



## **SYNAGIE CORPORATION LTD.**

(Incorporated in Singapore)  
(Company Registration No. 201717972D)

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### **SHAREHOLDERS' QUESTIONS AND ANSWERS**

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The Board of Directors (the “**Board**”) of Synagie Corporation Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to thank shareholders for submitting their questions in advance of the Annual General Meeting (“**AGM**”) to be held by electronic means on 28 May 2020 at 2.00 p.m.

The Company wishes to inform shareholders that it has received questions from shareholders which are overlapping and/or similar in nature. Accordingly, the Company has consolidated such questions and have made editorial amendments to some of the questions to ensure that they are clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions received by the Company.

According, the following are responses to the substantial and relevant questions raised by shareholders:

**Q1. What is the anticipated impact on business operations and profitability in FY2020 given the COVID-19 situation?**

Ans: The COVID-19 pandemic has fast-tracked the adoption of e-Commerce. According to mobile analytics firm App Annie, weekly downloads of shopping apps in Thailand, Indonesia, Vietnam, and Singapore jumped at least 10% in the week of March 22<sup>1</sup>, as social distancing measures prompted the shift towards online shopping.

As of the date of this response, the Company does not expect its core businesses to be significantly impacted by the COVID-19 pandemic, mainly due to the resilience of the Group’s business model and increased acceptance of e-Commerce. However, the outbreak of COVID-19 may have an impact on the speed of our geographical expansion as well as the onboarding of new Brand Partners during this period.

Notwithstanding the above, the Group is continuously monitoring the developments of the COVID-19 pandemic and assessing its impact on the Group’s operations, if any. The Company will make the relevant announcement(s) as and when there are material developments.

**Q2. How long will it take for the Group to reach its break-even point?**

Ans: The Company is unable to make any forecast or prospective statements. However, the Board and Management would like to assure shareholders that the Company is working on finding the right balance between profitability and growth.

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<sup>1</sup> <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/covid-19-whets-appetite-for-e-commerce-in-southeast-asia-but-bottlenecks-remain-57985529>

**Q3. Does Synagie have any plans to issue / pay dividends?**

Ans: The Company currently does not have a fixed dividend policy. The form, frequency and amount of future dividends will depend on the performance and operational needs of the Group (including but not limited to factors such as the Group's earnings, general financial position, results of operations, capital requirements, cash flow, general business condition, development plans and other factors that the Directors may, in their absolute discretion, deem appropriate). Therefore, there can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future.

**Q4 What is Synagie's business model? Are there other listed companies with similar business model?**

Ans: Synagie helps its Brand Partners which include SMEs and MNCs such as Johnson & Johnson and Kimberly Clark execute their e-Commerce strategies by providing an end-to-end solution for them to sell their goods and services to consumers across multiple online marketplaces such as Lazada and Shopee. Through Synagie's cloud-based technology platform, Synagie's Brand Partners can manage their e-Commerce value chain from product cataloguing, content and channel management, digital marketing, customer service to warehousing and last mile delivery.

To support our e-Commerce business, Synagie also provides our Brand Partners with on-demand warehousing services and last mile delivery via our E-logistic segment. Our E-logistics model is asset light as we do not own any warehouses or delivery vehicles but instead work with our third-party logistics partners to manage the entire logistics and fulfilment process via our Synagie Platform.

For our insurtech business, we provide our Brand Partners with third party administration (TPA) solutions for extended warranty and accidental damage protection services as well as after sales support and call centre services. Our Insurtech Brand Partners include various Fortune 500 companies in the computer, communication and consumer electronics or 3C sector, who engages Synagie to serve as an administrative intermediary between them and the insurance partners, reducing the administrative burden borne by both parties. Our TPA Subsidiary's team in Singapore has provided services to customers from countries across Asia including Singapore, India, Hong Kong and Malaysia

For detailed information of the Group's business model, please refer to the IPO offer document on SGX portal or our company website <http://investor.synagie.com/financial-information/>.

Most of our competitors are private companies. Baozun Inc., which is listed on NASDAQ (stock code: BZUN) has a similar business model. Baozun's key market is China while Synagie's focus is in South East Asia.

**Q5 What is Synagie future expansion plans?**

Ans: The Group has established its operations in Singapore, Malaysia, Philippines, Vietnam, and Thailand. The Group will continue to expand its operations in these countries and to establish its presence in other Southeast Asia countries.

When market condition improves from the effects of the COVID-19 pandemic, the Group plans to establish itself in Indonesia and accelerate the onboarding of new Brand Partners in the rapidly growing e-Commerce markets of Malaysia, Thailand, Philippines and Vietnam by leveraging on its appointment as a regional Lazada Partner since August 2019. We do not expect the effects arising from the COVID-19 pandemic to be significant to the Group.

**Q6 Who is Synagie's biggest competitor in Southeast Asia?**

Ans Our main competitors include aCommerce, Arriva and Jet Commerce.

**Q7 What is Synagie's competitive advantage as compared to its competitors?**

Ans We believe that our competitive strengths include:

- Our capability to provide end-to-end e-Commerce solutions covering all aspects of the e-Commerce value chain via our Synagie Platform;
- Our scalable asset-light E-logistics model that is easily transferable across industries and jurisdictions;
- Our strong relationships with our Brand Partners and our distribution channel partners; and
- Our committed and experienced management team with a proven track record.

By order of the Board of  
**SYNAGIE CORPORATION LTD.**

**LEE SHIEH-PEEN CLEMENT**  
**EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER**

27 May 2020

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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