Symphony International Holdings Limited

Performance update and 2018 financial result

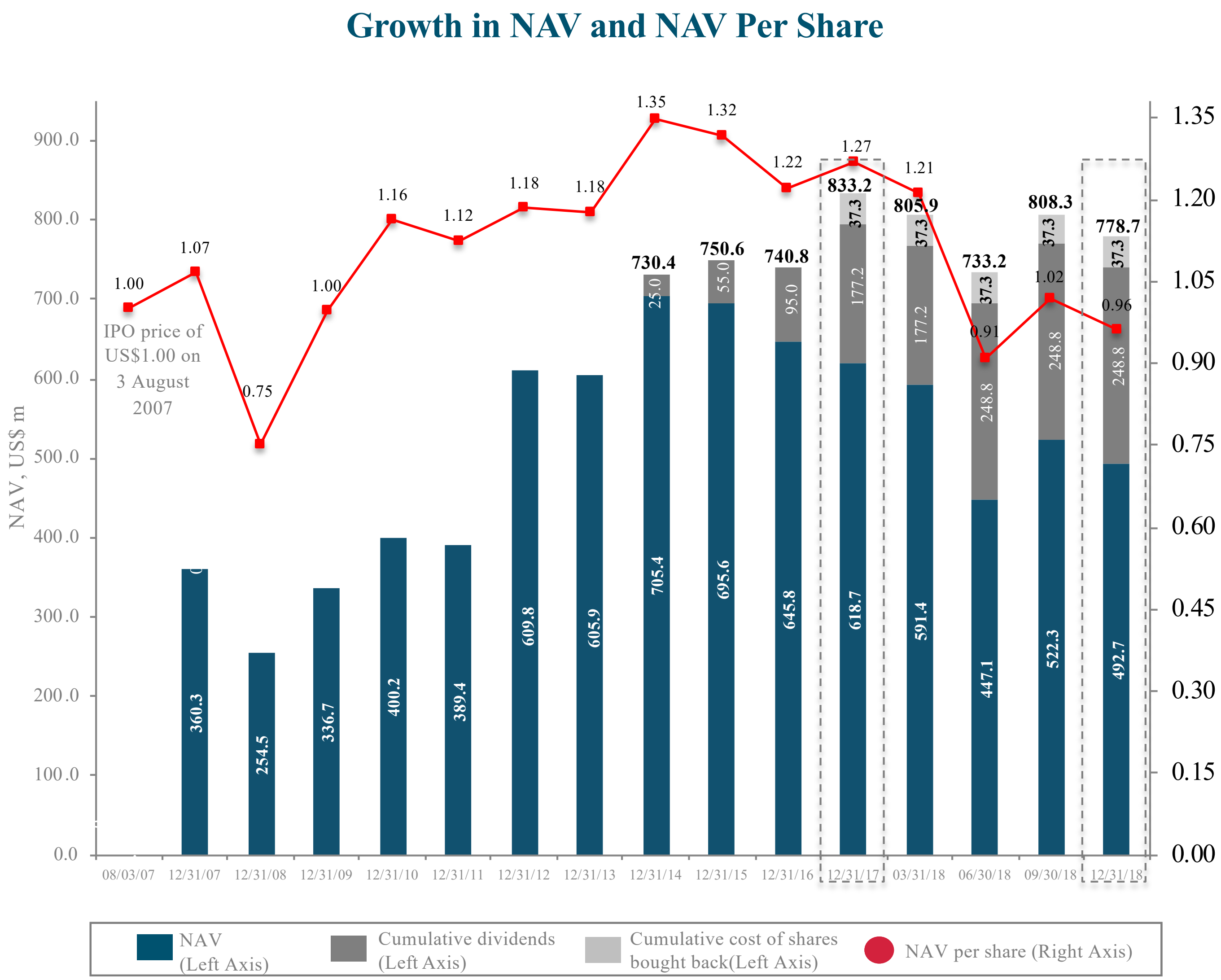
30 April 2019

STRICTLY PRIVATE & CONFIDENTIAL

Topics

- 2018 Overview
- 2018 Financial Performance
- Investments
- Liquidity and Other

2018 Overview



[1]25.1 million management options were admitted during 2018, which increased the total number of shares outstanding from 488.2 million to 513.4 million

NAV and NAV per share were US$492.7 million and US$0.96 at 31 December 2018, respectively, which compares to US$618.7 million and US$1.27 a year earlier.

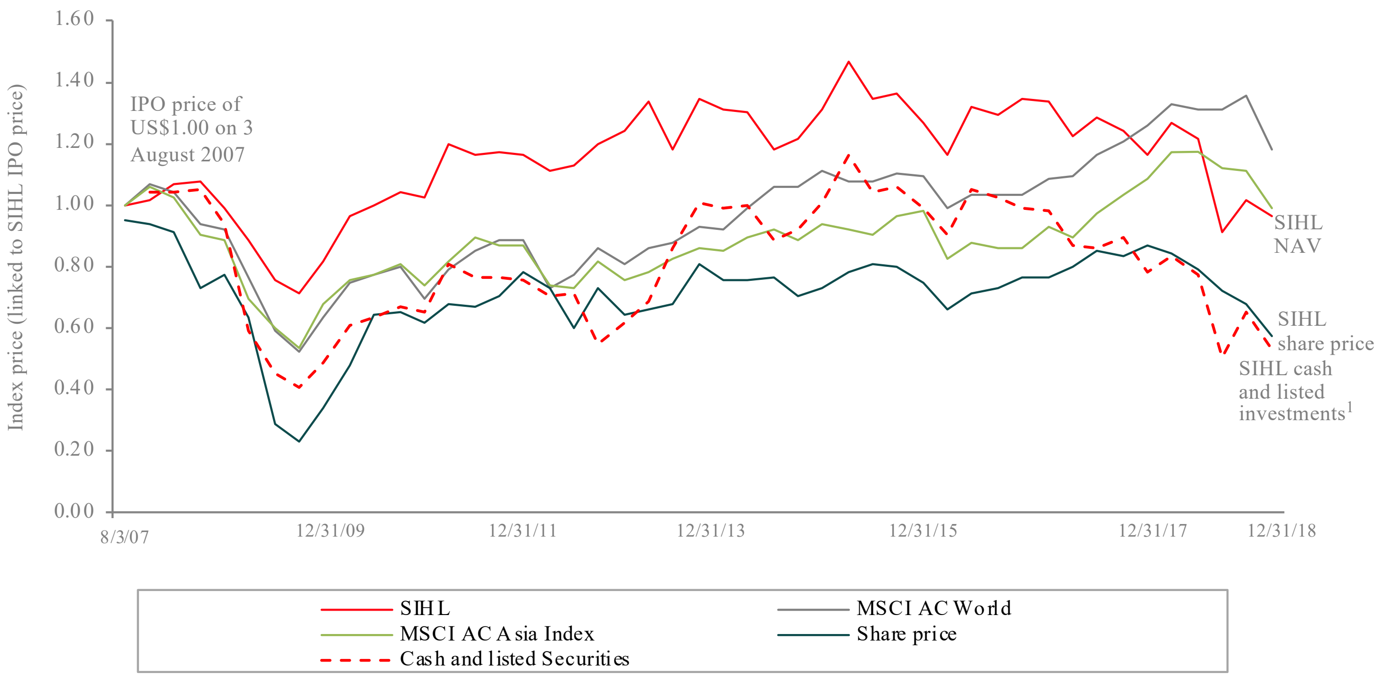
During 2018, Symphony paid a dividend of US$71.5 million. Excluding the impact of the dividend, NAV and NAV per share decreased by 8.8% and 13.3% in 2018, respectively. The change is predominantly due to a decline in the share price of Minor International Pcl ("MINT"), which reflected the weak performance of equity markets in general at the end of 2018. The share price of MINT has since recovered. The larger decrease in NAV per share, relative to overall NAV, is due to dilution from the exercise of the remaining management options at US$0.6 per share[1].

During the three-month period ended 31 December 2018, NAV and NAV per share declined by 5.7%, which similarly was due to a weaker MINT share price, but was partially offset by an increase in the fair value of unlisted investments.

There were no management options outstanding at 31 December 2018.

2018 Overview

Relative Performance to Global and Asian Indices



Comparative Performance (Indices rebased to SIHL IPO price)

	2007		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018			
As at	8/3	12/31	12/31	12/31	12/30	12/31	12/31	12/31	12/31	12/31	12/31	12/31	03/31	06/30	09/30	12/31
SIHL NAV per share	1.00	1.07	0.75	1.00	1.16	1.12	1.18	1.18	1.35	1.32	1.22	1.27	1.21	0.91	1.02	0.96
MSCI AC World	1.00	1.04	0.59	0.77	0.85	0.77	0.88	1.06	1.08	1.03	1.09	1.33	1.31	1.31	1.36	1.18
SIHL % NAV difference	*0.0%*	*2.2%*	*27.8%*	*28.6%*	*35.9%*	*45.2%*	*34.8%*	*11.4%*	*25.0%*	*27.6%*	*11.9%*	*-4.4%*	*-7.3%*	*-30.2%*	*-24.9%*	*-18.5%*
MSCI AC Asia Index	1.00	1.02	0.60	0.77	0.89	0.73	0.83	0.92	0.90	0.88	0.89	1.17	1.17	1.12	1.11	0.99
SIHL % NAV difference	*0.0%*	*4.0%*	*25.8%*	*28.9%*	*30.6%*	*53.7%*	*43.2%*	*28.0%*	*49.1%*	*49.7%*	*36.5%*	*8.3%*	*3.3%*	*-18.3%*	*-8.6%*	*-2.8%*
MSCI Thailand	1.00	1.06	0.54	0.88	1.20	1.19	1.51	1.35	1.53	1.25	1.52	1.82	1.88	1.68	1.85	1.67
SIHL % NAV difference	*0.0%*	*0.8%*	*38.8%*	*12.7%*	*-3.6%*	*-5.6%*	*-21.6%*	*-12.8%*	*-11.9%*	*5.8%*	*-19.9%*	*-30.2%*	*-35.7%*	*-45.8%*	*-45.1%*	*-42.5%*
MSCI Singapore	1.00	1.00	0.51	0.83	0.90	0.72	0.85	0.87	0.90	0.77	0.76	0.92	0.93	0.87	0.88	0.82
SIHL % NAV difference	*0.0%*	*6.2%*	*48.5%*	*20.0%*	*29.6%*	*56.7%*	*38.6%*	*35.6%*	*48.9%*	*71.7%*	*60.4%*	*37.5%*	*30.6%*	*4.1%*	*15.7%*	*17.8%*
SIHL share price	0.95	0.91	0.29	0.64	0.67	0.60	0.68	0.76	0.81	0.71	0.80	0.84	0.79	0.72	0.68	0.57
Discount to NAV per share	*-5.0%*	*-14.6%*	*-61.4%*	*-35.7%*	*-42.3%*	*-47.1%*	*-43.0%*	*-35.4%*	*-39.9%*	*-46.1%*	*-34.3%*	*-33.7%*	*-34.6%*	*-21.2%*	*-33.4%*	*-40.6%*
Temporary and liquid investments	na	1.04	0.45	0.64	0.76	0.71	0.86	0.89	1.04	1.05	0.87	0.83	0.77	0.51	0.65	0.53
Share price discount	*na*	*-12.4%*	*-35.4%*	*0.7%*	*-12.4%*	*-16.0%*	*-21.5%*	*-14.4%*	*-22.5%*	*-32.6%*	*-7.3%*	*1.1%*	*2.8%*	*41.7%*	*4.8%*	*7.1%*

Symphony's NAV per share decrease by 24.3% during 2018 and underperformed select global indices including the MSCI AC World (down 11.2%) and Asia AC Asia (down 15.6%) indices. The underperformance is predominantly due to the large dividend of US$71.5 million paid in June 2018.

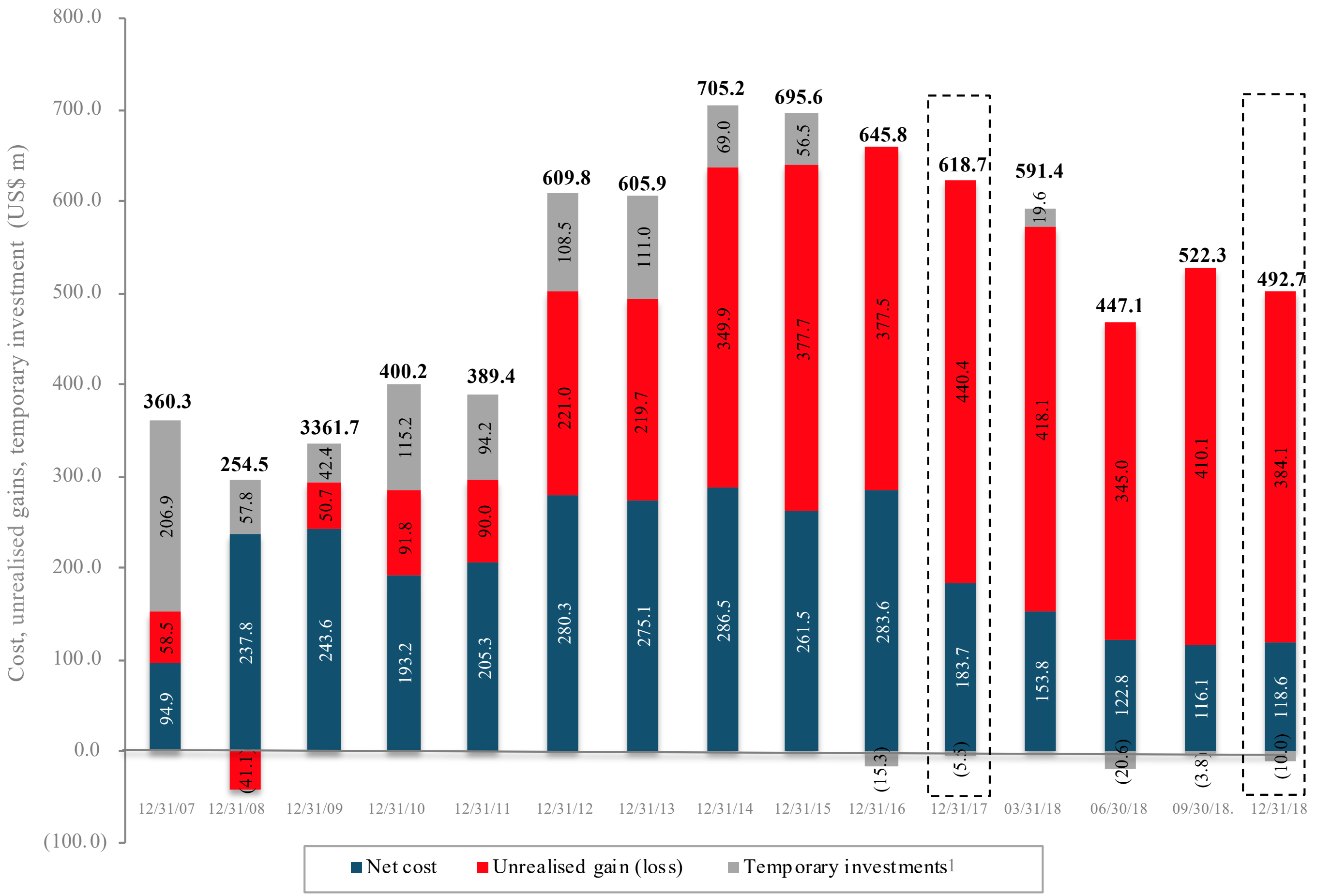
Symphony's quoted portfolio companies are listed in Thailand and Malaysia and collectively accounted for 54.6%[1] of NAV at 31 December 2018.

Symphony's share price continued to trade at a discount to NAV per share. At 31 December 2018, Symphony's share price was US$0.57, a 40.6% discount to NAV per share.

[1]Excluding listed investments held in a global listed portfolio

2018 Overview

Fair Value of Investments and Temporary Investments



[1]Excludes structured transaction

[2]The net cost of the investment in MINT changed from (US$53.7 million) to (US$64.5 million) following the sale of 8.1 million shares that generated US$10.9 million in proceeds. Similarly, the net cost of IHH changed from US$21.6 million to (US$25.2 million) following the sale of 30.3 million shares that generated US$46.8 million in proceeds. These changes have impacted the overall net cost of investments of Symphony's portfolio

The cost of investments decreased from US$183.7 million to US$118.6 million predominantly due to the partial exit of IHH and MINT shares that generated net proceeds in excess of cost[2], and principal shareholder loan repayments that were partially offset by follow-on investments related to unlisted portfolio companies.

The unrealised gain declined by US$56.3 million during the same period due to a decline in the value of MINT that was partially offset by an increase in value of unlisted investments.

Temporary investments (cash net of working capital) decreased by US$4.5 million as dividends, investments and general operating expenses exceeded proceeds from divestments, the exercise of management options and other minor income.

For the 3-month period ended 31 December 2018, net cost increased by US$2.5 million due to small movements related to unlisted investments.

Unrealised gains declined by US$26.0 million, which was primarily due to a decline in the value of MINT that was partially offset by an increase in value of unlisted investments.

Temporary investments decreased by US$6.2 million in the fourth quarter due to follow-on investments related to unlisted portfolio companies and general operating expenses.

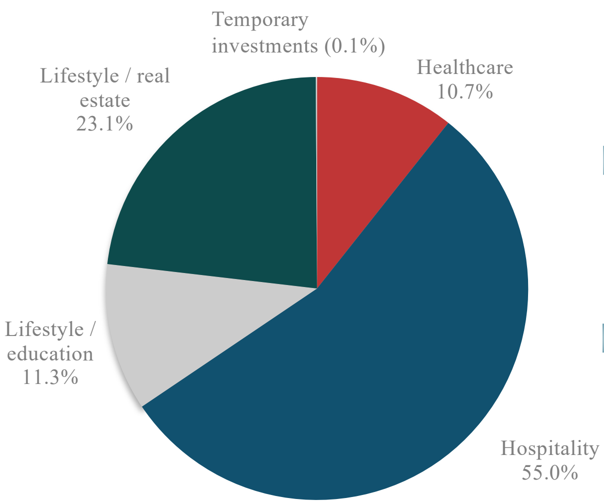
2018 Overview

- The fair value of investments (including structured investments and a global listed portfolio of securities) at 31 December 2018 accounted for 102.0% of NAV (99.1% excluding structured investments and the global listed portfolio of securities). This compares to investments accounting for 100.9% of NAV at 31 December 2017 and 100.7% at 30 September 2018 on the same basis.

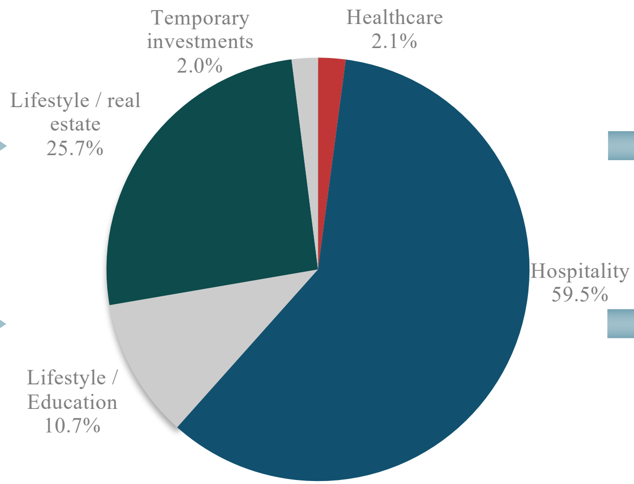
- During FY2018, the healthcare segment declined by 8.5% of NAV due to the partial exit of IHH. The hospitality segment also declined by 2.7% of NAV during the same period as MINT's share price declined by 21.8%, which was reflective of generally weaker equity markets in December 2018.

- During Q4 2018, the movement in NAV by segment was driven by the relative decline of the hospitality segment due to the weaker MINT share price. Movements in temporary investments were also impacted by follow-on investments and shareholder loan repayments related to unlisted investments.

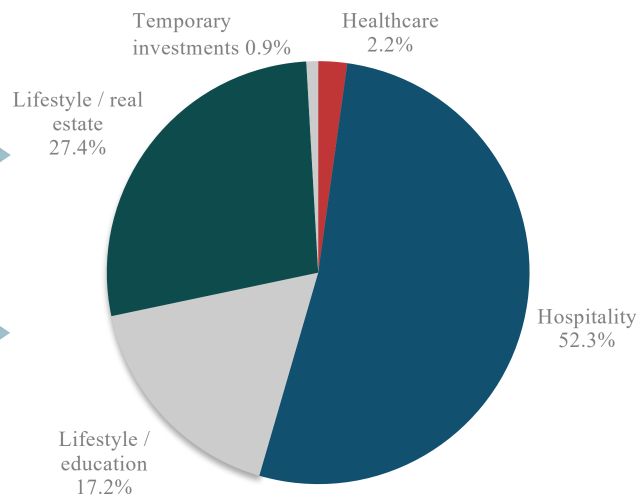
NAV by Segment at 31 December 2017
NAV = US$618.7 million



NAV by Segment at 30 September 2018
NAV = US$522.3 million



NAV by Segment at 31 December 2018
NAV = US$492.7 million



[1]Temporary investments include cash and equivalents and are net of accounts payable and receivable, which include structured investments. From Q1 2018, the SQR fund was re-categorized from healthcare to temporary investments.

2018 Financial Performance

Statement of Comprehensive Income

Year ended 31 December	2017 US$'000	2018 US$'000
Other operating income	118,769	26,142
Other operating expenses	(1,754)	(4,157)
Management fees	(14,176)	(12,248)
	102,839	9,737
Share options expense	(506)	-
Loss before investment results and income tax	102,333	9,737
Loss on disposal of financial assets at fair value through profit and loss	-	(19)
Fair value changes in financial assets at fair value through profit or loss	(12,154)	(79,234)
(Loss)/Profit before income tax	90,179	(69,516)
Income tax expense	-	-
(Loss)/Profit for the year	90,179	(69,516)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	90,179	(69,516)

Other operating income includes bank interest income, intercompany loan interest and dividend income. The majority of the income relate to inter-company dividends that amounted to US$25.8 million.

Other operating expenses include foreign exchange losses of US$2.8 million (related to inter-company loans) and interest expense of US$0.2 million related to a banking facility. Operating expenses are US$1.2 million and include legal and professional fees, audit expenses, non-executive director fees, insurance and other minor items.

Management share options issued in 2008 and 2012 were fully expensed over a five year period. There were no Management Option outstanding at 31 December 2018 and no management option expense for the year ended 31 December 2018.

Symphony has been deemed an investment entity and does not consolidate its subsidiaries and measures them at fair value through profit or loss. Prior to 30 June 2014, Symphony consolidated its subsidiaries.

Income tax expenses are paid at the subsidiary level due to the de-consolidation of subsidiaries, so income tax is nil.

*Management concluded during 2014 that Symphony meets the definition of an investment entity and adopted IFRS10, IFRS12 and IAS 27 standards where subsidiaries are de-consolidated and their fair value is measured through profit or loss.

2018 Financial Performance

Statement of Financial Position

As at 31 December	2017 US$'000	2018 US$'000
Non-current assets		
Financial assets at fair value through profit or loss	608,456	486,790
	608,456	486,790
Current assets		
Other receivables and prepayments	78	72
Cash and cash equivalents	15,689	11,538
	15,767	11,610
Total assets	624,223	498,400
Current liabilities		
Interest-bearing borrowings	5,166	5,327
Other payables	385	368
Bank overdraft	0	-
Total liabilities	5,551	5,695
Shareholders' equity		
Share capital	382,797	409,704
Reserves	62,298	-
Accumulated profits	173,577	83,001
Total shareholders' equity	618,672	492,705
Total liabilities and equity	624,223	498,400

Fair value of unconsolidated subsidiaries, which include the fair value of Symphony's underlying investments net of any other balance sheet items at intermediary holding company levels.

Cash held by Symphony that excludes cash at the subsidiary level, which is reflected in financial assets

Relates to borrowings by Symphony in Japanese yen to fund part of its investment in Niseko, Hokkaido, Japan. This balance does not include any interest-bearing borrowings at the subsidiary level, which is reflected in financial assets

The change in share capital relates to shares the exercise of management share options

The change in accumulated profits reflect dividends paid and losses for the year that were partially offset by the reversal of expenses related to management share options that lapsed in 2018

Current investments: Overview

	Investment	Segment	Cost (US$ 000')	31-Dec-07 (US$ 000')	31-Dec-08 (US$ 000')	31-Dec-09 (US$ 000')	31-Dec-10 (US$ 000')	31-Dec-11 (US$ 000')	31-Dec-12 (US$ 000')	31-Dec-13 (US$ 000')	31-Dec-14 (US$ 000')	31-Dec-15 (US$ 000')	31-Dec-16 (US$ 000')	31-Dec-17 (US$ 000')	31-Mar-18 (US$ 000')	30-Jun-18 (US$ 000')	30-Sep-18 (US$ 000')	31-Dec-18 (US$ 000')	% change from cost
				Fair value of current investments															
1	Minor International Plc[1]	Hospitality	(64,549)	71,165	33,137	87,683	102,451	101,973	205,525	208,587	323,187	361,929	335,989	340,326	303,297	242,367	310,939	257,792	nm
2	Minuet[2]	Lifestyle / real estate	32,117	na	81,223	88,797	99,763	98,474	91,225	86,658	87,661	80,162	76,745	83,080	86,815	79,176	73,213	73,553	129.0%
3	IHH	Healthcare	(25,220)	0	0	0	0	0	61,938	66,229	77,138	64,077	54,871	56,132	38,790	12,710	10,678	11,040	-143.8%
4	Desaru	Lifestyle / real estate	35,220	0	0	0	0	0	29,415	29,358	27,532	22,530	21,421	31,715	32,722	32,371	32,577	33,584	-4.6%
5	Other investments[3]	Various	140,987	4,340	16,523	20,706	23,487	31,023	37,003	31,072	52,399	47,220	111,562	112,869	110,246	101,128	98,715	126,724	-10.1%
	Total		118,554	75,505	130,883	197,187	225,702	231,470	425,105	421,904	567,917	575,917	600,588	624,122	571,871	467,751	526,123	502,693	324.0%

(1) MINOR shares swapped for MINT shares on 12 June 2009, providing an additional 112 million shares. The cost for MINOR shares (US$8.6mn) had been added to the cost of MINT shares (US$49.9mn) less any realisations

(2) Includes investments in La Finta and Minuet and shareholders loan relating to a residental and recreational development in Bangkok, Thailand

(3) Includes investments in Christian Liaigre, WCIB International, SG Land, Niseko Property JV, Wine Connection, Chanintr, global portfolio of listed companies and a structured transaction

Investments: Minor International Pcl ("MINT")

Business description:	Hospitality	Size of Initial Investment:	US$74.0m[1]
		Net Realisations to 31 Dec 18:	(US$138.6m)[3]
Ticker (Bloomberg):	MINT TB EQUITY	Carrying cost:	(US$64.5m)
Type of Investment:	Equity	Shares from Initial Investments (#):	289,263,071[1]
		Bonus Shares Received (#):	74,553,329[2]
Date of Investment:	25 December 2006[1]	Shares Realised (#):	(117,033,700)
Value at 31 Dec 18:	US$257.8m	Number of shares held (#):	246,782,700
Dividends to date:	US$24.1m[4]		
Board Representation:	Anil Thadani (Board Member), Sunil Chandiramani (Advisor)	Equity stake at 31 Dec 18:	5.34%

Business Description

Minor International Pcl ("MINT") is one of the largest hospitality and restaurant companies in the Asia Pacific region. MINT owns 369 hotels and manages 144 other hotels and serviced suites with over 75,241 rooms. In addition to owning hotels under the Four Seasons, St. Regis and Marriott brands, MINT owns and manages hotels in 51 countries under its own brand names that include Anantara, Oaks, NH Collection, NH Hotels, nhow, Elwana, AVANI, Per AQUUM and Tivoli. MINT also owns and operates 2,300 restaurants (comprising 1,159 equity-owned outlets and 1,111 franchised outlets) under the brands that include The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, Beijing Riverside, Thai Express, The Coffee Club amongst others.

MINT's operations also include contract manufacturing and an international lifestyle consumer brand distribution business with 490 retail points of sale focusing on fashion, cosmetics, wholesale and direct marketing channels under brands that include Anello, Bossini, Brooks Brothers, Esprit, Charles & Keith, Zwilling J.A. Henckels and Bodum amongst others.

(1) *First investment with subsequent share purchases from 25 December 2006 through 2 April 2013 amounting to 289.3m shares (including 113m shares following the merger /restructuring and corresponding swap of MINOR shares for MINT shares and exercise of 17.5m warrants) at an average price per share of THB8.76 before bonus shares*

(2) *Symphony received bonus shares of 13.3mn, 28.5m, and 32.7m in May 2008, April 2012 and April 2015, respectively, for nil consideration. Together with shares acquired, the average cost per share is THB7.0*

(3) *Excluding dividends from Minor Corporation Plc and is net of withholding tax*

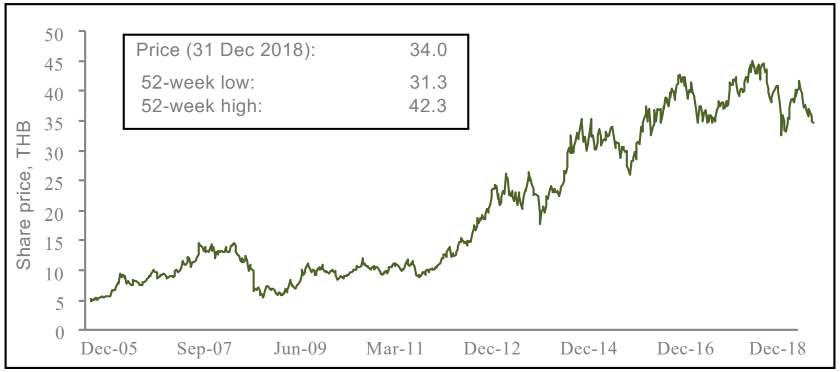
(4) *Including dividends received from MINOR*

Investments: MINT (cont'd)

Financial and Operating Performance

- MINT reported core revenue, EBITDA and net profit growth (before non-recurring items) of 34%, 28% and 10% in 2018 year-over-year, respectively. The growth was predominantly driven by the consolidation of the NH Hotel Group S.A. ("NH Group"), organic growth from hotel operations excluding the NH Group, retail trading and manufacturing and the Anantara Vacation Club. The slower EBITDA and net profit growth relative to revenue is due to the lower profitability of the restaurant business.
- MINT's hotel and mixed-use business had core revenues (excluding non-recurring items) of THB50.6 billion during 2018, which is 63% higher than the same period a year earlier. The growth is primarily from the consolidation of the NH Group in October 2018 and stronger performance of the hotel portfolio excluding the NH Group. MINT reported management income from hotels increased by 19% in 2018.
- At the end of 2018, MINT's total number of restaurants reached 2,270 comprising 1,159 equity-owned outlets and 1,111 franchised outlets. Approximately 66% were in Thailand with the remaining number in 26 other countries in Asia, Oceania, Europe and Canada. Approximately 206 restaurants were added during 2018. Due to a challenging market, total system sales increased by only 0.2% and same-store-sales declined by 3.3% (local currency terms) that resulted in flat revenue growth and a 15% decline in EBITDA for this business segment. Management is employing a number of strategies focused on delivering positive same-store-sales growth in 2019.
- The retail trading and contract manufacturing businesses grew core revenue by 9% with revenues of THB4.4 billion during 2018.
- Symphony's gross and net investment cost in MINT was approximately US$74.0 million and (US$64.55 million), respectively, at 31 December 2018. The negative net cost is due to the proceeds from partial realisations being in excess of cost for this investment. On the same date, the fair value of Symphony's investment in MINT was US$257.79 million, down from US$340.33 million a year earlier. The change in value of approximately US$82.53 million was due to the sale of 8.1 million shares during the year that generated proceeds of US$10.87 million and a weakening of MINT's share price by 21.8% from THB43.5 per share to THB34.0 per share. The annualised return and times the original cost of investment on the partial sale of shares in 2018 was 19.2% and 5.6 times, respectively.

Share Price Performance



Financial Highlights

	12-months 31-Dec-17	12-months 31-Dec-18
THB m		
Profit & loss		
Revenues	58,644	78,499
% Growth		*33.9%*
EBITDA	12,274	16,245
% Margin	*20.9%*	*20.7%*
PAT	5,415	5,957
% Margin	*9.2%*	*7.6%*
Balance sheet		
Assets		267,700
Liabilities		184,626
Equity		49,278

USD/THB= 32.5@ 31 December 2018
Source: Company Financials, Press Releases, Bloomberg
Financials exclude non-recurring items

Investments: Minuet Limited ("Minuet")

Business description:	Lifestyle / Real Estate	Date of investment:	8 July 2008
Ticker (Bloomberg):	None (Unlisted)	SIHL Equity Stake:	49.98%
Type of Investment:	Equity/Shareholders' Loan	Value at 31 Dec 18:	US$73.6m
Carrying cost:	US$32.1m (after principal loan repayments)		
Board Representation:	Anil Thadani, Peter Lee		

Business Description and Performance Update

Minuet Ltd ("Minuet") is a joint venture between the Company and an established Thai partner. The Company has a direct 49% interest in the venture and is considering several development and/or sale options for the land owned by Minuet, which is located in close proximity to central Bangkok, Thailand. As at 31 December 2018, Minuet held approximately 252 rai (40 hectares) of land in Bangkok, Thailand.

The Company initially invested approximately US$78.3 million by way of an equity investment and interest-bearing shareholder loans. Since the initial investment by the Company, Minuet has received proceeds from rental income and partial land sales. The Company's investment cost (net of shareholder loan repayments) and fair value was approximately US$32.1 million and US$73.6 million at 31 December 2018, respectively. The fair value is based on an independent third party valuation of the land plus the net value of the other assets and liabilities of Minuet.

The change in the fair value from US$83.1 million at 31 December 2017 or by US$9.5 million is due to the sale of land by Minuet, which resulted in shareholder loan repayments of US$15.1 million to Symphony during 2018. The movement in fair value was less than the shareholder loan repayment due to incremental value generated from the land sales above fair value and other minor movements in the net assets of Minuet.

Investments: IHH Healthcare Berhad ("IHH")

Business description:	Healthcare	Size of Initial Investment:	US$50.1m[1]
Ticker (Bloomberg):	IHH MK / IHH SP	Net Realisations:	(US$75.3m)
		Carrying cost:	(US$25.2m)
Type of Investment:	Equity	Shares from Initial Investment (#):	56,203,299[1]
Date of Investment:	8 February 2012[1]	Shares Realised (#):	(47,705,300)[2]
		Number of shares held (#):	8,497,999
Value at 31 Dec 18:	US$11.0m		
Dividends to date:	US$1.3m	Equity stake at 31 Dec 18:	0.10%

Business Description

IHH Healthcare Berhad ("IHH") is one of the largest healthcare providers in the world by market capitalisation. Its portfolio of healthcare assets includes Parkway Holdings Limited, Pantai Holdings Berhad, International Medical University ("IMU"), Acibadem Saglik Yatirimlari Holding A.S. ("Acibadem") and Fortis Healthcare Limited ("Fortis"). IHH has a broad footprint of assets in Asia as well as Turkey, Abu Dhabi, Central and Eastern Europe that employs 55,000 people and operates over 15,000 licensed beds in 82 hospitals worldwide.

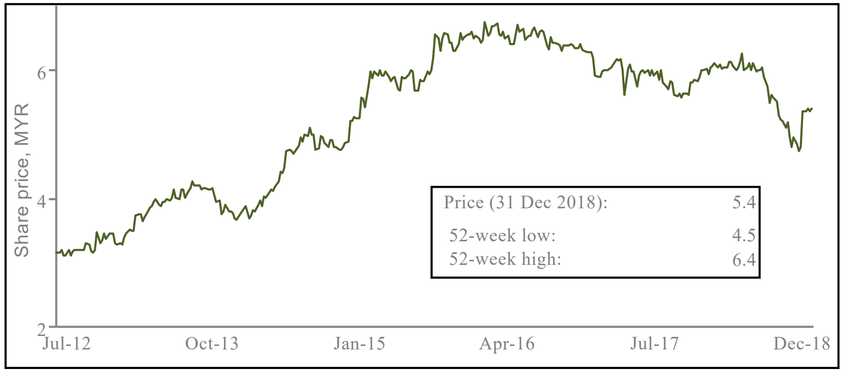
(1) SIHL initially invested in Integrated Healthcare Hastaneler Turkey Sdn Bhd and converted its investment into shares of IHH at the time of the IPO of IHH in July 2012. The average initial cost per IHH share is MYR2.875

Investments: IHH (cont'd)

Financial and Operating Performance

- IHH reported revenue and EBITDA growth of 3% and 9%, respectively, in 2018 year-over-year. On a constant currency basis during the same period, revenue and EBITDA increased by 19% and 21%, respectively. The growth was driven by an increase in inpatient volumes, revenue intensity per patient, contributions from Fortis and higher student intake at IMU. Net profit, excluding exceptional items, increased by 73% to reach MYR1.03 billion in 2018.
- Excluding the effects of the strengthening of the Malaysian ringgit, Parkway Pantai's revenue and EBITDA increased by 13% and 15%, respectively, in 2018 year-over-year. Parkway Pantai saw in-patient admissions increase by 0.6% and 3% in Singapore and Malaysia in 2018, respectively, compared to a year earlier. Average revenue per inpatient admission also increased by 7.7% in Singapore and 6.1% in Malaysia during the same period. The organic revenue growth from Parkway Pantai was driven by a continued ramp up in operations of Pantai Hospital Manjung, Gleneagles Kota Kinabalu Hospital, Gleneagles Medini Hospital in Malaysia and Gleneagles Hong Kong Hospital. Fortis contributed to MYR217.1 million to the Group's revenue since consolidated in November 2018.
- Acibadem saw admissions and revenue per inpatient admission increase by 7.4% and 24.4% in 2018, respectively, year-over-year. Excluding the effects of a strengthening Malaysian ringgit in 2018, Acibadem's revenue and EBITDA increased by 32% and 38%, respectively, during the same period.
- The Company's gross and net investment cost in IHH was US$50.1 million and (US$25.2 million), respectively at 31 December 2018. The negative net cost at 31 December 2018 is due to proceeds from partial realisations being in excess of cost for this investment. The fair value on the same date was US$11.0 million, which compares to US$56.1 million a year earlier. The change in value is predominantly due to the sale of 30.3 million shares that generated net proceeds of US$46.8 million during 2018. The net annualised return and multiple of the original cost from the sale was 9.6% and 1.8 times, respectively.

Share Price Performance



Financial Highlights

	12 Months 2017	12 Months 2018
MYR m		
Profit & loss		
Revenues	11,142	11,521
% Growth		*3.4%*
EBITDA	2,280	2,478
% Margin	*20.5%*	*21.5%*
PAT*	595	1027.6
% Margin	*5.3%*	*8.9%*
Balance sheet		
Assets		45,115
Liabilities		16,607
Equity		28,507

**Excluding non-recurring items*
USD/MYR = 4.13 @ 31 December 2018
Source: Company Financials, Press Releases, Bloomberg

Investments: Christian Liaigre Group ("Liaigre")

Business description:	Lifestyle	Date of investment:	10 June 2016
Ticker (Bloomberg):	None (Unlisted)		
Type of Investment:	Equity / preferred equity / debt		
Carrying cost:	Not disclosed		
Board of Directors:	Sunil Chandiramani		

Business description and performance update

Symphony together with Navis Capital Partners acquired Financière CL SAS, the holding company of the Christian Liaigre Group ("Liaigre"), in June 2016. The existing management team of CLG also participated in the acquisition.

Liaigre was founded in 1985 in Paris and is a brand synonymous with discreet luxury, and has become one of the most sought-after luxury furniture brands, renowned for its minimalistic design style. Liaigre has a strong intellectual property portfolio and provides a range of bespoke furniture, lighting, fabric & leather, and accessories. In addition to operating a network of 25 showrooms in 11 countries across Europe, the US and Asia, Liaigre undertakes exclusive interior architecture projects for select yachts, hotels, and restaurants and private residences.

Liaigre saw year-over-year sales growth of 14.8% in 2018, which was driven by strong sales related to design architectural projects and the US showrooms. However, the delay of the placement of certain orders in December resulted in a slightly smaller order book at end of 2018 compared to 2017. Subsequent to the year-end, many of these orders were placed, which has provided strong momentum to the start of 2019. We would also like to note that sales at the two new showrooms, the flagship on Rue du Faubourg St-Honorè in Paris and the second showroom in New York on Madison Avenue had promising sales at the beginning of 2018.

The investment in the Asian business over the past eighteen months is beginning to yield results. The team is working on a number of large projects and has also received several large orders, which has increased total orders in Asia by more than 200% compared to 2017.

Symphony announced that the Pierre Chen family became a partner and co-owner in Liaigre following an investment in February 2019. The new capital from the Pierre Chen family will facilitate expanding Liaigre into new complementary businesses to fully realise the brand's potential. The Pierre Chen family are involved in a number of industries and have a strong network and presence in and outside of Asia.

Symphony's investment was more than 5% of NAV and due to strategic concerns, specific valuation information has not been disclosed publicly.

Investments: Desaru Development

Business description:	Lifestyle / Real Estate	Date of investment:	30 January 2012
Ticker (Bloomberg):	None (Unlisted)	SIHL Equity Stake:	49.0%
Type of Investment:	Redeemable Preference shares, Equity and Shareholder Loans	Value at 31 Dec 18:	US$33.6m
Carrying cost:	US$35.2m		
Board Representation:	Anil Thadani, Anupum Khaitan		

Business Description and Performance Update

SIHL has a 49% interest in a property joint venture in Malaysia with an affiliate of Destination Resorts and Hotels Sdn Bhd, a hotel and destination resort investment subsidiary of Khazanah Nasional Berhad, the investment arm of the Government of Malaysia. The joint venture is developing a beachfront resort and private villas on the south eastern coast of Malaysia that will be managed by One&Only Resorts.

The development is planned to launch in the second half of 2019 and will include 46 suites and prototype villas. When fully developed the site will have a total of 52 villas.

Based on an independent third party valuation, Symphony's investment in the property joint venture was valued at US$33.6 million at 31 December 2018, which compares to US$31.7 million a year earlier. The change in value reflects a follow-on investment in 2018 of US$1.2 million and a marginal increase in the value of the land, which was partially offset by a weakening of the Malaysian ringgit by 2.2% during 2018.

Liquidity and Other

- At 31 December 2018, Symphony had cash (net of borrowings) of US$6.2 million. Symphony has sufficient liquidity to meet its cashflow requirements.
- Events subsequent to 31 December 2018:
  - i. the Company entered into a structured transaction that will provide an opportunity to acquire a minority interest in Indo Trans Logistics Corporation ("ITL") in Vietnam. The transaction amounted to more than 5% of NAV;
  - ii. the Company announced that the Pierre Chen family from Taiwan had become a partner and co-owner of the Liaigre group together with existing shareholders;
  - iii. Symphony made follow-on investments related to the Desaru development in Malaysia that amounted to less than 1% of NAV; and
  - iv. Symphony sold 1.4 million IHH shares that generated net proceeds of US$2.0 million.
- Financial markets have been buoyant in 2019, which reflect strong earnings momentum and better economic news from China and other Asian countries. There are a number of economic and geopolitical risks that could impact the global business environment, such as the ongoing trade and political tensions. Nevertheless, economies, particularly in Asia, will continue to grow. Increasing consumption from a growing middle class, market liberalisation and growing intra-regional trade will continue to shift the economic power increasingly towards the east, which Symphony's portfolio is well placed to benefit from.