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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Symphony Holdings Limited, you should hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee at once.

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SYMPHONY

SYMPHONY HOLDINGS LIMITED

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 01223)

**SHARE CONSOLIDATION,
CAPITAL REDUCTION,
SHARE SUB-DIVISION, AND
CHANGE OF AUDITOR**

A notice convening the special general meeting of Symphony Holdings Limited to be held at 10:00 a.m. on Monday, 25 July 2011 at the Boardroom on the 10th Floor, Island Place Tower, 510 King's Road, North Point, Hong Kong is set out on pages 12 to 14 of this circular. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the special general meeting to the office of the Company's branch registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the special general meeting in person should you so wish.

* For identification purpose only

Hong Kong, 30 June 2011

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DEFINITIONS

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

Authorisation	the proposed authorisation to the Directors to apply the entire amount standing to the credit of the contributed surplus account of the Company in such manner as they consider appropriate, including but not limited to setting off the accumulated losses (if any) of the Company from time to time
BDO	BDO Limited
Board	the board of directors of the Company from time to time
Branch Registrar	Tricor Tengis Limited, the branch share registrar of the Company in Hong Kong
Capital Reduction	the proposed reduction of the issued share capital of the Company through the cancellation of the paid-up capital of the Company to the extent of HK\$0.40 on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.10
Change of Auditor	the appointment of BDO as auditor of the Company following the resignation of DTT with effect from 17 June 2011
Companies Act	the Companies Act 1981 of Bermuda
Company	Symphony Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Exchange (Stock Code: 01223)
Consolidated Shares	shares of HK\$0.50 each in the share capital of the Company upon the Share Consolidation taking effect
DTT	Deloitte Touche Tohmatsu
Director(s)	executive director(s), non-executive director and independent non-executive director(s) of the Company
Existing Shares	shares of HK\$0.25 each in the share capital of the Company

DEFINITIONS

Existing Share Certificates	certificates for the Existing Shares in brown colour
Exchange	The Stock Exchange of Hong Kong Limited
Group	the Company and its subsidiaries
Hong Kong	Hong Kong Special Administrative Region of the People's Republic of China
Latest Practicable Date	27 June 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
Listing Rules	Rules Governing the Listing of Securities on the Exchange
New Shares	shares of HK\$0.10 each in the share capital of the Company upon the Share Consolidation, Capital Reduction and Sub-Division taking effect
New Share Certificates	certificates for the New Shares in beige colour
SGM	the special general meeting of the Company to be held at 10:00 a.m. on Monday, 25 July 2011 at the Boardroom on the 10th Floor, Island Place Tower, 510 King's Road, North Point, Hong Kong, to consider and, if thought fit, approve the Share Consolidation, Capital Reduction, Sub-Division, the Authorisation and Change of Auditor
Share Consolidation	the proposed consolidation of every two (2) Existing Shares of HK\$0.25 each in the authorised and issued share capital of the Company into one (1) Consolidated Share of HK\$0.50 each in the authorised and issued share capital of the Company
Shareholders	holder(s) of the shares of the Company
Sub-Division	the proposed sub-division of every Consolidated Share in the authorised but unissued share capital of the Company into five (5) New Shares in the authorised but unissued share capital of the Company
HK\$	Hong Kong dollars, the lawful currency of Hong Kong

EXPECTED TIMETABLE

The expected timetable for implementation of the Share Consolidation, Capital Reduction, Sub-Division is set out below. This timetable is indicative only and may be varied due to additional time required for compliance with regulatory requirements in Bermuda. Shareholders will be informed of any significant changes to the expected timetable by announcement.

2011

Latest time for lodging the proxy forms
for use at the SGM 10.00 am, Saturday, 23 July

Date and Time of SGM 10.00 am, Monday, 25 July

Publication of results of SGM Monday, 25 July

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation, Capital Reduction and Sub-Division, the dates are therefore tentative:

Effective date of the Share Consolidation,
Capital Reduction and Sub-Division Tuesday, 26 July

First day of free exchange of Existing Share Certificates for
New Share Certificates Tuesday, 26 July

Original counter for trading in Existing Shares
in board lots of 10,000 temporarily closes 9.00 am, Tuesday, 26 July

Temporary counter for trading in New Shares
in board lots of 5,000 (in the form of
Existing Share Certificates) opens 9.00 am, Tuesday, 26 July

Original counter for trading in New Shares
in board lots of 10,000 (in the form of
New Share Certificates) re-opens 9.00 am, Tuesday, 9 August

Parallel trading commences 9.00 am, Tuesday, 9 August

Designated broker starts to stand in the market to
provide matching services Tuesday, 9 August

Temporary counter for trading New Shares
in board lots of 5,000 (in the form of
Existing Share Certificates) closes 4.00 pm, Monday, 29 August

EXPECTED TIMETABLE

2011

Parallel trading in New Shares in the form of
New Share Certificates and Existing Share Certificates ends . . Monday, 29 August

Designated broker ceases to stand in the market to
provide matching services Monday, 29 August

Last day for free exchange of share certificates Wednesday, 31 August

All times and dates in this circular refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above depends on the results of the SGM and are therefore for indicative purpose only. An announcement will be made regarding any changes to the expected timetable as and when appropriate.

LETTER FROM THE BOARD



SYMPHONY

SYMPHONY HOLDINGS LIMITED

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 01223)

Executive Directors

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 Directors

Mr. Cheng Kar Shing

Mr. Feng Lei Ming

Mr. Ho Shing Chak

Mr. Huang Shinglan

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head office and principal place
of business in Hong Kong:*

10th Floor

Island Place Tower

510 King's Road

North Point

Hong Kong

30 June 2011

To the Shareholders

Dear Sir or Madam,

SHARE CONSOLIDATION, CAPITAL REDUCTION, SHARE SUB-DIVISION, AND CHANGE OF AUDITOR

INTRODUCTION

As announced by the Company in an announcement dated 21 June 2011, the Company proposed to put forward among others, the following proposals for approval by the Shareholders at the SGM:

* For identification purpose only

LETTER FROM THE BOARD

- (a) the Share Consolidation on the basis that every two (2) Existing Shares of HK\$0.25 each in the authorised or issued share capital of the Company be consolidated into one (1) authorised or issued Consolidated Share of HK\$0.50 each in the authorised or issued share capital of the Company;
- (b) the Capital Reduction involving the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.40 on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.10;
- (c) the Sub-Division on the basis that every Consolidated Share in the authorised but unissued share capital of the Company be sub-divided into five (5) New Shares of HK\$0.10 each; and
- (d) the Change of Auditor to BDO with effect from 17 June 2011 following the resignation of DTT and to hold office until the close of the next annual general meeting of the Company.

The credit of HK\$523,213,431.75 arising from the Capital Reduction will be credited to the contributed surplus account of the Company.

Under Bermuda law, the amount standing to the credit of the contributed surplus account is a distributable reserve and the Company may apply the contributed surplus in any manner not prohibited by the Companies Act and the bye-laws of the Company.

The Board also proposes to put forward to the Shareholders a resolution to approve the Authorisation, i.e. to authorise the Directors to apply the entire amount standing to the credit of the contributed surplus account of the Company in such manner as they consider appropriate, including but not limited to setting off the accumulated losses (if any) of the Company from time to time.

The purpose of this circular is to provide you with information regarding the above proposals and to give you notice of the SGM.

SHARE CONSOLIDATION, CAPITAL REDUCTION AND SUB-DIVISION

As at the Latest Practicable Date, the Company has an authorised share capital of HK\$2,000,000,000 divided into 8,000,000,000 Existing Shares, of which 2,616,067,159 Existing Shares have been issued and are fully paid or credited as fully paid.

LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Share Consolidation, Capital Reduction and Sub-Division become effective, the share capital structure of the Company will be as follows:

	Immediately before Share Consolidation, Capital Reduction and Sub-Division	Immediately after Share Consolidation, Capital Reduction and Sub-Division
Authorised Share Capital	HK\$2,000,000,000	HK\$2,000,000,000
Par Value	HK\$0.25	HK\$0.10
Number of Authorised Shares	8,000,000,000 Existing Shares	20,000,000,000 New Shares
Amount of Issued Share Capital	HK\$654,016,789.75	HK\$130,803,358.00
Number of Issued Shares	2,616,067,159 Existing Shares	1,308,033,580 New Shares
Amount of Unissued Share Capital	HK\$1,345,983,210.25	HK\$1,869,196,642.00
Number of Unissued Shares	5,383,932,841 Existing Shares	18,691,966,420 New Shares

Conditions of the Share Consolidation, Capital Reduction and Sub-Division

The Share Consolidation, Capital Reduction and Sub-Division will be conditional upon fulfillment of all the following conditions:

- (a) the passing by the Shareholders at the SGM of the ordinary and special resolutions approving the Share Consolidation, Capital Reduction and Sub-Division;
- (b) compliance with the relevant procedures and requirements under Bermuda law and the Listing Rules to effect the Share Consolidation, Capital Reduction and Sub-Division; and
- (c) the Listing Committee of the Exchange granting the listing of, and permission to deal in, the New Shares arising from the Share Consolidation, Capital Reduction and Sub-Division.

LETTER FROM THE BOARD

Reasons for and Impact on the Company of the Share Consolidation, Capital Reduction and Sub-Division

The proposed Share Consolidation, Capital Reduction and Sub-Division provide the Company with flexibility in future fund raisings, which may or may not occur, to accommodate future expansion and growth of the Company. The Share Consolidation will reduce the operating costs of the Company as well as the relative transaction costs for dealing in the shares of the Company. The crediting of the amount of HK\$523,213,431.75 arising from the Capital Reduction to the contributed surplus account of the Company will facilitate the payment of dividends as and when the Directors consider it appropriate in future.

The Directors (including the independent non-executive Directors) are of the view that the Share Consolidation, Capital Reduction and Sub-Division will not have a material financial effect on the financial position of the Group. The Board believes that on the date the Share Consolidation, Capital Reduction and Sub-Division is to be effected, there will be no reasonable grounds for believing that the Company is, or after the Share Consolidation, Capital Reduction and Sub-Division would be, unable to pay its liabilities as they become due. Other than the expenses to be incurred in relation to the Share Consolidation, Capital Reduction and Sub-Division, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders.

Application for Listing of New Shares

Application will be made to the Exchange for granting the listing of, and permission to deal in, the New Shares arising from the Share Consolidation, Capital Reduction and Sub-Division and all necessary arrangements will be made for the New Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited. None of the Existing Shares or New Shares are or are proposed to be listed or dealt in any stock exchange other than the Exchange. The New Shares will be identical with each other and also with the Existing Shares except for par value.

Exchange of Share Certificates

Subject to the Share Consolidation, Capital Reduction and Sub-Division becoming effective, which is expected to be on Tuesday, 26 July 2011, the Existing Share Certificates will cease to be valid for trading purposes after 4:00 p.m. on Monday, 29 August 2011. The Shareholders may, on or after Tuesday, 26 July 2011 until Wednesday, 31 August 2011 (both days inclusive) submit their Existing Shares Certificates (in brown colour) for Shares to the Branch Registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expenses of the Company, for New Share Certificates (in beige colour). It is expected that the New Share Certificates will be available for collection within ten (10) business days after the submission of the Existing Share Certificates to the Branch Registrar for exchange.

LETTER FROM THE BOARD

From Thursday, 1 September 2011 onwards, Existing Share Certificates will remain effective as evidence of title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Exchange) per certificate issued or cancelled, whichever is higher, payable by the Shareholders to the Branch Registrar.

The New Share Certificates will be issued in beige colour in order to distinguish them from the Existing Share Certificates which are in brown colour.

Arrangement on Odd Lot Trading

In order to facilitate the trading odd lots (if any) of the New Shares, the Company has appointed Ping An Securities Limited to provide matching services on a best effort basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares.

Holders of odd lots of the New Shares who wish to take advantage of this trading facility should contact Mr. Eddy Lam of Ping An Securities Limited at 4th Floor, Aon China Building, 29 Queen's Road, Central, Hong Kong (telephone number (852) 2545 3300) during the office hours of the period from Tuesday, 9 August 2011 to Monday, 29 August 2011 (both days inclusive). Shareholders should note that successful matching of the sale and purchase of odd lots of the New Shares will not be guaranteed. Any Shareholder, who is in doubt about the odd lot facility, is recommended to consult his/her/its own professional advisers.

WARNING

Shareholders and potential investors should also be aware of and take note that the Share Consolidation, Capital Reduction and Sub-Division are conditional upon satisfaction of the conditions precedent set out in the paragraph headed "Conditions of Share Consolidation, Capital Reduction and Sub-Division" in the section headed "Share Consolidation, Capital Reduction and Sub-Division". Therefore, Share Consolidation, Capital Reduction and Sub-Division may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

CHANGE OF AUDITOR

Pursuant to an announcement of the Company published on 17 June 2011, DTT has resigned as the auditor of the Group with effect from 17 June 2011 as DTT and the Company could not reach an agreement on the audit fee payable by the Company to DTT for the financial year ending 31 December 2011.

LETTER FROM THE BOARD

DTT has confirmed that there are no circumstances connected with its resignation that need to be brought to the attention of the members or creditors of the Company. The Board also confirms that (other than the failure to agree the audit fee payable by the Company to DTT for the financial year ending 31 December 2011), there is no disagreement between the Company and DTT and there are no matters in respect of the change of auditor that need to be brought to the attention of the Shareholders or creditors of the Company.

The Board has resolved to appoint BDO as the new auditor of the Group to fill the casual vacancy following the resignation of DTT. The Change of Auditor will, in particular, reduce the audit fee payable by the Company to the auditor for the financial year ending 31 December 2011. The Change of Auditor will be put forward to the Shareholders for approval and ratification by an ordinary resolution at the SGM.

SGM

The SGM will be held at the Boardroom on the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong on Monday, 25 July 2011 at 10.00 a.m. Notice of the SGM is set out on pages 12 to 14 of this circular, for the Shareholders to consider and, if thought fit, to approve the proposed resolutions in respect of the Share Consolidation, Capital Reduction, Sub-Division, the Authorisation and Change of Auditor.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolutions to be proposed at the SGM.

VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the SGM will exercise his right under bye-law 66 of the bye-laws of the Company to demand a poll on all resolutions to be proposed at the SGM.

ACTION TO BE TAKEN

A form of proxy for the SGM is enclosed herewith. Whether or not you intend to attend the SGM, you are requested to complete the form of proxy and return it to the Branch Registrar, Tricor Tengis Limited, at the 26th Floor of Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

Directors believe that the Share Consolidation, Capital Reduction, Sub-Division, the Authorisation and Change of Auditor are in the interests of the Company and the Shareholders as a whole. Accordingly, Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the SGM.

Yours faithfully,
For and on behalf of
Symphony Holdings Limited
Chan Ting Chuen
Chairman

NOTICE OF SPECIAL GENERAL MEETING



SYMPHONY

SYMPHONY HOLDINGS LIMITED

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 01223)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of the shareholders (the “**Shareholders**”) of Symphony Holdings Limited (the “**Company**”) will be held at the Boardroom on the 10th Floor of Island Place Tower, 510 King’s Road, North Point, Hong Kong on Monday, 25 July 2011 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT**, the appointment of BDO Limited as the auditor of the Company and to hold office until the conclusion of the next annual general meeting be approved, confirmed and ratified and the board of directors of the Company (“**Board**”) be and is hereby authorised to fix the auditor’s remuneration.”
2. “**THAT**, conditional upon (i) the Listing Committee of the Stock Exchange of Hong Kong Limited (the “**Exchange**”) granting approval for the listing of, and permission to deal in, new shares of HK\$0.10 each (each a “**New Share**”) in issue with effect from the business day immediately following the day on which this resolution is passed; and (ii) the passing of the ordinary resolutions numbers 3 and 4 and the special resolutions numbers 5 and 6 set out in the notice convening this meeting, every two (2) existing issued and unissued ordinary shares of HK\$0.25 each in the share capital of the Company be consolidated (the “**Share Consolidation**”) into one (1) consolidated share of HK\$0.50 each (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the bye-laws of the Company.”

* For identification purpose only

NOTICE OF SPECIAL GENERAL MEETING

3. “**THAT**, conditional upon the passing of the ordinary resolutions numbers 2 and 4 and the special resolutions numbers 5 and 6 set out in the notice convening this meeting, the authorised but unissued Consolidated Shares of HK\$0.50 in the share capital of the Company be and are hereby sub-divided (the “**Sub-Division**”) into five (5) New Shares of HK\$0.10 each (the “**Sub-Divided Shares**”) immediately following the completion of the Capital Reduction referred to in the special resolution number 5.”
4. “**THAT**, any one or more Directors be and is/are hereby authorised for and on behalf of the Company to sign, execute, perfect, and/or deliver any document and to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the Share Consolidation, Capital Reduction, Sub-Division and the Authorisation.”

To consider and, if thought fit, passing the following resolutions as special resolutions:

SPECIAL RESOLUTIONS

5. “**THAT**, conditional upon (i) compliance by the Company with the requirements of section 46(2) of the Companies Act 1981 of Bermuda (as amended) (the “**Companies Act**”) to effect the Capital Reduction (as defined below), with effect from 9:00 a.m. on the business day (as defined in the Rules Governing the Listing of Securities on the Exchange) next following the day on which this resolution is passed by the Shareholders; and (ii) the passing of the ordinary resolutions numbers 2, 3 and 4 and the special resolution number 6 set out in the notice convening this meeting, immediately following the Share Consolidation, the issued share capital of the Company shall be reduced through the cancellation of the paid-up capital of the Company to the extent of HK\$0.40 on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share shall be reduced from HK\$0.50 to HK\$0.10 (the “**New Shares**”) (the aforesaid capital reduction to be referred to as the “**Capital Reduction**”); and
6. “**THAT**, conditional upon the passing of the ordinary resolutions numbers 2, 3 and 4 and the special resolution number 5 set out in the notice convening this meeting, the credit arising from the Capital Reduction be credited to the contributed surplus account of the Company and the Directors be and are hereby authorised to apply the entire amount standing to the credit of the contributed surplus account of the Company in such manner (subject to the Companies Act and the bye-laws of the Company) as they consider appropriate, including but not limited to setting off the accumulated losses (if any) of the Company from time to time.

By Order of the Board
Chu Lai Shan Sammie
Company Secretary

Hong Kong, 30 June 2011

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (a) Any member entitled to attend and vote at the SGM shall be entitled to appoint a proxy to attend and vote on his/her behalf. A member, who is the holder of two (2) or more shares of the Company ("**Shares**"), entitled to attend and vote at the SGM is entitled to appoint more than one (1) proxy to attend and vote on his/her behalf. A proxy needs not be a member of the Company but must be present in person at the meeting to represent the member. If more than one (1) proxy are appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is appointed.
- (b) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same, and must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at the 26th Floor of Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
- (c) Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the SGM convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (d) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.