

SYNERGY HOUSE



GROWING
business to make a lasting impact

Synergy House Berhad

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1QFY2026 ANALYSTS & FUND MANAGERS BRIEFING

15 June 2026



KEY CHALLENGES IN 1QFY2026



SOFTER B2C DEMAND

- Weaker consumer spending across key markets
- Reduced traffic and conversion across major marketplaces
- Lower sales volume amid economic uncertainty
- Led to inventory build-up and higher storage costs



FOREIGN EXCHANGE PRESSURES

- Ringgit strengthened approximately 11.1% against USD year-on-year
- Lower translated revenue and margin compression
- Limited ability to immediately pass through FX movements in the short term



U.S. TARIFF UNCERTAINTY

- Increased landed costs and operating pressures
- Uncertainty impacted inventory planning and sales momentum



GEOPOLITICAL HEADWINDS

- Middle East conflict contributed to softer global business sentiment
- Increased market volatility and cautious consumer spending



FINANCIAL PERFORMANCE

INNOVATIVE • CREATIVE • INSPIRING



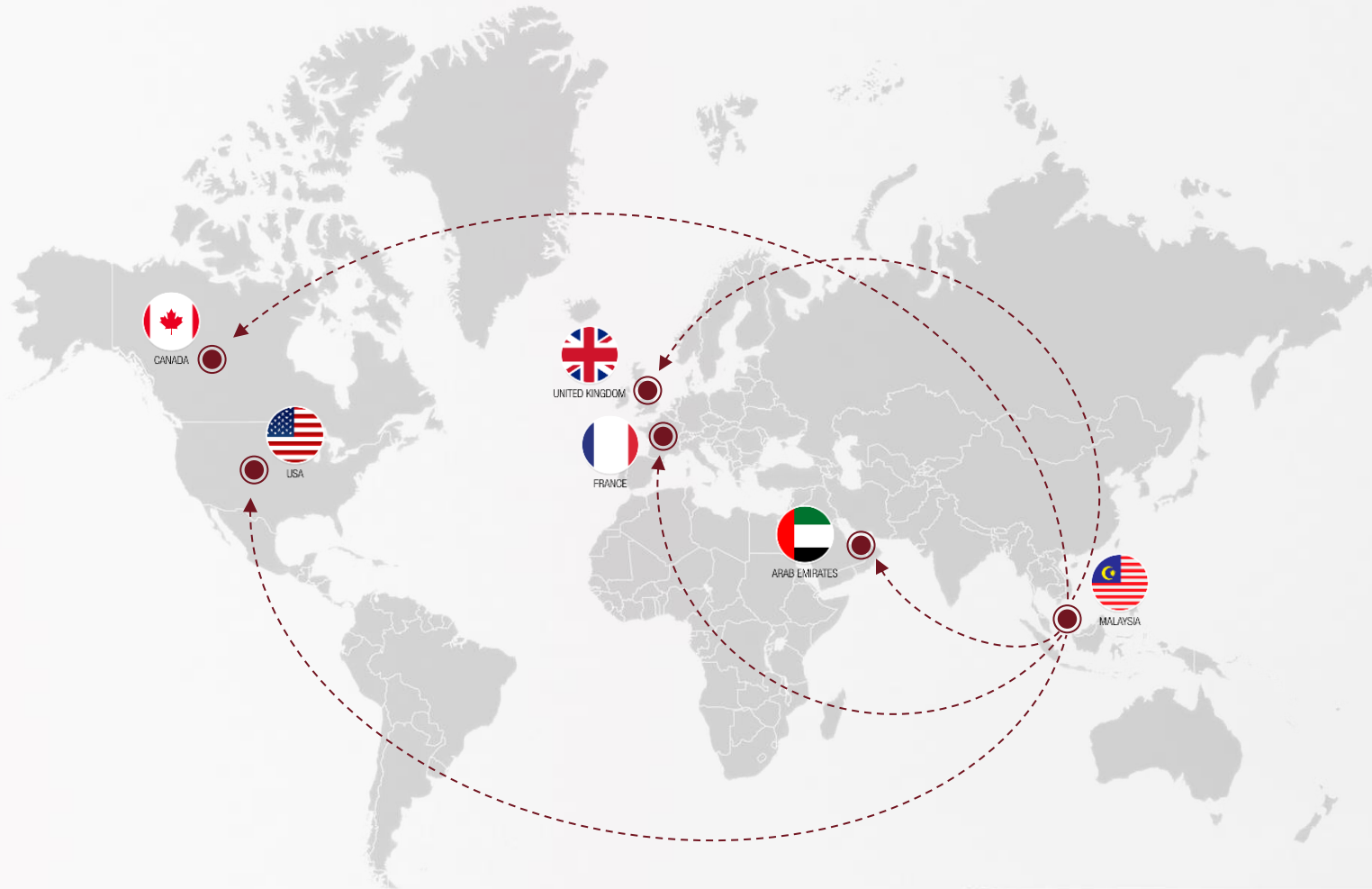
SYNERGY HOUSE SNAPSHOT

As at 31 March 2026

6 Markets

>17 Marketplaces

>3,000 SKUs



RM46.4 million

1QFY2026 Revenue



(RM5.9 million)

1QFY2026 LATMI

94.9%

Export Revenue

Key export markets include USA, UK, UAE, Canada and France

26% - B2B

74% - B2C

SEGMENTAL BREAKDOWN





FINANCIAL PERFORMANCE

1QFY2026 Financial Review

FYE 31 Dec (RM mil)	Q1FY26	Q1FY25	% chg	FY25 (Audited)
Revenue	46.4	88.1	-47%	311.0
Operating Expenses	(52.1)	(85.6)	-39%	(307.5)
PBT	(5.8)	3.4	<i>nm</i>	6.0
PAT / (LAT)	(5.9)	2.4	<i>nm</i>	4.3
Net EPS (sen) ⁽¹⁾	(1.17)	0.49	<i>nm</i>	0.86
PBT margin	-12.5%	3.9%		1.9%
PAT margin	-12.7%	2.8%		1.4%

REVENUE

- Group revenue declined 47.4% YoY to RM46.4m, as softer demand across all markets was compounded by US import tariff uncertainties and weakened global sentiment.
- B2B revenue fell 67.3% YoY to RM12.1m, impacted by softer global demand amid Middle East conflict and ongoing economic uncertainty.
- B2C revenue declined 33.2% YoY to RM34.2m, with lower contributions from USA and UK due to reduced customer traffic and lower advertising visibility.

PROFITABILITY

- Group swung to LBT of RM5.8m from PBT of RM3.4m in 1QFY25.
- Key factors:
 - US import tariffs suppressed demand and increased operating costs
 - RM strengthened ~11.1% vs USD (4.4787 to 3.9826), compressing margins
 - Higher storage costs of RM1.3m from tiered fulfilment center pricing
 - Platform rationalisation, including exit from certain Amazon categories
 - Ongoing ERP and RPA investments for long-term efficiency

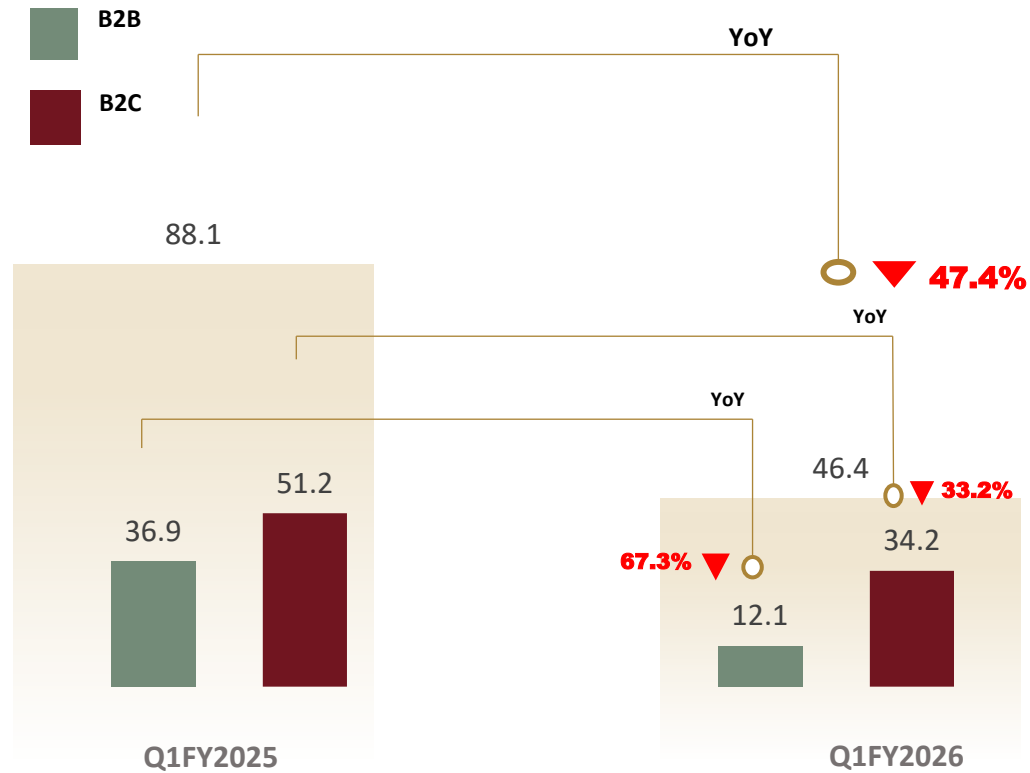
⁽¹⁾ EPS is calculated based on the Company's total number of 500.0m ordinary shares as at end-Mar 2026



FINANCIAL PERFORMANCE

1QFY2026 Financial Review

REVENUE (RM mil)



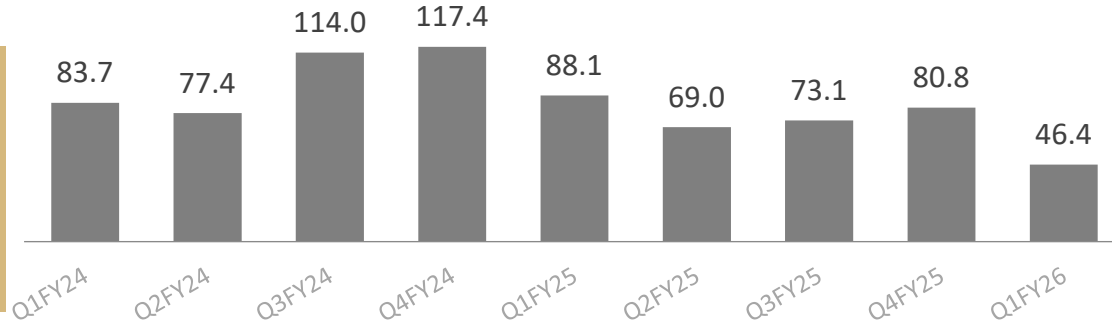


FINANCIAL PERFORMANCE

Quarterly Performance Review

RM mil

REVENUE

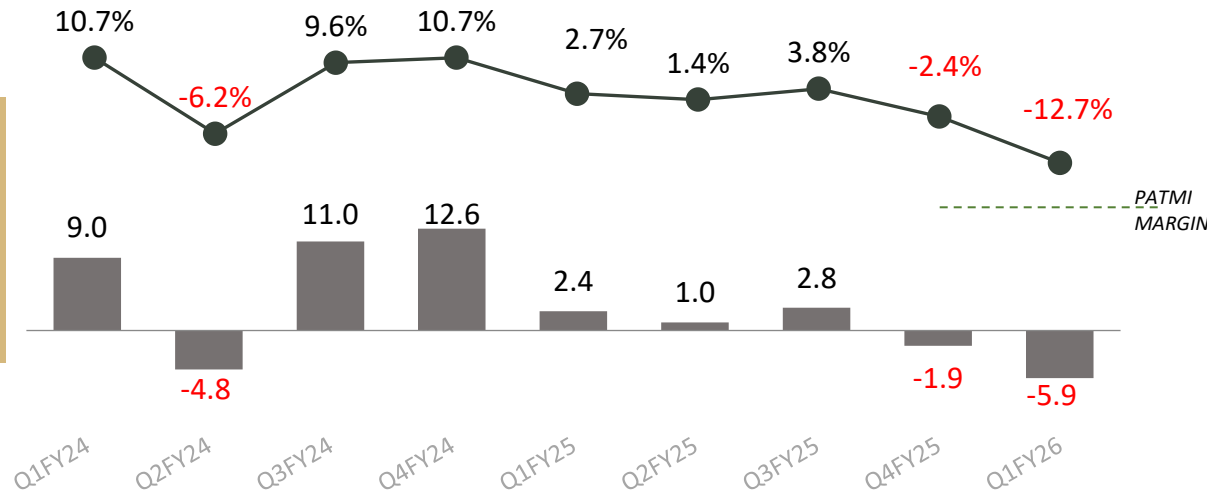


REVENUE

- Group revenue declined 47.4% YoY to RM46.4m in 1QFY26
- B2B revenue fell 67.3% YoY to RM12.1m, impacted by softer global demand and US tariff headwinds
- B2C revenue declined 33.2% YoY to RM34.2m, driven by lower traffic and conversion rates in USA and UK, and ongoing platform rationalisation

RM mil

PATMI



PROFITABILITY

- Group recorded LATMI of RM5.9m in 1QFY26
- US tariff impact on costs, RM strengthening of ~11.1% vs USD, elevated storage costs of RM1.3m and platform exits weighed on earnings



FINANCIAL PERFORMANCE

Financial Position

RM MIL	31 Mar 2026 (Unaudited)	31 Dec 2025 (Audited)	% chg
Non-Current Assets	70.2	70.9	-1%
Current Assets	121.6	156.8	-22%
Total Assets	191.8	227.7	-16%
Non-Current Liabilities	27.8	28.5	-2%
Current Liabilities	38.0	67.3	-44%
Total Liabilities	65.8	95.8	-31%
Total Equity	126.0	131.9	-4%
Total Equity & Liabilities	191.8	227.7	-16%

Net Gearing (x)	Net Cash	0.09	
Net Asset / Share (RM) ⁽¹⁾	0.25	0.26	-

⁽¹⁾Net assets per share is calculated based on the Company's total number of 500.0m ordinary shares

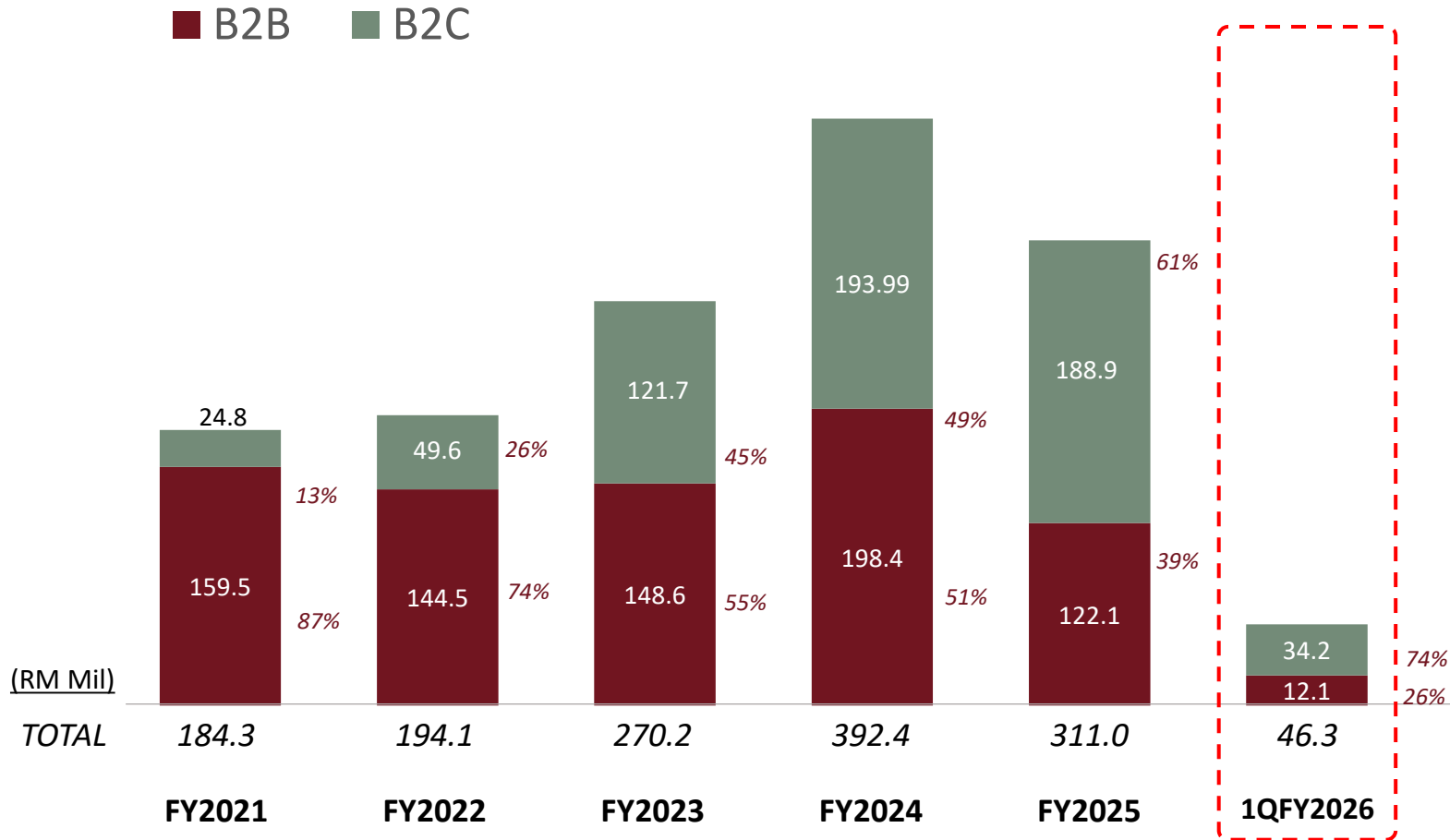
SOLID BALANCE SHEET

- **Net gearing stood at** Net Cash position as at end-Mar 2026
 - Cash & bank balances and liquid short-term investments stood at RM41.4m as at end-Mar 2026 (RM42.1m at end-Dec 2025)
- **Current ratio** stood at 3.20x as at end-Mar 2026
- **Net asset per share** stood at 25 sen as at end-Mar 2026



FINANCIAL PERFORMANCE

Revenue Performance by Segment (FY21 – 1QFY26)





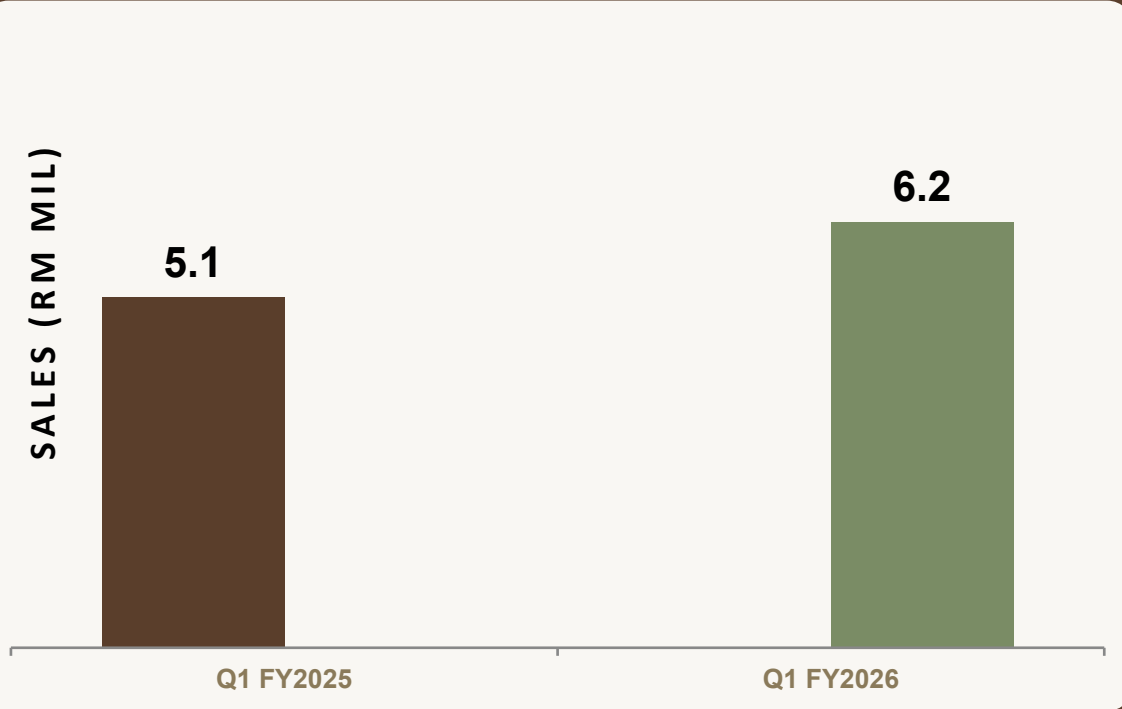
▲ Wayfair UK grew +21.6% YoY in Q1 FY2026, demonstrating platform resilience as the Group executes its geographic diversification strategy away from US market exposure.

Wayfair UK (Y-o-Y)

▲ +21.6%

Resilient growth despite softer market demand overall

SALES (RM MIL)



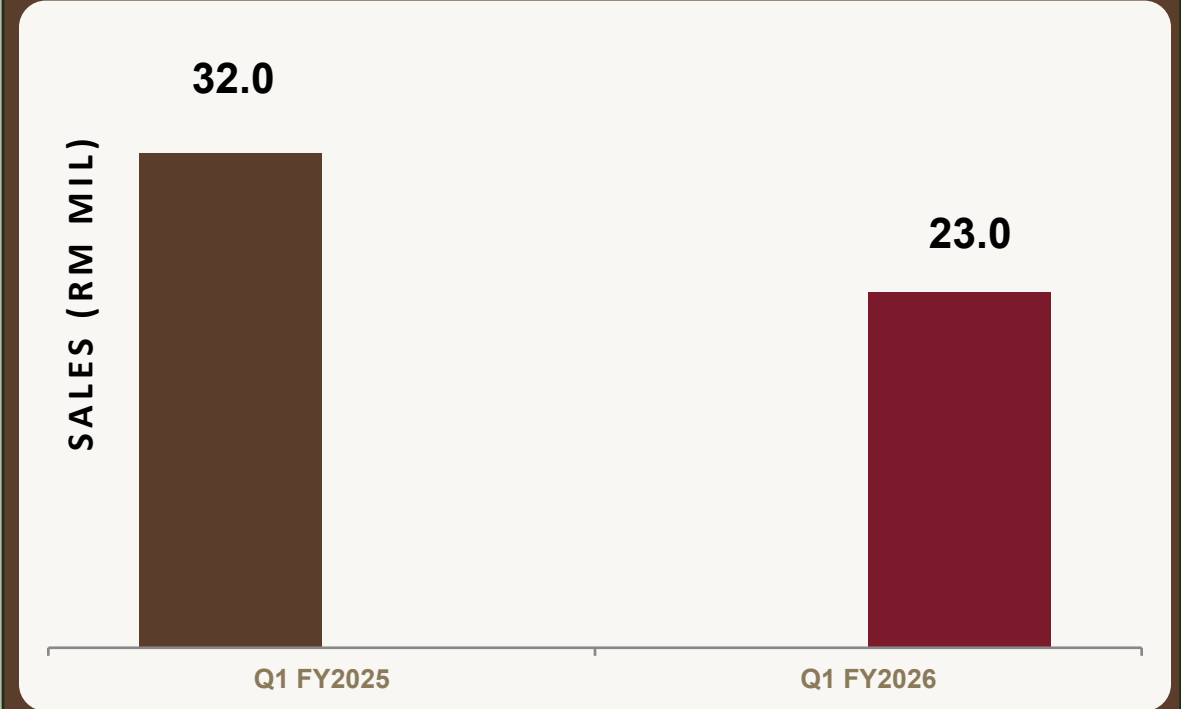
UK INSIGHT Consistent Y-o-Y growth on Wayfair UK validates the Group's platform investment and geographic pivot. Q1 growth achieved despite seasonally weaker demand period.

Wayfair US (Y-o-Y)

▼ -28.1%

Reflects US tariff impact, lower traffic & forex impact

SALES (RM MIL)






US CONTEXT Decline driven by US import tariffs, reduced consumer traffic and ongoing inventory optimisation efforts. Tariff refund process actively ongoing with relevant authorities.

U.S. Trade Update: Emerging Recovery Opportunities



Positive: IEEPA Tariff Development




Group has successfully received partial refunds relating to certain IEEPA tariffs with additional refunds subject to ongoing administrative processes

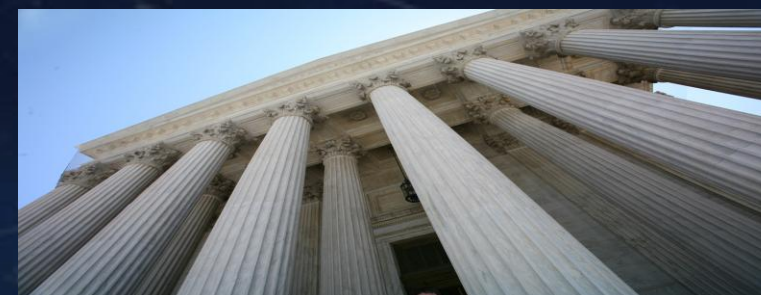
-  Tariff refund with interest, cash flow benefit
-  Lower tariff burden on U.S. sales
-  Margin recovery & earnings upside



Positive: S.122 Tariffs Ruled Illegal

President Trump's imposition of 10% tariffs under the Trade Act 1974 was ruled illegal by the U.S. Court of International Trade

-  Expiring in July 2026
-  Requires Congress approval for extension (unlikely in view of court ruling)
-  Refunds possible pending appeal



Risk: Section 301 – Forced Labour Tariff Proposal

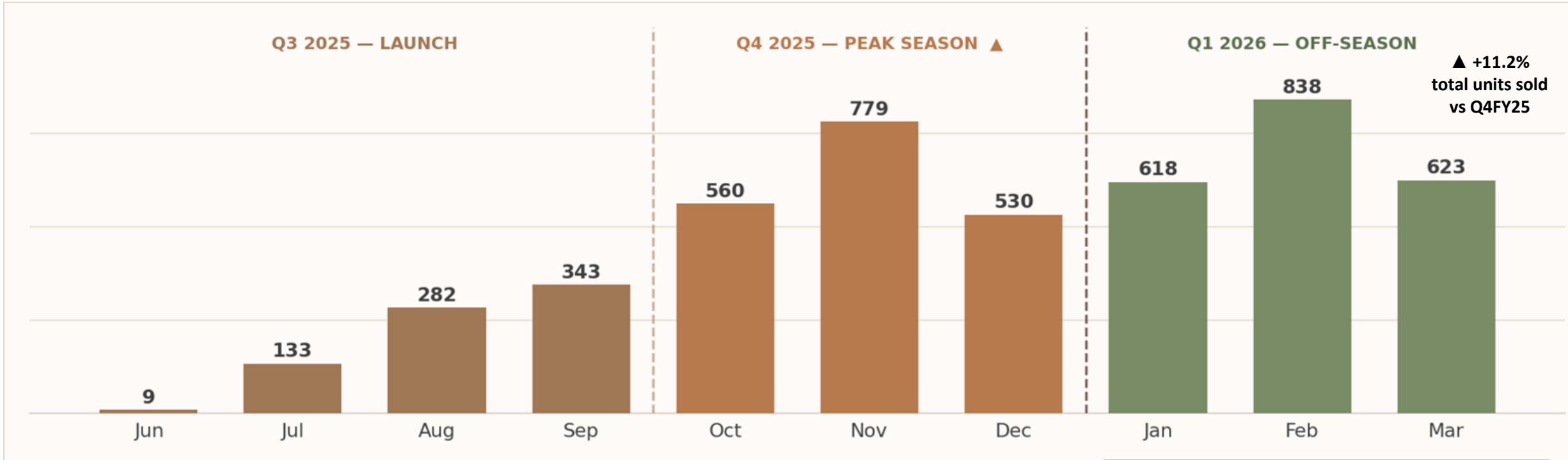
The United States Trade Representative (USTR) determined that Malaysia's failure to impose a forced labour import prohibition is actionable under Section 301 of the Trade Act 1974.

-  USTR proposes an additional 10% tariff on Malaysian exports to the U.S.
-  USTR hearing on 7 July 2026; final determination expected late July 2026
-  Group is monitoring developments closely; outcome subject to hearing and other processes.

 **BOTTOM LINE:** Potential positive catalyst for U.S. profitability and earnings normalization despite trade policy volatility.

Synergy House manages e-commerce operations for third-party vendors, generating commission income from platform sales.

PROJECT LAUNCH June 2025	VENDORS ONBOARDED 6	VENDORS ACTIVE 5	SKUs LISTED >100
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Q3 2025 ~ 767 UNITS	Q4 2025 1,869 UNITS	Q1 2026 2,079 UNITS
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▲ **+11.2% more units** Q1 2026 outperforms peak season Q4 2025

Resilient Demand: Vendor unit sales in Q1 remained resilient despite seasonally weaker demand and softer market conditions.



COMMERCIAL EXECUTION

- Optimising advertising and marketing to regain sales volume
- Strengthening product visibility across key marketplaces
- Enhancing customer reach and conversion efficiency



PRODUCT PORTFOLIO OPTIMISATION

- Focus on higher-ticket and higher-margin product categories
- Expansion into sofas, recliners, bunk beds and dining sets
- Continued rationalisation of lower-margin product categories



OPERATIONAL EFFICIENCY

- Leveraging AI and RPA to improve productivity and automation
- ERP investments to strengthen operational visibility and cost control
- Improved inventory monitoring and replenishment discipline

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Q&A SESSION

SYNERGY HOUSE BERHAD

Lot 19.A, Level 19, Top Glove Tower No. 16, Persiaran Setia Dagang
Bandar Setia Alam, Seksyen U13 40170 Shah Alam Selangor, Malaysia

Tel : +6017-366 3426

Email: info@synergy-house.com