

May 15, 2026

To,  
**National Stock Exchange of India Limited**  
Symbol – Symphony

**BSE Limited**  
Security Code – 517385

**Sub: Outcome of Board Meeting**

**Ref.: Australia Balance Sheet Reset, IP Consolidation, Acquisition of Bonaire USA LLC, and No Further Capital Allocation in Australian Subsidiaries**

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of Symphony Limited (“the Company”) in its meeting held on May 15, 2026, took the following decisions pertaining to the Company’s Australia and U.S. businesses.

- (A) *A balance sheet reset, including impairment in relation to the Australia business, at both the standalone and consolidated levels of the Company, to align the carrying values with the current business position and the structural changes in the market,*
- (B) *Acquisition of intellectual property rights held by Climate Technologies Pty Ltd, Australia (CTPL) to improve ownership clarity over core intangible assets,*
- (C) *Placing Bonaire USA, presently held under CTPL, under the direct ownership of the Company, with the objective of enhanced visibility and strategic flexibility.*

The details of each of these decisions, along with the underlying rationale, are set out below:

**(A) Balance sheet reset pertaining to Australia business:**

- 1) The Company recognises that investors evaluate Symphony through the lens of capital efficiency, return on capital, and disciplined capital allocation. In that context, the original acquisition thesis for CTPL has not translated into the financial outcome envisaged, and the Board’s decisions set out herein reflect that position with transparency and discipline.
- 2) When the Company acquired CTPL in 2018, the strategic rationale was anchored in building a broader international business. The acquisition provided entry into developed markets such as Australia and the USA, added established brands including Bonaire, Durango and Celair, and extended the Company’s portfolio into adjacent heating and cooling categories.
- 3) The underlying acquisition thesis was to leverage CTPL’s brands, product capabilities and distribution network to create cross-market synergies, diversify geographic exposure, and strengthen the Company’s position as a global player in the broader climate-control category
- 4) However, post-acquisition, the Australia business encountered a materially different operating environment, with a series of external shocks compressing both demand and category relevance. Victoria, a key market for legacy ducted products, was particularly affected by prolonged COVID-related restrictions, with Melbourne experiencing over 260 cumulative days of lockdown. This was further compounded by sustained weakness in the Australian housing and construction cycle, including the insolvency of several large home builders, and subsequently by the Victorian Government’s ban on new gas connections, effective 1 January 2024.

- 5) These developments had a disproportionate impact on CTPL's legacy portfolio, particularly ducted gas heaters, which had historically been a key revenue contributor — accounting for more than 50% of revenue — as well as an important channel anchor. The decline in this category also affected ducted air coolers, given the overlap in customer segments, installer networks, builder-linked demand channels and legacy distribution relationships.
- 6) The business has moved from a manufacturing-led, fixed-cost structure to an asset-light sourcing model. At the same time, the business has diversified beyond legacy ducted products into a broader heating and cooling portfolio, expanded distribution from a builder-linked B2B channel to a more retail-led and consumer-oriented business and widened its addressable opportunity from a Victoria-centric business to a pan-Australia business.
- 7) These actions have strengthened the underlying business, but the gains have not yet been enough to offset the structural decline in the legacy product base. As a result, CTPL has recorded a cumulative standalone loss of ~ ₹60 crore over the last two years, including ~ ₹33 crore in FY 2025-26.
- 8) To reduce the financial overhang and carrying risk, the Company has also deleveraged the Australian subsidiaries. In March 2026, the Company infused A\$25 million (~₹165 crore) into CHPL from its treasury. Of this, A\$20 million (~₹132 crore) was used to fully prepay the acquisition loan at CHPL, making it long-term debt-free, while the remaining A\$5 million (~₹33 crore) was applied toward reduction of CTPL's working capital borrowings. CTPL's working capital borrowings now stand at approximately A\$13 million (~₹90 crore), with a clear path to further reduction. This reflects a disciplined redeployment of treasury toward lowering higher-cost debt and reducing the Australian subsidiaries' annual interest burden by ~₹12 crore.
- 9) Given that the Australia business has performed below expectations, alongside structural changes in its business model and impairment in the legacy product base, the Board of Directors has approved the following balance sheet resets in the Company's financial statements for FY 2025-26.

→ **Standalone** Financial Statement: (₹ Crore)

Sr. No.	Particulars	Amount
1	Impairment of entire carrying value of equity investments in CHPL	298*

\*In addition, ₹50 crore already impaired in FY 2024-25

→ **Consolidated** Financial Statement: (₹ Crore)

Sr. No.	Particulars	Amount
1	Impairment of entire carrying value of goodwill	173
2	Impairment of PPE and intangible assets	35
3	Severance cost pursuant to closure of manufacturing	4
4	Write-down of assets (sold / discarded) to their NRVs	2
(A)	<i>Sub-Total (1 + 2 + 3 + 4)</i>	215
(B)	Write-downs of Deferred Tax Asset	44
(C)	<b>Grand Total (A + B)</b>	<b>259</b>

- 10) These balance sheet adjustments are intended to align legacy carrying values with the current operating reality in accordance with applicable accounting standards and to establish a cleaner base for future evaluation. We believe this reset is the most prudent course of action, as it removes legacy balance sheet ambiguity.
- 11) Going forward, we intend to transition CTPL to an even leaner, asset-light operating model by appointing regional distribution partners who will directly import products from Symphony and its subsidiaries. CTPL will focus primarily on brand building, sales, and marketing, while eliminating inventory carrying costs and reducing operational complexity. By dealing with a smaller number of larger, financially stronger partners, we expect to materially lower our cost of doing business and improve working capital efficiency.
- 12) Beyond the capital deployment approved toward the acquisition of (i) CTPL's intellectual property rights and (ii) Bonaire USA LLC, as set out in this letter, the Company **does not intend to allocate incremental capital to the Australian subsidiaries**. Any future funding, if required, will be limited to requisite regulatory requirements, and actions necessary to protect shareholder value.

**(B) Acquisition of CTPL's IPRs by Symphony:**

- 1) At its meeting held today, the Board approved the proposed acquisition by the Company of the intellectual property rights owned, licensed to, or used by CTPL, including patents, trademarks, and designs, across key markets such as Australia, New Zealand and the USA.
- 2) The proposed acquisition will be undertaken for a consideration of A\$3.3 million (~ ₹23 crore), payable entirely in cash and will be funded entirely through the Company's treasury and remains subject to requisite regulatory approvals.
- 3) This transaction brings commercially relevant brands, product rights and related intangible assets directly under the listed parent, improving ownership clarity, strengthening control over core intellectual property, and enabling cleaner attribution of value to assets that may support market expansion and portfolio optimisation.
- 4) CTPL will utilise the transaction proceeds entirely toward prepayment of its working capital borrowings, pursuant to which the outstanding working capital borrowings are expected to stand reduced to ~ A\$8.7 million (~ ₹61 crore).

We are enclosing herewith the relevant details of the transaction as prescribed under SEBI Listing Regulations read with SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, in **Annexure A**.

**(C) Acquisition of Bonaire USA LLC:**

- 1) The Board of Director in its today's meeting approved the acquisition of 100% equity in Bonaire USA LLC, Delaware (BUSA), from CTPL – the Company's first-level step-down wholly owned subsidiary in Australia. Upon completion of the transaction, BUSA will become a direct wholly owned subsidiary of the Company, instead of being held through the Australian structure.
- 2) The transaction is based on an arm's-length valuation of A\$4.3 million (~ ₹30 crore) and will be funded entirely from the Company's treasury and remains subject to requisite regulatory approvals.

- 3) BUSA represents a profitable and strategically relevant U.S. business with established brand presence, access to leading retail channels including Home Depot, Lowe's and Amazon, and a growing market opportunity supported by distribution reach.
- 4) Bringing BUSA under the Company directly is expected to improve ownership clarity and provide better visibility into its standalone performance, while also increasing strategic flexibility. It will also separate the U.S. growth business from the legacy operating complexity of the Australian structure.
- 5) Accordingly, the transaction is intended to structurally separate a profitable U.S. business from the Australian holding structure, improve performance visibility at the parent level, and preserve strategic optionality for future scale-up, brand-led expansion, and other value-accretive opportunities.
- 6) CTPL intends to use the transaction proceeds entirely to prepay its working capital borrowings. As a result, its working capital borrowings are expected to reduce to ~ A\$5.4 million (~ ₹38 crore), expected to be supported by its net working capital at that time.

We are enclosing herewith the relevant details of the transaction as prescribed under SEBI Listing Regulations read with SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026, in **Annexure B**.

As per the Company's Internal Code for Prevention of Insider Trading, the trading window for dealing in shares of the Company has been already closed since April 01, 2026 and shall remain closed upto 48 hours after this announcement.

This is in due compliance of the regulation 30 and other relevant regulations of the SEBI Listing Regulations.

Thanking you,

Yours Truly,  
**For Symphony Limited**

**Mayur Barvadiya**  
**Company Secretary and Head - Legal**

Encl.: as above

## ANNEXURE – A

No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered	Climate Technologies Pty Limited, Australia (“ <b>CTPL</b> ” or “ <b>Assignor</b> ”).  CTPL is a first level wholly owned step down subsidiary of the Symphony Limited (“ <b>Symphony</b> ” or “ <b>The Company</b> ” or “ <b>Assignee</b> ”).
2.	Purpose of entering into the agreement	The Company has entered into an Intellectual Property Assignment Agreement with the CTPL, a related party for purchase / acquisition of IPRs owned by the CTPL.  For further details, please refer to points B-3 and B-4 of the announcement.
3.	Shareholding, if any, in the entity with whom the agreement is executed	100% stake (it’s a wholly owned step down subsidiary of the Company)
4.	Significant terms of the agreement (in brief) <del>special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.</del>	Parties have entered into the Intellectual Property Assignment Agreement (“ <b>IP Agreement</b> ”) to record their understanding in respect of acquisition of Intellectual Property Rights owned, licenced to, or used by the Assigner, including patents, trademarks, and designs.  As per the Agreement, CTPL agrees to the assignment of the Intellectual Property (including all the rights, title and interest of the Assigner in the Intellectual Property) on the Completion Date for the Purchase Price i.e., A\$3.3 million (~ ₹23 crore), free of any encumbrance and other third party rights or interests and in accordance with the terms of the said agreement in favour of the Assignee.
5.	Whether the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship	No
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	Yes. The related party transaction is entered at an arm’s length basis.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued	Not Applicable

8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	Not Applicable
9.	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): i. name of parties to the agreement ; ii. nature of the agreement; iii. date of execution of the agreement; iv. details of amendment and impact thereof or reasons of termination and impact thereof.	Not Applicable

## ANNEXURE – B

No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Bonaire USA LLC, USA (“ <b>BUSA</b> ”) is a second level wholly owned step down subsidiary of Symphony Limited (the Company) incorporated in USA.  <b>Capital Details:</b> <b>% of stake:</b> 100% stake <b>Turnover:</b> US\$ 5,117,991 (for the Financial Year ended March 31, 2026)
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	The Company is acquiring 100% stake of BUSA from a Climate Technologies Pty Limited (“CTPL”), Australia, a wholly owned step down subsidiary.  Accordingly, CTPL is a Related Party. Considering the fact that the accounts of CTPL are consolidated with the Company, the requirements as set out in Regulation 23 of the SEBI LODR are not applicable.
3.	Industry to which the entity being acquired belongs	The Company is an operating Company and into the business of cooling and heating appliances and other consumer durable products.
4.	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The acquisition is expected to improve ownership clarity and provide better visibility into its standalone performance, while also increasing strategic flexibility. It will also separate the U.S. growth business from the legacy operating complexity of the Australian structure.  For further details, please refer to point no. C-4, C-5 and C-6 of the announcement.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	None, except procedural customary and regulatory approval, if any.
6.	Indicative time period for completion of the acquisition	Within 60 days’ time subject to customary and regulatory approval, if any.
7.	Nature of consideration - whether cash consideration or share swap or any other form and details of the same;	Cash consideration.
8.	Cost of acquisition or the price at which the shares are acquired	A\$4.3 million/- (equivalent to approx. ₹30 crores)

9.	Percentage of shareholding / control acquired and / or number of shares acquired	The Company will hold 100% stake in BUSA directly (at present holding 100% stake indirectly through CTPL)
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p><b>Date of incorporation:</b> March 16, 2016</p> <p><b>Product/line of business:</b> Cooling and heating appliances and consumer durable products</p> <p><b>Last 3 years turnover:</b> Financial Year 2025-26: US\$ 5,117,991 Financial Year 2024-25: US\$ 2,851,951 Financial Year 2023-24: US\$ 4,543,533</p> <p><b>Presence of entity:</b> USA</p>