In this section, "Synagie," "we," "us" or "our" refer to the Target Company and its subsidiaries. The information and statistics set out in this section and other sections of this circular were extracted from different official government publications, available sources from public market research and other sources form independent suppliers, and from the independent industry report prepared by CIC. We engaged CIC to prepare the CIC Report, an independent industry report, in connection with the De-SPAC Transaction. We believe that the sources of these information and statistics are appropriate for such information and statistics and have taken reasonable care in extracting and reproducing such information and statistics. We have no reason to believe that such information and statistics are false or misleading or that any fact has been omitted that would render such information and statistics false or misleading in any material respect. Such information and statistics from official government sources have not been independently verified by us, the SPAC, or any of our or their respective directors and advisors, the Joint Sponsors, the **[REDACTED]*****, or any other persons or parties involved in the De-SPAC Transaction, and no representation is given as to its accuracy. Accordingly, such information and statistics contained herein may not be accurate and should not be unduly relied upon. For discussions of risks relating to our industry, see "Risk Factors — Risks Relating to the Target Group's Business."***

HIGHLY ATTRACTIVE DIGITAL ECONOMY IN SOUTHEAST ASIA

Southeast Asia has a highly attractive digital economy for its strong economic growth, a large proportion of young population, the increasing number of mass-affluent individuals, and high internet penetration.

Southeast Asia' economy has been experiencing robust growth and is expected to further grow at a pace faster than the global economy. In particular, Southeast Asia's GDP increased at a CAGR of 4.4% from US$3,069.2 billion in 2018 to US$3,812.5 billion in 2023, and is expected to further increase at a CAGR of 7.2% from US$4,078.5 billion in 2024 to US$5,392.5 billion in 2028. Southeast Asia's GDP has outperformed and is expected to continue to outperform the global GDP growth, driven by its increasing domestic demand, stable employment prospects, and easing prices. Additionally, the ongoing recovery in the services sector and early indications of rising export demand contribute to this trend. The increasing trend of Southeast Asia's GDP in the next few years is anticipated to stimulate the digital economy in Southeast Asia.

Southeast Asia's large proportion of young population is also a robust growth driver for the digital economy in this region. Youth population refers to individuals aged between 15 and 34. According to the United Nations, the young population of Southeast Asia increased at a CAGR of 0.2% from 213.1 million in 2018 to 214.8 million in 2023, and is expected to further increase at a CAGR of 0.2% from 215.2 million in 2024 to 216.7 million in 2028. Southeast Asia's larger proportion of young population than developed regions and China has provided the region with substantial labor resources to support its economic growth.

The increasing number of mass-affluent individuals in Southeast Asia is expected to enable the region's digital economy to surge. Mass-affluent individuals refers to consumers who have liquid assets of between US$100,000 and US$1 million and tend to spend significantly more on premium goods. The population of mass-affluent individuals in Southeast Asia reached 93 million in 2023 and is expected to reach 125 million in 2028, representing a CAGR of 6.0% from that in 2023. This will create a huge market opportunity for consumer premiumization, as the mass-affluent individuals will focus on product quality and value, such as the technologies and raw materials used, and are expected to shift to purchasing expensive premium goods.

In addition, Southeast Asia's high internet penetration rate has laid a strong foundation for the continuous development of its digital economy. The internet penetration rate in the six main countries in Southeast Asia (including Singapore, Indonesia, Thailand, Vietnam, the Philippines, and Malaysia) was 63.7% in 2023, and is expected to reach 70.1% by 2028. The number of internet users in the six main countries in Southeast Asia increased at a CAGR of 5.3% from 296.9 million in 2018 to 385.0 million in 2023, and is expected to further increase at a CAGR of 2.6% from 396.8 million in 2024 to 440.4 million in 2028. The number of digital consumers in Southeast Asia accounts for a significant portion of the internet users in this region, and is expected to further grow in proportion to the increasing internet penetration rate. Thus, Southeast Asia, as one of the world's most dynamic economy, has become an increasingly popular trade destination for many international brands. This has boosted the rapid growth of the digital economy in Southeast Asia, including e-commerce. The size of digital economy in the six main countries in Southeast Asia increased at a CAGR of 21.7% from US$99 billion in 2019 to US$217 billion in 2023, and is expected to further increase at a CAGR of 15.6% from US$254 billion in 2024 to US$453 billion in 2028; while the size of global digital economy is expected to increase at a CAGR of 14.5% from US$19,000 billion in 2024 to US$33,000 billion in 2028.

THE E-COMMERCE MARKET IN SOUTHEAST ASIA

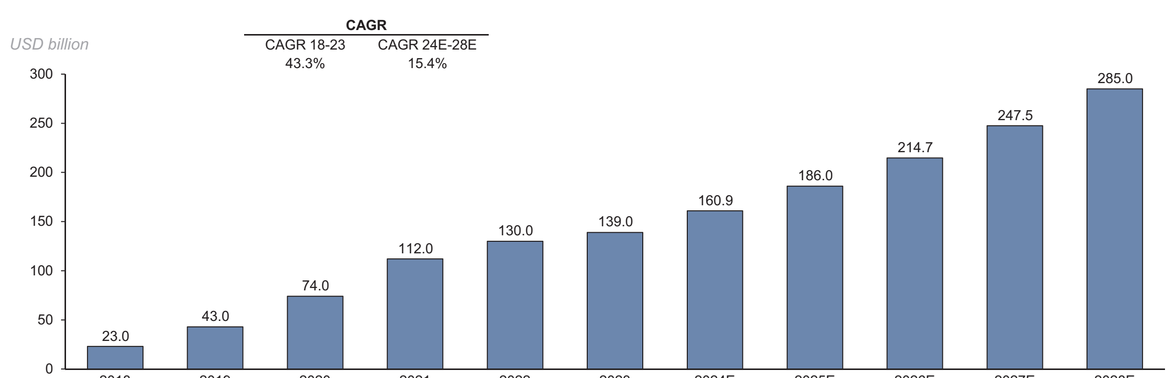
Overview

In recent years, with the increasing penetration of the internet and mobile devices, as well as the growth of the younger consumer generation, the e-commerce economy in Southeast Asia has grown rapidly, leading to a significant expansion of the e-commerce industry and injecting new momentum into the Southeast Asian economy. The Southeast Asian market, as a new growth engine of the global e-commerce industry, has attracted the attention of an increasing number of brands from the globe. In the dynamic Southeast Asia, e-commerce platforms and brands are entering the e-commerce market to capitalize on its huge potential. The e-commerce market in Southeast Asia has gradually become one of the fastest growing e-commerce regions in the world. A number of Southeast Asian countries have introduced relevant policies and measures to support the development of e-commerce, creating a more favorable environment for e-commerce.

Market Size

The e-commerce market in Southeast Asia has grown significantly, driven by consumers' demand for a hassle-free and easy online shopping experience, especially during the COVID-19 pandemic. In addition, the increasing internet penetration rate in Southeast Asia provides a growing user base for e-commerce. The size of the e-commerce market in Southeast Asia increased at a CAGR of 43.3% from US$23.0 billion in 2018 to US$139.0 billion in 2023, and is expected to further increase at a CAGR of 15.4% from US$160.9 billion in 2024 to US$285.0 billion in 2028.

E-Commerce Market in Southeast Asia, 2018-2028E



Source: e-Conomy SEA 2023; CIC Report

E-commerce activity in Southeast Asia is primarily concentrated in six major countries in the region. Among them, Singapore has the smallest market size, with the size of its e-commerce market reaching US$8.1 billion in 2023. Despite its impressive CAGR of 74.6% from 2018 to 2023, the future growth potential of Singapore's e-commerce market is constrained to some extent by its limited population. As a result, the growth of Singapore's e-commerce market is expected to decline, with a projected CAGR of approximately 10.6% from 2024 to 2028. The e-commerce market in the Philippines has also experienced rapid growth. The size of the e-commerce market in the Philippines reached US$16.2 billion in 2023, with a CAGR of 41.6% from 2018 to 2023. Looking ahead, the e-commerce market in the Philippines is expected to continue to lead growth among the six major countries in Southeast Asia, with an expected CAGR of 20.9% from 2024 to 2028.

The e-commerce market covers various product categories, including fashion and apparel, beauty and wellness, living and lifestyle, electronics, food and others. The rapid recovery of the Southeast Asia market post the COVID-19 pandemic and the unified behavior of online consumers have attracted an increasing number of global brands to enter or devote more resources to the e-commerce market in Southeast Asia.

Market Composition

Based on the nature of the sellers, the e-commerce market comprises the following three sub-markets:

- ***Brand Direct Sales***, where brands sell products to consumers.

- ***Distribution Sales***, where distributors or digital solutions providers sell products to consumers.

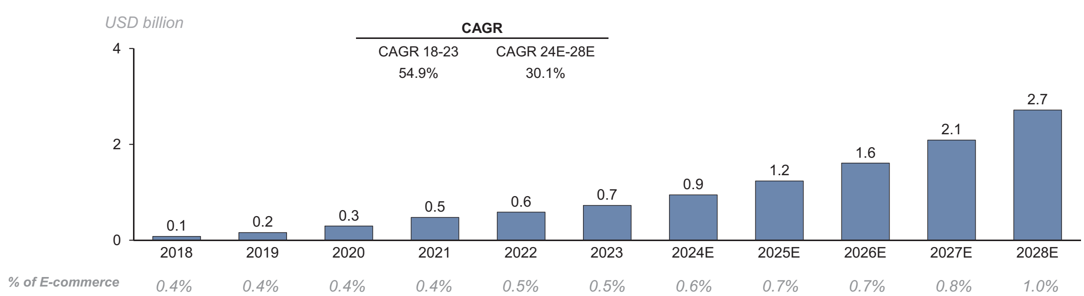
    - ***Pure Distribution Sales***, where distributors purchase products from brands and then resell products to consumers.

    - ***Sales by Digital Solutions Providers***, where digital solutions providers purchase products from brands only after consumers' orders are confirmed, and then resell such products to consumers.

Sales by digital solutions providers differ significantly from distribution sales. Distributors resell the purchased brands' products to boost their own sales, with little focus on serving brands. In contrast, digital solutions providers focus on serving brands by providing digital solutions and only purchase products from brands after consumer orders are confirmed.

Digital solutions providers offer comprehensive digital solutions to brands, assisting them in managing every aspect of their e-commerce operations. This includes digital transformation and technology, channel development and management, digital supply chain management, brand development, customer engagement, and digital marketing. Digital solutions providers have earned the trust of brands by providing effective in-depth and professional solutions, which leads to brands' delegation of their e-commerce sales to digital solutions providers. This creates a pattern where digital solutions providers actively support brands to increase e-commerce sales.

E-commerce Operated by Digital Solution Providers in Southeast Asia, 2018-2028E



Source: e-Conomy SEA 2023; CIC Report

The size of the e-commerce operated by digital solution providers in Southeast Asia increased at a CAGR of 54.9% from US$0.1 billion in 2018 to US$0.7 billion in 2023, and is expected to further increase at a CAGR of 30.1% from US$0.9 billion in 2024 to US$2.7 billion in 2028.

Growth Potential

Southeast Asia has attracted and is expected to continue to attract significant investments and businesses from the globe. For example, China's exports to Southeast Asia increased at a CAGR of 10.4% from US$319.1 billion in 2018 to US$524.3 billion in 2023; and the United States' export to Southeast Asia increased at a CAGR of 4.6% from US$85.8 billion in 2018 to US$107.2 billion in 2023. In particular, half of the top ten of China's cross-border e-commerce partners in terms of export volume were Southeast Asian countries in 2022. Southeast Asia has become an important growth area for China and the United States' cross-border e-commerce exports. In the future, an increasing number of international and local brands are expected to enter the e-commerce market in Southeast Asia.

Key Drivers of E-commerce Market in Southeast Asia

The e-commerce market in Southeast Asia is expected to continue its growth, determined by several key drivers:

- ***The rise of the mass-affluent population.*** Mass-affluent consumers typically have higher disposable incomes and spending power, including on online shopping. As their income increases, they may be more inclined to purchase high-quality goods and services with higher prices, creating greater market potential for e-commerce market players. At the same time, mass affluent consumers tend to be more time- and convenience-oriented. E-commerce offers consumers a convenient, 24/7 online shopping experience where they can browse and purchase goods anytime, anywhere, matching the fast-paced lifestyles of mass-affluent consumers.

- ***Governmental support and digital initiatives.*** Various Southeast Asian governments have implemented policies and initiatives to support digital transformation and e-commerce, creating a more favorable regulatory environment for e-commerce. For instance, the Indonesian government issued regulations in 2019 and 2023 to promote compliance and sustainable development of market activities for e-commerce companies; while Malaysia launched its National E-commerce Strategy Roadmap 2.0 in 2021, aiming to improve the e-commerce ecosystem.

- ***Increased focus on localization***. Localization involves tailoring e-commerce offerings to meet the specific preferences, languages, and cultural nuances of different regions in Southeast Asia. E-commerce sellers are increasingly focused on providing localized content, customer support, payment methods, and delivery options to meet the diverse needs of consumers in different regions of Southeast Asia.

Future Trends of E-commerce Market in Southeast Asia

The e-commerce market in Southeast Asia is expected to be influenced by the following trends:

- ***Increasing use of digital payments.*** There is a significant shift toward digital payment methods, including e-wallets and mobile banking. This trend is driven by the convenience and security that digital payment methods offer, making transactions seamless and efficient. At the same time, the application of new technologies, such as biometrics and blockchain, has improved the security and efficiency of payments and increased consumer confidence in online payments.

- ***Faster and more reliable delivery.*** There is a growing emphasis on improving logistics and delivery services, and the demand for same-day and next-day delivery options has increased. This trend is driven by increasing consumer demand for fast and reliable order fulfillment. The use of automated warehouses, drone delivery, intelligent logistics tracking, and other technologies is also making logistics faster and more reliable.

- ***Emergence of live streaming e-commerce.*** Live streaming has developed rapidly in the e-commerce market in Southeast Asia. Through live streaming, products can be showcased and promoted in real time, while the instant interaction between the live streaming host and the audience can increase the audience's willingness to buy such products. At the same time, live streaming e-commerce provides a more personalized and interactive shopping experience, meeting consumers' demand for a fresh and interesting shopping experience. The rapid development of Southeast Asia's e-commerce market has in turn laid a solid foundation for its digital solutions market. Digital solutions serve all brands seeking to interact with consumers, reduce the reliance on distributors, increase operational efficiency, and improve financial performance through digitization.

Major Challenges

Sellers operating in the Southeast Asia's e-commerce market typically face the following challenges:

- ***Omni-channel and multi-touchpoint expansion.*** Brands looking to establish a strong presence in Southeast Asia often face the challenge of developing a seamless omni-channel strategy, due to lack of operational capability, capacity restraints, and regional experiences. This hurdle involves creating a unified customer experience across all digital touchpoints, from physical stores to online marketplaces and social media.

- ***Fragmented markets.*** The Southeast Asia market is not a monolith, but a collection of diverse cultures, languages, religions, consumer behaviors, and commercial and legal environment. Navigating the intricacies of each country's market, including understanding local tax laws, pricing strategies, and import/export concerns, requires a nuanced approach and regional expertise. Sellers need to tailor their offerings and marketing strategies to resonate with local consumers while maintaining a cohesive global brand identity.

- ***Data integration and analytics.*** Data is critical to understanding consumer behavior and making informed business decisions. However, integrating data from disparate systems for various touchpoints and inconsistent data structures can be a significant challenge, especially when operating in a region with diverse technology infrastructures. Sellers also need to invest significantly to achieve robust data analytics capabilities to gain insights and drive growth.

- ***Achieving ESG goals.*** ESG are becoming increasingly important metrics for sellers to maintain their operating licenses and attract investments. However, managing and achieving ESG goals in Southeast Asia can be challenging due to its diverse levels of economic development and social issues. Sellers needs to develop comprehensive ESG strategies that align with local context and make positive contribution to the communities they serve.

Key Success Factors and Entry Barriers for E-commerce Market Players in Southeast Asia

E-commerce market players compete on the following key capabilities:

- ***Combine past experience with local market insights.*** Most e-commerce market players in Southeast Asia have capitalized on the increasing penetration of the internet and mobile devices by replicating past successful experiences from more mature markets such as China and the U.S. However, this approach often fails to recognize the unique fragmented e-commerce market in Southeast Asia. In the long term, e-commerce market players will need to move beyond the confines of established business models in mature markets and instead focus on the characteristics of the local e-commerce market. By adapting to the unique cultural, economic and logistical conditions in the region, e-commerce market players will be able to grasp the growth in the e-commerce market in Southeast Asia.

- ***Consumers' trust.*** Many consumers in Southeast Asia are cautious in e-commerce due to concerns about product quality, payment security, and logistics reliability. Especially in cross-border transactions, cross-border logistics can be time-consuming and costly, and the prevalence of counterfeit and substandard goods can cast doubt on the authenticity of products. To address these challenges, e-commerce market players should focus on building consumer trust by establishing a reliable supply chain, offering transparent logistics tracking, diversifying payment options, and implementing clear return and exchange policies.

- ***Market positioning and product selection.*** Southeast Asia is characterized by significant cultural and economic diversity, with consumer needs, preferences and purchasing power varying widely across the region. Precise market positioning allows brands to tailor products and services to specific countries and consumer segments to meet their respective unique demands. At the same time, accurate product selection is critical to standing out in a highly competitive market. Offering localized products that cater to local culture and consumer needs can help brands build emotional connections with their audience, increase customer loyalty, and drive long-term growth and success in this complex market environment. By effectively understanding and adapting to these diverse market dynamics, brands can strengthen their competitive advantage and achieve sustainable expansion.

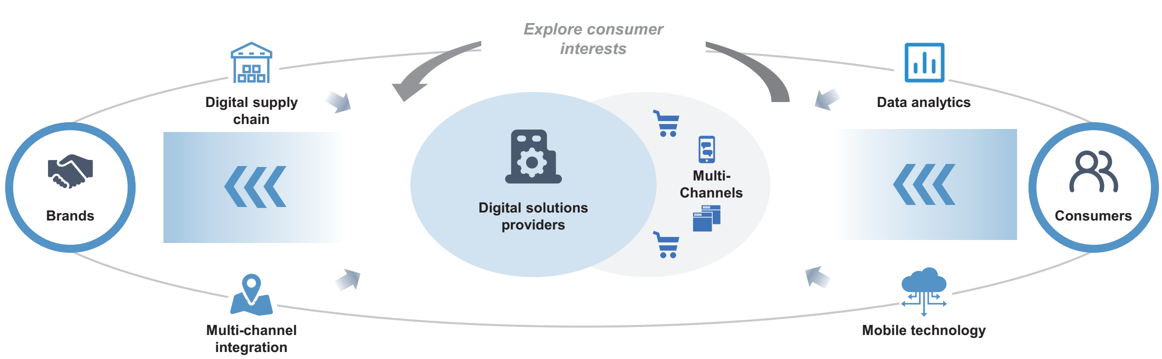
THE DIGITAL SOLUTIONS MARKET FOR E-COMMERCE IN SOUTHEAST ASIA

Overview

Digital solutions involve integrating digital technologies and platforms to enhance, streamline, and transform traditional commerce practices. Such solutions encompass a wide range of activities where brands and consumers interact through various digital channels, such as online marketplaces, social media platforms, and self-managed online brand stores to conduct digital marketing, customer relationships management, supply chain optimization, and data analytics, among others.

The diagram below illustrates the integrated ecosystem of the digital solutions industry.

Integrated Ecosystem of the Digital Solutions Industry



Source: CIC Report

Value Propositions of Digital Solutions Providers

In the ever-evolving e-commerce market, brands have varying needs and face different challenges in their e-commerce strategies. For example, early-stage brands or brands with limited e-commerce experience may need help to formulate their e-commerce strategies; brands with a single-channel e-commerce presence may want to explore new channels for expansion and improve their store performance; brands with omni-channel presence may lack the ability to unify their operations across various commerce channels, failing to improve operational efficiency and provide seamless customer experience; brands with more established e-commerce strategies may want to better align data analytics and management, maximize operational efficiency, exploit new online-offline integration opportunities and improve brand influence. In addition, brands also embrace the growth brought about by effective digital marketing and robust data analysis empowered by digital solutions providers.

However, brands may lack the capability to execute e-commerce strategies by themselves due to (i) the underdeveloped online consumer data analytics capability, lack of insights into and lack of capability to adapt to evolving consumer preferences and trends; (ii) complex e-commerce landscape; (iii) the extra burden in interacting with various parties in the value chain (including e-commerce channels, marketing companies, logistics partners, and customer service providers, among others); and (iv) the high cost associated with building and maintaining e-commerce IT and logistics infrastructure.

It is both costly and time-consuming for brands to build in-house digital solutions operations from scratch, whereas collaborating with a digital solutions provider can save them time and cost so they can better concentrate on their core competencies such as product development. Digital solutions providers can offer unique value propositions to help brands operate their e-commerce strategy, including:

- ***Use data to guide business decisions.*** Digital solutions providers can provide real-time data, big data analytics and deep insights into consumer behavior, preferences, and demands, to help brands make well informed business decisions in relation to product development, offering optimization, marketing strategies, pricing, inventory management, customer experience, market trend forecast, among others.

- ***Provide a comprehensive suite of solutions.*** Digital solutions providers can offer one-stop, end-to-end solutions covering all aspects of the e-commerce process throughout the entire consumer journey, including data analytics, product selections, store operations, supply chain, order fulfillment and delivery, marketing and promotions, customer service and carbon neutral management, which simplify the process for brands to enter and operate in the e-commerce market.

- ***Avoid waste and achieve carbon neutrality.*** Digital solutions providers promote sustainable practices by offering solutions that minimize waste in the marketing and distribution of products, such as green packaging, demand-driven inventory management and optimized shipping strategies. They help brands to achieve carbon neutrality by providing carbon footprint tracking tools that enable brands to offset their emissions and adopt eco-friendly practices.

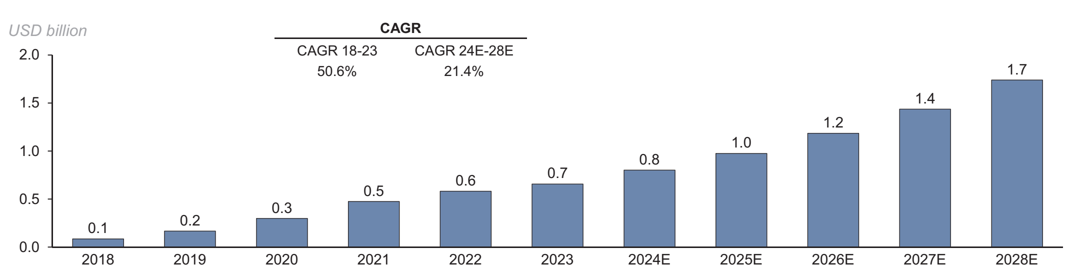
- ***Build brand image***. Through cutting-edge web design and digital marketing solutions, digital solutions providers help brands create a strong online presence that resonates with their target audiences and reflects their brand values. They enable brands to build and maintain a cohesive and professional image across all digital touchpoints, enhancing brand recognition, trust and consumer loyalty.

Market Size

The rapid development of Southeast Asia's e-commerce market has in turn laid a solid foundation for its digital solutions market. Digital solutions, serve all brands seeking to interact with consumers, reduce the reliance on distributors, increase operational efficiency, and improve financial performance through digitization.

The size of the digital solutions market in Southeast Asia increased at a CAGR of 50.6% from US$0.1 billion in 2018 to US$0.7 billion in 2023, and is expected to further increase at a CAGR of 21.4% from US$0.8 billion in 2024 to US$1.7 billion in 2028.

Digital Solutions Market in Southeast Asia, 2018-2028E



Source: CIC Report

Key Drivers of Digital Solutions Market in Southeast Asia

The digital solutions market in Southeast Asia is expected to continue its growth, determined by several key drivers:

- ***Growing e-commerce market.*** As the e-commerce market in Southeast Asia continues to expand, an increasing number of international brands are recognizing the significant growth potential in Southeast Asia and are looking to establish their own distribution networks in the region. However, building a fully localized team presents significant challenges, both in terms of time and financial investment. As a result, the demand for digital solutions from international brands is expected to rise sharply, as these solutions offer an efficient and scalable way for international brands to tap into the market and manage local operations.

- ***Technological developments.*** Advancements in technology, particularly in AI, have had a significant impact on the digital solutions industry. AI-driven tools and algorithms can be used to analyze consumer behavior, optimize search results, and personalize shopping experiences, all of which contribute to a more efficient and engaging online shopping environment. Digital solutions providers capable of these emerging technologies can provide brands a competitive edge in the marketplace.

- ***Increasing number of e-commerce channels in the Southeast Asia market.*** The proliferation of digital platforms and the increasing availability of internet access have led to the emergence of numerous e-commerce channels in Southeast Asia. All of these channels have different interfaces, different store management processes, and different logistics requirements. Brands are in need of specialized digital solutions to optimize their operations across these channels.

- ***Cultural and geographical differences and challenges.*** Southeast Asia is characterized by its cultural diversity and geographic expanse. This presents unique challenges for e-commerce operations, which requires brands to have a deep understanding of local practices, consumer preferences, languages, laws and regulations and shopping habits. Digital solutions providers are essential in bridging these cultural and geographic gaps by offering localized strategies and solutions that resonate with consumers in each of the regions in Southeast Asia.

Future Trends of Digital Solutions Market in Southeast Asia

The digital solutions market in Southeast Asia is expected to be influenced by the following trends:

- ***Shift from single-module services to full process coverage solutions.*** The evolution of digital solutions is moving from providing single-module solutions, such as website design or social media management, to offering one-stop end-to-end solutions that cover the entire e-commerce process from product sourcing, inventory management, logistics, customer service, digital marketing to data analytics. These solutions enable more integrated and streamlined e-commerce operations, greatly improving operational efficiency and sales performance.

- ***More data-driven decision-making approach.*** As e-commerce channels continue to diversify, the amount of information from multiple touchpoints continues to grow. Digital solutions providers with advanced data analytics can effectively collect and analyze information from multiple touchpoints using data-driven methods, enabling brands to make better decisions that are aligned with actual market conditions.

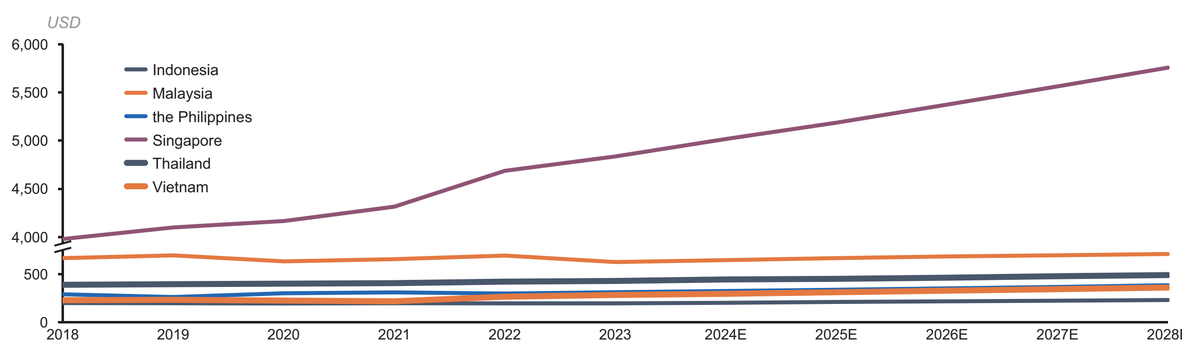
- ***Multi-channel data integration to improve operational efficiency and customer experience.*** Multi-channel retailing is on the rise as consumers interact with brands through a wider variety of channels. Beyond stores and channel operations, brands now need more data insights. Digital solutions providers which have the ability to integrate data from multiple channels can help brands deliver a more unified and seamless customer experience. These digital solutions providers can help brands to understand customer behavior across various channels, enabling personalized marketing campaigns and targeted promotions to improve operational efficiency and customer experience of the brands.

- ***Evolving needs of the mass-affluent population.*** Southeast Asia has a large number of mass-affluent consumers. Mass-affluent consumers typically have higher expectations for their online shopping experience. As a result, brands need to better adapt to the evolving needs of the mass-affluent consumers in Southeast Asia. Digital solutions providers can leverage their accumulated data, experiences and expertise, and insights to help brands to provide tailored strategies for the mass-affluent population in Southeast Asia.

Major Cost Component of Digital Solutions

Labor cost is the largest cost components of the digital solutions business. Average monthly wages vary in different regions across Southeast Asia. In particular, Singapore has the highest average monthly wages in Southeast Asia; while average monthly wages in the rest of Southeast Asia have remained relatively stable. If labor costs were to increase significantly as a result of any global economic turbulent, the overall costs and margin of digital solutions business would be materially adversely affected.

Average Monthly Wages in Southeast Asia, 2018-2028E, by Country



Source: Statista; Trading Economics; CIC Report

Major Challenges

Digital solutions providers in Southeast Asia typically face the following challenges:

- ***Regional market diversity and complexity.*** The Southeast Asian region consists of multiple countries, each with unique and diverse market characteristics, consumer preferences and business environments. For digital solutions providers, a comprehensive understanding of these differences is crucial to formulating effective market-specific strategies. This requires not only recognizing the economic and cultural differences between these countries, but also adapting marketing and operational approaches accordingly. Language diversity and a complex retail landscape further complicate digital solutions operations in Southeast Asia, requiring strong localization capabilities. Digital solutions providers must adeptly manage relationships with local merchants, cater to local consumer preferences, and maintain robust connections with international brands to effectively serve a diverse customer base.

- ***Infrastructure and logistics challenges.*** The logistics and delivery infrastructure in some parts of Southeast Asia remains underdeveloped, posing significant challenges for digital solutions operations in these regions. The lack of efficient infrastructure often results in higher operational costs and delays in order fulfillment, which can negatively impact the overall customer experience. Digital solutions providers must invest in and develop a comprehensive supply chain management system to effectively address these challenges. This includes optimizing the logistics network to minimize delivery times and costs, effectively managing inventory to avoid out-of-stocks or overstocks, and ensuring smooth order fulfillment processes. By overcoming these logistical challenges, digital solutions providers can offer more reliable and seamless digital solutions to brands, thereby increasing customer satisfaction and loyalty.

- ***Technological and innovation requirements.*** The role of a digital solutions provider is much more than simply facilitating a brand's online presence. It encompasses a wide range of complex operational activities, including sophisticated data analytics, targeted digital marketing, and high-quality customer service. Digital solutions providers must be proficient in the use of advanced digital technologies and tools that enable them to develop personalized and data-driven solutions that align with different brands' strategies. Furthermore, the fast-paced nature of the digital solutions industry requires digital solutions providers to continually innovate and stay ahead of market trends. This includes adapting to new and emerging e-commerce channels such as social media channels, and live streaming and live selling platforms that are becoming increasingly popular with consumers. Through continuous innovation, digital solutions providers can offer cutting-edge solutions that help brands capitalize on new opportunities and maintain a competitive edge in a dynamic market environment.

Key Success Factors and Entry Barriers for Digital Solutions Providers in Southeast Asia

Digital solutions providers compete on the following key capabilities:

- ***Strong ability in data analysis.*** Data is at the heart of modern e-commerce operations. Digital solutions providers need robust data collection, analysis, and reporting systems to make more accurate operational decisions. By collecting and analyzing user behavior data from e-commerce channels, digital solutions providers can gain deep insights into consumer shopping habits, preferences, and demands. This insight can be used to optimize product recommendation algorithms, improve conversion rates, and develop personalized marketing strategies. In addition, with the continued enrichment of social media, consumers' shopping channels are becoming increasingly diverse. Digital solutions providers also need stronger data analytics capabilities to comprehensively process information from multiple channels.

- ***In-depth understanding and coverage of multi-regional market.*** Southeast Asia is highly diverse, with significant differences between countries in terms of culture, consumer preferences, payment methods, technology and logistics infrastructure, and commercial and legal environment. Additionally, the digital solutions market in Southeast Asia has intense competition, with a number of established global and local players. Digital solutions providers must have a deep understanding of these local nuances as well as strong multi-regional market expertise in order to deliver customized solutions to different Southeast Asian countries and stand out from the competition.

- ***Ability to help brands achieve ESG goals.*** Engaging in e-commerce activities increases carbon emissions and pollution for brands. To reduce these emissions and pollution, brands may need the help of digital solutions providers with expertise in carbon neutral management that can enable them to achieve their ESG goals.

- ***Ability to establish market credibility.*** Currently, there are several international companies in the digital solutions market in Southeast Asia. These companies generally have a strong global reputation and a wealth of successful case studies, resulting in high brand recognition. For new entrants, it requires a considerable amount of time and marketing effort to build their own market credibility. At the same time, it is essential to continuously deliver high-quality, customized services, respond quickly to customer needs, and address customer issues in order to gradually build a strong reputation among their customers.

COMPETITIVE LANDSCAPE

Competitive Landscape of the E-commerce Market in Southeast Asia

The composition of the e-commerce market is highly complex, with three sub-markets based on different types of sellers, and within each category further differentiated by product type, with numerous brands under each product type. Thus, the e-commerce market in Southeast Asia is highly fragmented with a large number of market players. In particular, our market share in terms of revenue in 2023 in the Southeast Asia's e-commerce market was approximately 0.1%.

Competitive Landscape of the Digital Solutions Market in Southeast Asia

The digital solutions market in Southeast Asia is relatively concentrated, with the top ten market players accounting for a combined market share of approximately 61.4% in 2023. The table below shows the ranking of the top ten digital solutions providers in Southeast Asia in terms of revenue in 2023.

Ranking	Company	Background	Revenue from Southeast Asia, 2023 (US$ Million)	Market Share (%)
1	**Company A**	A Canada-based, New York Stock Exchange listed e-commerce solutions platform company, founded in 2006	102	15.5
2	**Company B**	A Singapore-based, online shopping rewards and discovery solutions platform company which helps brands and retailers increase outreach and engage consumers, founded in 2014	87	13.2
3	**Company C**	A U.S.-based, New York Stock Exchange listed cloud-based marketing, sales and customer service software developer, founded in 2006	45	6.8
4	**Company D**	A Singapore-based, cross-border end-to-end e-commerce solutions provider, founded in 2011	38	5.8
5	**Company E**	A Thailand-based, end-to-end e-commerce technologies and solutions provider, founded in 2013	32	4.9
6	**Company F**	A U.S.-based, New York Stock Exchange listed customer relationship management software and applications provider, founded in 1999	26	3.9
7	**Company G**	A U.S.-based, NASDAQ listed real-time programmatic marketing automation technology provider, founded in 2009	26	3.9
8	**Company H**	A U.S.-based, NASDAQ listed globally leading digital media and digital marketing solutions provider, founded in 1982	22	3.3
9	**Synagie**	Our Company	20	3.0
10	**Company I**	A U.S.-based, NASDAQ listed multinational technology company, engaged in ecommerce, cloud computing, online advertising, and artificial intelligence, founded in 1994	7	1.1
			405	**61.4**

Source: ACRA Bizfile; Statista; CIC Report

SOURCE OF INFORMATION

In connection with the De-SPAC Transaction, we have engaged CIC, an independent market research consulting firm, to conduct a detailed analysis and prepare an industry report on the e-commerce industry and the digital solutions industry in Southeast Asia. CIC, founded in Hong Kong, provides professional services including, among others, industry consulting, commercial due diligence and strategic consulting. We have agreed to pay a fee of RMB712,000 to CIC in connection with the preparation of the CIC Report. We are of the view that the payment of such amount does not impact the fairness of the conclusions drawn in the CIC Report. The payment of such amount was not contingent upon our successful listing or on the content of the CIC Report. Except for the CIC Report, we did not commission any other industry report in connection with the De-SPAC Transaction. We have included certain information from the CIC Report in this circular because we believe such information facilitates an understanding of our markets for potential investors.

During the preparation of the CIC Report, CIC performed both primary and secondary research, and obtained knowledge, statistics, information on and industry insights into the e-commerce industry and the digital solutions industry in Southeast Asia. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources. The CIC Report was compiled based on the following assumptions: (i) economic development globally is likely to maintain a steady growth trend in the next decade; (ii) related industry key drivers are likely to drive the continuing growth of the e-commerce industry and the digital solutions industry, such as favorable policies and advancements of related technology; and (iii) there will be no extreme *force majeure* or unforeseen industry regulations in which the market may be affected in either a dramatic or fundamental way during the forecast period. All forecasts in relation to market size are based on the general economic conditions as of the Latest Practicable Date.

Our Directors confirm that, after making reasonable enquiries, there have been no adverse change in the market information since the date of the CIC Report which may qualify, contradict or have an impact on the information in this section.