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SYNAGISTICS

SYNAGISTICS LIMITED

獅騰控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2562)

(Warrant Code: 2461)

THE ACQUISITION OF A CHINA-BASED SOFTWARE-AS-A-SERVICE (SaaS) COMPANY

This announcement is made by Synagistics Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

THE POTENTIAL ACQUISITION

The board of directors of the Company (the “**Board**”) is pleased to announce that recently, the Company and the potential vendors (the “**Potential Vendors**”) entered into a non-legally binding term sheet (the “**Term Sheet**”), pursuant to which the Company intends to carry out the potential acquisition of at least 80% equity interest in a target company (the “**Potential Target Company**”, together with its subsidiaries, the “**Potential Target Group**”) as contemplated under the Term Sheet (the “**Potential Acquisition**”). The consideration for the Potential Acquisition will be subject to further negotiation between the parties.

To the best of the knowledge, information and belief of the directors of the Company (the “**Directors**”), having made all reasonable enquiries, each of the Potential Vendors is independent of the Company and its connected person (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

The Term Sheet shall become effective upon the execution and delivery of the Term Sheet by the parties and expire and be automatically terminated on the earlier of (i) signing of the Definitive Agreements and (ii) 11:59 p.m. Hong Kong Time on the date falling nine months after the date of the Term Sheet (or such other date as may be agreed in writing by the parties). During the term, each of the Potential Vendors undertakes that it shall not, and shall procure that none of its affiliates will, directly or indirectly, solicit, initiate or encourage the submission of any proposals or offers from any person other than the Company or its affiliates relating to any purchase, issuance or sale or other disposition of any equity securities or any material assets of any member of the Potential Target Group or participate in any discussions or negotiations or enter into any agreement with a third party.

After the signing of the Term Sheet, the Company (and its agents and/or advisers) shall be entitled to conduct due diligence on the Potential Target Group.

Save for certain provisions such as provisions relating to due diligence, exclusivity, binding provision and governing law contained in the Term Sheet, which are legally binding, the Term Sheet does not have any legally binding effect. The Potential Acquisition is subject to further negotiations between the parties and the execution of the legally binding definitive agreements for the Potential Acquisition (the “**Definitive Agreements**”).

INFORMATION OF THE POTENTIAL TARGET GROUP

The Potential Target Company is a company established in the PRC with limited liability which is a leading SaaS platform offering comprehensive, omnichannel digital commerce, smart retail and supply chain solutions in China for enterprises and businesses with a significant share of the China SaaS market. The Potential Target Group provides an expansive suite of SaaS solutions which has served over 30,000 enterprise clients across diverse sectors such as FMCG, electronics, apparel, healthcare, and beauty. The Potential Target Group has also established deep integrations with more than 100 domestic and international channels where few other competitors can offer the same scope or depth of integration on a single platform. The Potential Target Group processes more than 4 billion orders over its platform with GMV exceeding RMB500 billion annually.

REASONS FOR AND BENEFITS OF THE POTENTIAL ACQUISITION

The digital transformation sector in China is expected to continue its growth in the near term. According to International Data Corporation, the market size for China’s digital transformation market will grow at a compound annual growth rate (CAGR) of 15.6% to reach USD733 billion by 2028 powered by the growth of cloud computing, artificial intelligence, big data analytics and 5G etc. The Company believes that the new data economy is pivotal to China’s growth as more and more businesses in China look at spending on digital solutions to future proof their business processes.

The Potential Acquisition, if materialised, would deliver transformative synergies to the Group. The Potential Target Group is more than a SaaS provider, they are a strategic partner for the future of the Group's AI powered digital commerce platform in China and Southeast Asia. In terms of client base expansion and regional growth, the Potential Acquisition would provide the Group with immediate access to the Potential Target Group's established network of over 30,000 enterprise and SME clients. This strategic asset would further position the Company as a preferred partner for Chinese corporations seeking to accelerate cross border e-commerce and expand into the Southeast Asia markets, while creating cross-selling opportunities between the Group's existing offerings such as its Synagie & Geene AI platforms and the Potential Target Group's Enterprise SaaS solutions. The integration of the Potential Target Group's SaaS solution and the Group's Geene AI Platform will also result in a cutting-edge AI powered SAAS platform that will lead the path to a new era of AI powered commerce for their clients. When combined, both the Group and the Potential Target Group would potentially have one of the largest big data lakehouses for multi-channel commerce in China and Southeast Asia with proven data analytics capabilities that will provide a significant edge over the competition, leading to a new wave of enhanced technological capabilities that can be offered to existing and new clients.

The Company strongly believes that the Potential Acquisition, if materialised, will help grow the Company's businesses, enhance the Company's financial and operational performance, and better position the Group for long-term growth and market leadership in the global AI ecosystem and accelerating enterprise AI adoption and innovation.

In view of the above, the Directors are of the view that the Potential Acquisition is in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE GROUP

The Company is a Singapore-based big data, AI & digital solutions company listed on the Main Board of the Hong Kong Stock Exchange, recognised for completing the first-ever de-SPAC transaction in Hong Kong. With Alibaba, Gobi Partners and Hong Kong Telecom as its key strategic shareholders, the Company benefits from strong industry backing, enabling it to drive innovation and expand its influence in Asia's rapidly evolving digital ecosystem. The Company is recognised as one of the top digital solutions provider in Southeast Asia and has provided its data-driven digital commerce platform Synagie to over 600 enterprises and renowned brands in the Southeast Asian market. The Company is also one of the few digital platform companies in Asia to achieve carbon neutrality and ISO/IEC 27001:2022 certification. With the launch of Geene in early March 2025, the Company has firmly established itself as a frontrunner in the rapidly evolving field of artificial intelligence, solidifying its position as a key leader in the global AI ecosystem and accelerating enterprise AI adoption and innovation. The Company continues to expand its footprint across multiple markets including the Greater China region while championing environmental responsibility and AI transformation.

The Potential Acquisition may or may not proceed. Shareholders and investors of the Company are urged to exercise caution when dealing in the Shares. If the Potential Acquisition materializes, the Definitive Agreements shall be entered into by the parties. The Company will make further announcement in respect of the Potential Acquisition as and when appropriate in accordance with the Listing Rules.

For and on behalf of the Board
SYNAGISTICS LIMITED
LEE Shieh-Peen Clement
Chairman of the Board

Hong Kong, June 9, 2025

As at the date of this announcement, the Board comprises Mr. Lee Shieh-Peen Clement and Ms. Tai Ho Yan Olive as executive Directors, Ms. Phua Nan Chie, Mr. Chong Tian Taum and Mr. Jin Qin as non-executive Directors, and Mr. Selva Bryan Ratnam, Mr. Andrew Chow Heng Cheong and Mr. Siek Wei Ting as independent non-executive Directors.