
RELATIONSHIP WITH CONTROLLING SHAREHOLDERS OF THE SUCCESSOR COMPANY

OVERVIEW

Immediately upon Closing (assuming full redemption of the SPAC Shares, no exercise of the Promoter Earn-out Right, the Target Company Founder Earn-out Right and the subscription rights attaching to the Successor SPAC Warrants and the Successor Promoter Warrants and no Permitted Equity Financing), the Successor Company will be owned as to 34.18% by Alibaba Singapore. Alibaba Singapore is a wholly-owned subsidiary of Alibaba.com International (BVI) Holding Limited, which is a wholly-owned subsidiary of Alibaba.com International (Cayman) Holding Limited, which is a wholly-owned subsidiary of Alibaba.com Investment Holding Limited, which is a wholly-owned subsidiary of Alibaba.com Limited. Alibaba directly owns approximately 80% of the share capital of Alibaba.com Limited and indirectly owns the remainder of the share capital of Alibaba.com Limited through Alibaba Group Treasury Limited, a wholly-owned subsidiary of Alibaba. Accordingly, Alibaba, together with its wholly-owned subsidiaries Alibaba Singapore, Alibaba.com International (BVI) Holding Limited, Alibaba.com International (Cayman) Holding Limited, Alibaba.com Investment Holding Limited and Alibaba.com Limited (“**Alibaba Group**”), will constitute a group of controlling shareholders of the Successor Company after Closing.

DELINEATION OF BUSINESS

Business of the Target Group

The Target Group is a leading data-driven digital commerce solutions platform in Southeast Asia. It provides integrated digital commerce solutions to its brand partners, where (1) under its D2B business model, it provides data-driven digital commerce solutions to the brands covering all aspects of digital commerce, and (2) under its D2C business model, it sells the brands’ products to consumers directly. The Synagie Platform has provided unified and integrated solutions to streamline, enhance and transform traditional commerce practices for brands and provide a seamless digital commerce experience for consumers in Southeast Asia.

Business of Alibaba Group

Taobao and Tmall, members of Alibaba Group, together constitute the world’s largest digital retail business in terms of GMV for the twelve months ended March 31, 2024, according to CIC. The six major business groups of Alibaba Group are Taobao and Tmall Group, Cloud Intelligence Group, Alibaba International Digital Commerce Group, Cainiao Smart Logistics Network Limited, Local Services Group, and Digital Media and Entertainment Group. An ecosystem has developed around its platforms and businesses that consists of consumers, merchants, brands, retailers, third-party service providers, strategic alliance partners and other businesses.

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To the best knowledge of the Successor Directors, Alibaba Group may, from time to time, make strategic investments and acquisitions. Its investment and acquisition strategy is focused on strengthening its digital economy, creating strategic synergies across its businesses, and enhancing its overall value. Many of its investments are in the form of minority investments instead of full acquisitions, where Alibaba Group allows the investees to have operating independence under their existing management, and is not involved in their day-to-day management. The Successor Directors do not consider the minority investments of Alibaba Group will constitute substantive competing interests with the Successor Group, as (a) accordingly to CIC, the Target Group is an entrenched partner for brands and major digital commerce channels in Southeast Asia, and its solutions and technological capabilities have been well recognized by major digital commerce channels, which differentiates itself from other digital commerce solution providers; (b) Alibaba is only a passive investor in their minority investments and is not involved in their day-to-day operations and management, which are carried out by their own management and operation team. (c) the management and operational decisions of the Successor Group will be made by its management independently from Alibaba Group; and (d) there will be adequate corporate governance measures in place to manage existing and potential conflicts of interest between the Successor Group and Alibaba Group if such circumstances arise.

Based on the foregoing, the Successor Directors believe that there will be a clear delineation between the businesses of the Successor Group and Alibaba Group, there will not be material competition between the business of the Successor Group and the investments of Alibaba Group.

INDEPENDENCE FROM ALIBABA GROUP

The Successor Directors believes that the Successor Group will be capable of carrying on its business independently from Alibaba Group and its close associates (other than the Successor Group) after Closing.

Management Independence

The Successor Board will comprise two executive Successor Directors, three non-executive Successor Directors, and three independent non-executive Successor Directors. Save for Mr. Jin Qin who was nominated by Alibaba, none of the Successor Directors or members of the senior management team of the Successor Company holds any position in Alibaba Group or its close associates.

The executive Successor Directors and members of senior management who are responsible for the Successor Group’s daily management and operations have the relevant experience in managing the Successor Group’s business.

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Each of the Successor Directors is aware of his/her fiduciary duties as a Successor Director, which require, among other things, that he/she acts for the benefit and in the best interests of the Successor Company and avoiding conflict between his/her duties as a Successor Director and his/her personal interests. In the event that there is any potential conflict of interest arising out of any contract or arrangement or any other proposal in which the Successor Directors or any of his/her close associates has any material interest, the interested Successor Director(s) will be required to declare the nature of such interest before voting at the relevant Successor Board meetings in respect of such transactions and shall abstain from voting on (nor shall be counted in the quorum in relation to) any resolutions approving any contract or arrangement or any other proposal in which he/she or any of his/her close associates is materially interested in. See “Appendix V — Summary of the Constitution of the Successor Company and Cayman Islands Company Law—Summary of the Constitution of the Company”.

Three independent non-executive Successor Directors who have extensive experience in their respective areas of expertise are proposed to be appointed to ensure that the decision of the Successor Board will be made after due consideration of independent and impartial opinions and in the best interests of the Successor Company and the Successor Shareholders as a whole. Connected transactions between the Successor Company and Alibaba Group and/or its close associates will be subject to the review by the independent non-executive Successor Directors as required by the applicable Listing Rules. In addition, the Successor will have corporate governance measures in place to manage conflicts of interests, if any, between the Successor Group and Alibaba Group. See “— Corporate Governance Measures” in this section.

Based on the above, the Successor Directors are of the view that the Successor Group will be capable of managing its business independently from the Alibaba Group and its close associates after the Closing.

Operational Independence

The Target Company, through its subsidiaries, holds the relevant licenses, approvals and permits from the relevant regulatory authorities that are material to its operations. It has sufficient facilities and employees to operate its business independently from Alibaba Group and its close associates. The Target Group also has independent access to its customers and suppliers and an independent management team to operate its business.

Details of the continuing connected transactions between the Successor Group and Alibaba Group or its associates which will continue after the completion of the Global Offering are set out in “Connected Transactions of the Successor Company.” All such transactions will be conducted on

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arm’s length basis and on normal commercial terms. Save for such continuing connected transactions, the Successor Directors do not expect that there will be any other transactions between the Successor Group and Alibaba Group or its associates immediately after the Closing.

Based on the above, the Successor Directors are of the view that the Successor Group will be capable to operate independently from Alibaba Group and its close associates after the Closing.

Financial Independence

The Target Group has its own internal control and accounting systems, accounting and finance department, independent treasury function for cash receipts and payment and independent access to third party financing. As of December 31, 2023, borrowings of S\$10,863,936 were provided by Alibaba Group and its close associates in the form of convertible notes. For details, See “Financial Information of the Target Group — Indebtedness — Bank and other Borrowings” and note 27 to the Accountant’s Report set out in Appendix I, which the Target Group intends to repay in full upon the closing by applying part of the proceeds from the PIPE Investments. See “Future Plans and Use of Proceeds — Use of Proceeds” for details. As of the Latest Practicable Date, save for the above and in “Connected Transactions of the Successor Company” and other accounts receivables and accounts payables arising from the normal course of business, none of the Target Group’s borrowings were provided by Alibaba Group, and the Target Group did not have any outstanding loans or other forms of financial assistance provided by, or granted to, Alibaba Group or its close associates. Based on the above, the Successor Directors are of the view that the Successor Group will be capable to maintain financial independence from Alibaba Group and its close associates after the Closing.

CORPORATE GOVERNANCE MEASURES

The Successor Directors believe that there will be adequate corporate governance measures in place to manage existing and potential conflicts of interest. In order to further avoid potential conflicts of interest, the Successor Company will implement the following measures:

- (a) the Successor Articles, if adopted by the Shareholders at the EGM, will comply with the requirements under the Listing Rules. In particular, the Successor Articles will provide that, unless otherwise provided, a Successor Director shall not vote on any resolution approving any contract or arrangement or any other proposal in which such Successor Director or any of his/her associates have a material interest nor shall such Successor Director be counted in the quorum present at the meeting;

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- (b) a Successor Director with material interests shall make full disclosure in respect of matters that may have conflict or potentially conflict with any of the Successor Company’s interest and abstain from the meetings of the Successor Board on matters in which such Successor Director or his/her associates have a material interest, unless the attendance or participation of such Successor Director at such meeting of the Successor Board is specifically requested by a majority of the independent non-executive Successor Directors;
- (c) the Successor Board will include a balanced composition of executive Successor Directors, non-executive Successor Directors and independent non-executive Successor Directors. The Successor Board believes that the independent non-executive Successor Directors possess sufficient experience and they are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial, external opinion to protect the interests of the public Shareholders. For details of the independent non-executive Successor Directors, see “Successor Directors and Senior Management of the Successor Company — Successor Directors — Independent non-executive Successor Directors;”
- (d) Somerley Capital Limited will act as the compliance advisor of the Successor Company, which will provide advice and guidance to it in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors’ duties and corporate governance; and
- (e) as required by the Listing Rules, the independent non-executive Successor Directors shall review any continuing connected transactions annually and confirm in the annual reports of the Successor Company that such transactions have been entered into in its ordinary and usual course of business, are either on normal commercial terms or on terms no less favorable to the Successor Group than those available to or from independent third parties and on terms that are fair and reasonable and in the interests of the Shareholders as a whole.