



2024 REVIEW & 2025 OUTLOOK



Sudhir Maheshwari
Founder and Managing Partner

Season's Greetings from Synergy Capital!

I am excited to present our annual overview of Synergy Capital's performance and strategic initiatives in the evolving global private equity and credit landscape.

2024 was a year of elections, in which nearly two billion people from approximately 70 countries voted for national office. Interestingly, a vast majority saw the incumbent party lose support, with many losing power. This is likely to result in numerous policy changes over the coming years.

2024 also marked a reduction in inflationary pressures and returning risk appetite by investors, especially during the latter part of the year. The result has been a seemingly paradoxical year in which the archetypical risk-on and risk-off assets (stocks and gold) broke historical price records at the same time.

At Synergy Capital, we expect 2025 to be a year of economic normalization amidst a complex and volatile global geopolitical landscape, which businesses and newly elected policymakers will need to carefully navigate.

Synergy Capital's investment strategy is well-adapted to this investment environment and we remain confident that we will continue posting successful results for all our stakeholders. Synergy Capital bridges the gap between traditional private credit and private equity with bespoke structures that combine downside protection with equity upside. Curating capital solutions and providing invaluable operational input remains our core competence. Our thorough and principled, yet flexible, investment approach is effective across market cycles, providing "all-weather", asymmetrical and repeatable returns with strong, recurrent cashflows.

By the end of 2024, Synergy Capital is close to completing the deployment of Fund 2, just two years after its launch. During this period, we invested over \$860 million across 15 investments and completed three exits generating approximately \$300 million of proceeds. In addition, we expect to exit our remaining investments in Fund 1 and liquidate it in 2025, a feat and differentiating factor in a market with few exits.

Prequin featured our Fund 1 as one of the top performing funds in its 2024 League Tables. The ranking covered funds launched between 2015 and 2020. Synergy Capital is the only private equity fund manager based in the GCC that received this recognition.

Value-Oriented Investment Strategy in Industrials & Infrastructure

- * Active Investor
- * Global Mandate
- * Investment Flexibility

~\$1.2 BN
Capital
Deployed (from
two funds)

~\$750 MM
Exits & Income



Synergy Capital provides tailored private capital solutions across the debt / equity spectrum

Our disciplined value opportunity combines Income and Capital Appreciation

Our investor-operator team has cross-functional industrial experience in over 100 countries

Synergy Capital's investment management company, Synergy Management (DIFC) Limited, is regulated by the Dubai Financial Services Authority (DFSA).

PRIVATE EQUITY

2024 has been our most active to date in both investments and exits

Over the course of the year, Synergy Capital deployed ~\$370 million across 7 investments. These investments comprise a mix of debt and equity securities, with a primary focus on the infrastructure sector.

In July 2024, Synergy Capital acted as lead investor for a consortium to acquire a portfolio of GMR Group convertible bonds, with a market value of the underlying shares of ~\$1.4 billion, from Kuwait Investment Authority. GMR Group is active in the airport, power and urban infrastructure sectors that exemplify the resilience and robustness that are fundamental to our investment philosophy.

In November 2024, Synergy Capital was one of the cornerstone investors in the pre-IPO round of Afcons Infrastructure Limited, one of India's leading infrastructure and construction companies with a track record in executing complex and first-of-a-kind projects globally. Our investment was instrumental in the successful listing of the company where the IPO was 2.8x oversubscribed.

Additionally, we have successfully completed two exits in 2024, which in combination with investment income netted \$220 million—a testament to our team's expertise in recognizing and realizing value for our investors.

SUSTAINABILITY

In July 2024, Synergy Capital published its inaugural Sustainability Report, showcasing the collective efforts of our team and partners in responsible business practices to deliver meaningful, lasting and successful investment outcomes.

These efforts were recognized by the United Nations Principles for Responsible Investment (UN PRI) in November 2024. Synergy Capital was awarded the top assessment score of five stars across all categories evaluated in the 2024 Transparency Assessment.

In 2024, we also continued our partnership with the World Climate Foundation to drive awareness of private equity's role in investing in transitional technologies that can deliver 50-80% of the environmental benefits today, profitably and without relying on government support.

Additionally, we are proud to report the completion of our 17th community outreach initiative, which supports the prosperity and well-being of the areas where we operate.



LOOKING FORWARD

In 2025, we aim to complete all Fund 1 divestments and liquidate Fund 1 which will represent the final milestone for Synergy Capital to become an established alternative asset manager. We also look forward to conducting further successful exits in Fund 2 and laying the foundations for our next growth phase as a private equity/credit firm. We expect to launch Synergy Capital Fund 3 during Q1 2025.

We sincerely thank you for your steadfast support and look forward to collaborating in the future, fostering sustainable value creation within our specialized sectors.

For inquiries and more information, visit us at www.synergycapital.co.uk