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SYMPHONY

SYMPHONY HOLDINGS LTD.

新灃集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

ANNOUNCEMENT OF (1) FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015; (2) FINAL DIVIDEND AND CLOSURE OF BOOKS; AND (3) PROPOSED BONUS ISSUE OF WARRANTS

FINANCIAL HIGHLIGHTS

Total turnover increased from HKD263.8 million to HKD351.1 million representing a 33.10% increase.

Profit attributable to the owners of the Company rose 847%, from HKD19.1 million to HKD180.8 million.

Turnover of the individual segments were as follows:–

- Retailing and sourcing – HKD155.3 million (2014: HKD151.6 million)
- Outlet malls – HKD38.9 million (2014: HKD30.4 million)
- Duty free – HKD5.2 million (2014: HKD1.6 million)
- Branding – HKD24.8 million (2014: HKD42.7 million)
- Financial services – HKD92.9 million (2014: HKD21.9 million)
- Property investment and holding – HKD34.0 million (2014: HKD15.6 million)

* *For identification only*

CHAIRMAN'S STATEMENT

Slowdown, adjustment and transformation seem to be the keynotes of China's economy in 2015. According to the data from the National Bureau of Statistics, China's GDP growth rate was 6.9% in 2015. Economic downturn, stock market fluctuation, decelerating real estate investment growth and continuing anti-corruption rendered enterprises' operation and investments plus personal consumption more prudent and rational. Faced with the aforementioned macro-economic pressure and confronted by e-commerce, traditional retail business experienced waves of store closures. Many enterprises were proactively making corresponding adjustments or transformation.

Affected by China's economy, Hong Kong's economy also experienced decline and adjustment. Both its stock and real estate market entered into a period of adjustment and down cycle. Apart from the foresaid pressure, traditional retail business also faced various negative news leading to the gradual decrease of free independent travellers.

Nonetheless, the Group has gradually built a solid foundation after its transformation in 2014. In 2015 we continued to make use of the travel retail and sports brand opportunities brought forward by the retail industry, and the need for diversified financial services also provided business possibilities to financial investment. Combining the above with our strengths, by proactively improving our business and manpower structure, we boosted our operational efficiency so as to better support the development of our various business segments while striving for the maximum benefits for the Group.

REVIEW

A) Travel Retail

By utilizing the unique features of outlet malls as well as duty free business and leveraging on the results achieved so far, the Group proceeds with the economy and living standard and put forward an enhanced concept, we believe the merger will expand the business development potential of both sectors simultaneously.

1) Outlet malls

With globalization and the improvement in the quality of life, tourism becomes more common, various domestic and international brands are more widely known. The development of outlet mall business will benefit from brand quality recognition and rational consumption approach.

Through many conducive discussions throughout 2015, the Group launched the CITS Anyang City Project with China International Travel Service Group Corporation (hereinafter referred to as "**CITS**") to build and operate in Anyang, Henan Province the Anyang City Park Outlet. It is intended that Anyang City Park Outlet will soft open by end 2016. Anyang City Park Outlet will adopt a new business model "shopping + tourism" through high quality and steeply discounted genuine international brand merchandise, professional and comprehensive supporting services as its focus, providing consumers and tourists in Anyang and its neighboring region an all-in-one comprehensive experience combining leisure, tourism, shopping, entertainment and culture.

At the same time, after three years' of market nurture, strengthening of management, improvement of efficiency, the business in Shenyang Park Outlet is improving and maturing. During the past year, Tianjin Park Outlets continued to improve its operation, upgrade its manpower structure, resulting in rising operational efficiency, thereby establish a management model.

2) Duty free business

After a year of operation and exploration, the business of the duty free shop Golden Palaris in Kinmen is steadily progressing as planned. At the same time, the Group strengthened its cooperation with China Duty Free Group Co., Ltd. (hereinafter referred to as "**China Duty Free Group**"), a company under CITS, and actively scrutinized various strategic plans and collaboration proposals to jointly promote the business development of duty free business in Kinmen.

B) Sports Branding

1) Speedo

We continued to optimize the online and offline sales channels and self-run retail points of sale. At the same time, in order to accurately grasp the sports waves around the world created by the 2016 Olympic Games in Brazil and the business potential of the sports industry in the Mainland, the Group is in active and positive discussion with Speedo headquarters and Asian companies for alliance opportunity and business plan for the purpose of capturing the brand development potential made possible by this mega event and thereby maximizing the brand benefits.

2) PONY

Apart from disposing of the use of trademark rights in USA, Canada and Mexico to ICONIX, the Group continued to explore further partnership prospects. The Group is proactively expanding its brand business to South America, Europe and Asia.

C) Financial Investment

1) Financial Services

With increasingly diversified demand for financial services, the business of China Rise Finance is gradually stabilizing and the size of its customer base is enlarging day by day. In particular, it achieved comparatively good development results in its moneylending and listing business.

D) Property Investment

Our properties like the outlet mall in Shenyang, Junefield Plaza in Beijing and Island Place in Hong Kong continued to generate increasing rental income and appreciation potential to the Group.

The Group continues with its business structure strategy of 2014 and is pleased to observe that, through timely adjustment and betterment in 2015, each business segment made positive progress independently while supporting the overall business development of the Group, the synergistic effect amongst different business segments are fully recognized.

FUTURE

1) The Group will continue to uphold the elements of travel-retail. For outlet malls, the Company will relentlessly push for the development of Anyang City Project in Henan Province and reinforce the strategic alliance with CITS. At the same time, the Company will also actively consider accelerating the number of outlet malls in other parts of China. At the moment, the Company is negotiating the related plans with a renowned enterprise.

2) For duty free business, the Company will heighten its efforts to establish long-term strategic cooperative partnership with China Duty Free Group（CDF）and look into more feasible collaboration in other countries and regions.

3) For Speedo, by relying on the current China structure, operation and client network, the Company will actively consider expanding the cooperation with the parent company of Speedo and seek collaboration with other related brands.

4) For PONY brand, apart from the existing markets in northern Asia, South America and Europe, the Company will continue to actively expand its business in other regions such as Southern Asia, Middle East and Africa thereby continuing to intensify the brand's market exposure.

5) For financial services, the Company will look for strategic partners in a proactive manner, seize and leverage on the growing and upsurging financial market, realizing the synergistic effect of allying with influential market players.

In concluding the above, the upgrading and integration of outlet malls and duty free business through the travel-retail concept, the expansion and optimization of its own channel network in sports branding and leveraging on outlet malls, the positive expansion of financial services by taking advantage of industry's rising trend, together with the support for and the facilitation of the industry's development, the multi-dimensional linkage and mutual collaboration of which will help to create an optimum business ecosystem with maximum benefits.

APPRECIATION

I would take this opportunity to thank my fellow directors, our staff and stakeholders for their continuous support and contributions to the Group. As Mr. Sze Sun Sun Tony had retired from Managing Director last year, I would like to thank Mr. Sze, on behalf of the Board, for his contribution to the Company during his term of office. I hope that in face of a difficult market of 2016, all my colleagues will continue to make concerted efforts to contribute to the business and effectiveness of the Group.

OPERATION REVIEW

Turnover of the Group increased 33.10% from HKD263.8 million to HKD351.1 million. The substantial growth were attributable mainly to the organic growth of our Speedo retailing and sourcing, Shenyang outlet mall and duty free shop in Kinmen, and the contribution from newly acquired financial services group and Beijing properties in 2014.

Gross profit margin rises from 59.57% last year to 75.57% this year resulting from the income generated from financial services business and also the rental income received from Beijing properties.

The Group also recognized gain of HKD222.5 million from the disposal of intangible assets representing Pony trademark and intellectual property rights in Canada, US and Mexico in February this year. Details of which are included in the Company announcement dated 3 February 2015.

As a result, profit attributable to the owners of the Company also rises 847% from HKD19.1 million to HKD180.8 million.

The value of intangible assets fell from HKD210.6 million last year to HKD146.4 million this year as a consequence of the disposal of the PONY trademark and intellectual property rights in the United States of America, Mexico and Canada.

Current assets value upsurged from HKD954.8 million to HKD1,457.9 million amongst which advances to customers in margin financing increased from HKD50.3 million to HKD126.1 million due to expanding business in financial services. Under the same token, loans receivable also rose from HKD143.0 million to HKD629.2 million. Bank borrowings also increased from HKD465.3 million to HKD737.3 million to cope with the business development needs of the Group.

As stated in the Annual Report of 2014 and the Interim Report of 2015, out of the HKD291.7 million proceeds raised from the placing of the ordinary shares of the Company in October 2013, (i) HKD59.0 million had been utilised for existing outlet mall operations; (ii) HKD21.7 million had been utilised for general working capital of the Group; while (iii) HKD150.0 million had been used for the repayment of bank loans of the Group. The remaining balance of HKD61.0 million which was originally set aside for outlet mall extension has been utilised as general working capital for our newly acquired financial services business.

MARKET INFORMATION

During the year, sales to the People's Republic of China, Hong Kong, Taiwan and other Asian countries comprised 99.53% (2014: 94.17%) of the total sales with the remaining 0.47% (2014: 5.83%) shared between United States of America, South America and other European countries.

Liquidity and capital resources

As at 31 December 2015, the Group had bank balances and cash of HKD470,025,000 (2014: HKD562,362,000). The Group was offered banking facilities amounting to HKD737,251,000 (2014: HKD620,448,000). As at 31 December 2015, the Group obtained bank borrowings in the amount of HKD737,251,000 (2014: HKD465,336,000). The Group has variable interest rate bank loans which carry interest ranging from 1.84% to 2.47% per annum. The weighted average effective interest rate of the Group's bank loans is 2.16% (2014: 1.81%). Debt to total assets ratio stood at 19.78% (2014: 13.34%), based on total bank borrowings over total assets. The shareholders' equity was impacted by exchange difference arising on translation of foreign operations amounting to HKD101,239,000 attributable to the devaluation of Renminbi for the year. The banking facilities are secured by corporate guarantees from the Company and certain of its subsidiaries. Bank loans are secured by certain land and buildings and investment properties of the Group.

Human resources

As at 31 December 2015, the total number of employees of the Group was 392. Employee costs (excluding directors emoluments) amounted to approximately HKD72,651,000 (2014: HKD67,056,000).

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

Share option schemes

On 10 June 2011, shareholders of the Company have approved and adopted a share option scheme (the "**Scheme**") for the purpose of providing eligible participants with the opportunity to acquire proprietary interests in the Company. The Scheme aims to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of both the Company and its shareholders as a whole. All directors of the Company ("**Directors**"), full-time employees and any other persons who, at the sole discretion of the Board of Directors, have contributed or will contribute to the Group are eligible to participate in the Scheme.

Pursuant to the Scheme, shares which may be issued upon exercise of all options to be granted under the Scheme or any other share option scheme adopted by the Company must not in aggregate exceed 10% of the shares of the Company in issue on the date of adoption. The Company may renew this 10% limit with shareholders' approval provided that each such renewal may not exceed 10% of shares in the Company in issue as at the date of the shareholders' meeting.

The total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme or any other share option scheme adopted by the Company must not exceed 30% of the shares in issue from time to time.

Unless approved by shareholders of the Company, the total number of shares of the Company issued and to be issued upon the exercise of the options granted to each participant (including both exercised and unexercised options) under the Scheme or any other share option schemes adopted by the Company in any 12-month period must not exceed 1% of the shares of the Company in issue.

The period within which the options must be exercised will be specified by the Company at the time of the grant. This period must expire no later than 10 years from the date of grant of the options. At the time of the grant of the options, the Company may specify a minimum period for which an option must be held before it can be exercised. The offer of a grant of share options may be accepted within 14 days from the date on which the letter containing the offer is delivered to that participant and the amount payable on acceptance of an option is HKD1.00.

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange of Hong Kong Limited (the "**Exchange**") on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company on the date of grant. The subscription price will be approved by the Board at the time the option is offered to the participants.

No options may be granted under the Scheme after the date of the tenth anniversary of the adoption of the Scheme.

On 4 December 2015, a total of 11,000,000 share options were granted to eligible persons.

Details of the movements of the share options granted under the Scheme during the year ended 31 December 2015 are as follows:

				Number of share options				
Name of participants	Date of grant	Exercise period	Exercise price per share *(HKD)*	Outstanding as at 1 January 2015	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding as at 31 December 2015
Directors	9/9/2013	9/9/2013 – 8/9/2016	0.406	–	–	–	–	–
		9/9/2014 – 8/9/2016	0.406	7,000,000	–	(7,000,000)	–	–
		9/9/2015 – 8/9/2016	0.406	10,800,000	–	(3,900,000)	(6,900,000)	–
	9/10/2013	9/10/2013 – 8/10/2016	0.402	–	–	–	–	–
		9/10/2014 – 8/10/2016	0.402	–	–	–	–	–
		9/10/2015 – 8/10/2016	0.402	–	–	–	–	–
	17/6/2014	17/6/2014 – 16/6/2017	0.550	6,000,000	–	–	–	6,000,000
	4/12/2015	4/12/2015 – 3/12/2016	0.760	–	1,000,000	–	–	1,000,000
Employees	9/9/2013	9/9/2013 – 8/9/2016	0.406	–	–	–	–	–
		9/9/2014 – 8/9/2016	0.406	2,320,000	–	(2,320,000)	–	–
		9/9/2015 – 8/9/2016	0.406	12,000,000	–	(7,800,000)	(4,200,000)	–
	9/10/2013	9/10/2013 – 8/10/2016	0.402	540,000	–	(540,000)	–	–
		9/10/2014 – 8/10/2016	0.402	4,470,000	–	(4,120,000)	–	350,000
		9/10/2015 – 8/10/2016	0.402	4,470,000	–	(2,550,000)	(960,000)	960,000
	4/12/2015	1/7/2016 – 31/12/2016	0.760	–	10,000,000	–	–	10,000,000
				47,600,000	11,000,000	(28,230,000)	(12,060,000)	18,310,000
Weighted average exercise price				0.423	0.760	0.405	0.406	0.666

Details of the movements of the share options granted under the Scheme during the year ended 31 December 2014 are as follows:

				Number of share options				
Name of participants	Date of grant	Exercise period	Exercise price per share *(HKD)*	Outstanding as at 1 January 2014	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding as at 31 December 2014
Directors	9/9/2013	9/9/2013 – 8/9/2016	0.406	11,200,000	–	(11,200,000)	–	–
		9/9/2014 – 8/9/2016	0.406	12,300,000	–	(3,800,000)	(1,500,000)	7,000,000
		9/9/2015 – 8/9/2016	0.406	12,300,000	–	–	(1,500,000)	10,800,000
	9/10/2013	9/10/2013 – 8/10/2016	0.402	2,000,000	–	(2,000,000)	–	–
		9/10/2014 – 8/10/2016	0.402	1,500,000	–	–	(1,500,000)	–
		9/10/2015 – 8/10/2016	0.402	1,500,000	–	–	(1,500,000)	–
	17/6/2014	17/6/2014 – 16/6/2017	0.550	–	6,000,000	–	–	6,000,000
Employees	9/9/2013	9/9/2013 – 8/9/2016	0.406	13,600,000	–	(13,600,000)	–	–
		9/9/2014 – 8/9/2016	0.406	12,000,000	–	(9,680,000)	–	2,320,000
		9/9/2015 – 8/9/2016	0.406	12,000,000	–	–	–	12,000,000
	9/10/2013	9/10/2013 – 8/10/2016	0.402	5,410,000	–	(4,290,000)	(580,000)	540,000
		9/10/2014 – 8/10/2016	0.402	4,470,000	–	–	–	4,470,000
		9/10/2015 – 8/10/2016	0.402	4,470,000	–	–	–	4,470,000
				92,750,000	6,000,000	(44,570,000)	(6,580,000)	47,600,000
Weighted average exercise price				0.405	0. 550	0.405	0.404	0.423

The number and weighted average exercise price of the share options exercisable at the end of reporting period are 8,310,000 shares and HKD0.552 (2014: 20,330,000 shares and HKD0.448), respectively.

The weighted average remaining contractual life for the share options outstanding at the end of the reporting period is 1.13 years (2014: 1.80 years). The weighted average share price at the date of exercise of options exercised during the year was HKD0.83 (2014: HKD0.63).

The total number of shares available for issue under the share option scheme as at 31 December 2015 was 809,323,074 shares (including options for 18,310,000 shares that have been granted but not yet lapsed or exercised) (2014: 749,704,074 shares (including options for 47,600,000 shares that have been granted but not yet lapsed or exercised) which represented 29.3% (2014: 28.1%) of the issued share capital of the Company at 31 December 2015.

The estimated fair value of the options granted to eligible persons on 9 September 2013 was HKD0.1184 per option. The fair value was calculated using the Black-Scholes model with Binomial Tree method. The inputs into the model were as follows:

Share price at grant date	HKD0.400
Exercise price	HKD0.406
Expected volatility	43.526%
Expected life	3 years
Risk-free rate	0.693%
Expected dividend yield	0%

The estimated fair value of the options granted to eligible persons on 9 October 2013 was HKD0.1204 per option. The fair value was calculated using the Black-Scholes model with Binomial Tree method. The inputs into the model were as follows:

Share price at grant date	HKD0.400
Exercise price	HKD0.402
Expected volatility	44.015%
Expected life	3 years
Risk-free rate	0.545%
Expected dividend yield	0%

The estimated fair value of the options granted to eligible persons on 17 June 2014 was HKD0.1921 per option. The fair value was calculated using the Black-Scholes model with Binomial Tree method. The inputs into the model were as follows:

Share price at grant date	HKD0.550
Exercise price	HKD0.550
Expected volatility	51.087%
Expected life	3 years
Risk-free rate	0.771%
Expected dividend yield	0%

The estimated fair values of the options granted to eligible persons on 4 December 2015 were HKD0.1699 and HKD0.1707 per option. The fair values were calculated using the Black-Scholes model with Binomial Tree method. The inputs into the model were as follows:

Share price at grant date	HKD0.760
Exercise price	HKD0.760
Expected volatility	56.772%/54.938%
Expected life	1/1.08years
Risk-free rate	0.09%/0.1077%
Expected dividend yield	0%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices over the last three years.

The share options granted on 9 September 2013 are subject to the following vesting schedule:

Vesting schedule	**Maximum number of share options exercisable**
From 9 September 2013 to 8 September 2014	40%
From 9 September 2014 to 8 September 2015	70%
From 9 September 2015 to 8 September 2016	100%

The share options granted on 9 October 2013 are subject to the following vesting schedule:

Vesting schedule	Maximum number of share options exercisable
From 9 October 2013 to 8 October 2014	40%
From 9 October 2014 to 8 October 2015	70%
From 9 October 2015 to 8 October 2016	100%

The share options granted to employees on 4 December 2015 are subject to the following vesting schedule:

Vesting schedule	Maximum number of share options exercisable
From 1 July 2016 to 31 December 2016	100%

No vesting conditions are set for the share options granted to Directors on 17 June 2014 and 4 December 2015.

The fair value of share options granted is recognised as an employee cost with a corresponding increase in share options reserve within equity over the relevant vesting periods.

The Group recognised an expense of approximately HKD1,666,000 (2014: HKD5,483,000) for the year ended 31 December 2015 in relation to share options granted by the Company.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	2015 HKD'000	2014 HKD'000
Continuing operations			
Revenue	4	**351,067**	263,831
Cost of sales		**(85,779)**	(106,670)
Gross profit		**265,288**	157,161
Other income and gains	7(a)	**250,438**	74,329
Distribution and selling expenses		**(124,988)**	(96,509)
Administrative expenses		**(170,771)**	(178,878)
Finance costs	5	**(10,965)**	(5,599)
Other expenses	7(b)	**(15,635)**	(7,529)
Increase in fair value of investment properties		**3,443**	27,973
Share of results of joint ventures		**(1,757)**	(1,479)
Profit/(loss) before income tax (expense)/credit		**195,053**	(30,531)
Income tax (expense)/credit	6	**(38,975)**	2,133
Profit/(loss) for the year from continuing operations	7(c)	**156,078**	(28,398)
Discontinued operations			
Profit for the year from discontinued operations, after tax	7(d)	**–**	28,604
Profit for the year		**156,078**	206
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss:			
Surplus arising on revaluation of properties		**14,149**	26,191
Deferred tax liability arising on revaluation of properties		**(9,953)**	(2,454)
		4,196	23,737
Items that may be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on available-for-sale investments		**20,354**	(14,749)
Release of investments revaluation reserve to profit or loss upon disposal of available-for-sale investments		**(5,605)**	–
Translation reserves released to profit or loss on disposal of subsidiaries		**129**	–
Translation reserve released to profit or loss on disposal of joint ventures		**–**	1,430
Translation reserves released on obtaining control of a joint venture		**(2,051)**	–
Exchange differences arising on translation of foreign operations		**(101,239)**	(38,510)
Share of other comprehensive income of joint ventures		**–**	(500)
		(88,412)	(52,329)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	2015 HKD'000	2014 HKD'000
Other comprehensive income for the year, net of tax		**(84,216)**	(28,592)
Total comprehensive income for the year		**71,862**	(28,386)
Profit/(loss) for the year attributable to:			
Owners of the Company			
Profit/(loss) for the year from continuing operations		**180,822**	(9,509)
Profit for the year from discontinued operations		**–**	28,604
Profit for the year attributable to owners of the Company		**180,822**	19,095
Non-controlling interests			
Loss for the year from continuing operations		**(24,744)**	(18,889)
Loss for the year attributable to non-controlling interests		**(24,744)**	(18,889)
		156,078	206
Total comprehensive income attributable to:			
Owners of the Company		**115,854**	(3,731)
Non-controlling interests		**(43,992)**	(24,655)
		71,862	(28,386)
Earnings/(loss) per share	*9*		
Basic *(HK cents)*			
From continuing and discontinued operations		**6.74**	0.81
From continuing operations		**6.74**	(0.40)
Diluted *(HK cents)*			
From continuing and discontinued operations		**6.72**	0.81
From continuing operations		**6.72**	(0.40)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	NOTES	2015 HKD'000	2014 HKD'000
Non-current assets			
Property, plant and equipment		**611,898**	530,599
Investment properties		**1,190,423**	1,305,717
Prepaid lease payments		**254,248**	277,346
Intangible assets		**146,417**	210,545
Interests in joint ventures		**–**	24,662
Available-for-sale investments		**–**	44,888
Goodwill		**35,590**	35,590
Deferred tax assets		**22,486**	45,699
Tax recoverable		**–**	52,314
Club debentures		**1,876**	2,326
Restricted bank deposit		**3,538**	3,743
Statutory deposits for financial services business		**200**	200
		2,266,676	2,533,629
Current assets			
Inventories		**58,862**	41,785
Trade and other receivables	*10*	**115,842**	116,579
Advances to customers in margin financing	*11*	**126,050**	50,344
Loans receivable	*12*	**629,196**	143,006
Prepaid lease payments		**7,159**	7,420
Trading securities		**16,420**	9,545
Restricted bank deposit		**9,889**	1,573
Bank balances and cash – held on behalf of customers		**24,494**	22,173
Bank balances and cash		**470,025**	562,362
		1,457,937	954,787
Current liabilities			
Trade and other payables	*13*	**265,611**	295,688
Amounts due to joint ventures		**–**	26,427
Bank borrowings		**173,002**	465,336
Tax payable		**12,853**	47,192
		451,466	834,643
Net current assets		**1,006,471**	120,144
Total assets less current liabilities		**3,273,147**	2,653,773
Non-current liabilities			
Bank borrowings		**564,249**	–
Loan from non-controlling interests		**153,254**	153,254
Deferred tax liabilities		**85,930**	88,776
		803,433	242,030
		2,469,714	2,411,743

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2015

	NOTES	**2015** ***HKD'000***	2014 *HKD'000*
Equity			
Share capital		**269,775**	266,952
Reserves		**2,049,360**	1,921,275
Equity attributable to owners of the Company		**2,319,135**	2,188,227
Non-controlling interests		**150,579**	223,516
		2,469,714	2,411,743

Notes:

1. GENERAL

Symphony Holdings Limited was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The address of the registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business of the Company is located on the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong.

The principal activities of the Group remain to be provision of financial services (including securities brokerage, margin financing, underwriting and placing, consulting and money lending), property investment and holding, management and operation of outlet mall in the People's Republic of China ("**PRC**"), trademark rights licensing, trading and retailing as well as duty free business.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new/revised HKFRSs – effective 1 January 2015

The Group has adopted the following amendments and interpretation for the first time for the current year's consolidated financial statements.

HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions

Except as explained below, the adoption of these amendments and interpretation has no material impact on the Group's consolidated financial statements.

Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle

The amendments issued under the annual improvements process make small, non-urgent changes to a number of standards where they are currently unclear. They include amendments to HKAS 16 "Property, Plant and Equipment" to clarify how the gross carrying amount and accumulated depreciation are treated where an entity uses the revaluation model. The carrying amount of the asset is restated to revalued amount. The accumulated depreciation may be eliminated against the gross carrying amount of the asset. Alternatively, the gross carrying amount may be adjusted in a manner consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The adoption of the amendments to HKAS16 has no impact on these financial statements as the latter treatment is consistent with the manner in which the Group has previously dealt with revaluations of its property, plant and equipment.

(a) Amendments to HKAS 19 (2011) – Defined Benefit Plans: Employee Contributions

The amendments permit contributions that are independent of the number of years of service to be recognised as a reduction in the service cost in the period in which the service is rendered instead of allocating the contributions to periods of service.

The adoption of the amendments has no impact on these financial statements as the Group has no defined benefit plans.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle[1]
Amendments to HKAS 1	Disclosure Initiative[1]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[1]
HKFRS 9 (2014)	Financial Instruments[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[1]
HKFRS 15	Revenue from Contracts with Customers[2]

[1] *Effective for annual periods beginning on or after 1 January 2016*

[2] *Effective for annual periods beginning on or after 1 January 2018*

[3] *Effective for annual periods beginning on or after a date to be confirmed*

Amendments to HKAS 16 and HKAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not appropriate for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

Amendments to HKAS 27 – Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

HKFRS 9 (2014) – Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at fair value through other comprehensive income. All other debt and equity instruments are measured at fair value through profit or loss ("**FVTPL**").

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at fair value through profit or loss replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

Amendments to HKFRS 11 – Accounting for Acquisitions of Interests in Joint Operations

The amendments require an entity to apply all of the principles of HKFRS 3 Business Combinations when it acquires an interest in a joint operation that constitutes a business as defined in that standard. The principles of HKFRS 3 are also applied upon the formation of a joint operation if an existing business as defined in that standard is contributed by at least one of the parties.

HKFRS 15 – Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The Group has already commenced an assessment of the impact of adopting the above Standards and amendments to existing Standards to the Group. The Group has so far concluded that the application of these new pronouncements will have no material impact on the Group's financial statements.

(c) New Hong Kong Companies Ordinance provisions relating to the preparation of financial statements

The provisions of the new Hong Kong Companies Ordinance, Cap. 622 regarding preparation of accounts and directors' reports and audits became effective for the Company for this financial year. In addition, the disclosure requirements set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") regarding annual accounts have been amended with reference to the new Hong Kong Companies Ordinance, Cap. 622. Accordingly, the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements.

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations (hereinafter collectively referred to as the "**HKFRSs**") and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules.

4. SEGMENT INFORMATION

Information reported to the chief operating decision-maker, being the directors of the Company, for the purpose of resources allocation and performance assessment focuses specifically on the assessment of operating performance in each operating unit, which is the basis upon which the Group is organised. Each operating unit is distinguished based on types of goods or services delivered or provided. No operating segments identified by the chief operating decision-maker have been aggregated in arriving at the reportable segments of the Group. Financial information on segment results and segment assets are regularly provided to the chief operating decision maker while no information of segment liabilities is provided.

During the year, the Group identified, among others, a new business segment of Duty Free business in Taiwan acquired by the Group in September 2014, resulting in a change in composition of reportable operating segments and is separately assessed by the chief operating decision-maker (the "**CODM**").

Furthermore, the CODM reassessed that the available-for-sale investments and trading securities acquired by the Group in 2014 were directly attributed to financial services segment, resulting from a change in resource allocation of reportable operating segments.

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;
- Outlet malls;
- Financial services; and
- Duty free.

Corresponding items of segment information as at 31 December 2014, of which five reportable operating segments were previously presented, have been restated for consistent presentation with current year's segment information.

(a) Segment Revenue and Results

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

For the year ended 31 December 2015

	Retailing and sourcing *HKD'000*	Branding *HKD'000*	Property investment and holding *HKD'000*	Outlet malls *HKD'000*	Financial services *HKD'000*	Duty free *HKD'000*	Consolidated *HKD'000*
REVENUE							
External sales	155,267	24,841	34,042	38,880	92,868	5,169	351,067
Inter-segment sales	–	–	1,872	–	–	–	1,872
	155,267	24,841	35,914	38,880	92,868	5,169	352,939
Segment profit/(loss)	24,663	193,938	23,506	(63,341)	58,720	(13,592)	223,894
Unallocated income							
– Interest income							6,719
– Translation reserve released on disposal of joint ventures							2,051
– Gain on disposal of subsidiaries							155
– Others							1,011
Central administrative costs							(37,020)
Share of results of joint ventures							(1,757)
Profit before income tax expenses							195,053

Note:

The revenue from outlet malls segment is analysed as follows:	
Gross revenue from concessionaire sales	263,601
Commission income from concessionaire sales	38,880

For the year ended 31 December 2014 (Restated)

	Retailing and sourcing	Branding	Property investment and holding	Outlet malls *(Note)*	Financial services	Duty free	Consolidated
	HKD'000	*HKD'000*	*HKD'000*	*HKD'000*	*HKD'000*	*HKD'000*	*HKD'000*
REVENUE							
External sales	151,552	42,748	15,567	30,419	21,936	1,609	263,831
Inter-segment sales	–	–	716	–	–	–	716
	151,552	42,748	16,283	30,419	21,936	1,609	264,547
Segment profit/(loss)	10,338	(5,406)	36,969	(58,970)	9,015	(1,199)	(9,253)
Unallocated income							
– Interest income							14,359
– Gain on disposal of a joint venture							17,300
– Fair value gain on re-measurement of equity in a joint venture							10,051
– Bargain purchase gain arising on business combination							3,209
– Others							1,089
Central administrative costs							(65,807)
Share of results of joint ventures							(1,479)
Loss before income tax credit							(30,531)

Note:

The revenue from outlet malls segment is analysed as follows:

Gross revenue from concessionaire sales	207,990
Commission income from concessionaire sales	30,419

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit earned or the loss incurred by each segment without allocation of central administrative costs, interest income, translation reserve released on disposal of joint ventures, gain on disposal of subsidiaries, gain on disposal of a joint venture, fair value gain on re-measurement of equity in a joint venture, bargain purchase gain arising on business combination and share of results of joint ventures. This is the measure reported to the chief operating decision-maker for the purpose of resources allocation and performance assessment.

(b) Segment Assets

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

Segment assets

	2015	2014
	HKD'000	*HKD'000*
		(Restated)
Retailing and sourcing	**85,781**	73,905
Branding	**159,169**	230,095
Property investment and holding	**1,463,242**	1,487,023
Outlet malls	**622,362**	673,451
Financial services	**867,921**	315,076
Duty free	**18,324**	16,187
Total segment assets	**3,216,799**	2,795,737
Unallocated	**507,814**	692,679
Consolidated assets	**3,724,613**	3,488,416

For the purposes of monitoring segment performances and allocating resources between segments, all assets are allocated to reportable segments other than interests in joint ventures, deferred tax assets, tax recoverable, club debentures, restricted bank deposit and bank balances and cash.

(c) Other segment information

For the year ended 31 December 2015

	Retailing and sourcing *HKD'000*	Branding *HKD'000*	Property investment and holding *HKD'000*	Outlet malls *HKD'000*	Financial services *HKD'000*	Duty free *HKD'000*	Consolidated *HKD'000*
Amounts included in the measure of segment profit/(loss) or segment assets:							
Capital expenditure *(Note)*	**3,904**	**329**	**33,042**	**24,592**	**2,993**	**7,252**	**72,112**
Depreciation of property, plant and equipment	**3,103**	**386**	**7,674**	**25,385**	**413**	**3,435**	**40,396**
Amortisation of prepaid lease payments	**–**	**–**	**–**	**7,349**	**–**	**–**	**7,349**
Increase in fair value of investment properties	**–**	**–**	**3,443**	**–**	**–**	**–**	**3,443**
Provision of allowance for bad and doubtful debts	**–**	**6,000**	**–**	**–**	**–**	**–**	**6,000**
Reversal/(provision) of allowance for inventories, net	**9,990**	**1,135**	**–**	**–**	**–**	**(1,127)**	**9,998**
Gain on disposal of intangible assets	**–**	**222,497**	**–**	**–**	**–**	**–**	**222,497**
Interest income	**–**	**–**	**–**	**–**	**63,902**	**–**	**63,902**
Interest expense	**–**	**–**	**10,965**	**–**	**–**	**–**	**10,965**

For the year ended 31 December 2014 (Restated)

	Retailing and sourcing *HKD'000*	Branding *HKD'000*	Property investment and holding *HKD'000*	Outlet malls *HKD'000*	Financial services *HKD'000*	Duty free *HKD'000*	Consolidated *HKD'000*
Amounts included in the measure of segment profit/(loss) or segment assets:							
Capital expenditure *(Note)*	2,878	1,054	1,636	23,877	794	5,507	35,746
Depreciation of property, plant and equipment	2,474	337	4,910	27,383	168	918	36,190
Amortisation of prepaid lease payments	–	–	–	7,490	–	–	7,490
Increase in fair value of investment properties	–	–	27,973	–	–	–	27,973
Reversal of allowance for bad and doubtful debts	–	111	–	–	–	–	111
Reversal of allowance for inventories, net	8,418	–	–	–	–	–	8,418
Interest income	–	–	–	–	7,958	–	7,958
Interest expense	–	–	5,575	–	24	–	5,599

Note: Capital expenditure includes additions to property, plant and equipment.

(d) Geographical Information

The Group's revenue from external customers by geographical location of the delivery destinations and information about its non-current assets by geographical location of the assets is detailed below:

	Revenue from external customers		Non-current assets located *(Note (ii))*	
	2015	2014	**2015**	2014
	HKD'000	*HKD'000*	***HKD'000***	*HKD'000*
				(Restated)
The People's Republic of China	**220,944**	190,067	**1,607,197**	1,697,936
Taiwan	**5,169**	1,609	**8,307**	7,565
Hong Kong (Place of domicile)	**100,113**	29,406	**478,101**	531,614
United States of America	**905**	6,341	**–**	82,808
South America *(Note (i))*	**–**	3,331	**–**	–
Other European countries *(Note (i))*	**–**	452	**–**	–
Other Asia countries *(Note (i))*	**23,189**	27,380	**–**	–
Others *(Note (i))*	**747**	5,245	**147,047**	119,376
	351,067	263,831	**2,240,652**	2,439,299

Notes:

(i) The geographical information for the revenue attributed to each country is not available and the cost to capture such information would be excessive.

(ii) Non-current assets exclude interests in joint ventures, available-for-sale investments, deferred tax assets, tax recoverable, club debentures and restricted bank deposit.

(e) Information about Major Customers

Revenue from customers of corresponding years contributing over 10% of total revenue of the Group is as follows:

	2015	2014
	HKD'000	*HKD'000*
Customer A *(Note)*	**N/A**	29,238

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue for the year ended 31 December 2015.

Note: Revenue from retailing and sourcing segment

5. FINANCE COSTS

	2015	2014
	HKD'000	*HKD'000*
Interest on bank borrowings	**10,965**	5,599

Bank borrowings amounting to HKD173,002,000 (2014: HKD465,336,000) contain a repayment on demand clause or are repayable within one year.

6. INCOME TAX (EXPENSE)/CREDIT

The amount of income tax (expense)/credit relating to continuing operations in the consolidated statement of comprehensive income represents:

	2015	2014
	HKD'000	*HKD'000*
Current tax		
Hong Kong		
– current year	**(11,660)**	(898)
– over provision in prior years	**–**	461
Other jurisdictions		
– Enterprise income tax – current year	**(6,818)**	(2,429)
– Enterprise income tax – under provision in prior years	**(5,081)**	–
– Other – current year	**(4,869)**	–
	(28,428)	(2,866)
Deferred tax		
– current year	**(10,547)**	4,999
Income tax (expense)/credit	**(38,975)**	2,133

Hong Kong Tax

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits for both years.

In previous years, the Inland Revenue Department ("**IRD**") issued a number of multiple protective profits tax assessments for additional profits tax totaling HKD521 million to certain wholly-owned subsidiaries of the Company relating to the years of assessment 2001/2002 to 2009/2010 i.e. for the nine financial years ended 31 December 2010. The Group had lodged objections against the IRD in respect of all of these multiple protective profits tax assessments. Based on the mode of operations and activities of the subsidiaries and the merit of the Group's position as assessed by its tax advisor, the Directors are of the opinion that the group companies concerned are not subject to any potential additional Hong Kong profits tax.

As set out in Note 14(a), in September 2015, the Group disposed of its 100% equity interest of Grand Golden Enterprises Limited ("**Grand Golden**"), the holding company of the wholly-owned subsidiaries referred to above, to an independent third party purchaser. The purchaser has full knowledge of the above tax disputes with the IRD and tax positions of Grand Golden and its subsidiaries and agreed not to pursue any claims against the Group for any loss arising from the eventual outcome of the tax disputes.

The Directors are of the view that the Group no longer has any potential additional profits tax exposure in respect of the years of assessment 2001/2002 to 2009/2010 following the disposal of Grand Golden.

PRC Tax

All group companies operating in the PRC are subject to the applicable tax rate of 25% during the years ended 31 December 2015 and 2014, except for an acquired subsidiary incorporated in Hong Kong and engaged in property investment in the PRC, which is subject to the applicable tax rate of 10% on its gross rental income earned in the PRC, based on the existing legislation, interpretation and practices in respect thereof.

Up to the date of these financial statements, the above acquired subsidiary has not filed the tax returns for corporate income tax in the PRC in respect of its income derived from the PRC. The PRC tax authority has the right to levy penalty for late filing of tax returns. The amount of such potential penalty cannot be reliably estimated as the range of which is wide and therefore no provision was made in these consolidated financial statements. Based on the experience of the Group's management, the amount of such penalty, if any, will not be material to the Group's consolidated financial statements. In addition, pursuant to the agreement in respect of acquisition of that subsidiary, the vendor has undertaken to indemnify the Group for any liability arising from the above late filing of tax returns prior to the completion date of the acquisition.

Others

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

7. PROFIT/(LOSS) FOR THE YEAR

(a) Other income and gains (from continuing operations)

	2015	2014
	HKD'000	*HKD'000*
Gain on disposal of a joint venture	**–**	17,300
Gain on disposal of subsidiaries	**4,470**	–
Gain on disposal of property, plant and equipment	**2**	–
Bargain purchase gain arising on business combination	**–**	3,209
Fair value gain on re-measurement of equity interests in a joint venture	**–**	10,051
Gain on disposal of available-for-sale investments	**5,605**	–
Interest income	**6,719**	14,359
Gain on disposal of intangible assets	**222,497**	–
Reversal of allowance for bad and doubtful debts	**–**	111
Net gain on trading securities	**161**	345
Translation reserves released on obtaining control of a joint venture	**2,051**	–
Government grant*	**1,695**	–
Others	**7,238**	28,954
	250,438	74,329

* The Group received grants from the relevant PRC government authorities in support of the Group's retail business in the PRC. There were no unfulfilled conditions to receive the grants.

(b) Other expenses (from continuing operations)

	2015	2014
	HKD'000	*HKD'000*
Bad debts written off	**3,048**	–
Loss on disposal of property, plant and equipment	**–**	25
Write off of property, plant and equipment	**4,731**	3,024
Provision of allowance for bad and doubtful debts, net – Trade receivables	**6,000**	–
Fair value loss on re-measurement of equity interests in a joint venture	**20**	–
Translation reserves released on disposal of joint ventures	**–**	1,430
Others	**1,836**	3,050
	15,635	7,529

(c) Profit/(loss) for the year from continuing operations has been arrived at after charging:

	2015	2014
	HKD'000	*HKD'000*
Directors' emoluments	**6,393**	8,664
Other employee costs	**65,150**	61,737
Retirement benefits schemes contributions, excluding Directors	**7,501**	5,319
	79,044	75,720
Auditor's remuneration	**1,710**	1,630
Amortisation of prepaid lease payments	**7,349**	7,490
Cost of inventories recognised as expense	**85,779**	106,670
Depreciation of property, plant and equipment	**40,396**	36,190
Exchange losses, net	**–**	6,547
Write off of property, plant and equipment	**4,731**	3,024
Allowance for inventories, net	**–**	8,418
and after crediting:		
Reversal of allowance for inventories, net *(Note)*	**9,998**	–
Gross rental income from investment properties	**34,042**	15,567
Less: direct operating expenses from investment properties that generate rental income	**(595)**	(672)
	33,447	14,895
Interest income from:		
Bank deposits	**6,719**	14,359
Loans receivable and advances to customers in margin financing	**63,902**	7,958

Note:

The reversal of allowance for inventories arising from an increase in net realisable value was caused by the increase in estimated scrap value.

(d) Discontinued operations

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 HKD429,199,000 (collectively referred to as the "**Disposal**"), subject to adjustments. The Disposal Group is principally engaged in footwear manufacturing and was one of the major components of the Group. The Disposal was completed on 31 August 2013. Details of the Disposal were disclosed in the circular of the Company dated 12 August 2013.

The profit from discontinued operations for the year ended 31 December 2014 mainly arose from the adjustments on provisions for retirement and termination benefits and other payables.

8. DIVIDENDS

	2015	2014
	HKD'000	*HKD'000*
2014 final dividend of Nil (2014: 2013 final dividend of Nil) per ordinary share paid	**–**	–

No interim dividend was declared or paid during the years ended 31 December 2015 and 2014. For the year ended 31 December 2015, the Board recommends the payment of a final dividend of HKD0.02 (2014: nil) per ordinary share to the shareholders of the Company.

9. EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

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

Basic earnings per share

	2015	2014
	HKD'000	*HKD'000*
Profit for the year attributable to the owners of the Company	**180,822**	19,095

	2015	2014
	Number of shares	Number of shares
	('000)	*('000)*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**2,681,411**	2,367,178
Effect of diluted potential ordinary shares:		
– Options	**9,530**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**2,690,941**	2,367,178
Basic earnings per share *(HK cents)*	**6.74**	0.81
Diluted earnings per share *(HK cents)*	**6.72**	0.81

From continuing operations

The calculation of the basic earnings/(loss) per share from continuing operations attributable to the owners of the Company is based on the following data:

Profit/(loss) figures are calculated as follows:

	2015	2014
	HKD'000	*HKD'000*
Profit for the year attributable to the owners of the Company	**180,822**	19,095
Less:		
Profit for the year from discontinued operations	**–**	28,604
Profit/(loss) for the purposes of basic earnings/(loss) per share from continuing operations	**180,822**	(9,509)

The denominators used for the year end 31 December 2014 are the same as those detailed above for both basic and diluted earnings/(loss) per share.

From discontinued operations

For the year ended 31 December 2014, basic and diluted earnings per share for the discontinued operations was 1.21 HK cents, based on the profit for the year from the discontinued operations of HKD28,604,000 and the denominators detailed above for both basic and diluted earnings per share.

The amounts of diluted earnings per share were the same as basic earnings per share for the year ended 31 December 2014 because the dilutive potential ordinary shares outstanding during that year had an anti-dilution effect on the loss from continuing operations attributable to the owners of the Company.

10. TRADE AND OTHER RECEIVABLES

	2015 *HKD'000*	2014 *HKD'000*
Trade receivables		
– Other than financial services segment	**44,433**	54,310
– Financial services segment	**31,264**	7,054
Total trade receivables	**75,697**	61,364
Less: allowance for doubtful debts – trade receivables	**(19,790)**	(13,790)
	55,907	47,574
Other receivables, deposits and prepayments	**64,012**	73,082
Less: allowance for doubtful debts – other receivables	**(4,077)**	(4,077)
	59,935	69,005
Total trade and other receivables	**115,842**	116,579

Trade receivables from segments other than financial services segment

The Group allows an average credit period ranging from 60 to 90 days to its trade customers. Included in trade and other receivables are trade receivables, net of allowance for doubtful debts, of approximately HKD24,643,000 (2014: HKD40,520,000). Before accepting any new customer, the Group assesses the potential customer's credit quality and grants a credit limit to the customer. Limits and score attributed to customers are reviewed twice a year. Approximately 59% (2014: 55%) of the trade receivables that are neither past due nor impaired have no default payment history. The Group does not hold any collateral over these balances.

	2015	2014
	HKD'000	*HKD'000*
Trade receivables arising from ordinary course of business of dealing in securities:		
Cash clients	**239**	4,212
Clearing house	**22,315**	–
Trade receivables arising from ordinary course of business of provision of:		
Money lending	**8,633**	2,756
Insurance brokerage	**77**	86
	31,264	7,054

Save for the credit period allowed by the Group, the trade receivables shall be due on the settlement dates of the respective securities contract transactions. In view of the fact that such receivables relate to a number of diversified customers, there is no significant concentration of credit risk. Overdue receivables from cash clients of approximately HKD190,000 as at 31 December 2015 (2014: HKD3,235,000) bear interest at interest rates with reference to the Hong Kong dollar prime rate ("**Prime Rate**") plus 6%.

The following is an aged analysis of the Group's trade receivables net of allowance for doubtful debts presented based on the invoice date or transaction date (where applicable) at the end of the reporting period:

	2015	2014
	HKD'000	*HKD'000*
0 to 30 days	**41,810**	19,476
31 to 60 days	**1,891**	1,469
61 to 90 days	**2,023**	5,410
Over 90 days	**10,183**	21,219
	55,907	47,574

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Ageing of trade receivables which are past due but not impaired

	2015	2014
	HKD'000	*HKD'000*
Over 90 days	**10,183**	21,219

Movement in the allowance for doubtful debts – trade receivables

	2015	2014
	HKD'000	*HKD'000*
Balance at beginning of the year	**13,790**	13,901
Impairment losses recognised	**6,000**	–
Impairment losses reversed	**–**	(111)
Balance at end of the year	**19,790**	13,790

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of approximately HKD19,790,000 (2014: HKD13,790,000) with a carrying amount before provision of approximately HKD25,188,000 (2014: HKD27,942,000). The individually impaired receivables related to customers that were slow in settlements and management assessed that only a portion or none of the receivables is expected to be recovered.

Movement in the allowance for doubtful debts – other receivables

	2015	2014
	HKD'000	*HKD'000*
Balance at beginning and end of the year	**4,077**	4,077

Included in the above provision for impairment of other receivables is a provision for individually impaired other receivables of approximately HKD4,077,000 (2014: HKD4,077,000) with a carrying amount before provision of approximately HKD4,077,000 (2014: HKD4,077,000). The individually impaired receivables related to debtors that were slow in settlements and management assessed that only a portion or none of the receivables is expected to be recovered.

11. ADVANCES TO CUSTOMERS IN MARGIN FINANCING

	2015	2014
	HKD'000	*HKD'000*
Directors and their associates	**2,698**	14,266
Other margin clients	**123,352**	36,078
Balance at end of the year	**126,050**	50,344

Advances to customers in margin financing are repayable on demand and carry interest ranging from Prime Rate to Prime Rate plus 3% per annum. Margin clients are required to pledge securities collateral to the Group in order to obtain credit facilities for securities trading. The amount of credit facilities granted to them is determined by the discounted value of securities accepted by the Group. At 31 December 2015, the total market value of securities pledged as collateral in respect of the loans to margin clients was approximately HKD699,241,000 (2014: HKD579,904,000). The Group is allowed to dispose of the collateral in settlement of the customers' obligation to maintain the agreed level of margin and any other liability of the customers due to the Group.

No aging analysis is disclosed for advances to customers in margin financing as, in the opinion of the Directors, an aging analysis is not meaningful in view of the business nature of margin financing.

12. LOANS RECEIVABLE

	Notes	**2015**	2014
		HKD'000	*HKD'000*
Secured	*i*	**629,196**	104,506
Unsecured	*ii*	**–**	38,500
		629,196	143,006

Notes

i. The loans receivable of HKD629,196,000 (2014: HKD104,506,000) are secured by charges over the borrowers' properties and/or financial assets, interest bearing at 12%-36% per annum (2014: 12%-36% per annum) and are repayable between one month and one year from the dates of advance.

ii. The balance was unsecured, interest bearing at 12% per annum and repayable within one year from the date of advance. The balance was fully repaid during the year ended 31 December 2015.

For loans receivable, the customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends.

The Directors consider that the fair values of loans receivable which are expected to be recovered within one year are not materially different from their carrying amounts because the balances have short maturity periods at inception.

13. TRADE AND OTHER PAYABLES

	2015	2014
	HKD'000	*HKD'000*
Trade and bills payables	**32,761**	23,932
Accounts payable from financial services segment	**16,426**	25,291
Other payables, temporary receipts and accruals	**216,424**	246,465
Total trade and other payables	**265,611**	295,688

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

	2015	2014
	HKD'000	*HKD'000*
0 to 30 days	**16,572**	21,080
31 to 60 days	**11,358**	1,891
61 to 90 days	**2,761**	134
Over 90 days	**2,070**	827
	32,761	23,932

The average credit period on purchases of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Accounts payable from financial services segment

	2015	2014
	HKD'000	*HKD'000*
Accounts payable arising from ordinary course of business of dealing in securities *(Note):*		
Cash clients	**7,336**	9,996
Margin clients	**8,995**	14,629
Clearing house	**–**	556
	16,331	25,181
Accounts payable arising from ordinary course of business of provision of:		
Insurance brokerage	**95**	110
	16,426	25,291

The settlement term of accounts payable attributable to dealing in securities is two days after the trade date.

No aging analysis is disclosed for payables to margin clients as, in the opinion of the Directors, an aging analysis is not meaningful in view of the business nature of securities dealing and margin financing.

Note: The balances represent accounts payable to clients and other institutions in respect of trust and segregated bank balances received and held for clients and other institutions in the course of the conduct of regulated activities.

14. DISPOSAL OF SUBSIDIARIES

(a) As referred to in Note 6, on 18 September 2015, the Group disposed of its subsidiary, Grand Golden Enterprises Limited ("**Grand Golden**"), to an independent third party for a cash consideration of HKD20. The net liabilities of Grand Golden and its subsidiaries at the date of disposal were as follows:

	HKD'000
Net liabilities disposed of:	
Tax recoverable	52,314
Prepayments and other receivables	8
Bank balances and cash	1,653
Other payables	(1,817)
Tax payable	(52,313)
Shareholders' loan	(97,626)
	(97,781)

	HKD'000
Consideration	–
Less: Shareholders' loan assigned to the buyer	(97,626)
Net liabilities disposed of	97,781
Gain on disposal of subsidiaries	155

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of Grand Golden and its subsidiaries was as follows:

	HKD'000
Cash consideration	–
Bank balances and cash disposed of	(1,653)
	(1,653)

(b) During the year ended 31 December 2015, the Group disposed/deemed to have disposed of some other subsidiaries for cash considerations of HKD1,125,000. The net liabilities of these subsidiaries at the date of disposal were as follows:

	HKD'000
Net liabilities disposed of:	
Property, plant and equipment	**2,101**
Club debenture	**1,124**
Trade and other receivables	**10,571**
Bank balances and cash	**6,392**
Trade and other payables	**(24,368)**
	(4,180)
Non-controlling interests	**861**
	(3,319)

	HKD'000
Consideration	**1,125**
Net liabilities disposed of	**3,319**
Release of translation reserves	**(129)**
Gain on disposal of subsidiaries	**4,315**

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of these subsidiaries was as follows:

	HKD'000
Cash consideration	1,125
Bank balances and cash disposed of	(6,392)
	(5,267)

15. ACQUISITION OF SUBSIDIARIES

(a) On 30 April 2014, the Group completed an acquisition of 100% equity interests in Jin Dragon Holdings Limited ("**Jin Dragon**"). The total consideration of approximately HKD167,037,000 included a cash consideration of approximately HKD20,877,000, consideration share of 261,000,000 shares of the company and the purchase of the shareholder's loan owed by Jin Dragon to the vendor of approximately HKD103,000,000. The acquisition was made as the Directors believe the growth prospects for financial services business are bright and can widen the Group's revenue base. The goodwill arising from the acquisition of Jin Dragon is mainly attributable to the financial services expertise and skills of employees of Jin Dragon that will bring to the Group.

	HKD'000
Fair value of assets and liabilities acquired:	
Property, plant and equipment	216
Intangible assets	599
Deferred tax assets	18
Statutory deposits for financial business	200
Trade and other receivables	14,904
Advances to customers in margin financing	21,254
Loans receivable	70,000
Bank balances and cash – held on behalf of customers	13,541
Bank balances and cash	26,504
Trade and other payables	(14,249)
Tax payables	(1,540)
	131,447
Goodwill	35,590
	167,037
Total consideration satisfied by:	
Cash consideration	20,877
Fair value of consideration shares	146,160
	167,037
Net cash inflow arising on acquisition:	
Cash consideration	(20,877)
Bank balances and cash acquired	26,504
	5,627

The fair value of the 261,000,000 consideration shares issued as part of the consideration paid for the vendor was determined on the basis of the closing market price of the Group's ordinary shares on the acquisition date.

The fair value of loans receivable, advances from customers in margin financing and trade and other receivables, equivalent to its gross contractual amount as shown above, was considered as fully recoverable.

Loss for the year from continuing operations included a profit of approximately HKD9,197,000 attributable to the business of Jin Dragon and its subsidiaries which generated total revenue of approximately HKD21,936,000 for the period since its acquisition.

Had the acquisition been completed on 1 January 2014 the Group's revenues and loss for the year for continuing operations would have been approximately HKD280,175,000 and approximately HKD4,887,000, respectively. 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 2014, nor is it intended to be a projection of future results.

(b) On 28 February 2014, the Group completed an acquisition of the remaining 50% equity interests in a joint venture, JFT Holdings, for a cash consideration of HKD25,000,000. The Directors considered this acquisition as an acquisition of assets and liabilities because JFT Holdings did not constitute a business at the acquisition date.

Upon completion of the acquisition, the Group's 50% interest in the joint venture already held was treated as being disposed of at fair value amounting to HKD25,000,000 on the date of acquisition. As a result, a fair value gain on remeasurement of equity in a joint venture of approximately HKD10,051,000 had been recognised and included in other income in the consolidated statement of comprehensive income.

	HKD'000
Net cash outflow arising on acquisition:	
Cash consideration	25,000
Bank balances and cash acquired	(1,486)
	23,514

(c) On 15 September 2014, the Group completed an acquisition of the entire equity interest in Trillion Earning Limited ("**Trillion Earning**"), for considerations satisfied as to approximately HKD95,938,000 by cash, as to approximately HKD233,851,000 by the allotment and issue of 260,260,000 new shares by the Company and as to approximately HKD159,663,000 by the transfer 42% of the Group's equity interest in Giant Eagle Enterprises Limited ("**Giant Eagle**") and of 42% of all amounts owed by Giant Eagle and its subsidiaries ("**Giant Eagle Loans**"). The Directors considered this acquisition as an acquisition of assets and liabilities because Trillion Earning did not constitute a business at the acquisition date.

	HKD'000
Net cash outflow arising on acquisition:	
Cash consideration	95,938
Bank balances and cash acquired	(86,980)
	8,958

Furthermore, the vendor has given a guarantee to the Group that for each of the three calendar years from the date of completion, the rental revenue less all taxes and all agency fees ("**Net Revenue**") as shown in the audited or the latest management accounts of Worldwide Properties Limited ("**Worldwide Properties**"), a wholly-owned subsidiary of Trillion Earning, shall not be less than HKD25,000,000. If the Net Revenue falls short of HKD25,000,000 in any of these three calendar years, the vendor shall on demand pay to the Group the full amount of the shortfall in cash. If the Net Revenue exceeds HKD25,000,000, a sum equal to certain percentage of the excess over HKD25,000,000 shall be paid by the Group to the vendor after the issue of the audited or the latest management accounts of Worldwide Properties.

Based on the Directors' best estimation by considering the probability-weighted average of payouts associated with each possible outcome in respect of the above revenue guarantee, the fair value of the revenue guarantee is not material as at both the completion date and 31 December 2014. Accordingly, such revenue guarantee was not recognised in the consolidated financial statements.

(d) On 30 September 2014, the Group completed an acquisition of the entire equity interest in 金寶來大飯店股份有限公司 ("**Golden Palaris**"), for a cash consideration of NTD117,133,000, equivalent to approximately HKD29,885,000. The acquisition was made as the Directors believe the growth prospects for duty free business in Taiwan are bright and can widen the Group's revenue base.

	HKD'000
Fair value of assets and liabilities acquired:	
Property, plant and equipment	3,088
Inventories	8,014
Trade and other receivables	616
Restricted bank deposit	1,531
Bank balances and cash	27,190
Trade and other payables	(2,243)
Withholding tax payables	(5,102)
	33,094
Bargain purchase gain arising on acquisition	(3,209)
Cash consideration	29,885
Net cash outflow arising on acquisition:	
Cash consideration	29,885
Bank balances and cash acquired	(27,190)
	2,695

Gain on bargain purchase of approximately HKD3,209,000 was recognised as other income and gains in the statement of comprehensive income upon completion of the acquisition of Golden Palaris, which was mainly attributable to the discount upon negotiation with the vendor.

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

Loss for the year from continuing operations included a loss of approximately HKD1,356,000 attributable to the business of Golden Palaris and its subsidiaries which generated total revenue of approximately HKD1,609,000 for the period since its acquisition.

Had the acquisition been completed on 1 January 2014 the Group's revenues and loss for the year from continuing operation would have been HKD270,938,000 and HKD13,766,000 respectively. 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 2014, nor is it intended to be a projection of future results.

(e) On 28 April 2015, the Group completed an acquisition of the remaining 50% equity interests in a joint venture, Smart Shine Industries Limited ("**Smart Shine**"), for a cash consideration of HKD22,900,000. The Directors considered this acquisition as an acquisition of assets and liabilities because Smart Shine did not constitute a business at the acquisition date.

Upon completion of the acquisition, the Group's 50% interest in joint venture already held was treated as being disposed of at a fair value of HKD22,900,000 on the date of acquisition. As a result, a fair value loss on remeasurement of equity in a joint venture of approximately HKD20,000 has been recognised and is included in other income in the profit or loss of the consolidated statement of comprehensive income.

	HKD'000
Net cash inflow arising on acquisition:	
Cash consideration	22,900
Bank balances and cash acquired	(33,054)
	(10,154)

16. COMPARATIVE FIGURES

As disclosed in Note 4, comparatives of certain items of segment information have been restated for consistent presentation with the current year's segment information.

PROPOSED FINAL DIVIDEND

The Board recommends the payment of a final dividend of HKD0.02 per ordinary share (2014: Nil) to the shareholders of the Company ("**Shareholders**").

PROPOSED BONUS ISSUE OF WARRANTS

The Board also proposes a bonus issue (the "**Bonus Warrant Issue**") of warrants (the "**Warrants**") to the Shareholders on the basis of one (1) Warrant for every five (5) existing issued shares of the Company on the record date. The Warrants will entitle the holders to subscribe for new shares of the Company at an initial subscription price of HKD1.00 per share in cash, subject to adjustments. The Warrants will be exercisable at any time during a period of three years commencing from the date of the first issue of the Warrants up to the date immediately preceding the third anniversary of the date of first issue of the Warrants.

The Bonus Warrant Issue will be conditional upon, among other things, (i) the passing of a relevant ordinary resolution at the annual general meeting to be held on 10 June 2016; and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and any new shares to be issued upon exercise of the subscription rights attaching to the Warrants.

Based on 2,697,743,580 shares of the Company in issue as at the date of this announcement and assuming no further shares of the Company are issued or repurchased from the date of this announcement up to the record date, the total number of Warrants to be issued will be 539,548,719. On the basis of the number of Warrants to be issued being 539,548,719 and based on the subscription price of HKD1.00 per share, an amount of HKD539,548,719 will be raised upon full exercise of the subscription rights attached to the Warrants. The subscription price of the Warrants is subject to customary anti-dilutive adjustments such as share consolidations, share subdivisions, capitalisation issues and capital distributions.

A further announcement setting the details and the terms of the Bonus Warrant Issue will be made, and a circular with respect to the Bonus Warrant Issue will also be despatched to the Shareholders as soon as possible.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Wednesday, 8 June 2016 to Friday, 10 June 2016 (both days inclusive), during which period no transfer of shares will be effected.

In order to qualify for entitlement to vote at the 2015 Annual General Meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited on the Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong ("**Share Registrar**") for registration no later than 4:30 p.m. on Tuesday, 7 June 2016.

In order to qualify for dividend and the Bonus Warrant entitlements, all transfer of shares accompanied by the relevant share certificates must be lodged with the Share Registrar for registration no later than 4:30 p.m. on Monday 13th June 2016. The Register of Members will be closed from Thursday 16th June to Friday 17th June 2016 (both days inclusive) during which period no transfer of shares will be effected.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("**Listing Rules**") ("**CG Code**") throughout the year ended 31 December 2015, except for the deviation from code provisions A.2.1 and A.4.1 of CG Code.

The Board continues to monitor and review the Company's corporate governance practices and makes necessary changes at appropriate times.

Under the code provision A.2.1, the roles of the Chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheng Tun Nei currently serves as both the Chairman and Chief Executive Officer of the Company.

In view of the evolving business environment in which our Group operates, the Board is of the view that currently vesting the roles of both the chairman and chief executive on Mr. Cheng Tun Nei will provide the Group with strong and consistent leadership while permitting more effective and timely business planning and decision-making process.

Under code provision A.4.1, non-executive Directors ("**Non-executive Directors**") should be appointed for a specific term and are subject to re-election.

Directors of the Company (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.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry to all Directors, each of them confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2015.

Audit Committee

The audit committee of the Company ("**Audit Committee**") comprises 3 independent Non-executive Directors of the Company. The Audit Committee has reviewed with the management of the Company and the external auditor, BDO Limited, the accounting principles and practices adopted by the Group and also discussed auditing, internal controls and financial reporting matters including the review of the audited consolidated financial statements for the year ended 31 December 2015 of the Group.

Remuneration Committee

The remuneration committee of the Company ("**Remuneration Committee**") comprises 3 independent Non-executive Directors and advises the Board on the emolument policies of Directors and senior management.

Nomination Committee

The nomination committee of the Company ("**Nomination Committee**") consists of 3 members, out of which 2 are independent Non-executive Directors. It offers guidance to the Board on the appointment or re-appointment of Directors, succession planning, in particular, the Chairman and the Chief Executive.

Terms of reference

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 in the website of the Company.

Board of Directors

At the annual general meeting of the Company held on Friday, 12 June 2015, Messrs. Sze Sun Sun Tony, Chen Fang Mei and Ho Shing Chak retired. Mr. Sze Sun Sun Tony and Mr. Ho Shing Chak were re-elected as Directors.

On 18 September 2015, the spectrum of the Board was further enhanced by the inclusion of Mr. Hong Kim Cheong as a board member. Mr. Hong served as a Non-executive Director of the Company. With the addition of Mr. Hong, the spectrum of the Board was thus further better equipped with a mixture of professional skills and experience to meet the future challenges of the Company. On the same day, Mr. Ho Shing Chak retired from the Board followed by Mr. Sze Sun Sun Tony on 30 September 2015.

As from 19th September 2015 and up to the date of this announcement, the Board comprises:

Executive Director
Mr. Cheng Tun Nei *(Chairman & Chief Executive Officer)*
(appointed as Chief Executive Officer on 30 September 2015)
Mr. Sze Sun Sun Tony *(Managing Director)*
(retired on 30 September 2015)
Ms. Chen Fang Mei (resigned on 1 June 2015)
Mr. Chan Kar Lee Gary

Non-executive Director
Mr. Hong Kim Cheong
(appointed on 18 September 2015)
Mr. Liu George Hong-chih
(resigned on 1 June 2015)

Independent Non-executive Director
Mr. Ho Shing Chak
(resigned on 18 September 2015)
Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie
Mr. Chow Yu Chun Alexander

GENERAL INFORMATION

The figures in respect of the Group's consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2015 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. BDO Limited on the preliminary announcement.

ANNUAL GENERAL MEETING

The 2015 Annual General Meeting will be held at the Boardroom on the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong on Friday, 10 June 2016 at 10:00 a.m. and the notice of annual general meeting will be published and dispatched to Shareholders in a manner as required by the Listing Rules of the Stock Exchange of Hong Kong Limited.

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

For the year ended 31 December 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PUBLICATIONS OF DETAILED RESULTS

The Annual Report containing the audited consolidated financial statements and notes to the financial statements for the year ended 31 December 2015 ("**2015 Annual 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 2015 Annual Report before the end of April 2016.

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

Hong Kong, 18 March 2016

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

Executive Directors:	Mr. Cheng Tun Nei *(Chairman & Chief Executive Officer)* Mr. Chan Kar Lee Gary
Non-executive Director:	Mr. Hong Kim Cheong
Independent non-executive Directors:	Mr. Shum Pui Kay Mr. Wah Wang Kei Jackie Mr. Chow Yu Chun Alexander