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MEDIA RELEASE

For Immediate Release

Synagie continues strong growth as 1H2018 revenue increases 132.4% to S\$6.9 million, compared to 1H2017

- Insurtech business contributes revenue of S\$1.6 million in 1H2018
- The number of Brand Partners increased from 186 as at 2017 to more than 250 as at 1H2018

Singapore, 12 September 2018 – Synagie Corporation Ltd. (“Synagie”, “思騰控股有限公司”, or together with its subsidiaries, the “Group”), Southeast Asia (“SE Asia”)’s leading E-commerce enabler in the Body, Beauty and Baby (“BBB”) sector, today announced its consolidated financial results for the half year ended 30 June 2018 (“1H2018”).

1H2018 Financial Highlights

S\$' million	1H2018	1H2017
Revenue	6.9	3.0
Gross profit	1.8	0.7
Net loss attributable to owners of the Company	(3.4)	(1.2)
Gross profit margin	25.8%	23.8%

Commenting on the 1H2018 results, **Mr Clement Lee, Executive Director and Chief Executive Officer of Synagie** said, “We continue to see strong revenue growth in 1H2018. Our recent Initial Public Offering (“IPO”) allows us to fast-track our growth plans and capitalise on the exponential growth of the e-commerce market in SE Asia. We will continue to bring in new Brand Partners, both multinational corporations (“MNCs”) and increasingly, more small and medium enterprises (“SMEs”). Our recent collaboration with United Overseas Bank Limited (“UOB”) for example, allows their

Singapore-based SME clients to utilise our plug-and-play solution to fulfil their e-commerce requirements quickly at a lower cost, thus allowing them to focus on increasing their sales. We are also constantly enhancing our Synagie Platform to cater to our customers' evolving needs as we expand further into the SE Asia region."

The Group's revenue increased by S\$3.9 million, from S\$3.0 million for the half year ended 30 June 2017 ("**1H2017**") to S\$6.9 million in 1H2018. The revenue increase was due to an increase in online sales volume as Synagie adopted a more proactive marketing strategy with Brand Partners to promote their products in various online marketplaces; an increase in the number of Brand Partners from 186 as at 2017 to more than 250 as at 1H2018; and the new revenue contribution from the Insurtech business.

Segmental revenue (S\$' million)	1H2018	1H2017
E-Commerce	5.0	2.6
E-Logistics	0.3	0.4
Insurtech	1.6	-
Total	6.9	3.0

In 1H2018, E-Commerce revenue increased by S\$2.4 million, from S\$2.6 million in 1H2017 to S\$5.0 million in 1H2018. The Group's Insurtech business also recorded a maiden revenue contribution of S\$1.6 million since the completion of the acquisition of Third Party Administrative ("**TPA**") subsidiary in April 2018.

The Group's gross profit rose by S\$1.1 million, from S\$0.7 million in 1H2017 to S\$1.8 million in 1H2018 due to higher margin contribution from the Insurtech business. Consequently, gross profit margin improved from 23.8% in 1H2017 to 25.8% in 1H2018.

The Group's administrative expenses increased by S\$3.0 million, from S\$1.5 million in 1H2017 to S\$4.5 million in 1H2018, mainly due to increase in staff costs as a result of an increase in staff strength in Singapore to support our business growth, our expansion into Malaysia and staff inherited from the acquisition of our TPA subsidiary as well as one-off expenses amounting to S\$1.7 million, comprising IPO expenses and professional fees incurred in connection with the acquisition of TPA subsidiary. In

addition, finance costs increased by S\$0.5 million, largely attributed to amortisation of Convertible Notes (one-off expense).

As a result of the above, the Group's net loss increased by S\$2.8 million, from S\$1.2 million in 1H2017 to S\$3.4 million in 1H2018. Had the one-off expenses been excluded, net loss for 1H2018 would have been S\$1.7 million.

Business Outlook

SE Asia's expanding middle class is expected to stimulate the e-commerce market with their higher purchasing power, especially with the introduction of new banking models and greater access to loans and credit. The total gross merchandise value ("GMV") of SE Asia's e-commerce industry grew exponentially from US\$5.3 billion in 2014 to US\$16.6 billion in 2017, and is forecasted to reach US\$45.6 billion by 2022 with a revenue CAGR of 22.3%¹.

In Singapore and SE Asia, the online BBB industry has high market penetration and growth potential. The online BBB market in Singapore grew 28.5% year-on-year to US\$82.1 million in 2017 and is expected to record a revenue CAGR of 14.7% from 2017 to 2022. SE Asia's online BBB market correspondingly grew 40.8% to US\$0.8 billion in 2017 and is forecasted to grow at a revenue CAGR of 25.2% to reach US\$2.6 billion by 2022¹.

On 29 August 2018, the Group entered into a collaboration agreement with UOB to help SMEs in the region expand into and manage multiple online sales channels more effectively for business growth. As UOB's preferred commerce-enabling partner, UOB's SMEs clients in the region have preferential access to Synagie's range of easy-to-use, end-to-end e-commerce solutions. This includes access to Synagie.com, a one-stop cloud-based platform that enables businesses to integrate their sales and distribution in Singapore and Malaysia across multiple online marketplaces as well as offline channels with a single dashboard. The Synagie Platform also provides real-time big data analytics tools to help businesses understand their customers' buying preferences and offers on-demand warehousing and fulfilment services on a pay-per-use basis. This collaboration with UOB starts with UOB's SME client base in Singapore, thereafter followed by Malaysia, Thailand, Vietnam and Indonesia.

¹ The industry report titled "Independent Market Research on the E-commerce Industry in Singapore and Southeast Asia" by Frost & Sullivan set out in Appendix F of the Offer Document.

In 1H2018, the Group onboarded more than 64 new Brand Partners as compared to a total of 186 Brand Partners in 2017. These new Brand Partners are expected to contribute progressively to the Group in the coming quarters as the Brand Partners that were onboarded at the end of 2017 start to scale up their e-commerce business. The Group will continue to bring in more Brand Partners in Singapore and SE Asia, as it builds up its e-commerce ecosystem.

The Group plans to further expand into the SE Asia region beginning with Philippines by end of 2018, followed by Vietnam in 2019. Philippines has a population of 106 million people and the revenue of its e-commerce market is estimated to be US\$1.6 billion in 2018 and is projected to grow at a revenue CAGR of 15.2% from 2018 to 2022, resulting in a market volume of US\$2.9 billion by 2022.² Vietnam, on the other hand, has a population of 96.2 million people and as of 2018, its e-commerce market is estimated to generate revenue amounting to US\$2.7 billion and is projected to grow at a revenue CAGR of 13.5% from 2018 to 2022, resulting in a market volume of US\$4.5 billion by 2022.³

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² <https://www.statista.com/outlook/243/123/ecommerce/philippines>

³ <https://www.statista.com/outlook/243/127/ecommerce/vietnam>

About Synagie Corporation Ltd.

Synagie is a Singapore-founded e-commerce solutions provider and one of SE Asia's leading e-commerce enablers that provides end-to-end solutions to help brands and businesses shift online. According to Frost & Sullivan, Synagie is the fastest growing e-commerce start-up in Singapore and one of the fastest growing in SE Asia. Synagie helps its Brand Partners which include SMEs and MNCs execute their e-commerce strategies by selling their goods or services to consumers online and providing one-stop services and integrated technology to manage their multi-channel e-commerce operations. The end-to-end commerce enablement and fulfilment solutions is achieved through the Group's cloud-based Synagie Platform which leverages on technology such as Cloud Computing, Big Data Analytics and Artificial Intelligence. This solution encompasses all aspects of the E-commerce value chain covering technology, online store operations, content and channel management, digital marketing, customer service to warehousing and fulfilment. Synagie has a platform-based, asset-light business model with three synergistic business segments, namely E-Commerce, E-Logistics and Insurtech that work together to offer innovative and efficiency driven solutions to its Brand Partners. Synagie is listed on Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 8 August 2018 (SGX: V2Y).

Issued on behalf of the Company by Cogent Communications Pte Ltd.

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