 and a shareholder's loan of approximately HK$108,349,000 for an aggregate consideration of USD15,500,000 (approximately HK$120,150,000) and disposed of another joint venture with a carrying value of approximately HK$18,065,000 and a shareholder's loan of approximately HK$91,417,000 for an aggregate consideration of USD15,530,000 (approximately HK$120,536,000). Details of the acquisition of the joint venture are set out in note 16.

A credit balance remained after the aforesaid acquisition and disposal mainly because the Group has to share the losses of one of the joint ventures as the Group is committed to provide financial support to that joint venture. As at 30 June 2013, the Group's share of losses exceeded the original amount of investment in this joint venture.

Amounts due from joint ventures

During the period, the Group advanced HK$42,000,000 to a joint venture which bears interest at 1% per annum and repayable within six months.

11. ASSETS AND LIABILITIES OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

Pursuant to the Disposal Agreement as set out in note 6, the footwear manufacturing business was classified as a disposal group. All of its assets are presented as "Assets of a disposal group classified as held for sale" and liabilities are presented as "Liabilities of a disposal group classified as held for sale". These assets and liabilities are set out below:

	HK$'000 (Unaudited)
Assets of a disposal group classified as held for sale:	
Property, plant and equipment	93,551
Available-for-sale investments	2
Inventories	372,844
Trade and other receivables	528,876
Pledged bank deposits	125,623
Bank balances and cash	65,724
	1,186,620
Liabilities of a disposal group classified as held for sale:	
Trade and other payables	379,950
Bank borrowings	182,145
Tax payable	9,882
Deferred tax liabilities	3,230
	575,207

12. TRADE AND OTHER RECEIVABLES

The Group generally allows an average credit period ranging from 60 days to 90 days for its trade customers. Included in trade and other receivables are trade and bills receivables, net of allowance for doubtful debts, of HK$69,190,000 (31 December 2012: HK$243,693,000).

The following is an ageing analysis of trade receivables net of allowances for doubtful debts, presented based on the invoice date at end of the reporting period:

	30 June 2013 ***HK$'000*** **(Unaudited)**	31 December 2012 *HK$'000* (Audited)
0 to 30 days	**38,007**	137,593
31 to 60 days	**3,261**	65,264
61 to 90 days	**1,911**	25,202
Over 90 days	**26,011**	15,634
	69,190	243,693

13. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade and bills payables of HK$60,754,000 (31 December 2012: HK$201,520,000).

The following is an ageing analysis of trade payables presented based on the invoice date at end of the reporting period:

	30 June 2013 *HK$'000* **(Unaudited)**	31 December 2012 *HK$'000* (Audited)
0 to 30 days	**31,678**	83,004
31 to 60 days	**18,978**	61,515
61 to 90 days	**4,677**	17,632
Over 90 days	**5,421**	39,369
	60,754	201,520

14. BANK BORROWINGS

	30 June 2013 *HK$'000* **(Unaudited)**	31 December 2012 *HK$'000* (Audited)
Carrying amount of variable interest-rate bank loans repayable within one year	**446,879**	317,426
Carrying amount of variable interest-rate bank loans that are not repayable within one year from the end of the reporting period which contain a repayable on demand clause	**84,000**	120,000
Amounts shown under current liabilities	**530,879**	437,426

The Group has variable interest-rate bank loans which carry interest range from 1.33% to 2.88% per annum for the six months ended 30 June 2013 (six months ended 30 June 2012: 1.38% to 2.97%). The effective interest rate of the Group's bank loans is 1.8% (six months ended 30 June 2012: 1.8%).

Bank loans with a carrying amount of HK$202,800,000 (31 December 2012: HK$120,000,000) are secured by certain of the Group's land and buildings and investment properties with a total carrying amount of HK$360,000,000 (31 December 2012: HK$360,000,000) and pledged bank deposits of RMB30,000,000 (approximately HK$37,941,000) (31 December 2012: RMB63,000,000 (approximately HK$78,319,000)).

15. SHARE CAPITAL

	Number of Shares	**Nominal value** *HK$'000*
Authorised ordinary share of HK$0.10 each:		
At 1 January 2013 (audited) and 30 June 2013 (unaudited)	20,000,000,000	2,000,000
Issued and fully paid ordinary share of HK$0.10 each:		
At 1 January 2013 (audited) and 30 June 2013 (unaudited)	1,308,034,000	130,804

16. ACQUISITION OF SUBSIDIARIES

As set out in note 3, On 4 June 2013, the Group completed an acquisition of the remaining 50% equity interests in China Ocean it did not own for a consideration of HK$11,801,000. The total cash consideration of USD15,500,000 (approximately HK$120,150,000) includes the consideration for the purchase of the shareholder's loan owed by China Ocean to the vendor of HK$108,349,000. The acquisition was made as the Directors believe the growth prospects for trademark rights licensing business are bright and can widen the Group's revenue base.

Upon completion of the acquisition, the Group's 50% interest in joint venture already held was treated as being disposed of and immediately reacquired at fair value on the date of obtaining control. As a result, a fair value gain on re-measurement of equity in a joint venture of HK$5,159,000 has been recognised and is included in other income in the consolidated statement of profit or loss and other comprehensive income.

	HK$'000 (Unaudited)
Fair value of assets and liabilities acquired	
Property, plant and equipment	1,006
Intangible assets	248,841
Loan receivables	3,106
Inventories	5,173
Trade and other receivables	38,940
Amounts due from related companies	5,062
Bank balances and cash	3,067
Trade and other payables	(40,053)
Amounts due to holding companies	(201,367)
Amounts due to related companies	(6,896)
Deferred tax liabilities	(20,285)
	36,594
Bargain purchases arising on acquisition:	
Cash consideration for additional 50% equity interest	11,801
Add: fair value of the 50% equity interest already held	11,801
Total consideration	23,602
Less: net assets acquired	(36,594)
	(12,992)
Net cash outflow arising on acquisition:	
Cash consideration	120,150
Bank balances and cash acquired	(3,067)
	117,083

Gain on bargain purchase of approximately HK$12,992,000 was recognised upon completion of the acquisition of China Ocean. The gain on a bargain purchase on acquisition was mainly attributable to increase in fair value of intangible assets acquired. The gain on bargain purchase was included in other income in the consolidated statement of profit or loss and other comprehensive income.

Loss from continuing operations for the period includes a loss of HK$4,769,000 attributable to the business of China Ocean and its subsidiaries which generated total revenue of HK$2,770,000 for the period since its acquisition.

Had the acquisition been completed on 1 January 2013, total Group revenue from continuing operation for the period would have been HK$117,196,000, and loss for the period from continuing operation would have been HK$91,958,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2013, nor is it intended to be a projection of future results.

The fair value of loan receivables and trade and other receivables, equivalent to its gross contractual amount as shown above, is considered as fully recoverable.

17. COMPARATIVE FIGURES

As a result of the commencement of the operations of outlet mall located in the PRC in late 2012 and the decision to disposed of the footwear manufacturing business during the period, the outlet mall and footwear manufacturing are identified as a separate segment and discontinued operations for resources allocation and performance assessment by the chief operating decision maker. Accordingly, certain comparative figures have been reclassified to conform to the current period's presentation.

PROPOSED INTERIM DIVIDEND

Directors do not recommend the payment of an interim dividend (2012: Nil) for the six months ended 30 June 2013.

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 2013, 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.

Under the code provision A.6.7, independent non-executive and other non-executive directors should also attend general meetings. Two of the independent non-executive directors attended the annual general meeting held on 11 June 2013. At each of the special general meetings held on 28 May and 28 August 2013, one independent and non-executive director together with one non-executive director were present on each occasion. Others were not present on those occasions due to other commitments.

Audit Committee

The audit committee of the Company ("**Audit Committee**") comprises wholly non-executive Directors of the Company ("**Non-executive Directors**"), amongst which 3 are independent. The Audit Committee has reviewed with the management and the external auditor the accounting principles and practices adopted by the Group and also discussed internal controls and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 June 2013 of the Group.

Remuneration Committee

The remuneration committee of the Company ("**Remuneration Committee**") comprises 3 independent Non-executive Directors. It is responsible for advising the Board on the emolument policies towards Directors and senior management.

Nomination Committee

The nomination committee of the Company ("**Nomination Committee**") comprises 3 independent Non-executive Directors. It is responsible for advising the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive.

The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination 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 Tuesday, 11 June 2013, Messrs. Sze Sun Sun Tony, Ho Shing Chak, Ms. Chen Fang Mei, Dr. Ho Ting Seng retired and were re-elected as Directors.

As from 12 June 2013 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
Ms. Chen Fang Mei
Dr. Ho Ting Seng

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

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

For the six months ended 30 June 2013, 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 unaudited condensed consolidated financial statements and notes to the financial statements for the six months ended 30 June 2013 ("**2013 Interim Report**") will be published on both websites of the Company (www.symphonyholdings.com) and the Exchange (www.hkex.com.hk). Shareholders shall receive copies of the 2013 Interim Report on or before 30 September 2013.

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 • 29 August 2013

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

Executive Directors:	Mr. Chan Ting Chuen *(Chairman)* Mr. Sze Sun Sun Tony *(Deputy Chairman & Managing Director)* Mr. Chang Tsung Yuan *(Deputy Chairman)* Mr. Chan Lu Min Ms. Chen Fang Mei Dr. Ho Ting Seng
Non-executive Director:	Mr. Li I Nan
Independent non-executive Directors:	Mr. Cheng Kar Shing Mr. Feng Lei Ming Mr. Ho Shing Chak Mr. Huang Shenglan