symphony

INTERNATIONAL HOLDINGS LIMITED

Annual Report | 2008

We are one of Asia's leading investors in consumer-related companies. We seek to create long-term value by investing in innovative and growing companies in the Healthcare, Hospitality and Leisure sectors, including related distinctive real estate. We do this in collaboration with talented entrepreneurs, with whom we form lasting business partnerships.

Our investment thesis is based on sustained growth in Asian consumer spending, as economies in our part of the world develop. While the current economic climate is highly challenging, our time horizon stretches across economic cycles and we look beyond the current downturn even if this is likely to be prolonged. Our investments ride on the fundamental drivers of Asian growth, which we believe will prove enduring through and beyond the current turbulence.

Long Term Drivers of Growth

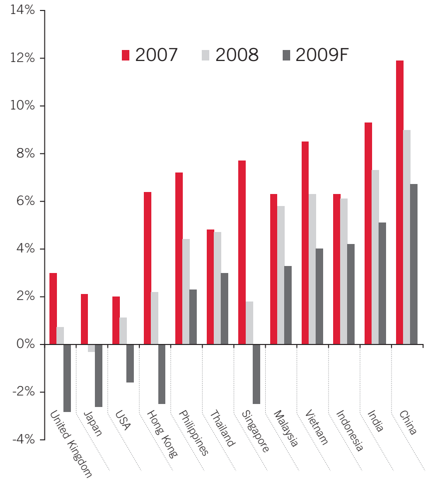
In recent years Asian economies have shown GDP growth rates among the highest in the world, accompanied by traditionally high savings rates.

While the global credit crisis has led to significant reversals of GDP growth trends in recent months, we believe that Asian economies will resume their historically high growth rates when this crisis eventually resolves.

Over time, Asia's demographics and a return to rising income levels will lead to a sustained revival in consumer-driven growth, which governments are currently trying to accelerate through macro-economic intervention. We believe that this resumption in growth will also be positive for real estate asset prices, which benefits from the same fundamental drivers.

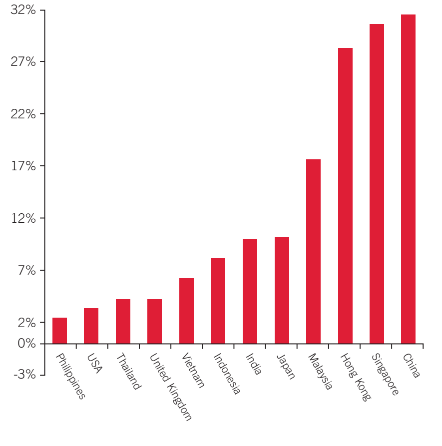
Despite the current environment, well-run companies whose growth is linked to consumerism in Asia therefore remain well positioned for the longer term.

Comparison of Real GDP Growth Rates



Source: Euromonitor International

Comparison of Savings to Disposable Income



Source: Euromonitor International

Meeting rising *Healthcare* needs

As economies mature, demand for higher quality medical products and services increases rapidly. This trend is well established in Asia, where life spans are rising and more people are requiring specialised and long-term care. Healthcare is also relatively demand-inelastic hence the sector is likely to be relatively less impacted by the current downturn than others.

Demographic shifts underpin increasing demand, with the proportion of Asians over 60 years of age expected to rise from about 9% in 2000 to almost 12% by 2020[1]. Additionally, Asia's healthcare facilities are set to meet global healthcare needs through growth in medical tourism, where Asian hospitals have a cost advantage. For example, the Singapore government is targeting up to one million overseas patients by 2012[2] through promotion of the country as a global healthcare hub.

As it gradually moves towards western standards, Asia still has significant growth potential in healthcare. This is clear from a comparison of annual healthcare spending per capita, which in 2008, was estimated at US$24 in India, US$94 in China and US$140 in Thailand compared with US$6,577 in the US[3].

Architect's impression of Parkway's Novena Hospital, Singapore (currently under construction)

Parkway Holdings

ParkwayLife REIT™

Singapore-listed Parkway Holdings Limited ("Parkway") has grown from its Singapore base over the years through both acquisition (in Malaysia and China) as well as organic development, with major new hospitals planned in Singapore and Mumbai, India. The company adheres to the highest standards of medical care, which are second to none in Asia, and continually innovates through the introduction of the latest medical technologies through its Singapore hub.

Parkway Life Real Estate Investment Trust ("PREIT") is a Singapore-listed Real Estate Investment Trust, spun out from Parkway in 2007. It holds long-term leases on the 3 Singapore hospitals operated by Parkway and has a growth strategy through acquisition of healthcare-related properties across Asia. In 2008, the REIT acquired a chain of 9 nursing homes and a pharmaceutical distribution facility in Japan.

Symphony International Holdings Limited's ("SIHL" or the "Company") Investment Manager has extensive knowledge of the Asian healthcare industry and of the Parkway companies through involvement over the last 9 years.

[1] *Source: Euromonitor International*

[2] *Source: 'Developing Singapore as the Healthcare Hub of Asia': Healthcare Services Working Group, 18 September 2002*

[3] *Source: Euromonitor International*

World-class Asian *Hospitality*

Asia's cultural heritage provides many unique tourist destinations in countries like Thailand, India and Indonesia. Established destinations such as Phuket, Koh Samui and Bali have developed steadily with a gradual increase in hotel supply, occupancies and room rates over time. The current economic crisis has set the industry back, however we believe that eventual recovery will lead to a resumption of growth, given the attractiveness and unique service levels of Asian resorts.

Asia has many destinations, which are still emerging, such as Vietnam, Cambodia and China, which will provide further growth potential to Asian hospitality markets over time. In addition, the tourism infrastructure in India is vastly underdeveloped in comparison to the potential in that country. As tourism develops across Asia, opportunities for development and investment in specialized real estate such as hotels and villas will also expand.

Providing for *Leisure*

As disposable incomes rise, the Asian consumer is increasingly demanding wider and higher quality options for leisure activities. Total spending on leisure and recreation in Asia-Pacific grew from US$404 billion in 2005 to an estimated US$483 billion in 2008[1].

Looking beyond the current crisis, innovative businesses linked to shopping, dining out and recreation are well positioned to benefit from these trends across all markets – particularly if supported by strong brands. Even within the constraints of our current environment, certain segments such as fast food restaurant chains are proving quite resilient to the downturn.

Minor International Pcl ("MINT") was founded in 1976 following the acquisition of a small resort in Pattaya, Thailand. MINT has since grown to become a leading owner, operator and investor in the hospitality sector with a portfolio of 27 hotels and over 3,000 rooms under the Anantara, Marriott, Four Seasons, Elewana and Minor International brands in Thailand, the Maldives, Vietnam, Africa, the Middle East and Indonesia.

Several of MINT's resorts have won awards in magazines such as Conde Nast Traveler and are renowned for their unique levels of design and service. MINT is also Thailand's largest food service operator and one of Asia Pacific's largest spa operators with over 1,000 fast food restaurant outlets and 29 spas.

Minor Corporation Pcl ("MINOR") is a leading distributor of global lifestyle brands in Thailand focusing on fashion, cosmetics, through retail, wholesale and direct marketing channels under brands that include Esprit, Bossini, Red Earth and Timberland amongst others. Minor also operates one of Thailand's leading contract manufacturers for regional and global FMCG suppliers.

MINT and MINOR are both listed on the Stock Exchange of Thailand and are related through cross-shareholdings. A plan has recently been announced to merge the two companies.

MINT and MINOR are led by Bill Heinecke, an entrepreneur with whom SIHL's Investment Manager has had close business relationships for over 20 years.

[1] *Source: Euromonitor International*

Your *Team and Investment Approach*

Investment decisions for the deployment of SIHL's funds are made by a team of investment professionals consisting of one of Asia's oldest and most stable private equity teams with over 25 years of investment experience in the region. Each and every one of the investment team has a portion of his personal net worth invested in the business. As such, we think of our shareholders as partners who have entrusted us with a portion of their investment capital and who would expect to stay with us for long periods of time.

Members of this team comprise individuals with a diversity of banking, consulting and industry backgrounds and in-depth sector experience in SIHL's focus industries of healthcare, hospitality and leisure. This allows us to add value to our investee companies through a close and active dialogue with management, and not just to rely on leverage and financial engineering as a source of value creation. Our style is to truly partner with management by leaving them alone to run their businesses and participating only in strategic decisions in areas where our own expertise can be of value to the individual businesses.

We have never found a reliable way to consistently generate good returns in the short term. As a result, unlike many investment funds, we are not pre-occupied with "exit strategies" at the time of negotiating the purchase. When we buy a good business, our preference is to hang on to it as long as possible even through volatile economic cycles. We have also never favoured the use of excessive leverage to enhance returns. We prefer to rely on the intrinsic growth and earnings potential of the companies and assets we buy. This approach has often enabled us to position ourselves as the preferred buyer in the competitive situation.

We look to invest in businesses that have favourable long-term prospects, are easy to understand and are run by management teams that impress us with their passion, knowledge and dedication to proper governance. We strongly prefer to acquire entire businesses or majority stakes with management as our equity partner. However, we are not averse to investing in minority stakes in great businesses where control is simply not available. Having had some experience in developing greenfield projects, we are also not averse to undertaking real estate development from an early stage. This enables us to capture the entire value added for the benefit of the Company.

Over the years, we have developed a strong network of credible relationships among financial and other professionals across Asia. Our partnership approach with the entrepreneurs we invest with has resulted in enduring relationships with these talented individuals. This provides us with a unique advantage in originating investment opportunities that will hopefully generate attractive returns and increase the value of our holdings and ultimately, our share price.

For those interested in knowing more about the experience of the management team and the types of transactions we have done in the past, please refer to our web-site, www.scpal.com. We are constantly working to improve this with a view to making it an effective and useful medium of communication with our shareholders.

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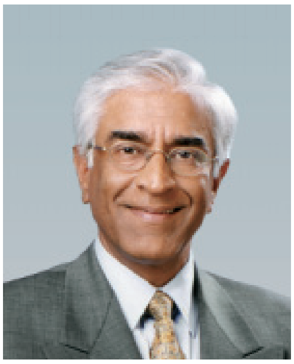
Chairmen's Statement



2008 was a difficult year. The rapid deterioration of global credit markets during the past year reverberated across virtually all asset classes, plunging valuations to new lows. Banks slowed down or completely stopped lending, resulting in a severe liquidity crisis, the likes of which we have not seen in our lifetimes. Investment funds were faced with unprecedented levels of redemptions and many had to close their doors. The private equity industry faced a massive drop in portfolio valuations and portfolio companies found it increasingly difficult to rollover maturing debt obligations and renew bank facilities. We are now faced with a severe economic recession across many developed and developing economies.

During the year at Symphony International Holdings Limited ("SIHL" or the "Company"), we adopted a cautious approach to investing. We were selective with new investment ideas in 2008. We spent most of our time working with and providing assistance to SIHL's existing portfolio companies to make sure that their businesses were healthy and were making adequate preparations to weather the storm ahead.

We are happy to say that the companies in which SIHL has invested are coping well with the economic crisis and should emerge stronger once market conditions improve. The businesses in SIHL's portfolio are, for the most part, in relatively good shape and do not have the unmanageable liquidity problems being experienced by so many others. Despite declines in share prices, the underlying business of SIHL's listed equity investments saw

growth in revenue, EBITDA and underlying profitability during 2008. In addition, updated independent valuations of our real estate investments underscored the fact that we had bought well and values have held up.

Despite our efforts, and despite the relatively good performance of businesses in the portfolio, SIHL's net asset value ("NAV") declined by 29.4% during the year from US$360.3 million to US$254.5 million or from US$1.07 to US$0.75 per share. Even though this compares favourably to certain equity indices, such as MSCI AC Asia, MSCI Singapore and MSCI Thailand, which declined by 41.6%, 49.5% and 48.7%, respectively[1], SIHL's share price underperformed and fell by 68.1% during 2008 from US$0.91 to US$0.29. As at December 31, 2008, SIHL's share price represented a discount of 61.4% to the underlying NAV.

The principal reason for the decrease in NAV was a drop in the share price of our publicly listed investments, Minor International Pcl ("MINT"), Parkway Holdings Limited ("Parkway"), Minor Corporation Pcl ("MINOR") and Parkway Life Real Estate Investment Trust ("PREIT"). The aggregate market value of these investments declined by US$98.3 million during 2008 accounting for 92.9% of the decline in NAV. The fall in value of unlisted investments and expenses accounted for the remaining decline in NAV.

However, as indicated above, the businesses of the publicly listed investments in SIHL's portfolio have performed relatively well under the current challenging circumstances and none of them are excessively leveraged or under any threat from their respective lenders.

In the case of MINT and MINOR, both businesses proved relatively resilient to the global economic slowdown and political instability in Thailand. MINT saw

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[1] Source: MSCI Inc., Company analysis

growth in its hospitality and restaurant businesses while adding or acquiring 367 restaurant outlets, a resort in Phuket, Thailand, and four new resorts under management. MINOR's lifestyle brand sales and distribution business also performed well in 2008. In January 2009, MINT & MINOR announced a business-restructuring plan that was subsequently approved by shareholders in March 2009. Under the plan, MINOR will be acquired in an all share deal where each MINOR share will be exchanged for 1.14 MINT shares. We view this as a very positive development for SIHL as it replaces our shareholding in a very closely held and relatively illiquid company with an increased shareholding in an enlarged and more liquid entity. We expect the synergies between the two companies to benefit shareholders over time. The decline in the share prices of each of MINT and MINOR reflect the overall poor performance of Thai equities during 2008.

Parkway's underlying business performed well until the fourth quarter of 2008, when foreign patient revenues started to decline. Despite registering growth in revenues, EBITDA and net income before exceptional items in 2008, Parkway's share price has performed poorly due to concerns over near-term prospects. Additionally, the investment community has perceived the company's acquisition and development of a green field hospital site in central Singapore negatively, even though its longer-term business case is strongly supported by projected future demand.

PREIT's financial performance in 2008 was very strong, significantly exceeding projections at the time of its IPO. This was driven by growth in rental income from Parkway and a number of earnings-accretive acquisitions in Japan. PREIT's prospects look attractive over the longer term, particularly since it has only moderate gearing and zero debt refinancing risk. Despite this, PREIT's unit price has been depressed by the downturn in real estate in general.

We continue to believe that the sectors, which the businesses of SIHL's listed investments operate, are amongst the most attractive in the medium to long term and these companies should outperform their peers in any economic recovery.

Looking ahead, while it is impossible to predict the timing of a turn in the economic cycle, it is clear that there will be a fundamental change in the way business is done in the foreseeable future. The role of governments as regulators, financiers and even partners, will increase. Weak businesses will fail and the survivors will have fewer competitors and will operate with less leverage. Management compensation structures will evolve such that managements' interests will be more aligned with the interests of shareholders.

For the past several months, we have kept the powder dry at SIHL. We are now beginning to see transactions that look attractive but we feel that this trend will continue into the rest of this year and even into early 2010, so we are not rushing to do any new deals. We believe the most attractive sector to look at in the foreseeable future will be Real Estate, or businesses which have a significant asset or Real Estate component. One of the possible consequences of the current economic debacle could be excessive asset inflation and, in such a scenario, Real Estate will benefit disproportionately. We view investments in operating businesses as being much more risky and would only look at these again once there has been a convincing cleaning up of balance sheets.

We are convinced that the next 24 months or so will provide exceptional opportunities to acquire a variety of assets at attractive valuations. The challenge before us is going to be to find a way to generate sufficient liquidity to take advantage of these opportunities without utilizing large amounts of debt.

We remain confident that investors who are patient with their investment in SIHL will be well rewarded, because it is important, we feel, to see beyond the current market volatility and focus on the longer-term prospects of SIHL's investments. We want to express our appreciation to our stakeholders for their continued faith and support and to our business partners who are amongst the finest entrepreneurs in Asia.

Pierangelo Bottinelli
Chairman, Symphony International Holdings Limited
March 25, 2009

Anil Thadani
Chairman, Symphony Investment Managers Limited
March 25, 2009

Financial Highlights

Key Financial Highlights

As at 31 December (All figures in US$)	2006	Group 2007[2]	**2008**
Revenue	521,921	831,741	3,905,871
Other operating income	2,544,254	7,509,118	13,021,977
Loss after tax	(3,310,695)	(13,991,782)[3]	(73,462,326)[3&4]
Total assets	123,059,049	357,830,333	257,724,125
Total liabilities	1,170,294	510,010	4,253,371
Total shareholders' equity	121,888,755	357,320,323	253,470,754
NAV[1]	121,888,755	360,312,310	254,462,611
Number of shares outstanding	94,673,775	338,259,976	338,259,976
NAV per share	1.29	1.07[5]	0.75

Notes:

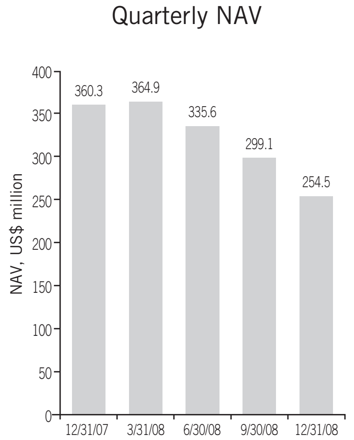
(1) *Net asset value is based on the sum of our cash and cash equivalents, temporary investments, the fair value of unrealised investments (including investments in subsidiaries and associates) and any other assets, less all liabilities.*

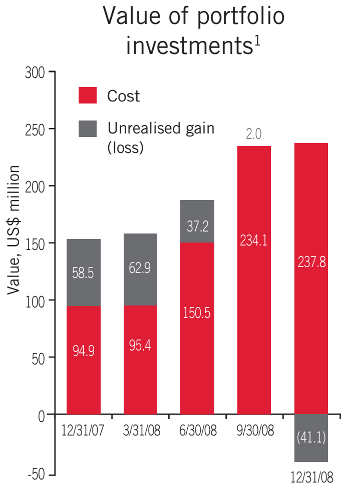
(2) *The proceeds from the IPO amounted to US$190 million before issue expenses pursuant to which 190 million new ordinary shares were issued. In addition to new shares issued at IPO, an additional 53.4 million shares were subscribed to and issued by way of bonus shares and management shares on the same day. Pre-IPO shareholders were issued bonus shares in proportion to shares held at 31 March 2007.*

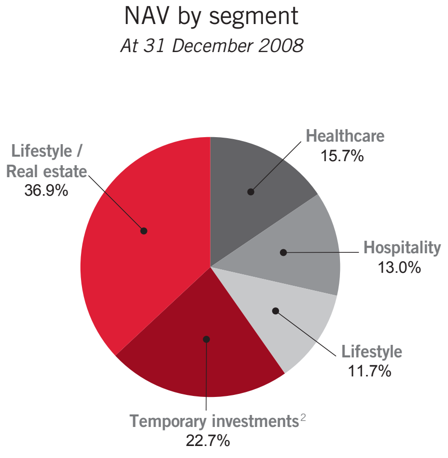
(3) *Loss after tax in 2007 and 2008 includes expenses for management shares not yet issued (2007: US$1.6 million, 2008: US$2.5 million) and share options not yet exercised (2007: US$12.2 million, 2008: US$16.9 million). Share options have an exercise price of US$1.00.*

(4) *Impairment loss on available-for-sale financial assets of US$58.3 million has been recognised in accordance with IAS 39 (please refer to note four (4) in the financial statements for additional details).*

(5) *The NAV per share was designed to be reduced to approximately US$1.00 on 3 August 2007, the IPO date, with the issue of new and bonus ordinary shares.*







Notes:

(1) Portfolio investments exclude temporary investments

(2) Temporary investments is net of borrowings and net working capital

Investment Manager's Report

This "Investment Manager's Report" should be read in conjunction with the consolidated financial statements and related notes of the SIHL Group.

The consolidated financial statements of the SIHL Group were prepared in accordance with the International Financial Reporting Standards ("IFRS") and are presented in U.S. dollars.

SIHL reports on each financial year that ends on December 31. In addition to SIHL's annual reporting, NAV and NAV per share are reported on a quarterly basis being the periods ended March 31, June 30, September 30 and December 31.

SIHL's NAV reported quarterly is based on the sum of cash and cash equivalents, temporary investments, the fair value of unrealised investments (including investments in subsidiaries and associates) and any other assets, less all liabilities.

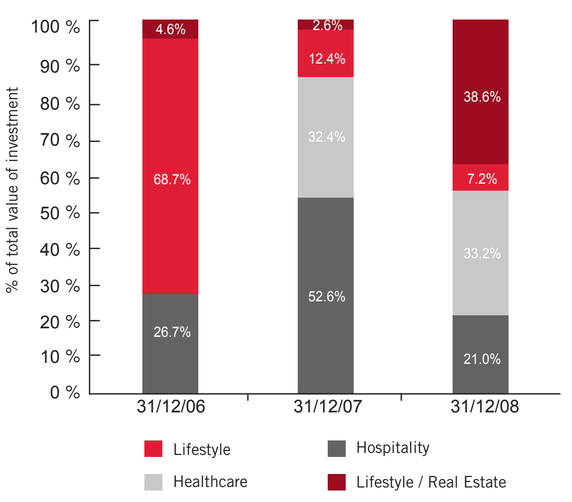
The financial results presented herein include activity for the period from January 1, 2008 through December 31, 2008, referred to as "the year ended December 31, 2008."

OUR BUSINESS

SIHL is an investment company incorporated under the laws of the British Virgin Islands. The Company's common shares were listed on the London Stock Exchange on August 3, 2007. SIHL's investment objective is to create value for stakeholders through long term strategic private equity type investments in high growth innovative consumer businesses, primarily in the Healthcare, Hospitality and Lifestyle ("HH&L") sectors, which are expected to be among the fastest growing sectors in Asia and the South-East Asian region including India, as well as through investments in special situations and structured transactions.

SIHL is managed by Symphony Investment Managers Limited, the Investment Manager. The directors and executive officers of the Investment Manager, Symphony Asia Holdings Pte. Ltd. and Symphony Asia Limited, constitute the Management Team and are responsible for implementation of the investment strategy.

Composition of portfolio investments by cost



INVESTMENTS

During the 2008 fiscal year, SIHL invested US$142.6 million across the HH&L sectors in both existing and new investments, bringing the total cost of investments to approximately US$237.8 million at year-end. As at 31 December 2008, the hospitality, healthcare, lifestyle and lifestyle/real estate sectors accounted for 21.0%, 32.2%, 7.2% and 38.6% of total investments, respectively.

The fair value of investments held by SIHL increased to US$196.7 million in 2008 from US$153.4 million in 2007. This increase is comprised of investments made during the year that amounted to US$142.6 million, offset by a decline in the value of investments by US$99.3 million during 2008.

Cost and fair value of investments[1]

As at 31 December 2008	Group Cost US$	Fair value US$	% of NAV
Hospitality	49,917,795	33,137,109	13.0%
Healthcare	78,910,267	39,764,713	15.7%
Lifestyle	17,135,091	29,850,778	11.7%
Lifestyle/Real estate	91,826,391	93,949,962	36.9%
Subtotal	237,789,544	196,702,562	77.3%
Temporary Investments[2]		58,237,684	22.9%
Net working capital		(477,635)	(0.2%)
Net asset value		254,462,611	100.0%

Notes:

(1) NAV is based on the sum of our cash and cash equivalents, temporary investments, the fair value of unrealised investments (including investments in subsidiaries and associates) and any other assets, less all liabilities.

(2) Temporary investments are net of US$2.2 million in borrowings that are associated with a Thai property investment, which constitutes less than 5% of NAV.

As at 31 December 2008, we had the following investments:

Minuet Limited

Minuet Limited ("Minuet") is a joint venture between SIHL and an established Thai partner for the development of a branded lifestyle residential and recreational development in Bangkok, Thailand. SIHL invested US$78.3 million in the venture for a direct 49% interest and will be responsible for the design, development and execution of the project.

Development plans are under review given the current economic uncertainty. However, we believe the property provides good development potential, as per the original transaction rationale. There is no debt on the property. In keeping with SIHL's valuation policies, this investment has been valued at cost despite a higher independent third party valuation.

Minor International Public Company Limited

Minor International Public Company Limited ("MINT"), is one of the largest hospitality and restaurant companies in the Asia-Pacific region with over 27 hotels and resorts totalling over 3,000 rooms under prominent brands such as the Four Seasons, Marriott, Anantara and others in Thailand, Vietnam, Maldives and South Africa. MINT also owns and operates over 1,042 restaurants under The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, Thai Express and The Coffee Club. MINT is listed on the Stock Exchange of Thailand. Anil Thadani serves on the board of directors for MINT. As at 31 December 2008, SIHL had invested approximately US$49.9 million in MINT shares. SIHL's investment in MINT is held through Symphony Capital Partners Limited, a wholly owned subsidiary. The fair value of this investment declined to US$33.1 million as at the same date.

Despite a challenging market environment in 2008, MINT saw its revenue, EBITDA and earnings grow by 17.7%, 14.7% and 18.0% year over year, respectively. MINT's acquisitions of Thai Express and The Coffee Club restaurant businesses in Singapore and Australia, respectively, have been integrated successfully and made significant contributions to the 28% growth in revenues of MINT's wholly owned restaurant subsidiary. The restaurant business is particularly attractive for MINT as it complements the hotel business when the tourism industry faces declines. MINT's hospitality business performed well in 2008, with a 7% increase in revenues. There was a slight decline in revenues from company-owned resorts due to the political events in Thailand, however MINT strengthened its leading position among Asian luxury hotel companies by adding an Anantara resort in Phuket and securing four new long term management contracts. The current weakness in MINT's share price appear to be a reflection of the overall performance of Thai equities, which has fallen by 47.6% during 2008.

MINT and Minor Corporation Public Company Limited ("MINOR") have announced a plan of restructuring/merger pursuant to which MINT will issue 1.14 of its shares in exchange for every MINOR share in issue, and MINOR will be delisted from the Stock Exchange of Thailand and MINOR's shareholding in MINT will be cancelled. It will also allow MINT to consolidate MINOR's financial statements and operations and help to diversify MINT's current business portfolio and generate operating cost savings.

The restructuring will eliminate all cross-shareholding between the two companies and will make the shareholding structure more appropriate and transparent. Assuming that all MINOR shares are tendered according to the proposal, the restructuring will result in a net reduction in MINT's issued and paid-up capital of at least 376 million shares (approximately 10% reduction) which will increase MINT's earnings per share and return on equity.

Minor Corporation Public Company Limited

Minor Corporation Public Company Limited ("MINOR") is a leading distributor of international lifestyle brands in Thailand focusing primarily on fashion and cosmetics through retail, wholesale, and direct marketing channels under brands that include Esprit, Red Earth, Bossini, Bloom, Laneige, Elemis, Tumi and Zwilling Henckels amongst others. MINOR owns and operates one of Thailand's leading contract manufacturers for regional and global FMCG suppliers such as Unilever and SC Johnson. Sunil Chandiramani serves as an adviser to the board of directors of MINOR, which is part of the MINOR Group founded by William Heinecke. As at 31 December 2008, SIHL invested approximately US$8.6 million in MINOR. SIHL's investment in MINOR is held through Symphony Capital Partners Limited, a wholly owned subsidiary. As at 31 December 2008, the fair value of this investment was US$21.3 million.

MINOR saw its revenue, EBITDA and net profit increase in 2008 by 2.9%, 10.5%, 33.8%, respectively, year over year. MINOR's distribution business posted an 8% increase in revenues in 2008 despite facing challenging economic and political conditions throughout the year. The contract manufacturing business however experienced an 8% decrease in sales as its customers delayed production orders in response to the uncertain economic circumstances. Similar to MINT, the current weakness in MINOR's share price appears to be a reflection of the overall performance of Thai equities during 2008. MINOR's shareholders have agreed to voluntarily delist the company from the Stock Exchange of Thailand and have approved a restructuring/merger plan pursuant to which MINT will issue 1.14 of its shares in exchange for every MINOR share in issue. The restructuring plan was supported by SIHL, as this will enable SIHL to convert its investment in MINOR to an investment in the larger and more liquid MINT.

Parkway Holdings Limited

Parkway Holdings Limited ("Parkway") is Asia's leading healthcare company and operates three hospitals in Singapore as well as radiology, laboratory and primary healthcare businesses. Parkway also has an extensive Asian footprint with operations in Malaysia, India, China and Brunei. Parkway also has a 35.5% interest in the Parkway Life Real Estate Investment Trust. During the 2008 fiscal year, SIHL purchased a 2.1% stake in Parkway for US$48.2 million. As at 31 December 2008 the fair value of this investment was US$21.1 million.

Over the course of 2008, Parkway's operations continued to perform well until the fourth quarter, when the impact of the financial crisis began to be felt, with foreign patient admissions to the Singapore hospitals showing some declines. Parkway's international hospitals grew steadily and Parkway's 2008 consolidated revenues and EBITDAR showed 8.7% and 11.7% growth over 2007. Net profit before exceptional and one-off items and the net effects of REIT transactions grew 18.7% in 2008 compared to the prior year.

In anticipation of difficult operating conditions in 2009, Parkway is implementing various cost-containment initiatives in its Singapore hospitals and is diversifying its marketing activities to achieve Singapore revenue growth from new overseas markets such as Bangladesh, Vietnam and Russia. It is also implementing a variety of fixed-fee surgical packages in Singapore to help patients lower their healthcare costs during the recession. Despite cost-containment moves, the Group continues to invest in new technologies and equipment where there is business justification, for example Gamma Knife technology for advanced neurosurgery in its Singapore hospitals.

Parkway's share price has remained weak because of general weakness in equity markets, and concerns that Parkway's new-build hospital in Singapore will impact earnings. While there is some near-term uncertainty over Parkway's performance, we believe that Parkway has good longer-term prospects given its unique positioning and growth potential as an industry leader in South East Asia.

Parkway Life Real Estate Investment Trust

Parkway Life Real Estate Investment Trust ("PREIT") was established by Parkway Holdings Limited to invest primarily in income-producing real estate and/or real estate-related assets in the Asia-Pacific region (including Singapore and Japan) that are used primarily for healthcare and/or healthcare-related purposes. SIHL invested US$30.2 million in PREIT in 2007. As at 31 December 2008, the fair value of the PREIT investment was US$18.6 million.

The price of PREIT units has remained depressed and volatile, reflecting negative sentiment towards real-estate stocks in general and despite very strong operating performance. PREIT's fourth quarter 2008 gross revenue and income distributable to unitholders grew by 36.4% and 15.9% respectively compared to the same period a year earlier. Full year 2008 gross revenue and income distributable to unitholders were respectively 17.4% and 9.4% higher than forecast at the time of PREIT's IPO.

PREIT's principal assets are the three Parkway hospitals in Singapore, from which it derives rental linked to Parkway's operating revenues but subject to a floor, which is linked to inflation. This not only provides the REIT with a defensive revenue stream but also longer-term upside. Additionally, PREIT acquired 9 nursing homes and a pharmaceutical distribution facility in Japan during 2008. These acquisitions were earnings-accretive and debt-funded resulting in gearing as at end 2008 of 23.3%.

PREIT has secured credit facilities for its borrowings with an average tenor of 2.8 years and therefore has no refinancing risks.

Near-term prospects for recovery in PREIT's unit price are uncertain and will probably be dependent on a recovery in the real estate sector overall. However, we believe that PREIT has characteristics which differ from other REITs and therefore provides good returns potential over the longer term. At current valuations, PREIT also provides a prospective distribution yield of more than 10%.

In addition to the investments above, SIHL has seven additional investments, each of which constitute less than 5% of SIHL's NAV.

Pending our investment in suitable investment opportunities, SIHL has placed funds in certain temporary investments. As at 31 December 2008, temporary investments predominantly comprised bank deposits. Approximately US$59.9 million of bank deposits were guaranteed by the governments of the respective countries in which the deposits were placed at 31 December 2008. These guarantees will remain in force until 2010.

CAPITALISATION AND NAV

As at 31 December 2008, the Company had US$302.4 million in issued share capital and its NAV was approximately US$254.5 million. SIHL's NAV is the sum of its cash and cash equivalents, temporary investments, the fair value of unrealised investments (including investments in subsidiaries and associates) and any other assets, less all liabilities . The audited financial statements contained herein may not account for the fair value of certain unrealised investments and furthermore, may consolidate the assets and liabilities of certain investments. Accordingly, SIHL's NAV may not be comparable to the net asset value in the audited financial statements.

The primary measure of SIHL's financial performance and the performance of its subsidiaries will be the change in SIHL's NAV per share resulting from changes in the fair value of investments.

The NAV and NAV per share for the 2006, 2007 and 2008 fiscal years and for the quarterly periods ended on March 31, June 30, September 30 and December 31 2008 are as follows:

	Group		
As at US$	31-Dec-06	31-Dec-07[1]	31-Dec-08
NAV	121,888,755	360,312,310	254,462,611
Number of shares	94,673,775	338,259,976	338,259,976
NAV per share	1.29	1.07	0.75

	Group		
As at US$	31-Mar-08	30-Jun-08	30-Sep-08
NAV	364,900,855	335,573,599	299,121,788
Number of shares	338,259,976	338,259,976	338,259,976
NAV per share	1.08	0.99	0.88

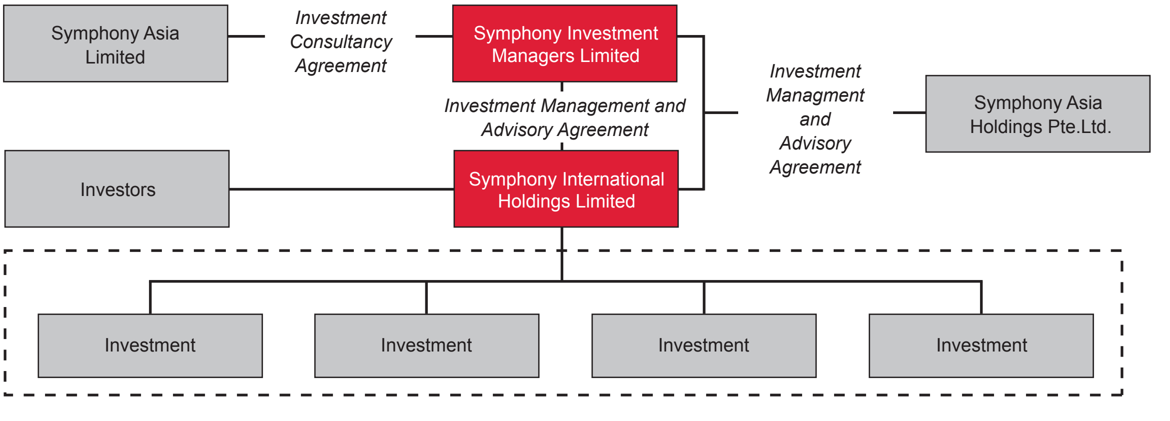
Note:

(1) The NAV per share was designed to be reduced to approximately US$1.00 on 3 August 2007, the IPO date, with the issue of new and bonus ordinary shares.

SIHL was admitted to the Official List of the London Stock Exchange ("LSE") on 3 August 2007 under Chapter 14 of the Listing Manual of the LSE. The proceeds from the IPO amounted to US$190 million before issue expenses pursuant to which 190.0 million new ordinary shares were issued in the IPO. In addition to these 190.0 million ordinary shares, a further 53.4 million ordinary shares were issued comprised of the subscription of 13.2 million ordinary shares by investors and SIHL's investment manager, the issue of 33.1 million bonus ordinary shares, and the issue of 7.1 million ordinary shares to the SIHL's investment manager credited as fully paid raising the total number of issued shares to 338.3 million.

SIHL's NAV per share as at 31 December 2008 was US$0.75. This represents a 24.8% decline from the IPO price.

ORGANISATIONAL STRUCTURE



REVENUE AND OTHER OPERATING INCOME

Revenue

During the 2008 fiscal year, SIHL received dividend income amounting to US$3.9 million from quoted equity investments. This represents an increase of 369.6% from dividends received during the 2007 fiscal year. The large change is primarily a function of increased holdings of quoted equity investments during the year.

Other operating and fee income

Other operating income includes interest income from temporary investments and loans outstanding to portfolio companies, fee income as well as foreign exchange gains. Temporary investments predominantly consisted of bank deposits and contributed to US$3.4 million in interest income during the 2008 financial year. Interest earned on loans outstanding to portfolio companies amounted to US$6.4 million. Foreign exchange gains amounted to US$2.7 million during 2008. Fee income of US$500,000 was earned from a structured transaction.

EXPENSES

Management fee

The management fee amounted to US$8.0 million for the year ended 31 December 2008. The management fee was calculated on the basis of 2.25% of NAV (with a floor and cap of US$8 million and US$15 million per annum) during 2008.

Other operating expenses

General expenses consist of operating expenses including fees for professional services, insurance, communication, travel, some expenses incurred regarding other miscellaneous expenses and costs incurred for analysis of proposed deals.

Management share expense

As part of the Investment Management and Advisory Agreement with SIHL, the Investment Manager is entitled to management shares of up to an aggregate amount equal to 5% of newly issued capital representing part of the remuneration for investment advice and services rendered. 20% of the Management shares are eligible for issue at the first quarter end following each anniversary of the proposed admission of the shares providing that the maximum management shares issued does not decrease the NAV per share below US$1.00. An expense was recognised for 10,298,726 Management Shares not yet issued and apportioned for the 2008 financial year associated with the increase in share capital from the IPO. The expenses for these Management shares not yet issued amounted to US$2.5 million.

Share options expense

Under terms of the Investment Management and Advisory Agreement, the Investment Manager was granted Share Options on the date of admission to the Official List of the London Stock Exchange. A total of 82,782,691 options were granted with an exercise price of US$1.00 each and will vest and become exercisable by the Investment Manager in five equal tranches over a period of five years from date of grant. An expense was recognised based on the fair value of the Share Options calculated using the Black-Scholes option-pricing model. Based on a fair value of US$0.62, US$0.63, US$0.33 and US$0.25 per option at 31 March, 30 June, 30 September and 31 December, respectively, an expense of US$16.9 million was recognised in the income statement with a corresponding increase in equity in 2008.

Impairment of available-for-sale financial assets

SIHL recognised an impairment loss of US$58.3 million in 2008 on its available-for-sale financial assets on the basis that a significant or prolonged decline in the fair value provides objective evidence of impairment in accordance with IAS 39. The impairment loss is in respect to certain quoted equity securities and units in a real estate investment trust.

Taxes

Substantially all the taxes paid by the Group in the year ended December 31, 2008 were withholding taxes on dividends received and interest earned from loans outstanding to portfolio companies.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2008, SIHL's cash balance was US$60.4 million.

SIHL's primary uses of cash are to fund private equity type investments and investments in special situations and structured transactions and to make distributions to shareholders, if and when declared by our board of directors, and to pay operating expenses. Taking into account current market conditions, it is expected that SIHL's sources of liquidity described below will be sufficient to fund working capital requirements.

The initial sources of liquidity were the capital contributions received in connection with the initial public offering of shares and related transactions. (See a description of the initial offering under "Capitalisation and NAV" above)

SIHL receives cash from time to time from its investments. This cash is in the form of dividends on equity investments, payments of interest and principal on fixed income investments and cash consideration received in connection with the disposal of investments. Temporary investments made in connection with SIHL's cash management activities provide a more regular source of cash than less liquid private equity and opportunistic investments, but generate lower expected returns. Other than amounts that are used to pay expenses, or used to make distributions to our shareholders, any returns generated by investments are reinvested in accordance with SIHL's investment policies and procedures.

SIHL may enter into one or more credit facilities and/or utilise other financial instruments from time to time with the objective of increasing the amount of cash that SIHL has available for working capital or for making opportunistic or temporary investments. At December 31, 2008, the Group had total interest-bearing borrowings of US$2.2 million associated with a Thai property investment, which constitutes less than 5% of NAV.

PRINCIPAL RISKS

Described below are some of the risks that the Company is exposed to:

The Company is an investment company with a different structure and a different investment strategy to that of a typical private equity vehicle. As an "evergreen" vehicle, the Company is not constrained by limited time frames of traditional private equity vehicles and it is more likely that the Company will invest as a long-term strategic partner in investments that may be less liquid and which are less likely to increase in value in the short-term.

The Company may also make investments in special situations and structured transactions which have different risks compared to traditional private equity investments. Such investments are typically in companies which have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. Investments that fall into this category tend to have relatively short holding periods and entail little or no participation in the board of the company in which such investments are made. The Company may invest up to 30 per cent. of its total assets (as determined at the time of each investment) in special situations and structured transactions.

Pending the making of private equity investments and investments in special situations and structured transactions, SIHL's capital will be temporarily invested in liquid investments and managed by a third party investment manager of international repute, held on deposit with commercial banks and/or invested in temporary investments which are expected to generate returns that are substantially lower than the returns SIHL would expect from private equity investments or special situations and structured transactions.

The market value of the Company's shares and warrants, as well as being affected by their net asset value, also takes into account their supply and demand. As such, the market value of a share or warrant can fluctuate and may not always reflect its underlying net asset value.

Changes in economic conditions of the countries in which the Company may have investments (for example, interest rates, inflation, industry conditions, competition, tax laws, changes in the law, political and diplomatic events and other factors) could substantially affect the value and adversely or positively affect the Company's prospects, in addition to the value of shares and warrants.

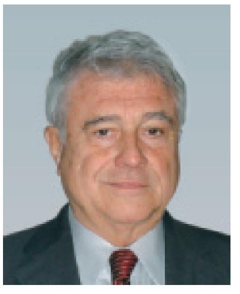
The Company expects to make investments in companies in emerging markets which will expose the Company to additional risks not typically associated with investments in companies that are based in developed markets. Investments denominated in foreign currencies will be subject to foreign currency risks.

The Company's investment policies and procedures do not contain any fixed requirement for investment diversification. The Company will focus on investing not less than 70 per cent. of its total assets (as determined at the time of each investment) in long-term private equity investments in businesses in the Hospitality, Healthcare and Leisure sectors in the Asia-Pacific region and not more than 30 percent. of its total assets (as determined at the time of each investment) in special situations and structured transactions. The Company's investments could therefore be concentrated in a relatively small number of companies in the abovementioned sectors within Asia-Pacific and could also be focused on a few specific types of investment.

The Company operates in a highly competitive market for investments. The Company's performance is affected by pricing when making and exiting an investment. The ability of the Company to achieve financial returns on investments could be hampered by disclosure of certain sensitive information. As such, the Company will not disclose pricing and valuation information in order to prevent (a) sellers of potential investments in private companies from determining how much the Company has paid for certain investments in comparable private companies which are similar to their potential investment, as this could lead to unfair price comparisons and (b) buyers of the Company's existing investments from determining how much the Company initially paid for its investments, as this will affect the Company's competitive advantage during the exit price negotiation process and may prevent the Company from maximizing value for its shareholders.

Anil Thadani
Chairman, Symphony Investment Managers Limited
March 25, 2009

Board of Directors

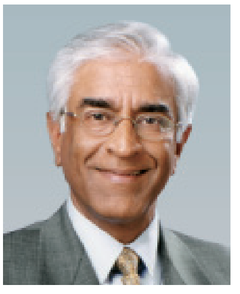


Pierangelo Bottinelli

Mr. Bottinelli is based in Geneva and is the Chairman of our Company. He was appointed to the Board of Directors of our Company on 31 December 2005. Mr. Bottinelli started his career as a merchant banker with AG Becker in 1970 after which he spent four years between 1985 and 1989 at Wertheim Schroder. He was a Managing Director at Schroder Securities for nine years before becoming the Managing Director of Quaker Securities in 2000, which position he held till 2005. Mr. Bottinelli sits on the boards of several companies in Singapore and Switzerland and he is currently a director of Audemars Piguet Group Holding and the Chairman of Lansdowne Partners Limited.

Georges Gagnebin

Mr. Gagnebin is based in Zurich and was appointed to the Board of Directors of our Company on 8 July 2007. He is presently Advisor to Julius Baer Holding Ltd. and Chairman of the Board of Directors of Infidar Investment Advisory Ltd., member company of Julius Baer Holding Ltd. Formerly he held the position of Vice Chairman of Julius Baer Holding Ltd. and Bank Julius Baer & Co. Ltd. Prior to joining the Julius Baer Group in 2005, Mr. Gagnebin held several executive positions at UBS AG including, Head of International Clients Europe, Middle East and Africa in the private banking division, member of the Group Managing Board, member of the Group Executive Board, Chief Executive Officer of Private Banking, Chairman of Wealth Management and Business Banking, and the Vice-Chairman of SBC Wealth Management AG. From 1969 to 1998, Mr. Gagnebin held various positions at the Swiss Bank Corporation, including, serving as member of the management committee. He was awarded an official diploma as Swiss-certified Banking Expert in 1972.



Rajiv K. Luthra

Mr. Luthra is based in New Delhi and was appointed to the Board of Directors of our Company on 8 July 2007. He is the founder and managing partner of Luthra & Luthra Law Offices, a law firm in India. Mr. Luthra has been rendering advice for over three decades, on a vast range of commercial transactions involving corporate, tax and civil law issues. He has guided various disinvestment, privatization and restructuring assignments and is also experienced in the structuring of foreign investment into India. Mr. Luthra serves on several high-level committees including, the Advisory Board to the Competition Commission of India, the National Committee on Energy, and the Core Group on Infrastructure Development of the Confederation of Indian Industries. He acts as Chairman and Director on the board of Corporate Governance and Audit Committee of HSBC (India).

Anil Thadani

Mr. Thadani is based in Singapore and was appointed to the Board of Directors of our Company on 16 February 2004. He has worked in Asia since 1975 and has been involved in Asian private equity since 1981 when he co-founded one of the first private equity investment companies in Asia. Before entering private equity, Mr. Thadani worked for Bank of America in the United States, Japan, the Philippines and Hong Kong. He serves on the boards of several companies and is also a member of the board of trustees of the Singapore Management University in addition to being the Chairman of SMU's Institute of Innovation and Entrepreneurship. Mr. Thadani has a B Tech in Chemical Engineering from the Indian Institute of Technology, Madras, an MSc in Chemical Engineering from the University of Wisconsin, Madison and an MBA from the University of California at Berkeley.

Sunil Chandiramani

Mr. Chandiramani is based in Hong Kong and was appointed to the Board of Directors of our Company on 16 February 2004. Mr. Chandiramani has over 18 years' of experience in private equity transactions in multiple industry sectors across Asia and the United States. Mr. Chandiramani's experience in Asian private equity was initially as a partner with a private investment company and subsequently with Schroder Capital Partners. Prior to that, he worked on leveraged buyouts and acquisitions for the Structured Finance Group at Bankers Trust in New York. Mr. Chandiramani has a BCom (Hons) from the Shri Ram College of Commerce, Delhi University and an MBA from the Wharton School of the University of Pennsylvania.

Directors Responsibility Statement

We, the Directors of Symphony International Holdings Limited (the “Company”), confirm that to the best of our knowledge:

(a) the consolidated financial statements of the Company and its subsidiaries (the “Group”), prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group taken as a whole for the period ended 31 December 2008; and

(b) the Investment Manager’s Report includes a fair review of the development and performance of the business and the position of the Group taken as a whole, together with a description of the risks and uncertainties that the Group faces.

On behalf of the Board of Directors

Pierangelo Bottinelli
Chairman, Symphony International Holdings Limited

March 25, 2009

Anil Thadani
Chairman, Symphony Investment Managers Limited
Director, Symphony International Holdings Limited
March 25, 2009

Corporate Information

Company	Symphony International Holdings Limited
Directors	Pierangelo Battista Bottinelli (alias Pierangelo Bottinelli) (Chairman and Independent Director) Georges Gagnebin (Independent Director) Rajiv K. Luthra (Independent Director) Anil Thadani Sunil Chandiramani
Registered Office in the British Virgin Islands	Offshore Incorporations Centre P.O. Box 957 Road Town Tortola British Virgin Islands
Registered Agent	Offshore Incorporations Limited P.O. Box 957 Offshore Incorporations Centre Road Town Tortola British Virgin Islands
Share Registrar and Share Transfer Agent	Capita Registrars (Guernsey) Limited 2nd Floor, No. 1 Le Truchot St. Peter Port Guernsey GY1 4AE
Warrant Registrar	Capita Registrars (Guernsey) Limited 2nd Floor, No. 1 Le Truchot St. Peter Port Guernsey GY1 4AE
Investment Manager	Symphony Investment Managers Limited P.O. Box 957 Offshore Incorporations Centre Road Town Tortola British Virgin Islands
Auditors	KPMG LLP Public Accountants and Certified Public Accountants 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581

Independent Auditors' Report

Members of the Company
Symphony International Holdings Limited

We have audited the consolidated financial statements of Symphony International Holdings Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position of the Group as at 31 December 2008, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages FS1 to FS33.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group give a true and fair view of the consolidated financial position of the Group as at 31 December 2008, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
25 March 2009

Consolidated Statement of Financial Position

As at 31 December 2008

	Note	2008 US$	2007 US$
Non-current assets			
Interests in joint ventures	3	**99,559,896**	—
Available-for-sale financial assets	4	**94,166,935**	144,322,807
Other receivables and prepayments	5	**992,485**	135,671
		194,719,316	144,458,478
Current assets			
Other receivables and prepayments	5	**2,592,768**	6,710,492
Amount due from Investment Manager (non-trade)	6	**35**	780
Cash and cash equivalents	7	**60,412,006**	206,660,583
		63,004,809	213,371,855
Total assets		**257,724,125**	357,830,333
Equity attributable to equity holders of the Company			
Share capital	8	**302,407,529**	306,365,214
Reserves	9	**42,041,913**	68,471,471
Accumulated losses		**(90,978,688)**	(17,516,362)
		253,470,754	357,320,323
Minority interests		**—**	—
Total equity carried forward		**253,470,754**	357,320,323

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Financial Position (cont'd)

As at 31 December 2008

	Note	2008 US$	2007 US$
Total equity brought forward		**253,470,754**	357,320,323
Non-current liabilities			
Amounts due to minority shareholders (non-trade)	10	**148,561**	147,609
Interest-bearing borrowings (secured)	11	**1,887,825**	—
		2,036,386	147,609
Current liabilities			
Bank overdrafts	7	**42**	15,969
Interest-bearing borrowings (secured)	11	**287,894**	—
Financial derivatives	11	**645,755**	—
Accrued operating expenses		**149,138**	283,976
Other payables		**194,507**	14,539
Interest payable		**3,085**	—
Withholding tax payable		**914,179**	38,889
Current tax payable		**22,385**	9,028
		2,216,985	362,401
Total liabilities		**4,253,371**	510,010
Total equity and liabilities		**257,724,125**	357,830,333

Approved by:

Anil Thadani
Director, Symphony International Holdings Limited
25 March 2009

Sunil Chandiramani
Director, Symphony International Holdings Limited
25 March 2009

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

Year ended 31 December 2008

	Note	2008 US$	2007 US$
Revenue	12	**3,905,871**	831,741
Other operating income	13	**13,021,977**	7,509,118
Other operating expenses		**(2,063,884)**	(537,489)
Management fees		**(8,000,000)**	(4,677,316)
		6,863,964	3,126,054
Management shares expense		**(2,458,179)**	(3,803,971)
Share options expense		**(16,893,577)**	(12,181,223)
		(12,487,792)	(12,859,140)
Singapore stock exchange listing expenses written off		**—**	(998,555)
		(12,487,792)	(13,857,695)
Loss before investment results and income tax			
Impairment loss on available-for-sale financial assets	4	**(58,321,911)**	—
Impairment loss on downpayment for purchase of investment properties	5	**(852,544)**	—
Fair value changes in financial derivatives	11	**(645,755)**	—
		(72,308,002)	(13,857,695)
Loss before income tax	13		
Income tax expense	14	**(1,154,324)**	(134,087)
		(73,462,326)	(13,991,782)
Loss for the year			
Other comprehensive income:			
Available-for-sale financial assets			
— Changes in fair value during the year		**(98,904,151)**	34,927,268
— Impairment losses recognised during the year	4	**58,321,911**	—
Foreign currency translation differences in relation to financial statements of foreign operations		**(5,199,074)**	1,805,317
Income tax relating to components of other comprehensive income		**—**	—
		(45,781,314)	36,732,585
Other comprehensive (expense)/income for the year, net of tax			
		(119,243,640)	22,740,803
Total comprehensive (expense)/income for the year			
Loss attributable to:			
Equity holders of the Company		**(73,462,326)**	(13,991,772)
Minority interests		**—**	(10)
		(73,462,326)	(13,991,782)
Loss for the year			
Total comprehensive (expense)/income attributable to:			
Equity holders of the Company		**(119,243,640)**	22,740,813
Minority interests		**—**	(10)
		(119,243,640)	22,740,803
Total comprehensive (expense)/income for the year			
Earnings per share:		**US Cents**	US Cents
Basic	15	**(21.72)**	(6.55)
Diluted	15	**(21.72)**	(6.55)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended 31 December 2008

	Note	Share capital US$	Equity compensation reserve US$	Fair value reserve US$	Foreign currency translation reserve US$	Accumulated losses US$	Total attributable to equity holders of the Company US$	Minority interests US$	Total equity US$
At 1 January 2007		101,369,196	6,094,462	17,949,687	—	(3,524,590)	121,888,755	—	121,888,755
Issue of shares	8	211,550,456	(8,290,457)	—	—	—	203,259,999	—	203,259,999
Share placement fee		(6,500)	—	—	—	—	(6,500)	—	(6,500)
London stock exchange listing expenses		(6,547,938)	—	—	—	—	(6,547,938)	—	(6,547,938)
Value of services received for issue of management shares		—	3,803,971	—	—	—	3,803,971	—	3,803,971
Value of services received for issue of share options		—	12,181,223	—	—	—	12,181,223	—	12,181,223
Capital contribution in subsidiary		—	—	—	—	—	—	10	10
Total comprehensive income for the year		—	—	34,927,268	1,805,317	(13,991,772)	22,740,813	(10)	22,740,803
At 31 December 2007		306,365,214	13,789,199	52,876,955	1,805,317	(17,516,362)	357,320,323	—	357,320,323
At 1 January 2008		**306,365,214**	**13,789,199**	**52,876,955**	**1,805,317**	**(17,516,362)**	**357,320,323**	**—**	**357,320,323**
London stock exchange listing expenses	17	**(3,957,685)**	**—**	**—**	**—**	**—**	**(3,957,685)**	**—**	**(3,957,685)**
Value of services received for issue of management shares		**—**	**2,458,179**	**—**	**—**	**—**	**2,458,179**	**—**	**2,458,179**
Value of services received for issue of share options		**—**	**16,893,577**	**—**	**—**	**—**	**16,893,577**	**—**	**16,893,577**
Total comprehensive expense for the year		**—**	**—**	**(40,582,240)**	**(5,199,074)**	**(73,462,326)**	**(119,243,640)**	**—**	**(119,243,640)**
At 31 December 2008		**302,407,529**	**33,140,955**	**12,294,715**	**(3,393,757)**	**(90,978,688)**	**253,470,754**	**—**	**253,470,754**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2008

	2008 US$	2007 US$
Operating activities		
Loss before income tax	**(72,308,002)**	(13,857,695)
Adjustments for:		
Exchange differences	**83,783**	180,972
Dividend income	**(3,905,871)**	(831,741)
Interest income	**(9,819,968)**	(7,388,314)
Interest expense	**175,404**	312
Gain on disposal of subsidiary	**—**	(5,821)
Fair value changes in financial derivatives	**645,755**	—
Impairment loss on downpayment for investment properties	**852,544**	—
Impairment loss on available-for-sale financial assets	**58,321,911**	—
Management shares expense	**2,458,179**	3,803,971
Share options expense	**16,893,577**	12,181,223
Singapore stock exchange listing expenses written off	**—**	998,555
	(6,602,688)	(4,918,538)
Changes in working capital:		
Increase in other receivables and prepayments	**(371,935)**	(173,080)
(Decrease)/Increase in other payables and accrued operating expenses	**(137,533)**	268,325
Decrease/(Increase) in amount due from Investment Manager	**745**	(780)
Cash used in operations	**(7,111,411)**	(4,824,073)
Dividend received (net of withholding tax)	**3,347,625**	746,847
Interest received (net of withholding tax)	**4,237,576**	6,928,644
Income taxes paid	**—**	(1,331)
Cash flows from operating activities	**473,790**	2,850,087
Investing activities		
Purchase of available-for-sale financial assets	**(47,978,464)**	(77,521,397)
Downpayment for the purchase of investment properties	**—**	(1,221,760)
Loans to an investee company	**(500,000)**	(3,250,000)
Repayment of loans by investee company	**3,750,000**	—
Investments in joint ventures	**(7,675,506)**	—
Loans to joint ventures	**(92,156,546)**	—
Repayment of loans by joint ventures	**1,427,207**	—
Loan to joint venture partner	**(882,228)**	—
Deposit for option to purchase investment property	**(1,000,000)**	—
Deposit for the acquisition of shares in an investee company	**—**	(838,926)
Cash flows from investing activities	**(145,015,537)**	(82,832,083)
Balance carried forward	**(144,541,747)**	(79,981,996)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows (cont'd)

Year ended 31 December 2008

	Note	2008 US$	2007 US$
Balance brought forward		**(144,541,747)**	(79,981,996)
Financing activities			
Proceeds from shareholders for subscription of shares		**—**	203,263,029
Subscription proceeds for unallotted shares refunded		**(14,539)**	—
Interest paid		**(172,319)**	(312)
Share placement fee paid		**—**	(49,251)
Listing expenses paid		**(3,957,685)**	(7,468,212)
Proceeds from borrowings		**2,840,013**	—
Repayment of borrowings		**(445,751)**	—
Repayment to companies in which certain directors have substantial financial interests		**—**	(4,218)
Receipts from minority interests		**—**	96,628
Cash flows from financing activities		**(1,750,281)**	195,837,664
Net (decrease)/increase in cash and cash equivalents		**(146,292,028)**	115,855,668
Cash and cash equivalents at beginning of year		**206,644,614**	90,786,282
Effect of exchange rate fluctuations		**59,378**	2,664
Cash and cash equivalents at end of year	7	**60,411,964**	206,644,614

During the financial year ended 31 December 2008, there were the following non-cash transactions:

- Stock dividend from quoted equity investment received amounting to US$410,222 (2007: Nil).
- Deposits paid in prior years of US$838,926 (2007: Nil) applied towards the cost of investment in a joint venture.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

Year ended 31 December 2008

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 25 March 2009.

1 Domicile and activities

Symphony International Holdings Limited (the Company) was incorporated in the British Virgin Islands (BVI) on 5 January 2004 as a limited liability company under the International Business Companies Ordinance, under the name of Success Future Investments Limited. On 16 February 2004, the Company changed its name to Symphony International Holdings Limited. The Company voluntarily re-registered as a BVI Business Company under the BVI Companies Act on 17 November 2006. The Company has its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. The Company does not have a principal place of business as the Company carries out its principal activities under the advice of its investment manager.

The principal activities of the Company are those relating to an investment holding company while those of its subsidiaries consist primarily of making strategic investments with the objective of increasing the consolidated net asset value through long-term strategic private equity investments in consumer-related businesses, primarily in the hospitality, healthcare and lifestyle sectors, as well as investments in special situations and structured transactions which have the potential of generating attractive returns.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the Group).

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements have been prepared on the historical cost basis except for interests in joint ventures and available-for-sale financial assets which are stated at fair value. The financial statements are presented in United States (US) dollars, which is the Company's functional currency, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 2.3 — Determination of functional currencies of Group entities
- Note 2.7 — Impairment of financial assets
- Note 9 — Valuation of management shares and share options
- Note 20 — Fair value of unquoted investments in joint ventures

Except as disclosed above, there are no other significant areas of estimation uncertainty or critical judgements in the application of accounting policies that have significant effect on the amount recognised in the financial statements.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

The Group early adopted IAS 1 (revised 2007) *Presentation of Financial Statements* in 2008. The adoption of IAS 1 (revised 2007) has resulted in the presentation of all owner changes in equity in a statement of changes in equity, while all non-owner changes in equity (i.e. comprehensive income) have been presented in a statement of comprehensive income. Comparative information has been re-presented to be consistent with the current year's presentation. The adoption of IAS 1 (revised 2007) did not have any impact on the Group's financial position or results.

The accounting policies set out below have been applied consistently by the Group. The accounting policies used by the Group have been applied consistently to all periods presented in these financial statements.

2.2 Consolidation

Business combinations

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill is measured at cost less accumulated impairment losses. Goodwill arising on the acquisition of subsidiaries is presented as intangible assets.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to the profit or loss (income statement) in the period of the acquisition.

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

All significant intragroup transactions, balances and unrealised gains or losses are eliminated on consolidation.

Associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.2 Consolidation (cont'd)

Associates and joint ventures (cont'd)

Investments in associates and joint ventures that are held as part of the Group's investment portfolio are carried in the balance sheet at fair value through profit or loss even though the Group may have significant influence or joint control over those companies. This treatment is permitted by IAS 28 *Investments in Associates* and IAS 31 *Interests in Joint Ventures* which requires investments held by venture capital organisations to be excluded from its scope where those investments are designated, upon initial recognition, as at fair value through profit or loss, and accounted for in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* with changes in fair value recognised in the income statement in the period in which they occur.

2.3 Functional currencies

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency).

For the purposes of determining the functional currencies of Group entities, management has considered the following factors:

- The principal activities of the Company are those relating to an investment holding company. Funding obtained through the issuance of ordinary shares and loans advanced to subsidiaries for their investment purposes are denominated in US dollars.

- The principal activities of the subsidiaries are those relating to making strategic investments. Functional currencies of the subsidiaries are determined based on the currency in which funding is obtained and obligations arising from the acquisition of investments are settled.

2.4 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of Group entities at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rates at the date on which the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the income statement except for differences arising on the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation (see below) and available-for-sale equity instruments which are recognised directly in equity.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.4 Foreign currencies (cont'd)

Net investment in a foreign operation

Exchange differences arising from monetary items that in substance form part of the Company's net investment in a foreign operation are recognised in the Company's income statement. Such exchange differences are reclassified to equity in the consolidated financial statements. When the foreign operation is disposed of, the cumulative amount in equity is transferred to the income statement as an adjustment to the profit or loss arising on disposal.

Foreign operations

The assets and liabilities of foreign operations are translated into US dollars for consolidation at the exchange rates prevailing at the balance sheet date. The income and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. Goodwill and fair value adjustments arising from acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the closing rate. For acquisitions prior to 1 January 2005, the exchange rates at the date of acquisition were used.

Exchange differences arising on translation are recognised directly in equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign currency translation reserve is transferred to the income statement.

2.5 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise available-for-sale financial assets, other receivables and prepayments, cash and cash equivalents, accrued operating expenses and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at settlement date, i.e., the date that an asset is delivered to or by the Group. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash and bank balances, deposits with financial institutions, and placements in money market funds. Bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.5 Financial instruments (cont'd)

Available-for-sale financial assets

Investments held as part of the Group's investment portfolio are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than for impairment losses and foreign exchange gains and losses on available-for-sale monetary items, are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to the income statement.

Others

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Share capital

Ordinary shares are classified as equity as there is no contractual obligation for the Company to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

2.6 Investment properties

Investment properties are properties held either to earn rental income or capital appreciation or both. They do not include properties for sale in the ordinary course of business, used in the production or supply of goods or services, or for administrative purposes.

Downpayments for the purchase of properties that are being constructed or developed for future use as investment properties are stated at cost less accumulated impairment losses until construction or development is completed, at which time they are remeasured to fair value and reclassified as investment properties. Any gain or loss arising on remeasurement is recognised in the income statement.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

2.7 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.7 Impairment (cont'd)

Financial assets (cont'd)

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value. Impairment of available-for-sale financial assets is reviewed on a case-by-case basis based on both qualitative and quantitative factors. A significant or prolonged decline in the fair value of an available-for-sale investment in equity instrument below its cost is objective evidence of impairment.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the income statement. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the income statement. Any subsequent decline in the fair value beyond the cost less impairment loss in respect of an available-for-sale financial asset is recognised in the income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the income statement. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill, recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.8 Share-based payments

The share option programme allows the option holders to acquire shares of the Company. The fair value of options granted to the Investment Manager is recognised as an expense in the income statement with a corresponding increase in equity. The fair value is measured when the services are received and spread over the period during which the Investment Manager becomes unconditionally entitled to the options. At each balance sheet date, the Company revises its estimates of the number of options that are expected to vest. The amount recognised as an expense over the vesting period is adjusted to reflect the actual number of share options that vest.

The proceeds received net of any directly attributable transactions costs are credited to share capital when the options are exercised.

The fair value of management shares granted to the Investment Manager is recognised as an expense, with a corresponding increase in equity, over the vesting period, i.e. when the Investment Manager becomes unconditionally entitled to the management shares.

2.9 Revenue recognition

Dividends

Dividend income is recognised on the date that the shareholder's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Interest income

Interest income from deposits with financial institutions and placements in money market funds and loans to joint ventures and investee companies is recognised as it accrues, using the effective interest method.

2.10 Finance expense

All borrowing costs are recognised in the income statement using the effective interest method.

2.11 Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

2 Summary of significant accounting policies (cont'd)

2.11 Income tax expense (cont'd)

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3 Interests in joint ventures

	2008 US$	2007 US$
Investments in joint ventures		
Unquoted equity securities	**3,383,259**	—
Unquoted redeemable convertible preference shares	**5,000,000**	—
	8,383,259	—
Balances with joint ventures		
Loans to joint ventures	**85,092,583**	—
Interest receivable	**6,084,054**	—
	91,176,637	—
	99,559,896	—

Details of joint ventures are set out in note 22.

The Group has effective equity interests of between 0.1% and 49.98% in these investee companies. Pursuant to various shareholders' agreements, the Group and the other shareholders have joint control over the financial and operating policies of these companies. Accordingly, these companies have been accounted for as joint ventures in accordance with IAS 31 *Interests in Joint Ventures*.

Loans to joint ventures are unsecured and bear interest at 15% per annum. As the settlement of these loans is neither planned nor likely to occur in the foreseeable future, they are in substance a part of the Group's net investments in these joint ventures.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

3 Interests in joint ventures (cont'd)

Included in the loans to the joint ventures are balances totalling US$75,648,415 (2007: nil) which are/or will be subordinated to bank loans obtained/or to be obtained by certain joint ventures.

Loans to joint ventures and accrued interest thereon are denominated in the following currencies:

	2008 US$	2007 US$
Loans to joint ventures		
US Dollars	**700,000**	—
Thai Baht	**84,392,583**	—
	85,092,583	—
Interest receivable		
Thai Baht	**6,084,054**	—

4 Available-for-sale financial assets

	2008 US$	2007 US$
Quoted equity securities	**75,549,735**	116,478,363
Quoted units in real estate investment trust	**18,617,200**	27,844,444
	94,166,935	144,322,807

Available-for-sale financial assets represent investments in quoted equity securities and units in a real estate investment trust listed on The Stock Exchange of Thailand and Singapore Exchange Securities Trading Limited (SGX-ST), comprising US$54,402,221 (2007: US$115,858,155) and US$39,764,714 (2007: US$28,464,652) denominated in Thai Baht and Singapore Dollars, respectively.

During the year, an impairment loss of US$58,321,911 has been recognised in the income statement in respect of certain quoted equity securities and units in the real estate investment trust, on the basis that the significant or prolonged decline in the fair values of these investments below their cost provides objective evidence of impairment as at 31 December 2008 in accordance with the Group's accounting policy.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

5 Other receivables and prepayments

	2008 US$	2007 US$
Non-current		
Loan to joint venture partner	**882,228**	—
Interest receivable	**3,436**	—
Prepayments	**106,821**	135,671
	992,485	135,671
Current		
Interest receivable	**22,608**	600,747
Loans to an investee company	—	3,250,000
Other receivables	**233,913**	—
Other prepayments	**145,877**	79,090
Deposit for acquisition of shares in investee company	—	838,926
Deposit for option to purchase investment property	**1,000,000**	—
Downpayment for the purchase of investment properties	**1,013,348**	1,865,892
Other assets	**177,022**	75,837
	2,592,768	6,710,492

Loans to an investee company of US$3,250,000 as at 31 December 2007 were secured by a pledge of shares in the investee company and a personal guarantee from a shareholder of the investee company, and were repayable at the earlier of 30 June 2008 or the date that the investee company receives proceeds from the issuance of additional share capital. Interest was charged at 10% per annum. These loans have been fully repaid during the financial year.

In the previous financial year, the deposit for acquisition of shares in investee company related to a deposit paid of THB25.0 million to acquire a 50% equity interest in a company incorporated in Thailand with principal activities relating to the rental of office buildings and investment in land development and other various projects. During the financial year, the deposit has been applied towards the Group's cost of investment in a joint venture.

The loan to a joint venture partner is unsecured, bears interest at 2% per annum and is repayable by October 2011.

Other receivables are unsecured, interest free and repayable within the next 12 months.

The deposit for the option to purchase an investment property relates to a fully refundable deposit paid for the first right to purchase an apartment of choice in a new apartment for investment purposes. Interest is charged at 6% per annum.

Downpayment for the purchase of investment properties relates to amounts totalling HK$14.5 million (2007: HK$14.5 million) paid for the acquisition of residential properties in Macau for investment purposes. The construction of such residential properties is expected to be completed by 31 December 2009. During the year, the Group recognised impairment losses of HK$6.7 million (equivalent to US$852,544) in the income statement due to a decline in the market value. The market value of the residential properties is determined by an independent professional valuer who has recognised professional qualifications and recent experience in the location and category of the properties being valued. The market value represents the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market valuation has been made on the assumption that the owners sell the properties in their existing state with vacant possession.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

6 Amount due from Investment Manager (non-trade)

The non-trade amount due from the Investment Manager relates to payments made on behalf of the Investment Manager by the Group. The amount is unsecured and interest-free, and is repayable on demand.

7 Cash and cash equivalents

	2008 US$	2007 US$
Placements in money market fund	—	4,189,937
Fixed deposits with financial institutions	**55,575,581**	202,425,589
Cash at bank	**4,836,425**	45,057
	60,412,006	206,660,583
Bank overdrafts (secured)	**(42)**	(15,969)
Cash and cash equivalents in the consolidated statement of cash flows	**60,411,964**	206,644,614

Bank overdrafts are secured by a pledge of fixed deposits placed with a financial institution.

The effective interest rate on the placements in the money market fund as at 31 December 2007 was 5.55% per annum. Interest rates repriced on a daily basis.

The effective interest rate on fixed deposits with financial institutions as at 31 December 2008 was 0.01% to 1.20% (2007: 1.05% to 5.07%) per annum. Interest rates reprice at intervals of one to four weeks.

The effective interest rate on the bank overdrafts as at 31 December 2008 was 6.57% (2007: 12%) per annum. Interest rates reprice on a monthly basis.

8 Share capital

	2008 Number of shares	2007 Number of shares
Fully paid ordinary shares, with no par value:		
At 1 January	**338,259,976**	94,673,775
Issue of shares	—	20,509,890
Issue of bonus shares	—	33,076,311
Shares issued pursuant to initial public offering and private placement	—	190,000,000
At 31 December	**338,259,976**	338,259,976

Share capital in the balance sheet represents subscription proceeds received from, and the amount of liabilities capitalised through, the issuance of ordinary shares of no par value in the Company, less transaction costs directly attributable to equity transactions.

The Company does not have an authorised share capital and is authorised to issue an unlimited number of no par value shares.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

8 Share capital (cont'd)

In the previous financial year, 13,380,681 ordinary shares of no par value were issued for cash at between US$0.9690 and US$1.2690 each. In addition, 7,129,209 ordinary shares of no par value were issued to the Investment Manager and credited as fully paid in consideration for investment management and advisory services rendered. The Company also issued 33,076,311 bonus shares credited as fully paid for 102,378,660 ordinary shares of no par value held by the existing shareholders of the Company as of 31 March 2007.

On 3 August 2007, 190,000,000 ordinary shares of no par value were issued for cash at US$1 each pursuant to the initial public offering and private placement of the shares in the capital of the Company.

In the previous financial year, the Company also issued 70,565,365 warrants to subscribe for new ordinary shares of no par value in the Company at an exercise price of US$1.25 each, on the basis of 1 warrant for every 2 ordinary shares held by the existing shareholders of the Company prior to the admission to the official list on the London Stock Exchange, but excluding the 7,129,209 ordinary shares issued to the Investment Manager as disclosed in the preceding paragraph. On 3 August 2007, 38,000,000 warrants were issued in connection with the initial public offering and private placement of the shares on the basis of 1 warrant for every 5 ordinary shares issued.

As at 31 December 2008, the issued share capital of the Company included 8,386,471 (2007: 8,386,471) ordinary shares credited as fully paid in consideration for share placement and investment management and advisory services rendered to the Company. At the balance sheet date, 108,565,365 (2007: 108,565,365) warrants were outstanding in the share capital of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings of the Company. All shares rank equally with regard to the Company's residual assets.

9 Reserves

Equity compensation reserve

The equity compensation reserve comprises value of management shares and share options issued or to be issued for investment management and advisory services received by the Company (refer to note 16 to the financial statements).

The value of investment management and advisory services received is determined with reference to the fair value of management shares and share options issued or to be issued by the Company.

Management shares

In the absence of quoted market prices for the ordinary shares of the Company prior to their listing on the London Stock Exchange, management is of the view that the consolidated net asset value per share of the Company represented an estimate of the fair value of management shares based on the following:

- Available-for-sale financial assets are stated at fair value and the carrying amounts of other financial assets and liabilities approximate their fair values.

- There are no significant unrecorded contingent liabilities which may potentially affect the valuation of the Group.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

9 Reserves (cont'd)

Equity compensation reserve (cont'd)

Management shares (cont'd)

Subsequent to the listing, the fair value of the management shares for each quarter is determined based on the market price of the shares at each measurement date, being the relevant quarter-end for each quarter, adjusted to take into account the terms and conditions (other than vesting conditions) upon which the management shares are granted.

The fair value of management shares as at each reporting date are as follows:

	2008 US$	2007 US$
31 March	**0.73**	—
30 June	**0.77**	—
30 September	**0.61**	1.02
31 December	**0.29**	0.91

Share options

In the structuring of the compensation payable under the Investment Management and Advisory Agreement, the value of the share options was considered to be measurable using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price, expected volatility, expected option life, expected dividends and risk-free interest rate.

Fair value of share options and assumptions

	31 December 2007	31 March 2008	30 June 2008	30 September 2008	31 December 2008
Fair value	US$0.78	**US$0.62**	**US$0.63**	**US$0.33**	**US$0.25**
Share price	US$0.91	**US$0.73**	**US$0.77**	**US$0.61**	**US$0.29**
Exercise price	US$1.00	**US$1.00**	**US$1.00**	**US$1.00**	**US$1.00**
Expected volatility	40.0%	**89.7%**	**83.5%**	**46.6%**	**109.2%**
Expected option life	9.6 years	**9.4 years**	**9.1 years**	**9.8 years***	**9.6 years***
Expected dividends	Nil	**Nil**	**Nil**	**Nil**	**Nil**
Risk-free interest rate	4.31%	**3.88%**	**4.31%**	**4.26%**	**2.98%**

* On 3 August 2008, the Company granted 82,782,691 share options to the Investment Manager, which has been previously deferred (refer to note 16 to the financial statements). These share options will expire on the tenth anniversary of the actual grant date, which has been similarly deferred by 1 year as a result of the deferment of the grant.

The expected volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share options. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of services to be received at the measurement date.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

9 Reserves (cont'd)

Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of available-for-sale investments until the investment is derecognised, and excludes cumulative net change in fair value for which impairment losses have been recognised in the income statement.

Foreign currency translation reserve

The foreign currency translation reserve of the Group comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company, and the exchange differences on monetary items which form part of the Group's net investment in the foreign operations, provided certain conditions are met.

10 Amounts due to minority shareholders (non-trade)

The non-trade amounts due to minority shareholders are unsecured and interest-free. The settlement of the amounts is neither planned nor likely to occur in the foreseeable future. As the amounts are in substance, a part of the minority shareholders' net investment in a subsidiary, they are stated at cost.

11 Financial liabilities

	2008 US$	2007 US$
Non-current		
Interest-bearing term loans (secured)	1,887,825	—
Current		
Current portion of interest-bearing term loans (secured)	287,894	—
Financial derivatives	645,755	—
	933,649	—

Financial derivatives represent mark-to-market loss on contracts, being a series of call and put options entered into in order to purchase investments in a quoted equity security listed on the SGX-ST. The Group has taken a long position in the quoted equity security at a pre-determined strike price which was lower than the market price when the contracts were entered into by the Group. Subsequent declines in market prices have resulted in mark-to market losses on these contracts. As at 31 December 2008, the Group has outstanding contracts to acquire up to 1,714,800 equity securities at prices ranging from S$1.6340 to S$1.7432 each.

Interest-bearing term loans are denominated in Thai Baht and are secured on the Group's interests in the equity securities of a joint venture, without recourse to Symphony International Holdings Limited. Interest is charged at the bank's minimum lending rate less 1% per annum and reprices on a monthly basis. The effective interest rate as at 31 December 2008 was 5.75% per annum. The borrowings are repayable in equal monthly instalments within a period of 9 years from the date of drawdown.

12 Revenue

Revenue of the Group comprises dividend income received and receivable from its available-for-sale investments.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

13 Loss before income tax

Loss before income tax includes the following:

	2008 US$	2007 US$
Other operating income		
Interest income from:		
— fixed deposits and placements in money market fund	**3,369,786**	7,137,445
— loans to joint ventures	**6,201,051**	—
— loans to investee companies	**249,131**	250,869
Fee income	**500,000**	—
Foreign exchange gain (net)	**2,702,009**	114,983
Gain on disposal of subsidiary	**—**	5,821
	13,021,977	7,509,118
Interest expense	**(175,404)**	(312)

14 Income tax expense

	2008 US$	2007 US$
Current tax expense		
Current year	**12,923**	10,304
Foreign withholding tax	**1,141,401**	123,783
Income tax expense	**1,154,324**	134,087

Reconciliation of effective tax rate

	2008 US$	2007 US$
Loss before income tax	**72,308,002**	13,857,695
Tax calculated using the weighted average statutory tax rates	**(3,020,971)**	174,227
Income not subject to tax	**(868,083)**	(69,383)
Expenses not deductible for tax purposes	**225,514**	20,970
Deferred tax assets not recognised	**5,013,929**	—
Tax credit	**(1,337,466)**	(115,510)
Foreign withholding tax	**1,141,401**	123,783
	1,154,324	134,087

Foreign withholding tax relates to tax withheld or payable on foreign-sourced income.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

14 Income tax expense (cont'd)

Deferred tax liabilities have not been recognised on temporary differences in respect of fair value gains on certain available-for-sale financial assets. Under the double taxation treaty between Thailand, the country in which the available-for-sale financial assets are located, and Mauritius, the country of incorporation of the subsidiary which holds these available-for-sale financial assets, capital gains on the disposal of such assets are subject to capital gains tax in the country in which the investor is a tax resident. The subsidiary is a tax resident in Mauritius and is not subject to capital gains tax in Mauritius as it meets the conditions necessary to maintain such tax residency status.

The Group also has not recognised deferred tax assets amounting to US$5,013,929 on temporary differences in respect of fair value losses on certain available-for-sale financial assets as it is not probable that future taxable profits will be available against which the temporary differences can be utilised.

15 Earnings per share

	2008 US$	2007 US$
Basic and diluted earnings per share are based on:		
Net loss for the year attributable to equity holders of the Company	**(73,462,326)**	(13,991,772)

	Number of shares	
	2008	2007
Weighted average number of shares (basic and diluted)		
— Outstanding during the year	**338,259,976**	94,673,775
— Issued during the year	**—**	87,175,221
— Effects of bonus shares issued	**—**	31,645,134
	338,259,976	213,494,130

For the purpose of calculation of the diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the dilutive warrants, share options and contingently issuable shares, with the potential shares weighted for the period outstanding.

As at 31 December 2008, outstanding warrants to subscribe for 108,565,365 new ordinary shares of no par value at an exercise price of US$1.25 each, outstanding share options to subscribe for 82,782,691 ordinary shares of no par value at an exercise price of US$1, and contingently issuable management shares of 10,298,726 ordinary shares of no par value have not been included in the computation of diluted earnings per share because these warrants, share options and contingently issuable management shares were anti-dilutive.

As at 31 December 2007, outstanding warrants to subscribe for 108,565,365 new ordinary shares of no par value at an exercise price of US$1.25 each, potentially issuable share options to subscribe for 82,782,691 ordinary shares of no par value at an exercise price of US$1, and contingently issuable management shares of 10,298,726 ordinary shares of no par value have not been included in the computation of diluted earnings per share because these warrants, potentially issuable share options and contingently issuable management shares were anti-dilutive.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

16 Significant related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors of the Company are considered as key management personnel of the Group.

During the financial year, directors' fees amounting to US$300,000 (2007: US$123,770) were declared as payable to certain directors of the Company. The remaining directors of the Company are also directors of the Investment Manager who provides management and administrative services to the Group on an exclusive and discretionary basis. No remuneration has been paid to these directors as the cost of their services form part of the Investment Manager's remuneration.

Other related party transactions

During the financial year, a professional fee of US$nil (2007: US$6,500) was paid to a firm in which a director of the Company is a member.

In addition, management fees amounting to US$nil (2007: US$1,367,727) and US$8,000,000 (2007: US$3,309,589) paid/or payable to a company in which certain directors have substantial financial interests and the Investment Manager, respectively, have been recognised in the consolidated financial statements.

On 10 July 2007, the Company entered into an Investment Management and Advisory Agreement with Symphony Investment Managers Limited (the Investment Manager) pursuant to which the Investment Manager will provide investment management and advisory services exclusively to the Group. The key persons of the management team of the Investment Manager comprise certain key management personnel of the Company who will be engaged by the Investment Manager pursuant to long-term exclusive employment arrangements agreed between the parties. Pursuant to the Investment Management and Advisory Agreement, the Investment Manager is entitled to the following forms of remuneration for the investment management and advisory services rendered:

- Management fees of 2.25% per annum of the consolidated net asset value, payable quarterly in advance on the first day of each quarter, based on the consolidated net asset value of the previous quarter end. The management fees payable will be subject to a minimum amount of US$8 million per annum and a maximum amount of US$15 million per annum;

- Management shares of up to an aggregate amount equal to 5% of the share capital immediately following the issue of such shares (excluding 7,129,209 management shares issued prior to the admission to the official list on the London Stock Exchange (the Pre-admission Management Shares)), of which up to 20% of the management shares will become eligible for issue at the first quarter end following each anniversary of the admission of the shares. In addition, the Investment Manager will also be granted management shares upon issuance of ordinary shares from the exercise of warrants, such that the total number of management shares to be issued will not exceed 5% of the increase in share capital, which includes (a) the increase in the number of shares issued pursuant to the exercise of warrants, and (b) the number of management shares issued excluding the Pre-admission Management Shares.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

16 Significant related party transactions (cont'd)

Other related party transactions (cont'd)

In determining the maximum number of management shares which may be issued, consideration will be made for the consolidated net asset value after the proposed issue of management shares such that the consolidated net asset value per share does not decrease below the offering price; and

- Share options to subscribe for ordinary shares of the Company. On the date of admission to the official list of the London Stock Exchange, the Investment Manager was to be granted options to subscribe for ordinary shares at an exercise price equal to the offering price of the shares, and after the date of admission, the Investment Manager will be granted options to subscribe for ordinary shares at an exercise price of US$1.25 per share upon issuance of ordinary shares from the exercise of warrants. The total number of share options that may be granted will be such that the number of shares issued upon their exercise cannot exceed 20% of the share capital of the Company immediately following the issue of such shares (assuming full exercise of all share options granted but disregarding issued management shares). In addition, the Investment Manager will be granted share options upon issuance of ordinary shares from the exercise of warrants, such that the maximum number of shares to be issued upon the exercise of these options will not exceed 20% of the increase in share capital, which includes (a) the increase in the number of shares issued pursuant to the exercise of warrants, and (b) the number of shares to be issued assuming all the share options thus granted have been exercised.

The share options will vest in 5 equal tranches over a period of 5 years beginning from the first anniversary of the date of grant, and will expire on the tenth anniversary of the date of grant. In the event that dividend is declared prior to the exercise of the share options, the Investment Manager will be paid an amount equivalent to the amount which would have been paid as if all outstanding share options held by the Investment Manager, whether vested or otherwise, have been exercised. The Investment Manager is required to apply at least 50% of such amounts towards the exercise of the outstanding share options based on the lower of the total number of vested share options held at the date of the dividend declaration and the number of vested share options held at the date of the dividend declaration which can be exercised with such amounts.

Pursuant to the Investment Management and Advisory Agreement, the Investment Manager was to be granted 82,782,691 share options to subscribe for ordinary shares at US$1 each on the date of admission. As at 31 December 2007, the Company had not granted these share options. The Investment Manager agreed to defer the grant date of these share options to the first anniversary of the date of admission whilst retaining the vesting date of these share options. The share options have since been granted on 3 August 2008 to expire on the tenth anniversary of the grant date. In addition, management shares of up to 10,298,726 ordinary shares in the Company will become eligible for issue at the first quarter end following each anniversary of the admission, provided certain conditions are met.

Other than as disclosed elsewhere in the financial statements, there were no other significant related party transactions during the financial year.

17 Commitments

As at 31 December 2007, in connection with the listing on the London Stock Exchange, the Company had committed to pay the Global Co-ordinator the remaining 50% of the professional fee, determined based on 5% of an amount equivalent to the total number of shares offered multiplied by the offering price, when the Company has invested 50% of such proceeds in private equity investments, special situations and structured transactions.

During 2008, the Group invested more than 50% of such proceeds in private equity investments, special situations and structured transactions. The Company has since paid the remaining 50% professional fee to the Global Co-ordinator which has been charged directly against share capital.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

17 Commitments (cont'd)

In July 2008, the Group entered into a shareholders' agreement and invested THB2,627.5 million in a joint venture to part finance the acquisition of a plot of land in Bangkok, Thailand. The joint venture has an option to acquire an adjoining plot of land for a consideration of THB580.9 million. The Group has committed to contribute to such capital increase pro rata in proportion to its shareholding at such time when the decision is made to fund additional project financing by means of capital increase in respect of the development of the adjoining plot of land.

In September 2008, the Group entered into a loan agreement with a joint venture to grant loans totalling THB140 million to the latter in accordance with the terms as set out therein. As at 31 December 2008, THB120 million has been drawdown by the joint venture. The Group is committed to grant the remaining loan amounting to THB20 million to the joint venture, subject to terms set out in the agreement.

18 Contingent liability

A subsidiary of the Company and a joint venture partner have entered into a banking facility under which both parties are jointly and severally liable for all amounts owing by the borrowers to a bank. The borrowings have been drawn down and advanced to a joint venture as part of the shareholders' loans. As at 31 December 2008, total outstanding loans amounted to THB 150,994,924 (equivalent to US$4,351,438), of which THB 75,497,462 (equivalent to US$2,175,719) has been recognised as financial liabilities by the Group.

19 Segmental information

A segment is a distinguishable component of the Group that is engaged in providing services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The primary format, business segments, is based on the Group's management and internal reporting structure. The Group operates in one business segment, being investment holding.

Secondary reporting format — Geographical segment

In presenting information on the basis of geographical segments, segment revenue, comprising dividend income from investments, is based on the geographical location of the underlying investment. Segment assets are based on the principal geographical location of the assets or the operations of the investee companies.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one period.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

19 Segmental information (cont'd)

Secondary reporting format — Geographical segment (cont'd)

	Singapore US$	Hong Kong and Macau US$	Thailand US$	Switzerland US$	Others US$	Consolidated US$
2008						
Total revenue	**2,425,630**	—	**1,480,241**	—	—	**3,905,871**
Segment assets	**56,630,906**	**52,006,810**	**147,896,886**	**15,517**	**1,174,006**	**257,724,125**
Capital expenditure	—	—	—	—	—	—
2007						
Total revenue	24,461	—	807,280	—	—	831,741
Segment assets	62,119,823	1,882,972	120,220,016	173,330,530	276,992	357,830,333
Capital expenditure	—	—	—	—	—	—

20 Financial risk management

The Group's financial assets comprise mainly available-for-sale financial assets, interests in joint ventures, other receivables, and cash and cash equivalents. The Group's financial liabilities comprise bank overdrafts, accrued operating expenses, and other payables. Exposure to credit, price, interest rate, foreign currency, and liquidity risks arises in the normal course of the Group's business.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group and to set appropriate controls. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Investments in the form of advances are made to investee companies which are of acceptable credit risk. Credit risk exposure on the investment portfolio is managed on an asset-specific basis by the Investment Manager.

Cash and fixed deposits are placed with financial institutions which are regulated. As at 31 December 2008, bank deposits totalling US$59,895,767 are guaranteed by the government of the respective countries in which the deposits are placed and such guarantees will remain in force until 2010.

At 31 December 2008, the Group has credit risk exposure relating to fixed deposits placed with certain financial institutions and placements in money market funds totalling US$55,575,581 (2007: US$206,615,526). Other than this balance, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

20 Financial risk management (cont'd)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Sensitivity analysis

A 25% increase (decrease) in the underlying equity prices at the reporting date would increase (decrease) equity by the following amount:

	2008 US$	2007 US$
Income statement	18,225,455	—
Equity	5,316,278	36,080,702

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning fixed deposits placed with financial institutions and placements in money market funds. The Group's fixed rate financial assets and liabilities are exposed to a risk of change in their fair value due to changes in interest rates while the variable-rate financial assets and liabilities are exposed to a risk of change in cash flows due to changes in interest rates. The Group does not enter into derivative financial instruments to hedge against its exposure to interest rate risk.

Sensitivity analysis

	Income statement		Equity	
	100 bp increase US$	100 bp decrease US$	100 bp increase US$	100 bp decrease US$
31 December 2008				
Deposits with financial institutions	3,483	(1,452)	—	—
Variable rate interest-bearing term loans	(15,178)	15,178	—	—
	(11,695)	13,726	—	—
31 December 2007				
Deposits with financial institutions	3,435	(3,435)	—	—
Placement in money market fund	64	(64)	—	—
	3,499	(3,499)	—	—

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

20 Financial risk management (cont'd)

Foreign exchange risk

Except as disclosed elsewhere in the financial statements, transactions of the Group are mainly denominated in US dollars. Hence, other than as disclosed, the Group does not have any significant foreign exchange risk exposure. The Group does not enter into derivative financial instruments to hedge its exposure to Thai Baht, Singapore dollars and Hong Kong dollars as the currency position in these currencies is considered to be long-term in nature and foreign exchange risk is an integral part of the Group's investment decision and returns.

The Group's exposure to foreign currency risk on other financial assets and financial liabilities is as follows:

	Singapore Dollars 2008 US$	**Pounds Sterling 2008 US$**	**Thai Baht 2008 US$**	**Hong Kong Dollars 2008 US$**	Singapore Dollars 2007 US$	Pounds Sterling 2007 US$	Thai Baht 2007 US$	Hong Kong Dollars 2007 US$
Other receivables	**52,755**	**—**	**90,950**	**46**	—	—	838,926	—
Cash and cash equivalents	**125,701**	**—**	**—**	**50,227,635**	20,297	—	—	—
Accrued operating expenses	**(67,011)**	**(57,326)**	**—**	**(3,613)**	(53,472)	(43,215)	—	—
Financial derivatives	**(645,755)**	**—**	**—**	**—**	—	—	—	—

Sensitivity analysis

A 10% strengthening of the US dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Equity US$	**Income statement US$**
2008		
Singapore Dollars	**—**	**(1,873,928)**
Pounds Sterling	**—**	**5,853**
Thai Baht	**(1,935,420)**	**(3,024,205)**
Hong Kong Dollars	**—**	**(4,565,824)**
2007		
Singapore Dollars	(2,587,696)	3,016
Pounds Sterling	—	3,929
Thai Baht	(10,532,560)	(76,266)
Hong Kong Dollars	—	—

A 10% weakening of the US dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

20 Financial risk management (cont'd)

Price risk

The valuation of the Group's investment portfolio is dependent on prevailing market conditions and the performance of the underlying assets. The Group does not hedge the market risk inherent in the portfolio but manages asset performance risk on an asset-specific basis.

The Group's investment policies provide that the Group invests a majority of capital in long-term private equity investments and a portion in special situations and structured transactions. Investment decisions are made by management on the advice of the Investment Manager.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Funds not invested in private equity investments or investments in special situations and structured transactions are temporarily invested in liquid investments and managed by a third party investment manager of international repute, or held on deposit with commercial banks.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

		Cash flows			
	Carrying amount US$	Contractual cash flows US$	Within 1 year US$	After 1 year but within 5 years US$	After 5 years US$
2008					
Non-derivative financial liabilities					
Bank overdraft	**42**	**42**	**42**	**—**	**—**
Variable interest rate term loans	**2,175,719**	**3,140,350**	**405,476**	**1,621,902**	**1,112,972**
Amount due to minority shareholders	**148,561**	**148,561**	**—**	**—**	**148,561**
Accrued operating expenses and other payables	**346,730**	**346,730**	**346,730**	**—**	**—**
	2,671,052	**3,635,683**	**752,248**	**1,621,902**	**1,261,533**
Derivative financial liabilities					
Equity derivatives — call and put options	**645,755**	**697,271**	**697,271**	**—**	**—**
2007					
Non-derivative financial liabilities					
Bank overdraft	15,969	15,969	15,969	—	—
Amount due to minority shareholders	147,609	147,609	—	—	147,609
Accrued operating expenses and other payables	298,515	298,515	298,515	—	—
	462,093	462,093	314,484	—	147,609

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

20 Financial risk management (cont'd)

Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Fair value

Quoted investments

Fair value is based on quoted market bid prices at the balance sheet date without any deduction for transaction costs.

Unquoted investments

The fair value of unquoted equity investments is measured with reference to the enterprise value at which the portfolio company could be sold in an orderly disposition over a reasonable period of time between willing parties other than in a forced or liquidation sale, and is determined by using valuation techniques such as (a) market multiple approach that uses a specific financial or operational measure that is believed to be customary in the relevant industry, (b) price of recent investment, or offers for investment, for the portfolio company's securities, (c) current value of publicly traded comparable companies, (d) comparable recent arms' length transactions between knowledgeable parties, (e) discounted cash flows analysis, and (f) others.

Financial derivatives

The fair value of equity derivative instruments, being a series of call and put options on quoted equity securities, is based on the brokers quotations.

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year or which reprice frequently (including other receivables, cash and cash equivalents, accrued operating expenses, and other payables) approximate their fair values because of the short period to maturity/repricing.

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

21 Subsidiaries

Details of the subsidiaries of the Company are as follows:

Name of subsidiary	Principal activities	Place of incorporation and business	Equity interest 2008 %	Equity interest 2007 %
Symphony Capital Partners Limited	Investment holding	Republic of Mauritius	**100**	100
Rank High Limited	Investment holding	Hong Kong S.A.R.	**92.1**	92.1
Symphony International Limited	Investment holding	Republic of Mauritius	**100**	100
Symphony Investment Management Limited and its subsidiary:	Investment holding	British Virgin Islands	**100**	100
Daphon Holdings Pte. Ltd.	Investment holding	Republic of Singapore	**100**	100
Lennon Holdings Limited and its subsidiary:	Investment holding	Republic of Mauritius	**100**	100
Britten Holdings Pte. Ltd.	Investment holding	Republic of Singapore	**100**	100
Teurina Limited	Investment holding	British Virgin Islands	**100**	100
Gabrieli Holdings Limited and its subsidiaries:	Investment holding	British Virgin Islands	**100**	—
Ravel Holdings Pte. Ltd. and its subsidiaries:	Investment holding	Republic of Singapore	**100**	—
Schubert Holdings Pte. Ltd.	Investment holding	Republic of Singapore	**100**	—
Haydn Holdings Ptd. Ltd.	Investment holding	Republic of Singapore	**100**	—
Lloyd Webber Holdings Limited	Investment holding	British Virgin Islands	**100**	—
Maurizio Holdings Limited and its subsidiary:	Investment holding	British Virgin Islands	**100**	—
Groupe CL Pte. Ltd.	Investment holding	Republic of Singapore	**100**	—
McCartney International Limited	Investment holding	Republic of Mauritius	**100**	—
Pavaroitti International Limited	Investment holding	Republic of Mauritius	**100**	—
True United Limited	Investment holding	British Virgin Islands	**100**	—
True Wisdom Limited	Investment holding	British Virgin Islands	**100**	—

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

22 Joint ventures

Details of the joint ventures of the Company are as follows:

Name of joint venture	Principal activities	Place of incorporation and business	Ordinary shares Equity interest 2008 %	Ordinary shares Equity interest 2007 %	Preference shares Equity interest 2008 %	Preference shares Equity interest 2007 %
La Finta Limited	Investment holding	Thailand	**49**	—	**—**	—
Minuet Limited	Property development	Thailand	**49.98**	—	**—**	—
SG Land Co. Limited	Real estate	Thailand	**49.89**	—	**—**	—
AFC Network Private Limited	Television broadcasting	Republic of Singapore	**—**	—	**13.72**	—
C Larsen (Singapore) Pte Ltd	Investment holding	Republic of Singapore	**0.1**	—	**100**	—
Chanintr Living Limited	Distribution of furniture	Thailand	**0.1**	—	**—**	—

23 New accounting standards and interpretations not yet adopted

The Group has not applied the following accounting standards (including their consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

- IAS 23 (revised) — *Borrowing Costs*
- Amendments to IAS 32 and IAS 1 — Amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation*
- Amendments to FRS 39 — *Financial Instruments: Recognition and Measurement — Eligible hedged Items*
- Amendments to IAS 39 and IFRS 7 — Amendments to IAS 39 *Financial Instruments: Recognition and Measurement* and IFRS 7 *Financial Instruments: Disclosures — Reclassification of Financial Assets*
- Amendments to IFRS 1 and IAS 27 — Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* and IAS 27 *Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Various IAS/IFRS — Improvements to IAS/IFRS 2008
- Amendments to IFRS 2 — *Share-based Payment — Vesting Conditions and Cancellations*
- IFRS 3 (Revised) — *Business Combinations*
- IFRS 8 — *Operating Segments*
- IFRIC 13 — *Customer Loyalty Programmes*
- IFRIC 15 — *Arrangements for the Construction of Real Estate*
- IFRIC 16 — *Hedges of a Net Investment in a Foreign Operation*
- IFRIC 17 — *Distributions of Non-cash Assets to Owners*
- IFRIC 18 — *Transfer of Assets from Customers*

Notes to the Financial Statements (cont'd)

Year ended 31 December 2008

23 New accounting standards and interpretations not yet adopted (cont'd)

IFRS 8 will become effective for financial statements for the year ending 31 December 2009. IFRS 8, which replaces IAS 14 *Segment Reporting*, requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation* requires puttable instruments, and instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation, to be classified as equity if certain conditions are met. The amendments will become mandatory for the Group's financial statements for the year ending 31 December 2009, with retrospective application required. The Group is in the process of assessing the impact of these amendments.

Improvements to IAS/IFRS 2008 will become effective for the Group's financial statements for the year ending 31 December 2009, except for the amendment to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* which will become effective for the year ending 31 December 2010. Improvements to IAS/IFRS 2008 contain amendments to numerous accounting standards that result in accounting changes for presentation, recognition or measurement purposes and terminology or editorial amendments. The Group is in the process of assessing the impact of these amendments.

Amendment to IFRS 2 clarifies the definition of vesting conditions, introduces the concept of non-vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and provides the accounting treatment for non-vesting conditions and cancellations. The amendments to IFRS 2 will become mandatory for the Group's financial statements for the year ending 31 December 2009, with retrospective application. The Group is in the process of assessing the potential effect of the amendment.

Other than the above-mentioned new/revised IAS/IFRS, the initial application of these standards (and their consequential amendments) and interpretations is not expected to have any material impact on the Group's financial statements. The Group has not considered the impact of accounting standards issued after the balance sheet date.

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SYMPHONY INTERNATIONAL HOLDINGS LIMITED

Offshore Incorporations Centre
P.O. Box 957
Road Town, Tortola
British Virgin Islands
(the "Company")

Form of direction for completion by holders of Depository Interests representing shares on a 1 for 1 basis in the Company in respect of the Annual General Meeting to be held at 11.30 am on Wednesday, 29 April 2009 at 8 Place Bel-Air, CH-1260 Nyon, Switzerland (Telephone: (41-22) 365-8111)

Annual General Meeting
Form of Direction

I/We ____ (Depository Interests holder's name) being a holder of Depository Interests representing shares in the Company hereby appoint Capita IRG Trustees Limited as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on the above date (and at any adjournment thereof) as directed by an X in the spaces below.

		FOR	AGAINST	VOTE WITHHELD
1.	To receive the annual report, which includes the financial statements for the year ended 31 December 2008.			

Date ______________________________ 2009

Address ____

____

Signature ______________________________

Notes

1. To be effective, this form of direction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power or authority, must be deposited at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU United Kingdom no later than 10.30 am (BST) on Friday, 24 April 2009.
2. Any alterations made to this form of direction should be initialled.
3. If the appointee is a corporation, this form must be given under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. In the case of joint holders of Depositary Interests, the person whose name appears first in the Register of Depositary Interests has the right to attend and vote at general meetings to the exclusion of all others.
5. The 'Vote Withheld' option is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
6. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this form duly signed, you will be deemed to have authorised Capita IRG Trustees Limited to vote, or to abstain from voting, as per your instructions on your behalf. **If no voting instruction is indicated, Capita IRG Trustees Limited will abstain from voting on such resolution.**
7. Depositary Interests may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.

SYMPHONY INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the British Virgin Islands)

Form of proxy for use at the Annual General Meeting to be held at 11.30 am on Wednesday, 29 April 2009 at 8 Place Bel-Air, CH-1260 Nyon, Switzerland (Telephone: (41-22) 365-8111)

I/We[1] ____

of ____

being the registered holder(s) of ________________ shares[2] in the share capital of Symphony International Holdings Limited (the "**Company**"), HEREBY APPOINT THE CHAIRMAN OF THE MEETING[3] or __________________ of ____

__________________________________ as my/our proxy to attend and act for me/us and on my/our behalf at the annual general meeting (the "**Meeting**") of the Company to be held at 8 Place Bel-Air, CH-1260 Nyon, Switzerland on Wednesday, 29 April 2009 at 11.30 am for the purposes of considering and, if thought fit, passing the ordinary resolution as set out in the notice convening the Meeting and at the Meeting (and at any adjournment thereof) to vote for me/us and in my/our name(s) in respect of such resolution as indicated below.

	ORDINARY RESOLUTION	FOR[4]	AGAINST[4]	WITHHELD[4]
1.	To receive the annual report, which includes the financial statements for the year ended 31 December 2008.			

Date this ____________ day of ____________ 2009 Signed[6]: ______________________

Notes:

1. Full name(s) and address(es) to be inserted in BLOCK CAPITALS. The names of all joint registered holders should be stated.
2. Please insert the number of shares registered in your name(s) to which this proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all the shares of the Company registered in your name(s).
3. If any proxy other than the Chairman of the Meeting is preferred, strike out "THE CHAIRMAN OF THE MEETING" and insert the name and address of the proxy desired in the space provided. If no name is inserted, THE CHAIRMAN OF THE MEETING will act as proxy. Any alternation made to this form of proxy must be initialed by the person who signs it.
4. IMPORTANT: IF YOU WISH TO VOTE FOR THE RESOLUTION, PLACE AN 'X' IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST THE RESOLUTION, PLACE AN 'X' IN THE BOX MARKED "AGAINST". IF YOU WISH TO WITHHOLD YOUR VOTE ON THE RESOLUTION, PLACE AN 'X' IN THE BOX MARKED "WITHHELD". If no direction is given, your proxy may vote or abstain as he/she think fit. Your proxy will also be entitled to vote at his/her discretion on any resolution properly put to the Meeting other than those referred to in the Notice convening the Meeting.
5. This form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under its common seal or under the hand of an officer or attorney duly authorized to sign the same.
6. In the case of joint registered holders of any shares, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint registered holders be present at the Meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such shares shall alone be entitled to vote in respect thereof to the exclusion of the votes of the other joint registered holders.
7. In order to be valid, this form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom not less than 48 hours before the time appointed for holding the Meeting or the adjourned Meeting (as the case may be).
8. The proxy need not be a member of the Company but must attend the Meeting in person (whether physically or by telephone dial-in) to represent you.
9. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Meeting if you so wish. If you attend and vote at the Meeting, the authority of your proxy will be revoked.

Designed and Printed: RR DONNELLEY ROMAN FINANCIAL