

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SYMPHONY
SYMPHONY HOLDINGS LIMITED

新豐集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

(Warrant Code: 01537)

CLARIFICATION –

**ACQUISITION OF 40% EQUITY INTERESTS
IN TARGET COMPANY**

The Company refers to its announcement published on 12 October 2018 (the "**Announcement**"). Terms defined in the Announcement bear the same meanings in this announcement.

The Announcement disclosed amongst other things that the Group currently holds a 60% equity interest in the Target Company through the Purchaser, that the Target Company is currently accounted for as a joint venture company of the Group and that upon Completion, the Target Company will become a wholly-owned subsidiary of the Company.

The Company clarifies that notwithstanding that the Target Company is accounted for as a joint venture company, it is already a subsidiary of the Company for the purposes of the Listing Rules by reason of the definition of "subsidiary" in those rules. Accordingly, the Acquisition is both a discloseable transaction and a connected transaction for the Company under the Listing Rules, because the Vendor (being the current 40% shareholder of the Target Company) is a connected person of the Company at the subsidiary level.

The terms of the Acquisition have been approved by the Board and the independent non-executive Directors have also confirmed that the terms of the Acquisition are fair and reasonable, and the Acquisition is on normal commercial terms and in the interests of the Company and its shareholders as a whole. The Acquisition is therefore exempted under Rule 14A.101 of the Listing Rules from the circular, independent financial advice and shareholders' approval requirements otherwise applicable.

**For identification only*

By order of the Board
Symphony Holdings Limited
Cheng Tun Nei
Chairman

Hong Kong, 22 October 2018

Executive Directors: Mr. Cheng Tun Nei (*Chairman & Chief Executive Officer*)
Mr. Chan Kar Lee Gary

Independent non-executive
Directors: Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie
Mr. Chow Yu Chun Alexander