
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

CONTROLLING SHAREHOLDERS

Immediately after completion of the [REDACTED] and the Capitalisation Issue, each of Ventris Global and Mr. K L Chua is entitled to exercise or control the exercise of [REDACTED] of voting rights at general meetings of our Company (without taking into account any Shares may be issued upon the exercise of options under the Share Option Scheme). As such, each of Ventris Global and Mr. K L Chua is regarded as a Controlling Shareholder.

Save as disclosed above, there is no other person/entity who will, immediately following the completion of the [REDACTED] and the Capitalisation Issue, be directly or indirectly interested in 30% or more of the Shares then in issue or have a direct or indirect equity interest in any member of our Group representing 30% or more of the equity in such entity.

INDEPENDENCE FROM CONTROLLING SHAREHOLDERS

Our Directors do not expect there to be any significant transactions between our Group and our Controlling Shareholders and their respective associates upon the [REDACTED]. Our Directors believe that we are capable of carrying on our business independently from our Controlling Shareholders and their respective associates after the [REDACTED], having taken into consideration of the following factors:

(i) Management independence

As at the Latest Practicable Date, no Executive Director has overlapping roles or responsibilities in any business other than our business nor has any business which competes or is likely to compete, either directly or indirectly, with our business.

Each of our Directors is aware of his or her fiduciary duties as a director which require, among other things, that he or she acts for the benefit and in the best interests of our Company and does not allow any conflict between his or her duties as a Director and his or her interest to exist. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Director(s) shall abstain from voting at the relevant meeting of the Board in respect of such transaction and shall not be counted in the quorum.

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(ii) Operational independence

Our operations are independent of and not connected with our Controlling Shareholders. Having considered that (i) we have established our own organisational structure comprising individual departments, each with specific areas of responsibilities; (ii) our Group has not shared our operational resources, such as customers, marketing, sale and general administration resources with our Controlling Shareholders and/or their associates; (iii) our Group has also established a set of internal controls to facilitate the effective operation of its business; (iv) as at the Latest Practicable Date, our Controlling Shareholders had no interest in any of our customer, supplier or other business partners, our Directors consider that our Group can operate independently from our Controlling Shareholders from the operational perspective; (v) as at the Latest Practicable Date, our Group had independent and direct access to suppliers or customers of our Group; and (vi) all of our operating subsidiaries hold the licenses necessary for the operation of our Group's business in their own names.

(iii) Administrative independence

Our Group has its own capabilities and personnel to perform all essential administrative functions, including internal control and auditor monitor, financial and accounting management, invoicing and billing, human resources and information technology.

(iv) Financial independence

As at the Latest Practicable Date, all loan facilities granted to CA Transportation and Nexis Logistics were secured by joint and several personal guarantees provided by Mr. K L Chua and Ms. S F Chua and/or personal guarantee provided by Mr. Chua alone.

We undertake that all the abovementioned personal guarantees will be released and/or replaced by corporate guarantee from our Group on or before [REDACTED].

Based on the above, our Directors consider that we will be financially independent from our Controlling Shareholders upon [REDACTED].

RULE 11.04 OF THE GEM LISTING RULES

None of our Controlling Shareholders and our Directors has any interest in a business apart from our Group's business which competes or is likely to compete, directly or indirectly, with our Group's business, and would require disclosure pursuant to Rule 11.04 of the GEM Listing Rules.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

DEED OF NON-COMPETITION

Our Controlling Shareholders have entered into the Deed of Non-competition in favour of our Company (for ourselves and as trustee of our subsidiaries), pursuant to which our Controlling Shareholders have jointly and severally, irrevocably and unconditionally undertaken to and covenanted with our Company (for ourselves and for the benefit of our subsidiaries) that during the continuation of the Deed of Non-competition it or he would not, and would procure that its or his close associates (other than any member of our Group) would not, whether on its or his own account or in conjunction with or on behalf of any person, firm or company, whether directly or indirectly, carry on a business which is, or be interested or involved or engaged in or acquire or hold any rights or interest or otherwise involved in (in each case whether as a shareholder, partner, principal, agent, director, employee or otherwise and whether for profit, reward or otherwise) any business which competes or is likely to compete directly or indirectly with the business currently and from time to time engaged by our Group (including but not limited to the provision of transport management services to the logistics industry in Singapore and business ancillary to any of the foregoing, in each case, to be more particularly described or contemplated in this document), in Singapore and any other country or jurisdiction to which our Group provides such services and/or in which any member of our Group carries on such business from time to time (the "**Restricted Business**"). Such non-competition undertaking does not apply to:

- (i) any interests in the shares of any member of our Group; or
- (ii) interests in the shares of a company other than our Company whose shares are listed on a recognised stock exchange provided that:
 - (a) any Restricted Business conducted or engaged in by such company (and assets relating thereto) accounts for less than 10% of that company's consolidated turnover or consolidated assets, as shown in that company's latest audited accounts; or
 - (b) the total number of the shares held by our Controlling Shareholders and/or their respective close associates in aggregate does not exceed 10% of the issued shares of that class of the Company in question and such Controlling Shareholders and/or their respective close associates are not entitled to appoint a majority of the directors of that company and at any time there should exist at least another shareholder of that company whose shareholdings in that company should be more than the total number of shares held by our Controlling Shareholders and their respective close associates in aggregate; or
 - (c) our Controlling Shareholders and/or their respective close associates do not have the control over the board of such company.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

The Deed of Non-competition shall take effect upon [REDACTED] and shall expire on the earlier of:

- (a) the day on which the Shares cease to be listed on GEM or other recognised stock exchange;
or
- (b) the day on which our Controlling Shareholders and his/its close associates, individually or taken as a whole, cease to own, in aggregate, 30% or more of the then issued share capital of our Company directly or indirectly or cease to be deemed as our Controlling Shareholders and do not have power to control the Board or there is at least one other independent shareholder other than our Controlling Shareholders and his/its respective close associates holding more shares than our Controlling Shareholders and his/its respective close associates taken together.

Pursuant to the Deed of Non-competition, each of our Controlling Shareholders has undertaken that if each of our Controlling Shareholders and/or any of his/its close associates is offered or becomes aware of any project or new business opportunity (“**New Business Opportunity**”) that relates to the Restricted Business, whether directly or indirectly, he/it shall (i) promptly within ten (10) Business Days notify our Company in writing of such opportunity and provide such information as is reasonably required by our Company in order to enable our Company to come to an informed assessment of such New Business Opportunity; and (ii) use his/its best endeavours to procure that such opportunity is offered to our Company on terms no less favourable than the terms on which such New Business Opportunity is offered to him/it and/or his/its close associates.

All of our Directors (excluding those who is/are interested in the New Business Opportunity and has/have conflict of interests with our Company) will review the New Business Opportunity and decide whether to invest in the New Business Opportunity. If our Group has not given written notice of its desire to invest in such New Business Opportunity or has given written notice denying the New Business Opportunity within thirty (30) Business Days (the “**30-day Offering Period**”) of receipt of notice from our Controlling Shareholders and/or his/its close associates shall be permitted to invest in or participate in the New Business Opportunity on his/its own accord. With respect to the 30-day Offering Period, our Directors consider that such period is adequate for our Company to assess any New Business Opportunity. In the event that our Company requires additional time to assess the New Business Opportunity, our Company may give a written notice to our Controlling Shareholders within the 30-day Offering Period and our Controlling Shareholders agree to extend the period to a maximum of sixty (60) Business Days.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

CORPORATE GOVERNANCE MEASURES

Our Company will adopt the following measures to manage the conflict of interests arising from competing business and to safeguard the interests of our Shareholders:

- our Independent Non-Executive Directors will review, on an annual basis, the compliance with the non-competition undertaking by our Controlling Shareholders under the Deed of Non-competition;
- our Controlling Shareholders undertake to provide all information requested by our Company which is necessary for the annual review by our Independent Non-Executive Directors and the enforcement of the Deed of Non-competition;
- our Company will disclose decisions on matters reviewed by our Independent Non-Executive Directors relating to compliance and enforcement of the Deed of Non-competition in the annual report of our Company;
- our Controlling Shareholders will make confirmation on compliance with their undertaking under the Deed of Non-competition in the annual report of our Company; and
- our Independent Non-Executive Directors may appoint independent financial adviser and other professional advisers as they consider appropriate to advise them on any matter relating to the Deed of Non-competition or connected transaction(s) at the cost of our Company.

None of the members of our Group has experienced any dispute with its shareholders or among its shareholders themselves and our Directors believe that each member of our Group has maintained positive relationship with its shareholders. With the corporate governance measures including the measures set out in this paragraph headed “Corporate governance measures” and the paragraph headed “Compliance with the Corporate Governance Code” and “Board Committees” in the section headed “Directors and senior management” in this document, our Directors believe that the interest of the Shareholders will be protected.