Symphony International Holdings Limited

Performance update and 2021 financial result

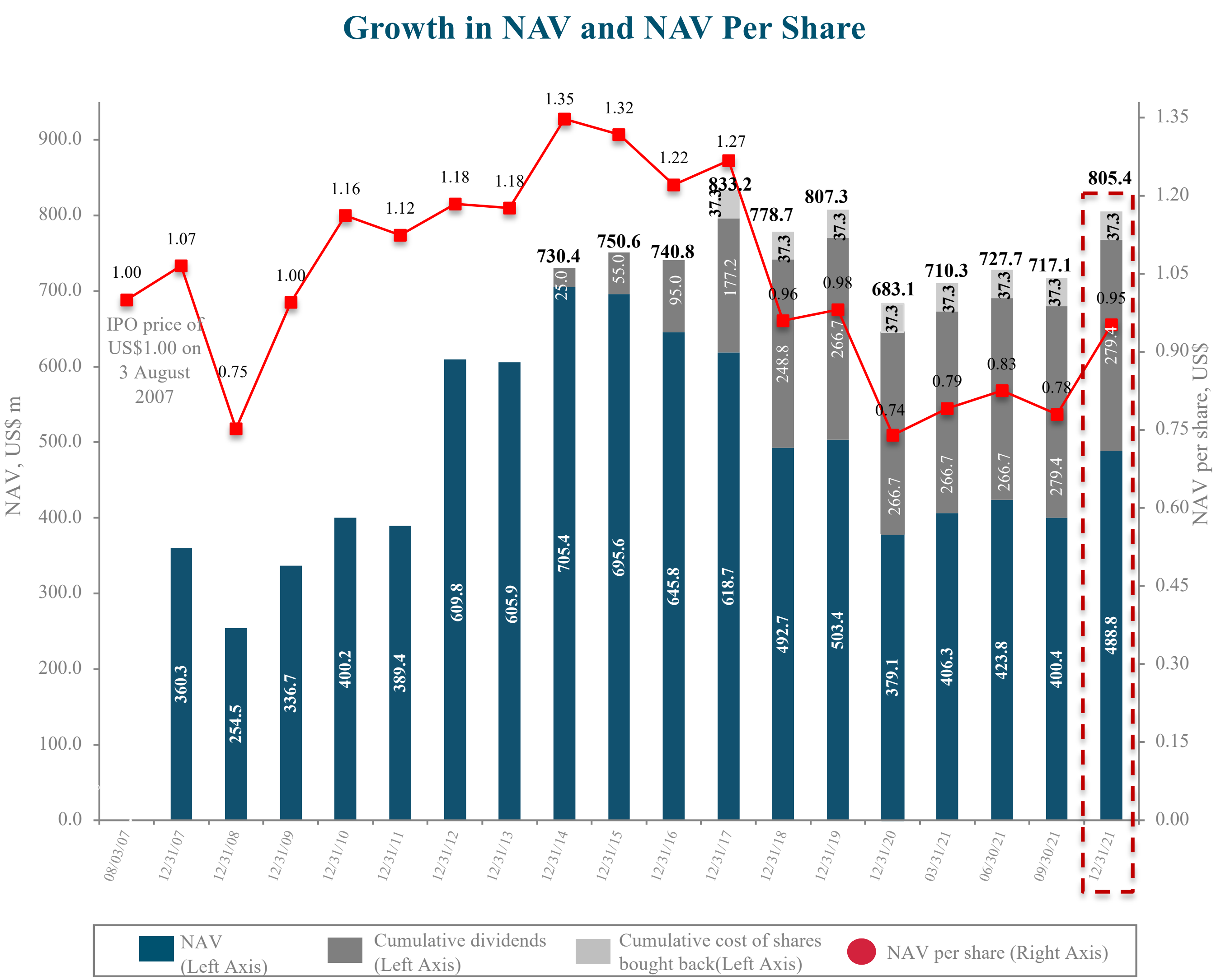
25 April 2022

STRICTLY PRIVATE & CONFIDENTIAL

Topics

- 2021 Overview
- 2021 Financial Performance
- Investments
- Liquidity and Other

2021 Overview



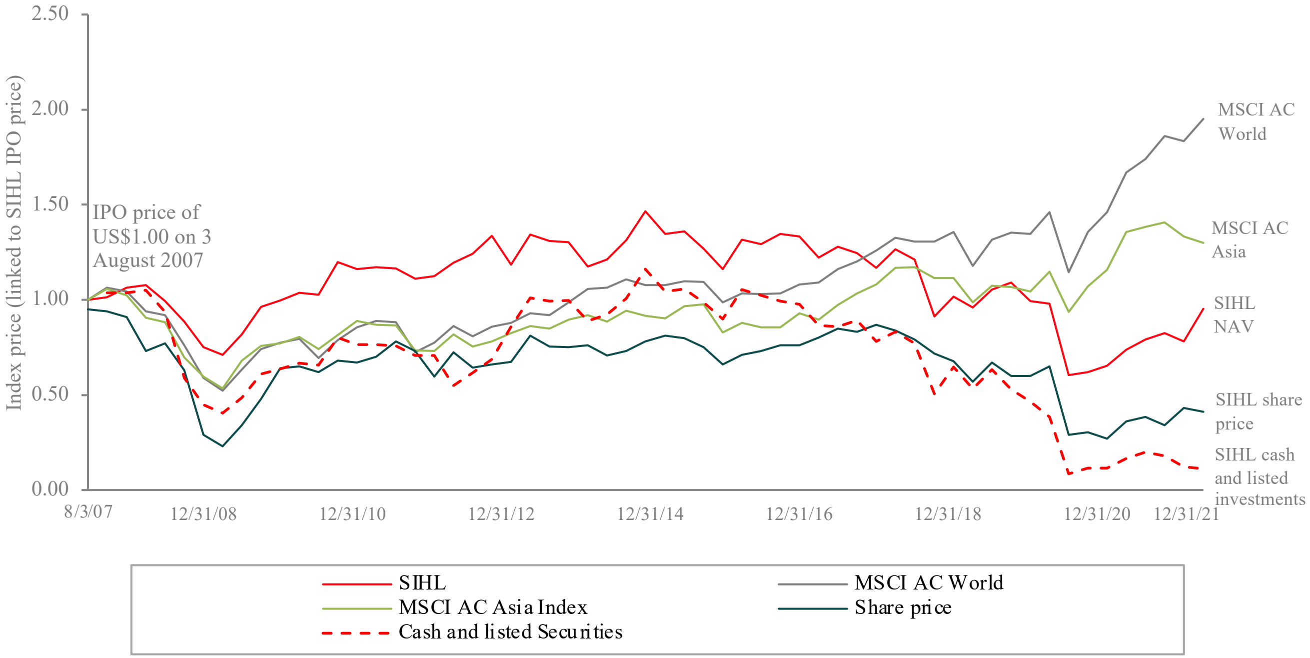
NAV and NAV per share were US$488.8 million and US$0.95 at 31 December 2021, respectively. This compares to US$400.4 million and US$0.78 at 30 September 2021 and US$379.1 and US$0.74 at 31 December 2020.

The change in value from 31 December 2020 is due to an increase in value of investments, predominantly related to Indo Trans Logistics Corporation (“ITL”), the Liaigre Group, Minor International Public Company Limited ("MINT”) and Soothe Healthcare Private Limited (“Soothe”). The increase in the value of investments was partially offset by a dividend payment in Q3 2021 (2.5 cents per share amounting to US$12.8 million) and operating expenses.

The change in NAV and NAV per share for the three-month period ended 31 December 2021 is predominantly due to an increase in the value of unlisted investments, which was partially offset by a decline in the value of MINT.

2021 Overview

Relative Performance to Global and Asian Indices



Symphony's NAV per share increased by 28.9% during 2021 which compares to a 16.8% increase and 4.2% decrease associated with the MSCI AC World and Asia AC Asia indices, respectively. Symphony's relatively stronger performance has been driven by an increase in the value of investments, particularly ITL that operates in the logistics sector.

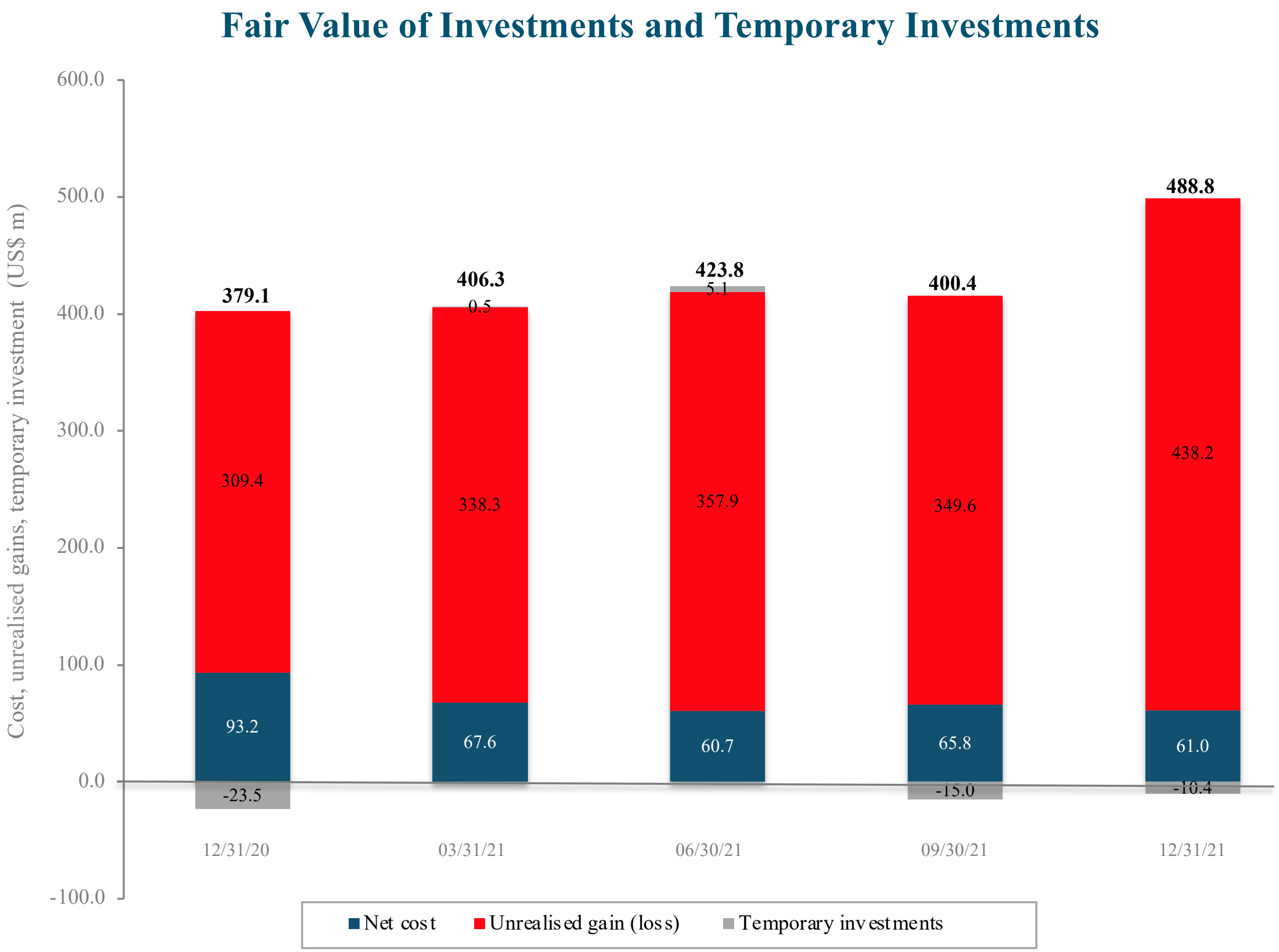
MINT is listed in Thailand and accounted for 28.8% and 13.9% of NAV at 31 December 2020 and 2021, respectively.

Symphony's share price continued to trade at a discount to NAV per share. At 31 December 2021, Symphony's share price was US$0.41, a 56.9% discount to NAV per share.

Comparative Performance (Indices rebased to SIHL IPO price)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021			
As at	12/31	12/31	12/31	12/30	12/31	12/31	12/31	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	1.07	0.75	1.00	1.16	1.12	1.18	1.18	1.35	1.32	1.22	1.27	0.96	0.98	0.74	0.79	0.83	0.78	0.95
MSCI AC World	1.04	0.59	0.77	0.85	0.77	0.88	1.06	1.08	1.03	1.09	1.33	1.18	1.46	1.67	1.74	1.86	1.83	1.95
SIHL % NAV difference	*2.2%*	*27.8%*	*28.6%*	*35.9%*	*45.2%*	*34.8%*	*11.4%*	*25.0%*	*27.6%*	*11.9%*	*-4.4%*	*-18.5%*	*-32.9%*	*-55.8%*	*-54.5%*	*-55.6%*	*-57.5%*	*-51.2%*
MSCI AC Asia Index	1.02	0.60	0.77	0.89	0.73	0.83	0.92	0.90	0.88	0.89	1.17	0.99	1.15	1.36	1.38	1.41	1.33	1.30
SIHL % NAV difference	*4.0%*	*25.8%*	*28.9%*	*30.6%*	*53.7%*	*43.2%*	*28.0%*	*49.1%*	*49.7%*	*36.5%*	*8.3%*	*-2.8%*	*-14.5%*	*-45.6%*	*-42.8%*	*-41.3%*	*-41.5%*	*-26.8%*
SIHL share price	0.91	0.29	0.64	0.67	0.60	0.68	0.76	0.81	0.71	0.80	0.84	0.57	0.65	0.36	0.39	0.34	0.43	0.41
Discount to NAV per share	*-14.6%*	*-61.4%*	*-35.7%*	*-42.3%*	*-47.1%*	*-43.0%*	*-35.4%*	*-39.9%*	*-46.1%*	*-34.3%*	*-33.7%*	*-40.6%*	*-33.7%*	*-51.2%*	*-51.2%*	*-58.8%*	*-44.6%*	*-56.9%*
Temporary and liquid investmen	1.04	0.45	0.64	0.76	0.71	0.86	0.89	1.04	1.05	0.87	0.83	0.53	0.38	0.17	0.20	0.18	0.12	0.11
Share price discount	*-12.4%*	*-35.4%*	*0.7%*	*-12.4%*	*-16.0%*	*-21.5%*	*-14.4%*	*-22.5%*	*-32.6%*	*-7.3%*	*1.1%*	*7.1%*	*69.2%*	*116.0%*	*91.9%*	*90.5%*	*256.0%*	*265.6%*

2021 Overview



The cost of investments decreased from US$93.2 million to US$61.0 million during 2021. The change is due to the partial realisation of MINT shares generating net proceeds of US$50.0 million and other realisations of US$5.6 million predominantly related to real estate realisations and income that were partly offset by new and follow-on investments of US$23.4 million.

The unrealised gain increased by US$128.8 million during the same period due to an increase in the value of investments, particularly ITL in the logistics sector.

Temporary investments (cash net of working capital) increased by US$13.1 million as realisations and income exceeded the cost of investments and general operating expenses during the same period.

For the three-month period ended 31 December 2021, net cost declined by US$4.8 million predominantly due to realisations and income, particularly from the sale of MINT shares and real estate related proceeds, that exceeded new and follow-on investments.

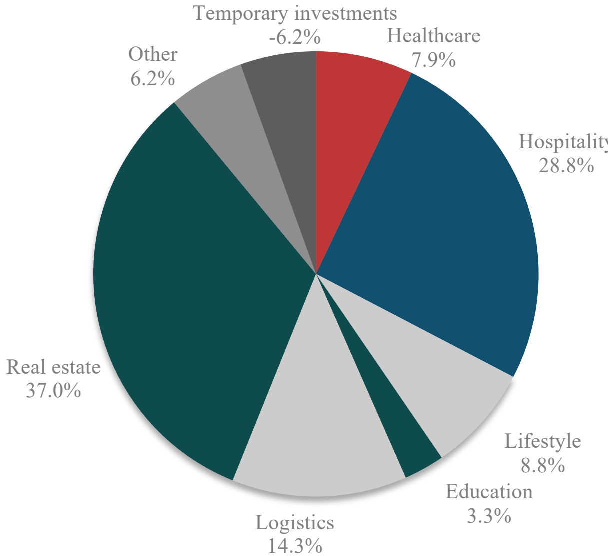
Unrealised gains increased by US$88.6 million predominantly due to an increase in fair value of ITL and Liaigre.

Temporary investments increased by US$4.6 million as realisations and income exceeded investments and general operating expenses.

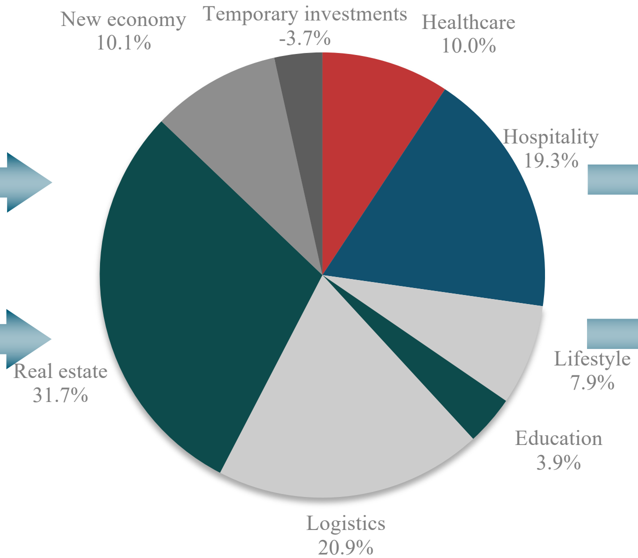
2021 Overview

- The fair value of investments at 31 December 2021 accounted for 102.1% of NAV. This compares to investments accounting for 106.2% of NAV at 31 December 2020 and 103.7% of NAV at 30 September 2021.
- During FY2021, the logistics segment increased from 14.3% to 29.5% of NAV, which was predominantly due to an increase in the value of ITL and the relative decline of the hospitality sector due to the sale of MINT shares. The healthcare segment also increased as a percentage of NAV due to growth in the value of Soothe and ASG.
- During Q4 2021, the logistics sector increased as a percentage of NAV also due to the growth in value of ITL.

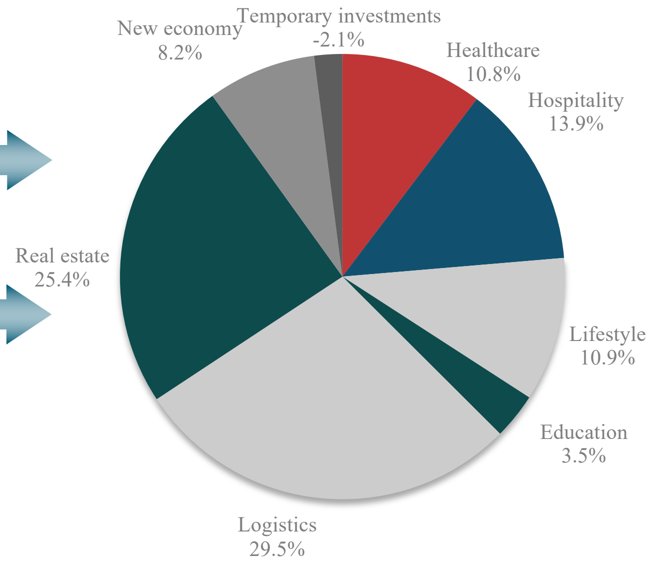
NAV by Segment at 31 December 2020 NAV = US$ 379.1 million



NAV by Segment at 30 September 2021 NAV = US$400.4 million



NAV by Segment at 31 December 2021 NAV = US$ 488.8 million



Note: Temporary investments include cash and equivalents and are net of accounts payable and receivable

2021 Financial Performance

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Statement of Comprehensive Income

Year ended 31 December	2020	2021
	US$'000	US$'000
Other operating income	5,156	182,234
Other operating expenses	(1,923)	(5,609)
Management fees	(8,712)	(9,057)
	(5,479)	167,568
Loss on disposal of financial assets through profit and loss	-	(4)
Fair value changes through profit and loss	(119,111)	(45,094)
(Loss)/Profit before income tax	(124,590)	122,470
Income tax expense	-	-
(Loss)/Profit for the year	(124,590)	122,470
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(124,590)	122,470

*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.

Other operating income of US$182.2 million mainly comprises intercompany dividend transactions. This compares to other operating income of US$5.16 million in 2020 which comprised foreign exchange gains from intercompany loans.

Other operating expenses include fees for professional services, interest expense, insurance, communication, foreign exchange losses, Directors' fees and other miscellaneous expenses and costs incurred for analysis of proposed deals. For the year ended 31 December 2021, other operating expenses amounted to US$5.6 million, which includes US$4.2 million in foreign exchange losses. Excluding foreign exchange losses and interest expense, other operating expenses in 2020 and 2021 would be US$1.3 million and US$1.4 million, respectively. The increase in expenses of US$134,000 in 2021 is predominantly due to higher legal expenses.

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.

2021 Financial Performance

Statement of Financial Position

As at 31 December	2020 US$'000	2021 US$'000
Non-current assets		
Financial assets at fair value through profit or loss	381,949	480,755
	381,949	480,755
Current assets		
Other receivables and prepayments	73	70
Cash and cash equivalents	257	8,357
	330	8,427
Total assets	382,279	489,182
Current liabilities		
Interest-bearing borrowings	2,730	0
Other payables	490	327
Total liabilities	3,220	327
Shareholders' equity		
Share capital	409,704	409,704
Accumulated profits	(30,645)	79,151
Total shareholders' equity	379,059	488,855
Total liabilities and equity	382,279	489,182

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

Interest bearing borrowings were reduced to nil during 2021

The change in accumulated profits reflect gains for the year that is predominantly related to the increase in the value of unlisted investments, particularly ITL

Investments: Indo Trans Logistics Corporation ("ITL")

Business description:	Logistics	Date of investment:	June 2019
Type of Investment:	Equity	Board Representation:	Anil Thadani, Sunil Chandiramani
Interest:	27.7%		
Gross investment cost:	US$42.6 million		
Net Investment Cost:	US$42.1 million		
Value at 31 Dec 2021:	US$144.0 million		

Business description and performance update

- ITL was founded in 2000 as a freight-forwarding company and has since grown to become Vietnam's largest independent integrated logistics company with a network that is spread across Vietnam, Cambodia, Laos, Myanmar, and Thailand. ITL has grown to national champion status in Vietnam with over 2,000 employees across its business units and joint ventures. ITL's strategic plans include supporting small and medium enterprises in Vietnam and across the Indochina region. Symphony bought the shares that had originally been held by Singpost, the Singapore Post office, at a cost of $42.6 million for a roughly 28.6% interest. Following a subsequent issue of shares and share buyback by ITL, Symphony's interest was 27.7% at 31 December 2021.
- ITL has seen strong momentum across its key business lines that has facilitated growth in revenue and EBITDA by 104.1% and 209.3% in 2021, respectively. ITL reported particular strength in Aviation GSA and its contract forwarding business that almost doubled during the same period, which provided ITL with more operating leverage.
- The strong growth was driven by the full consolidation of South Logistics Joint Stock Company ("SoTrans"), the ability to benefit from dislocations in the wholesale aviation cargo market and Vietnam's strong domestic economy, which has a growing local manufacturing base.
- The outlook for the logistics sector in Vietnam is attractive. Aside from growing outbound cargo, ITL's management continue to also position the business for strong growth in domestic consumption and expect long-term double-digit growth from port operations and contract logistics. ITL continues to invest to upgrading its technology infrastructure, making new investments to grow the business and developing its real estate assets.
- The Company acquired a significant minority interest in Indo Trans Logistics Corporation ("ITL") in June 2019 for US$42.6 million and has a net cost of US$42.1 million. The fair value for Symphony's interest in ITL at 31 December 2021 was US$144.0 million, which compares to US$54.2 million a year earlier. The change in value is predominantly due to the strong improvement in the business.

Investments: Minuet Limited ("Minuet")

Business description:	Lifestyle / Real Estate
Type of Investment:	Equity and shareholder loans
Interest:	49.98%
Gross investment cost:	US$78.3 million
Net Investment Cost:	US$17.8 million
Value at 31 Dec 2021:	US$69.8 million
Date of investment:	July 2008
Board Representation:	Anil Thadani Peter Lee Rajgopal Rajkumar

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 2021 Minuet held approximately 180.75 rai (28.92 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. As at 31 December 2021 the Company's investment cost (net of shareholder loan repayments) was approximately US$17.8 million.
- Minuet entered into agreements for the sale of two parcels land that will complete in 2022 and generate gross proceeds of US$23.2 million. The sale price of the land to be completed in 2022 is at 3.7 times Minuet's average cost of land and is indicative of the increasing land values in the area.
- The fair value of the Company's interest in Minuet at 31 December 2021 was US$69.8 million, which compares to US$69.0 million a year earlier. The marginal change in value of Symphony's interest is due an increase in the valuation of Minuet's land by 14.5%, which was partially offset by a depreciation in the Thai baht by 10.9% and the repayment of US$1.5 million in shareholder loans related to the sale of land during the year.

Investments: Minor International Pcl ("MINT")

Business description:	Hospitality	Investment cost:	US$82.8m
Ticker (Bloomberg):	MINT TB EQUITY	Net realisations to 31 December 2021:	(US$282.3m)
Type of Investment:	Equity	Dividends:	(US$26.1m)
Date of Investment:	25 December 2006	Carrying cost:	(US$225.5m)
Value at 31 Dec 21:	US$68.0 million		
Equity stake at 31 Dec 21:	1.47%	Shares purchased (#):	305,164,120
Board Representation:	Anil Thadani (Board Member), Sunil Chandiramani (Advisor)	Bonus shares received (#):	74,553,329
		Shares realised (#):	(303,102,800)
		Number of shares held (#):	76,614,649

- As at 31 December 2021, MINT owned 372 hotels and managed 155 other hotels and serviced suites with 75,621 rooms in 56 countries predominantly under its own brand names that include Anantara, Oaks, NH Collection, NH Hotels, nhow, Elewana, AVANI, Per AQUUM and Tivoli. MINT also owned and operated 2,389 restaurants under the brands The Pizza Company, Swensen's, Dairy Queen, Beijing Riverside, Benihana and The Coffee Club amongst others. MINT's operations also include contract manufacturing and an international consumer brand distribution business in Thailand focusing on fashion and lifestyle retail (386 outlets), wholesale and direct marketing channels under brands that include Anello, Bossini, Esprit, Charles & Keith and Radley amongst others.
- MINT reported a strong rebound in core revenue and earnings before interest, tax, depreciation and amortisation ("EBITDA") of 28.1% and 538.6%, in 2021 year-over-year, respectively. The performance was driven by reduced movement and travel restrictions that benefited MINT's hospitality and F&B businesses. The higher sales together with a cost minimization program facilitated a larger increase in EBITDA during the same period.
- Pent-up demand and opening of countries to travellers fuelled a strong rebound in MINT's hotel operations. Revenue from hotel and related services increased by 46.8% and EBITDA turned positive in 2021. Management are optimistic that the recovery will continue to gain strength with the further relaxing of border restrictions and higher vaccination rates. MINT share price continued to gain strength subsequent to 31 December as a result.
- Minor's food business continued to perform well and has remained profitable since Q3 2020. Despite the challenging operating environment in Thailand, 2021 group-wide total- system-sales increased by 3.1%, supported by business growth in China and Australia. Core EBITDA increased by 16.4% during the same period due to operational efficiencies and cost management initiatives. The operating environment continued to improve during the latter half of the year due to more dine-in traffic following the relaxation of restrictions in Thailand. MINT announced in early April 2022 that it was successful in its bid to acquire the remaining interest in Corbin and King Limited ("CKL") it did not already own. CKL operates a portfolio of leading restaurants in London including The Wolseley, Brasserie Zédel and The Delaunay amongst others.
- Revenue from MINT's retail trading and contract manufacturing businesses declined by 23.1% during 2021. The contraction was due to the challenging environment, including government mandated intermittent shop closures in Thailand to contain Covid-19 transmission. The situation continues to improve with the sustained opening of retail outlets and reduced disruptions to operations during the last quarter of 2021.
- Symphony's gross investment cost in MINT was US$82.82 million at 31 December 2021. The net cost on the same date, after deducting partial realisations and dividends received, was (US$225.49 million). The negative net cost is due to the proceeds from partial realisations and dividends being in excess of cost for this investment. The fair value of Symphony's investment in MINT at 31 December 2021 was US$68.0 million. The change in value of approximately (US$41.1 million) is due to the sale of 49.3 million shares and 12.3 million warrants during the year that generated net proceeds of US$50.0 million and a depreciation in the onshore Thai baht rate by 11.5%, which were partially offset by an increase in MINT's share price by 11.8%.

Investments: Liaigre Group ("Liaigre")

Business description:	Lifestyle	Date of investment:	June 2016
Type of Investment:	Equity / preferred equity / debt	Board Representation:	Sunil Chandiramani
Interest:	32.8%		
Gross investment cost:	US$79.7 million		
Net Investment Cost:	US$67.6 million		
Value at 31 Dec 2021:	US$37.4 million		

Business description and performance update

- 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 27 showrooms in 12 countries across Europe, the US and Asia, Liaigre undertakes exclusive interior architecture projects for select yachts, hotels, and restaurants and private residences.
- Liaigre's retail operations rebounded in 2021, partly driven by consumers upgrading and spending more on homes during the pandemic. Showroom orders and total orders grew by 43.4% and 25.7% in 2021, respectively. Asia continued to grow more quickly with orders increasing by 92.7% during the same period to account for 23.9% of total showroom sales, up from 17.8% the year before. The interior architecture business is performing well and the pipeline of projects continues to grow. Overall, the orders on hand at Liaigre at 31 December 2021 amounted to 43.7% of the group's budgeted sales for 2022, providing strong momentum for 2022. Management continues to focus on expanding the number of suppliers Liaigre works with to alleviate supply chain delays.
- Symphony's gross investment cost in Liaigre was US$79.7 million at 31 December 2021. The net cost on the same date, after deducting partial realisations, was US$67.6 million. The fair value of Symphony's investment at 31 December 2021 was US$37.4 million, which compares to US$22.3 million a year earlier. The change in value since 2020, is due to a strong improvement in the business

Investments: Desaru Development

Business description:	Lifestyle	Date of investment:	January 2012
Type of Investment:	Equity / preferred equity / debt	Board Representation:	Anil Thadani Laxman Vaidya
Interest:	49.0%		
Gross investment cost:	US$58.8 million		
Value at 31 Dec 2021:	US$29.0 million		

Business Description and Performance Update

- The Company 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 has developed a beachfront resort with private villas for sale on the south-eastern coast of Malaysia and that are branded and managed by One&Only Resorts ("O&O"). The hotel operations were officially launched in September 2020.
- The One&Only Desaru resort saw a pickup in occupancies in the last quarter of 2021 following the lifting of interstate movement controls for vaccinated travellers in October. The domestic demand alone for luxury leisure trips raised the resorts occupancy to EBITDA break-even levels. The gradual opening-up to international travel with vaccinated travel lanes is positive news for the domestic tourism market that should benefit this property. The management team is preparing to launch the marketing for the luxury villa sales on the property that will provide incremental value to Symphony in the coming years. Desaru also continues to win accolades, among them featuring in Time Magazine's list of 'World's Greatest Places of 2021'. The property's management is preparing to launch the private villa sales in 2022.
- Symphony cumulatively invested US$58.8 million in the joint venture at 31 December 2021. The fair value for this investment based on an independent third-party valuation on the same date was US$29.0 million, which compares to US$35.3 million a year earlier. The change in value is due to a decline in the value of the land by US$1.4 million, a depreciation in the Malaysian ringgit by 3.6% and an increase in liabilities related to the financing structure for the development.

Investments: Soothe Healthcare Pvt. Ltd. (”Soothe”)

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Business description:	Healthcare	Date of investment:	June 2019
Type of Investment:	Equity / preferred equity / convertible note	Board observer[1]:	Sunil Chandiramani
Interest:	25.0%		
Gross investment cost:	US$8.9 million		
Value at 31 Dec 2021:	US$27.9 million		

Business Description and Performance Update

- Soothe was founded in 2012 and operates within the fast-growing consumer healthcare products market segment in India. Soothe's core product portfolio includes feminine hygiene and diaper products. Symphony completed an initial investment in Soothe in August 2019 and subsequently made investments through convertible notes in 2020 and 2021.
- Soothe has seen sales increase by 86.01% during 2021 compared to a year earlier. The strong growth has been driven by an expanding distribution network, successful market initiatives and launch of new products. In June 2021 Soothe completed a capital raise at a valuation equal to 1.88 times Symphony's cost. Later in the year, a material secondary transaction was completed by a third- party institutional investor at 2.41 times Symphony's cost. The higher valuations achieved for Soothe is reflective of the strong growth profile, prospects, and quality of this business. Management continues to focus on growing the business while improving margins by bringing the manufacturing of some new products in-house.
- Symphony's gross and net investment cost in Soothe was US$8.9 million at 31 December 2021. The fair value of Symphony's investment at 31 December 2021 was US$27.9 million, which compares to US$11.1 million a year earlier. The change in value is due to an increase in investment by US$2.0 million during 2021, a material secondary transaction in the shares of Soothe by a third party at a higher valuation and strong growth in the business.

(1) Symphony has the right to appoint one director, but currently occupies an observer seat

Investments: ASG Hospital Private Limited (“ASG”)

Business description:	Healthcare
Type of Investment:	Equity / Preference Equity
Interest:	19.80%
Gross investment cost:	US$20.7 million
Value at 31 Dec 2021:	US$24.7 million
Date of investment:	October 2019
Board Representation:	Sunil Chandiramani

Business Description and Performance Update

- ASG is a full-service eye- healthcare provider with operations in India, Africa, and Nepal. ASG was founded in Rajasthan, India in 2005. ASG's operations have since grown to 43 clinics, which offer a full range of eye-healthcare services, including outpatient consultation and a full suite of inpatient procedures. ASG also operates an optical and pharmacy business, which is located within clinics. Symphony invested in ASG in tranches from October 2019 through to July 2020 and subsequently acquired secondary shares in October 2021.
- The management team of ASG has been successful in scaling the business organically and inorganically. Sales grew by 107.3% in 2021 while normalised EBITDA grew over four-fold during the same period as clinics continued to ramp-up operations and gained efficiencies from newly acquired operations. In February 2022, ASG was approved by creditors to acquire Vasan Health Care Private Limited, which has around 90 clinics mainly in southern India. The acquisition is subject to regulatory approval and if successful, will add considerable scale to ASG’s operations.
- Symphony’s gross and net investment cost in ASG was US$20.7 million at 31 December 2021. The fair value of Symphony’s investment at 31 December 2021 was US$24.7 million, which compares to US$19.0 million a year earlier. The change in value is due to the purchase of additional shares of ASG for US$0.54 million during 2021 and a strong improvement in the business.

Liquidity and Other

- Aside from the update for the seven material investments that constitute more than 5% of NAV each in this performance update, Symphony had 14 other investments at 31 December 2021 that had a cumulative fair value of US$98.5 million and accounted, in aggregate, for 20.1% of NAV.
- At 31 December 2021, Symphony had cash balances of US$8.4 million and nil bank borrowings. Symphony has sufficient funding sources in cash and available bank facilities to meet its operating and investment funding requirements over the next 12-months. We continue to evaluate several new opportunities and any new funding requirements that emerge can be met through current cash balances, bank facilities and/or the sale of listed securities.
- Subsequent to 31 December 2021, Symphony:
    - i. Symphony completed a follow-on investment in WCIB International Co. Ltd. for the ongoing phased development of the school. The investment amounted to less than 1% of the Company's NAV.
    - ii. Symphony completed a follow-on investment in Kieraya Furnishing Solutions Pvt. Ltd. The investment amounted to less than 1% of the Company's NAV.
    - iii. Symphony sold approximately 7.0 million MINT shares that generated proceeds of US$7.0 million.