

EUROSPORTS GLOBAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201230284Z)

ADOPTION OF EUROSPORTS TECHNOLOGIES PTE. LTD. PERFORMANCE SHARE PLAN

1. INTRODUCTION

Pursuant to Rule 842(4) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst, the Board of Directors (the “**Board**”) of EuroSports Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to disclose the principal terms of the EuroSports Technologies Performance Share Plan (the “**Plan**”), adopted by EuroSports Technologies Pte. Ltd. (“**EST**”) on 27 September 2019, a subsidiary of the Company.

2. PURPOSE OF THE PLAN

The purpose of the Plan is to assist EST and its subsidiaries in recruiting and retaining individuals with ability and initiative by enabling such persons to participate in the future success of EST and its subsidiaries and to associate their interests with those of EST and its shareholders. A summary of the principal terms of the Plan is set out in the Appendix to this announcement.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the current registered office of the Parent Company at 24 Leng Kee Road, #01-03 Leng Kee Autopoint, Singapore 159096 during normal business hours for 14 days from the date of this announcement:

- (a) the Constitution of EST; and
- (b) the Plan.

By Order of the Board

EuroSports Global Limited
Goh Kim San
Executive Chairman and Chief Executive Officer

27 September 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, CIMB Bank Berhad, Singapore Branch (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST. 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.

The contact person for the Sponsor is Mr Eric Wong, Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 63375115.

APPENDIX

PRINCIPAL TERMS OF THE EUROSPTS TECHNOLOGIES PERFORMANCE SHARE PLAN

1. Definitions

In this Appendix, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Associate”	:	As defined in the Listing Manual.
“Auditors”	:	The auditors of the Company for the time being.
“Award”	:	A contingent award of EST PSP Shares granted under the Plan.
“Board”	:	The board of Directors from time to time.
“Business Day”	:	A day other than a Saturday, a Sunday, or a gazetted public holiday in Singapore.
“Constitution”	:	The Constitution of the Company, as amended or modified from time to time.
“Committee”	:	A committee duly authorised and appointed by the Board in accordance with the Rules to administer the Plan from time to time.
“Companies Act”	:	The Companies Act (Cap. 50) of Singapore.
“Company”	:	EuroSports Technologies Pte. Ltd.
“Controlling Shareholder”	:	As defined in the Listing Manual.
“Director”	:	A director of the Company from time to time.
“EST PSP Shareholder”	:	A holder of EST PSP Shares.
“EST PSP Shares”	:	The non-voting class of Ordinary Shares to be issued under the Awards, the terms of which are set out in the Constitution and referred to therein as ‘EST PSP Shares’.
“Financial Year”	:	Financial year of the Company ended or ending 31 March (as the case may be).
“Group”	:	The Company and its subsidiaries.
“Group Employee”	:	Any confirmed employee, who may be a full-time or part-time employee, of the Group (including any Group Executive Director) selected by the Committee to participate in the Plan in accordance with the rules thereof.
“Group Executive Director”	:	A director of the Company and/or its subsidiaries, as the case may be, who is a Group Employee and performs an executive function.
“Group Non-Executive Director”	:	A Director who is not a Group Employee and who does not perform an executive function in the Group, including an independent Director.

<i>“Independent Shareholders”</i>	: In respect of the Company, Shareholders other than Shareholders who are Participants or Associates of Participants. In respect of the Parent Company, shareholders of the Parent Company other than shareholders who are Participants or Associates of Participants.
<i>“Initial Public Offering”</i>	: An in-principle confirmed initial public offering on a recognised securities exchange as defined in the Securities and Futures Act (Cap. 289) of Singapore.
<i>“Listing Manual”</i>	: The SGX-ST Listing Manual Section B: Rules of Catalist, as from time to time amended, modified or supplemented.
<i>“Offer Date”</i>	: The date on which an offer to grant an Award is made.
<i>“Ordinary Shares”</i>	: Ordinary shares in the capital of the Company.
<i>“Parent Company”</i>	: EuroSports Global Limited.
<i>“Parent Group Executives”</i>	: Directors and employees of the Parent Company and its subsidiaries (other than the Group).
<i>“Participant”</i>	: A person who is selected by the Committee to participate in the Plan in accordance with the rules thereof.
<i>“Performance Period”</i>	: The performance period during which the Performance Target shall be satisfied, if any.
<i>“Performance Target”</i>	: The performance target prescribed by the Committee to be fulfilled by a Participant for any particular Performance Period under the Plan, if any.
<i>“Plan”</i>	: The EuroSports Technologies Pte. Ltd. Performance Share Plan, as modified or altered from time to time.
<i>“Rules”</i>	: The rules of the Plan, as the same may be amended from time to time.
<i>“SGX-ST”</i>	: Singapore Exchange Securities Trading Limited.
<i>“Shareholders”</i>	: The registered holders of Shares in the register of members of the Company.
<i>“Shares”</i>	: Issued and paid-up shares in the capital of the Company.
<i>“Trade Sale”</i>	: The consummation of any transaction or series of related transactions whether involving the issue or sale of shares by the Company, which results in: <ul style="list-style-type: none"> (a) the Shareholders immediately prior to the transaction(s), owning in aggregate 50% or less of the outstanding Shares of the Company (all calculated on a deemed converted basis) after the transaction(s); or (b) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Group.

“Vesting Schedule” : In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall vest and be released and where applicable, on the Performance Target(s) (if any) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period (if any).

“%” or “per cent.” : Per centum or percentage.

2. Eligibility of Participants

2.1. The following persons shall be eligible to participate in the Plan:

- (a) Group Employees;
- (b) Group Executive Directors;
- (c) Group Non-Executive Directors who, in the opinion of the Committee, have contributed or will contribute to the success of the Group;
- (d) Parent Group Executives who, in the opinion of the Committee, have contributed or will contribute to the success of the Group; and
- (e) such other persons who, in the opinion of the Committee, have contributed or will contribute to the success of the Group, as permitted under the applicable rules of the Listing Manual,

2.2. Controlling Shareholders of the Company or Parent Company and their Associates are not eligible to participate in the Plan, provided that in the event the Committee wishes to allow their participation in the Plan, the Company shall comply with the Listing Manual, including that:

- (a) the participation of each such Controlling Shareholder or his Associate prior to the first grant of an Award to him is specifically approved by the relevant Independent Shareholders in a general meeting of the Company or the Parent Company (as the case may be) by a separate resolution; and
- (b) each grant of an Award, including the actual number and terms of the Award to be granted to each Controlling Shareholder or his Associate may only be effected with the specific prior approval of the relevant Independent Shareholders in a general meeting of the Company or the Parent Company (as the case may be) by a separate resolution.

3. Basis for Participation of Parent Group Executives

3.1. The Plan allows for participation by Parent Group Executives. As the Company is a subsidiary of the Parent Company, it is expected that there will be Parent Group Executives who provide key contributions to the stability and growth of the Company and the Group. Participation in the Plan allows the Company to recognise the services, knowledge and expertise provided to the Group by such Parent Group Executives, who support and contribute to the development and implementation of business strategies, investments and projects in which Group has interests. The extension of the Plan to Parent Group Executives gives them an opportunity to share in the success and achievements of the Group and through participation in the equity of the Company.

3.2. It is intended that allowing their participation in the Plan will serve to attract, retain and incentivise such Parent Group Executives to higher standards of performance which will improve the Group's long-term prosperity, and consequently that of the Parent Company.

4. Limitation on the size of the Plan

- 4.1. The aggregate number of EST PSP Shares for which an Award may be granted on any date under the Plan, when added to the number of Shares issued and/or issuable or transferred/transferable in respect of:
- (a) all Awards granted under the Plan;
 - (b) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 20% of the total issued Shares of the Company (excluding treasury shares) on the day preceding that date.

- 4.2. There shall be no maximum entitlement for any class or category of Participants, provided that any grant of Awards to a director or employee of the Parent Company or its subsidiaries (other than the Group) that, together with the Awards already granted to such Participant under the Plan, represents 5% or more of the total number of EST PSP Shares available to such Participants under the Plan, shall first be approved by the Independent Shareholders of the Parent Company and in accordance with the Listing Manual.

5. **Grant of Awards**

- 5.1. The number of Shares which are the subject of each Award to be granted to a Participant under the Plan shall be determined at the absolute discretion of the Committee, which may take into consideration, where applicable, factors such as:

- (a) the Participant's rank;
- (b) the Participant's scope of responsibilities;
- (c) the Participant's past performance;
- (d) the Participant's length of service;
- (e) the Participant's contribution to the success and development of the Group;
- (f) the Participant's potential for future development; and
- (g) the prevailing market and economic conditions.

The Committee may, in its absolute discretion, elect to grant Awards to selected Participants as a form of payment or part payment of their bonuses.

- 5.2. The Committee shall, in its absolute discretion, determine in relation to an Award:

- (a) The Participant;
- (b) the Offer Date;
- (c) the number of Shares which are the subject of the Award;
- (d) the Performance Target for the Participant (if any);
- (e) the Performance Period for the Participant (if any);
- (f) the Vesting Schedule (if any); and
- (g) any other condition which the Committee may decide in relation to that Award.

6. Acceptance and Release of Awards

- 6.1. The grant of an Award to a Participant shall be accepted by the Participant within 15 Business Days from the date of the grant. The Participant may accept or refuse the whole but not part of the offer.
- 6.2. The Committee shall within 15 Business Days of receipt of the acceptance form acknowledge receipt thereof. If the grant of the Award is not accepted by the Participant within 15 Business Days from the date of grant, such offer shall upon the expiry of the aforementioned period automatically lapse and be null and void.
- 6.3. Subject to:
- (a) such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
 - (b) compliance with the Rules and the Constitution of the Company,

the Company shall as soon as practicable but in any event within 1 month (or such other period as may be required by the Listing Manual) after the vesting of an Award in accordance with the Rules, allot and issue the relevant EST PSP Shares comprised in the Award to the Participant in accordance with the Companies Act. Any allotment of new EST PSP Shares pursuant to an Award may take into account the rounding of odd lots.

7. Administration of the Plan

- 7.1. The Plan shall be administered by the Committee, being a committee of a maximum of 5 persons duly authorised and appointed by the Board, and which shall at all times include the Remuneration Committee of the Parent Company. The Committee shall administer the Plan in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or his Associate. The Company may nominate one person to the Committee, subject to approval by the Board.
- 7.2. The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the released Awards to the Participants, as it may, at its absolute discretion, think fit.
- 7.3. The Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the Plan) for the implementation and administration of the Plan to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards to the Participants, as they may, in their absolute discretion, think fit including, but not limited to:
- (a) imposing restrictions on the number of Awards that may be vested within each Financial Year;
 - (b) amending Performance Target(s), Performance Period(s) and conditions of an Award if by so doing, it would be a fairer measure of performance for a Participant or for the Plan as a whole; and
 - (c) incorporating such terms and requirements as may be necessary or desirable in the opinion of the Committee for the purpose of incorporating an arrangement for the issued EST PSP Shares under Awards to be held by a trustee, where the Committee has resolved that such an arrangement is necessary or desirable for the administration of the Plan.

8. Duration of the Plan

The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years from the date the Plan is adopted by Shareholders at a general meeting of EST. Subject to compliance with any applicable laws and regulations in Singapore, the Plan may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting of the Company and any relevant authorities which may then be required.

9. **Payment for the grant of the Awards**

9.1. Participants are not required to pay for the grant of Awards. Award(s) represent the right of a Participant to whom the Award is granted to receive fully paid EST PSP Shares free of charge, upon the Participant achieving the Performance Target, if any, or upon the fulfilment of the conditions specified for the vesting of, and release of the EST PSP Shares comprised in the Awards.

9.2. Notwithstanding the foregoing, the Committee may at its absolute discretion grant Participants Awards which require the payment of an exercise price for the issuance of EST PSP Shares under the Award as a condition for release of the EST PSP Shares in that Award. The exercise price for each such Awards shall not be less than the fair market value of the EST PSP Shares on the grant date, and such fair market value shall be as reasonably determined by the Committee in good faith in accordance with accepted industry practices. For any such Awards granted by the Committee:

- (a) The maximum period during which such an Award may be exercised shall be determined by the Committee and stated in the relevant Award, subject to a maximum of 10 years from the date of grant of the Award.
- (b) Such Awards may only be exercisable after one year from the date of grant of the Award.

10. **Terms of the EST PSP Shares**

10.1. The EST PSP Shares shall be constituted as a separate class of Ordinary Shares and shall be referred to in the Constitution as 'EST PSP Shares'.

10.2. EST PSP Shares shall have all the rights, benefits and entitlements of Ordinary Shares and rank *pari passu* in all respects with Ordinary Shares, save for the following:

- (a) EST PSP Shareholders shall not be entitled to vote on any matter in a general meeting of the Company, other than as mandated and provided for under the Companies Act.
- (b) Upon the occurrence of an Initial Public Offering or a Trade Sale, provided that such Initial Public Offering or Trade Sale occurs after 10 September 2021, each EST PSP Share shall be deemed as automatically converted into one Ordinary Share.

11. **Adjustment Events**

11.1. If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits, reserves, rights issue, reduction (including any reduction arising by reason of the Company purchasing or acquiring its issued Shares), subdivision, consolidation or distribution) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the Plan,

may, at the option of the Committee acting in good faith and in accordance with the applicable rules of the Listing Manual, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the vesting date of an Award provided that the effective date relating to such variation precedes such date of vesting and, except in relation to a capitalisation issue, the Auditors (acting only as experts and not as arbitrators) provide written confirmation that in their opinion, such adjustment (or absence of adjustment) is fair and reasonable.

11.2. Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
- (b) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including Group Executive Directors and Group Employees pursuant to a purchase, incentive, award or an option scheme approved by Shareholders in general meeting of the Company, including this Plan or any other share-based incentive schemes implemented by the Company;
- (c) an issue of Shares or securities convertible into, or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; and
- (d) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

11.3. Notwithstanding the foregoing:

- (a) no such adjustment shall be made:
 - (i) if as a result, the Participant receives a benefit that a Shareholder does not receive;
 - (ii) if as a result, such adjustment will result in the number of Shares comprised in an Award, together with new Shares to be issued or issuable under the Plan, to exceed 20% of the total number of issued Shares of the Company (excluding treasury shares) for the time being; and
 - (iii) unless the Committee after considering all relevant circumstances considers it equitable to do so; and
- (b) any determination by the Committee as to whether to make any adjustment and if so, the manner in which such adjustment should be made, must (except in relation to a capitalization issue) be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

12. **Modifications and Alterations of the Plan**

12.1. Subject to the Rules, any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) any modification or alteration which shall alter adversely the rights attached to any Awards granted prior to such modification or alteration and which in the opinion of the Committee, materially alter the rights attaching to any Award(s) granted prior to such modification or alteration may only be made with the consent in writing of such number of Participants who, if their Awards were released to them in full, would thereby become entitled to not less than three-quarters in number of all the Shares which would be issued and allotted, as the case may be, upon the release of in full of all outstanding Awards;

- (b) any modification or alteration which would be to the advantage of Participants shall not be made except with the prior approval of the Shareholders in a general meeting of the Company, and where any Independent Shareholder approval of the Parent Company has been sought as required or provided for under the Plan, any such modification or alteration shall not be made except with the prior approval of the Independent Shareholders in a general meeting of the Parent Company; and
 - (c) no modification or alteration shall be made except in compliance with the Listing Manual or the rules of such other stock exchange on which the Shares are quoted or listed and such other regulatory authorities as may be necessary.
- 12.2. Notwithstanding the foregoing, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the rules or provisions of the Plan in any way to the extent necessary in the opinion of the Committee, to cause the Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13. Abstention from Voting**
- 13.1. Shareholders who are eligible to participate in the Plan must abstain from voting on any resolution relating to the Plan.
- 13.2. For any resolution of the Company relating to the participation of, or grant of Awards to, Parent Group Executives, the following categories of persons shall abstain from voting:
- (a) the Parent Company (and its Associates); and
 - (b) Parent Group Executives who are also Shareholders and are eligible to participate in the Plan.
- 13.3. Shareholders who are eligible to participate in the Plan will abstain from voting on the following resolutions where applicable:
- (a) implementation of the Plan;
 - (b) Participation by and Awards grant to Controlling Shareholders and their associates.
- 14. Potential Costs of the Awards**
- 14.1. The accounting rules in the Singapore Financial Reporting Standards requires the fair value of employee services received in exchange for the grant of the Shares to be recognised as an expense. For equity-settled share-based payment transactions, the total amount to be expensed in the income statement over the Vesting Schedule is determined by reference to the fair value of each Share granted at the grant date and the number of Shares vested by the vesting date, with a corresponding increase in equity.
- 14.2. Before the end of each period in the Vesting Schedule, at each balance sheet date, the Company revises its estimates of the number of Shares that are expected to vest by the relevant vesting date and recognises the impact of this revision in the income statement with a corresponding adjustment to equity. After the vesting date, no adjustment to the income statement would be made.
- 14.3. The expense recognised in the income statement depends on whether or not the Performance Target attached to an Award is measured by reference to the market price of the Shares. This is known as a “market condition”. If the Performance Target is a market condition, the probability of the Performance Target being met is taken into account in estimating the fair value of the Award granted at the date of grant, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met.

14.4. However, as the Company is not a listed company, it will be unlikely for Performance Targets to be a market condition. Therefore, if the Performance Target is not a market condition, the fair value per Share of the Awards granted at the date of grant is used to compute the expense to be recognised in the income statement at the end of each Financial Year, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, where the vesting conditions do not include a market condition and if the Awards do not ultimately vest, the amount charged to the income statement would be reversed at the end of the relevant period in the Vesting Schedule.

15. **Disclosure in annual report**

The Parent Company will provide the necessary disclosures in relation to the Plan in its annual report as required pursuant to Rule 851 of the Listing Manual, for so long as the Plan continues in operation, and the Parent Company is listed on the SGX-ST.