

SYNERGY HOUSE BERHAD

(Registration No: 202101025778 (1426078 - V))

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Individual Quarter 3-Month Ended		Cumulative Quarter 12-Month Ended	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To-Date	Corresponding
	31.12.2023	31.12.2022 ⁽²⁾	31.12.2023	31.12.2022 ⁽²⁾
	RM'000	RM'000	RM'000	RM'000
Revenue	90,771	N/A	270,172	N/A
Operating expenses ⁽⁴⁾	(78,048)	N/A	(233,565)	N/A
Other income	2,389	N/A	4,931	N/A
Finance costs	(958)	N/A	(3,937)	N/A
Profit before tax	14,154	N/A	37,601	N/A
Income tax expense	(3,884)	N/A	(10,453)	N/A
Profit after tax and total comprehensive income for the financial period	10,270	N/A	27,148	N/A
Earnings per share ⁽³⁾				
- Basic/Diluted earnings per share (sen)	2.05	N/A	5.43	N/A

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding quarter and preceding year's corresponding period available as this is the fourth interim financial report for the financial period ended 31 December 2023 announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").
- (3) Basic/Diluted earnings per share ("EPS") is calculated based on the Company's total number of 500,000,000 ordinary shares as at 31 December 2023. Basic EPS and diluted EPS are the same as the Company does not have any outstanding convertible securities as at the end of the current quarter and financial period under review.
- (4) Included under the operating expenses were one-off listing related expenses which amounted to RM0.82 million for the cumulative quarter ended 31 December 2023 (current quarter ended 31.12.2023: nil).

N/A Not applicable

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Unaudited as at 31.12.2023 RM'000	Audited as at 31.12.2022 RM'000
Assets		
Non-current assets		
Property, plant and equipment	33,621	32,271
Right-of-use assets	21,965	22,462
Total non-current assets	<u>55,586</u>	<u>54,733</u>
Current assets		
Inventories	48,625	26,889
Trade receivables	63,488	15,404
Other receivables, deposits and prepayments	5,828	5,908
Current tax assets	218	584
Short-term investment	21,316	-
Deposits with licensed banks	11,892	12,704
Cash and bank balances	13,450	14,723
Total current assets	<u>164,817</u>	<u>76,212</u>
Total assets	<u>220,403</u>	<u>130,945</u>
Equity and liabilities		
Equity		
Share capital	67,419	2,610
Reserves	33,400	43,740
Total equity	<u>100,819</u>	<u>46,350</u>
Non-current liabilities		
Bank borrowings	26,227	37,749
Lease liabilities	201	561
Deferred tax liabilities	2,688	2,688
Total non-current liabilities	<u>29,116</u>	<u>40,998</u>
Current liabilities		
Trade payables	29,094	9,772
Other payables and accruals	19,886	6,616
Bank borrowings	37,545	25,241
Lease liabilities	464	401
Current tax liabilities	3,479	1,567
Total current liabilities	<u>90,468</u>	<u>43,597</u>
Total liabilities	<u>119,584</u>	<u>84,595</u>
Total equity and liabilities	<u>220,403</u>	<u>130,945</u>
Net assets per share (RM)	0.20 ⁽²⁾	17.76 ⁽²⁾

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's number of ordinary shares as at the end of the reporting period/year (As at 31.12.2023: 500,000,000 shares; As at 31.12.2022: 2,610,000 shares).

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾⁽²⁾

	Share capital RM'000	Invested capital RM'000	<i>Non-distributable</i> Reorganisation reserve RM'000	Revaluation reserve RM'000	<i>Distributable</i> Retained profits RM'000	Total equity RM'000
Unaudited						
At 1 January 2023	*	2,610	-	7,655	36,085	46,350
Profit after tax for the financial period	-	-	-	-	27,148	27,148
Total comprehensive income for the financial period	-	-	-	-	27,148	27,148
Contributions by and distributions to owners of the Company:						
- Acquisition of subsidiaries	-	(2,610)	(31,788)	-	-	(34,398)
- Issuance of ordinary shares pursuant to acquisition of subsidiaries	34,398	-	-	-	-	34,398
- Proceeds from issuance of new shares ⁽³⁾	34,400	-	-	-	-	34,400
- Share issuance expenses ⁽⁴⁾	(1,379)	-	-	-	-	(1,379)
- Dividends	-	-	-	-	(5,700)	(5,700)
At 31 December 2023	67,419	-	(31,788)	7,655	57,533	100,819

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding year's corresponding period available as this is the fourth interim financial report for the financial period ended 31 December 2023 announced by the Company in compliance with the Listing Requirements.
- (3) Issuance of new shares pursuant to the Company's initial public offering ("IPO").
- (4) Listing expenses directly attributable to the issuance of new shares and therefore set-off against the share capital.

* Represents RM2

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	Current Year To- Date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 ⁽²⁾ RM'000
Cash flows for operating activities		
Profit before tax	37,601	N/A
Adjustments for:		
Depreciation of property, plant and equipment	1,357	N/A
Depreciation of right-of-use assets	579	N/A
Gain on disposal of property, plant and equipment	(9)	N/A
Gain on reassessment and modification of leases	(2)	N/A
Fair value gain on derivative	(74)	
Inventories written down	147	
Property, plant and equipment written off	12	
Unrealised loss on foreign exchange	2,431	N/A
Interest expenses	3,865	N/A
Interest income	(601)	N/A
Operating profit before working capital changes	45,306	N/A
Changes in working capital:		
Inventories	(21,882)	N/A
Trade and other receivables	(48,798)	N/A
Trade and other payables	27,346	N/A
Cash generated from operations	1,972	N/A
Interest received	601	N/A
Tax paid	(8,269)	N/A
Tax refunded	93	N/A
Net cash used in operating activities	(5,603)	N/A
Cash flows for investing activities		
Net increase in fixed deposit pledged	(979)	N/A
Purchase of property, plant and equipment	(2,570)	N/A
Proceeds from disposal of property, plant and equipment	38	N/A
Net cash used in investing activities	(3,511)	N/A
Cash flows from financing activities		
Dividends paid	(700)	N/A
Drawdown of borrowings (net)	4	N/A
Interest paid	(3,621)	N/A
Proceeds from issuance of ordinary shares	33,021	N/A
Repayment of lease liabilities	(318)	N/A
Net cash from financing activities	28,386	N/A
Net increase in cash and cash equivalents	19,272	N/A
Effects of foreign exchange translation	(1,020)	N/A
Cash and cash equivalents at beginning of period	16,800	N/A
Cash and cash equivalents at end of period	35,052	N/A

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

(1)

	Current Year To- Date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 ⁽²⁾ RM'000
Cash and cash equivalents comprise the following:		
Short-term investment	21,316	N/A
Deposits with licensed banks	11,892	N/A
Cash and bank balances	13,450	N/A
	<hr/> 46,658	<hr/> N/A
Less:		
Deposits pledged to licensed banks	(11,606)	N/A
	<hr/> 35,052	<hr/> N/A

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding year's corresponding period available as this is the fourth interim financial report for the financial period ended 31 December 2023 announced by the Company in compliance with the Listing Requirements.
- N/A Not applicable

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial statements of Synergy House Berhad (“Synergy” or the “Company”) and its subsidiaries (“Group”) are unaudited and have been prepared in accordance with MFRS 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the fourth interim financial report on the Group’s results for the fourth quarter ended 31 December 2023 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial reports should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 12 May 2023 and the accompanying explanatory notes attached to this interim financial report.

A2 Significant Accounting Policies

The accounting policies and presentations adopted by the Group in this interim financial statement are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2022 as disclosed in the Accountants’ Report in the Prospectus of the Company dated 12 May 2023.

The Group has not applied in advance the following accounting standards and/or interpretation (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the financial year ended 31 December 2022:

**MFRSs and/or Interpretations Committee (“IC”) Interpretations
(Including the Consequential Amendments)**

Effective Date

MFRS 17	: Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16	: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17	: Insurance Contracts	1 January 2023
Amendment to MFRS 17	: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101	: Classification of Liabilities as Current or Noncurrent	1 January 2024
Amendments to MFRS 101	: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101	: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108	: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group.

A3 Auditors’ Report

There was no qualification on the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

A4 Seasonal and Cyclical Factors

The business operations of the Company are not materially affected by any seasonal or cyclical factors during the current financial quarter and current financial year-to-date.

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A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and the current financial year-to-date.

A6 Material Changes in Estimates

There were no material changes in estimates that have a material effect on the current financial quarter and current financial year-to-date.

A7 Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

A8 Dividends Paid

On 16 January 2023, the Group paid an interim dividend amounting to RM0.7 million for the financial year ended 31 December 2022.

On 28 December 2023, the Board of Directors of the Company declared a first single-tier interim cash dividend of 1.0 sen per ordinary share amounting to RM5.0 million in respect of the financial year ending 31 December 2023 to all holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 12 January 2024 and was subsequently paid on 31 January 2024.

A9 Segmental Reporting

The Group is principally engaged in the design, development and sale of ready-to-assemble (“RTA”) home furniture. RTA home furniture is a form of furniture where furniture parts are in flat-packed form for ease of storage and transportation. RTA home furniture requires customers to assemble themselves upon purchase.

Segmental assets is not presented, as all non-current assets are located in Malaysia. Segmental revenue is presented based on geographical location of the customers.

	Individual Quarter 3-Month Ended		Cumulative Quarter 12-Month Ended	
	Current Year Quarter 31.12.2023 RM'000	Preceding Year Corresponding Quarter 31.12.2022 RM'000 ⁽¹⁾	Current Year To-Date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 RM'000 ⁽¹⁾
Asia (excluding Malaysia)	732	N/A	2,075	N/A
United Arab Emirates	8,119	N/A	31,204	N/A
United Kingdom	24,156	N/A	88,496	N/A
United States of America	55,370	N/A	139,178	N/A
Malaysia	2,242	N/A	8,753	N/A
Others	152	N/A	466	N/A
Total	90,771	N/A	270,172	N/A

Notes:

(1) There are no comparative figures for the preceding quarter available as this is the fourth interim financial report for the fourth quarter ended 31 December 2023 announced in compliance with Listing Requirements.

N/A Not applicable

A10 Capital Commitments

There were no material capital commitments in respect of property, plant and equipment as at 31 December 2023.

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A11 Material Events after the End of the Reporting Period

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report as at the date of this report.

A12 Changes in the Composition of the Group

On 20 June 2023, Synergy House Furniture Sdn. Bhd. ("SHF"), a wholly-owned subsidiary of the Company, subscribed for 1,000 ordinary shares of USD1.00 each representing 100.00% of the paid-up share capital in Synergy House Furniture Inc ("Synergy US") for a total cash consideration of USD1,000.00 ("Subscription of Shares"). With the Subscription of Shares, Synergy US has become a wholly-owned subsidiary of SHF and an indirect subsidiary of the Company.

Other than the above, there were no other material changes in the composition of the Group for the current financial quarter and the financial year-to-date.

A13 Contingent Liabilities

As at 31 December 2023, a nominal amount of RM86.6 million (As at 31 December 2022: Nil) relating to corporate guarantees has been provided by the Company to banks for its subsidiaries' loans and borrowings.

A14 Significant Related Party Transactions

	Individual Quarter 3-Month Ended		Cumulative Quarter 12-Month Ended	
	Unaudited 31.12.2023 RM'000	Unaudited 31.12.2022 RM'000	Unaudited 31.12.2023 RM'000	Unaudited 31.12.2022 RM'000
Holding company				
Dividend paid	-	N/A	700	N/A
Companies in which certain directors have substantial financial interest				
Rental expenses	26	N/A	104	N/A

Note:

N/A Not applicable

PART B - ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of Group's Performance

(a) Results for current quarter

The Group recorded revenue of RM90.8 million and profit before tax ("PBT") of RM14.2 million for the current financial quarter. The Group's revenue is derived from the business-to-business ("B2B") and the business-to-consumer ("B2C") market segment. The B2B segment recorded a revenue of RM46.2 million or approximately 50.88% of the Group's total revenue while the B2C segment recorded a revenue of RM44.6 million or approximately 49.12% of the Group's total revenue.

United States of America ("USA") was the Group's largest market, contributing to approximately 61.00% of the Group's revenue in the current financial quarter. Revenue from the USA market was mainly derived from B2C sales during the current financial quarter.

No comparative figures for the preceding year's corresponding quarter are available as this is the fourth interim financial report for the fourth quarter ended 31 December 2023 announced in compliance with the Listing Requirements.

(b) Results for financial year-to-date

The Group recorded revenue of RM270.2 million and PBT of RM37.6 million for the 12-month ended 31 December 2023. The B2B segment accounted for 54.96% of the Group's total revenue, or RM148.5 million, while the B2C segment accounted for 45.04%, or RM121.7 million. In-line with the Group's expansion in the B2C segment, the Group's revenue generated from the B2C segment for the 12-month ended 31 December 2023 of RM121.7 million is 145.37% more than the total B2C sales generated during the previous 12 months financial year ended 31 December 2022 of RM49.6 million. The Group also recorded higher B2B sales in financial year ended 31 December 2023 of RM148.5 million as compared to RM144.5 million in financial year ended 31 December 2022, an increase of RM4.0 million or 2.77%. Correspondingly, the Group also generated a profit after tax of RM27.1 million for the 12-month ended 31 December 2023 which is 63.25% more than the 12-month profit after tax in FY2022 of RM16.6 million.

For the 12-month ended 31 December 2023, the USA market was the Group's largest market, contributing to approximately 51.51% of the Group's total revenue. Revenue from the USA market was mainly derived from B2C sales during the 12-month ended 31 December 2023.

No comparative figures for the preceding year's corresponding period are available as this is the fourth interim financial report for the fourth quarter ended 31 December 2023 announced in compliance with the Listing Requirements.

B2 Comparison with Immediate Preceding Quarter

	Individual Quarter 3-Month Ended		Variance	
	31.12.2023 RM'000	30.09.2023 RM'000	RM'000	%
Revenue	90,771	69,249	21,522	31.08%
PBT	14,154	11,381	2,773	24.37%

The Group's revenue for the current financial quarter ended 31 December 2023 increased by approximately RM21.5 million or 31.08% to approximately RM90.8 million compared to RM69.2 million in the preceding financial quarter ended 30 September 2023. The revenue growth was mainly due to higher revenue contribution from the B2C segment in USA and United Kingdom ("UK") and B2B segment in USA. Overall, for the current quarter ended 31 December 2023, the Group recorded higher revenue in both the B2B and B2C segment as compared to the preceding quarter. The B2C segment grew by RM18.1 million or 68.30% while B2B revenue grew by RM3.50 million or 8.00% as compared to the preceding quarter.

B2 Comparison with Immediate Preceding Quarter (cont'd)

The Group's PBT for the current financial quarter ended 31 December 2023 increased by approximately RM2.7 million or 24.37% from RM11.4 million in the preceding financial quarter ended 30 September 2023 to RM14.2 million. The increase in PBT in the current financial quarter as compared to the preceding financial quarter was mainly due to the following:

- (i) increase in sales from the B2B segment by 116.67% mainly in USA for the current financial quarter (RM18.2 million) as compared to the preceding financial quarter (RM8.4 million); and
- (ii) increase in sales from B2C segments in USA and UK by 70.73% for the current financial quarter (RM42.0 million) as compared to the preceding financial quarter (RM24.6 million).

The above increase was partially offset by net foreign exchange losses of approximately RM1.3 million in the current financial quarter as compared to net foreign exchange gains of RM0.2 million in the preceding financial quarter.

B3 Prospects

The Group intends to focus on the following future plans and business strategies for the future growth and expansion of its business:

- (i) to continue growing the Group's B2C sales segment with the following strategies:
 - (a) expansion of customer reach through listing and selling products on additional third party e-commerce platforms with new market focus;
 - (b) enhancement of revenue through more advertisements and promotions;
 - (c) establishment of e-commerce fulfilment centre locally to cater for overseas B2C sales; and
 - (d) purchase of inventories for third party e-commerce fulfilment centres in overseas countries and proposed new warehouse in Muar, Johor in anticipation of increasing B2C sales.
 - (e) leverage more on technology and artificial intelligence ("AI") to obtain the latest and updated information as well as improving efficiency in expanding the B2C sales segment. This includes amongst others, subscription of market intelligence softwares to keep abreast of the latest market trends and demands for home furniture.
- (ii) to continue to expand the Group's range of home furniture through continuous design and development efforts.

The Group holds a cautiously optimistic view on the potential of the global furniture e-commerce market. The Group believes that with its strategies, it can effectively capitalize on this potential and expand its market share. The Group also views that the current strategies being implemented will positively contribute to the long-term growth and expansion of its B2C segment.

Despite the ongoing global economic challenges, the Group anticipates a lesser impact on its business, given that its home furniture products are priced affordably. Moreover, the Group is well positioned in the B2C sales segment, having established a robust presence on third-party e-commerce platforms in the United States, United Kingdom, and Canada. Additionally, during the current financial quarter under review, the Group had also commenced B2C sales in Germany, further expanding its reach to new markets.

B4 Profit Forecast

The Group did not issue any profit forecast or guarantee during the current financial quarter under review and the financial year to-date.

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B5 Taxation

	Individual Quarter 3-Month Ended		Cumulative Quarter 12-Month Ended	
	Current Year Quarter 31.12.2023 RM'000	Preceding Year Corresponding Quarter 31.12.2022 ⁽¹⁾ RM'000	Current Year To- Date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 ⁽¹⁾ RM'000
	Current tax expense	3,884	N/A	10,453
Deferred tax expense	-	N/A	-	N/A
	<u>3,884</u>	<u>N/A</u>	<u>10,453</u>	<u>N/A</u>
Effective tax rate	27% ⁽²⁾	N/A	28% ⁽²⁾	N/A

Notes:

- (1) There are no comparative figures for the preceding quarter available as this is the fourth interim financial report for the fourth quarter ended 31 December 2023 announced in compliance with the Listing Requirements.
- (2) The Group's effective tax rate in the current financial quarter under review was higher than the statutory tax rate of 24% mainly due to interest expenses for certain term loans which are not tax-deductible. The effective tax rate for the current financial year-to-date was also higher due to the aforementioned reason and under provision of income tax for the year of assessment 2022, as well as being further impacted by expenses incurred for the Listing which were recorded in the second quarter ended 30 June 2023.

B6 Status of Corporate Proposals

There were no corporate proposals announced by the Company but not completed as at the date of this report.

B7 Utilisation of Proceeds

The gross proceeds from the Company's IPO amounting to RM34.40 million is intended to be utilised in the following manner:

Details of Utilisation of Proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Re-allocation ⁽¹⁾ RM'000	Balance RM'000	Estimated Timeframe for Utilisation upon Listing ⁽²⁾
E-commerce fulfilment centres in Muar, Johor and overseas countries					
- Purchase of inventories	10,000	(10,000)	-	-	Within 18 months
E-commerce fulfilment centre in Muar, Johor					
- Purchase of racking system and forklifts	1,500	-	-	1,500	Within 18 months
E-commerce advertising and promotions	1,000	(1,000)	-	-	Within 18 months
Repayment of borrowings	10,000	(10,000)	-	-	Within 6 months
Working capital	7,700	(7,821)	121	-	Within 12 months
Estimated listing expenses	4,200	(4,079)	(121)	-	Within 1 month
Total	34,400	(32,900)	-	1,500	

Notes:

- (1) The unutilised balance of RM0.12 million from the estimated listing expenses were reallocated to working capital.
- (2) From the date of listing of the Company on the ACE Market of Bursa Securities. The use of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 12 May 2023.

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B8 Group Borrowings and Debt Securities

The Group's borrowings as at 31 December 2023 are as follows:

	Unaudited as at 31.12.2023 RM'000	Audited as at 31.12.2022 RM'000
Non-current		
<u>Secured</u>		
Bank borrowings	26,227	37,871
<u>Unsecured</u>		
Lease liabilities	201	439
	26,428	38,310
Current		
<u>Secured</u>		
Bank borrowings	37,545	25,322
<u>Unsecured</u>		
Lease liabilities	464	320
	38,009	25,642
Total borrowings	64,437	63,952

Included in the Group's borrowings are foreign currency denominated borrowings as follows:

	Amount denominated in foreign currency As at 31.12.2023 '000	As at 31.12.2023 RM'000	Amount denominated in foreign currency As at 31.12.2022 '000	As at 31.12.2022 RM'000
USD	381	1,757	1,102	4,981
MYR	-	62,680	-	58,971
Total	381	64,437	1,102	63,952

B9 Derivatives

The Group's outstanding derivatives as at 31 December 2023 are as follows:

	Contract or notional amount RM'000	Fair value RM'000	Fair value change amount RM'000
Forward foreign exchange contracts			
- Less than 1 year	6,029	5,955	74

The Group uses forward foreign exchange contracts to manage some of its transaction exposure associated with foreign currency fluctuations.

B10 Material Litigation

There were no material litigations pending as at the date of this interim financial report.

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B11 Earnings Per Share

The basic and diluted earnings per share for the current and cumulative quarter is computed as follows:

		Individual Quarter 3-Month Ended		Cumulative Quarter 12-Month Ended	
		Current Year Quarter 31.12.2023	Preceding Year Corresponding Quarter 31.12.2022 ⁽²⁾	Current Year To-Date 31.12.2023	Preceding Year Corresponding Period 31.12.2022 ⁽²⁾
Profit after tax	(RM'000)	10,270	N/A	27,148	N/A
Number of ordinary shares	('000)	500,000	N/A	500,000	N/A
Basic/Diluted earnings per share ⁽¹⁾	(sen)	2.05	N/A	5.43	N/A

Notes:

(1) Basic/Diluted earnings per share is calculated based on the Company's total number of 500,000,000 ordinary shares as at 31 December 2023. Basic EPS and diluted EPS are the same as the Company does not have any outstanding convertible securities as at the end of the current quarter and financial period under review.

(2) There are no comparative figures for the preceding quarter available as this is the fourth interim financial report for the fourth quarter ended 31 December 2023 announced in compliance with the Listing Requirements.

N/A Not applicable

B12 Notes to the Statement of Profit and Loss and Other Comprehensive Income

Profit before tax has been arrived at after (crediting) / charging:

	Individual Quarter 3-Month Ended		Cumulative Quarter 12-Month Ended	
	Current Year Quarter 31.12.2023 RM'000	Preceding Year Corresponding Quarter 31.12.2022 ⁽¹⁾ RM'000	Current Year To-Date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 ⁽¹⁾ RM'000
Depreciation of property, plant and equipment	419	N/A	1,357	N/A
Depreciation of right-of-use assets	84	N/A	579	N/A
Unrealised loss on foreign exchange	2,245	N/A	2,431	N/A
Realised gain on foreign exchange	(836)	N/A	(2,465)	N/A
Interest expenses	1,122	N/A	3,865	N/A
Gain on reassessment and modification of leases	-	N/A	(2)	N/A
Interest income	(459)	N/A	(601)	N/A

Save as disclosed above, the other disclosure items as required under paragraph 16 of Appendix 9B of the Listing Requirements are not applicable.

Notes:

(1) There are no comparative figures for the preceding quarter available as this is the fourth interim financial report for the fourth quarter ended 31 December 2023 announced in compliance with the Listing Requirements.

N/A Not applicable

SYNERGY HOUSE BERHAD (Registration No: 202101025778 (1426078 - V))

B13 Dividend

On 27 February 2024, the Board of Directors of the Company had declared a second interim single tier dividend of 0.6 sen per ordinary share amounting to approximately RM3.0 million in respect of the financial year ended 31 December 2023 to all holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 12 March 2024, which is payable on 22 March 2024.

BY ORDER OF THE BOARD

SYNERGY HOUSE BERHAD

27 February 2024