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SMART GLOBE HOLDINGS LIMITED
竣球控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1481)

BUSINESS UPDATE – DEVELOPMENT OF THE LOGISTICS CENTER IN ZAMBIA AND STRATEGIC COOPERATION WITH COSCO SHIPPING AFRICA

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of Smart Globe Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis to keep the shareholders (the "**Shareholders**") and potential investors of the Company informed of the latest business development of the Group.

Reference is made to the announcements of the Company dated 26 November 2024 and 3 January 2025 in relation to, among other things, the Acquisition, the CB Subscription and the Share Subscription (the "**Announcements**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

DEVELOPMENT OF THE LOGISTICS CENTER IN ZAMBIA

As set out in the Announcements, the Group acquired the Land with a view to developing it into the Group's logistics center in Zambia and to pivot the Group's logistics business operation in Sub-Saharan Africa. Since the Acquisition of the Land completed on 3 January 2025, the Land has been owned by Tera Logistics (an indirect non-wholly owned subsidiary of the Company) and is intended to be developed into a logistics center with warehouse facilities, parking and vehicles maintenance areas.

The Board is pleased to announce that the construction of part of the warehouse building in the logistics center located on the Land has been completed.

Further, as disclosed in the Announcements, Tera Logistics, Heng Qu and COSCO SHIPPING Africa entered into the MOU in relation to the proposed strategic cooperation for the provision of logistics services in respect of all goods to be stored in the Warehouse and the Related Facilities on the Land. In this regard, a services agreement was entered into to formalise the cooperation regarding the Group's logistics center and details of the services agreement are set out below.

STRATEGIC COOPERATION WITH COSCO SHIPPING AFRICA

On 21 July 2025, Tera Fleet Management DMCC ("**Tera Fleet**", an indirect non-wholly owned subsidiary of the Company) and COSCO SHIPPING Africa entered into a services agreement (the "**Services Agreement**") to formalise the proposed strategic cooperation as stipulated under the MOU. Principal terms of the Services Agreement are set out below:

Date: 21 July 2025

Parties: (a) Tera Fleet (as the service provider); and

(b) COSCO SHIPPING Africa (as the client)

As at the date of this announcement, COSCO SHIPPING Africa is a private company incorporated in the Republic of South Africa and a wholly owned subsidiary of China COSCO SHIPPING Corporation Limited (being a Chinese state-owned enterprise). For the avoidance of doubt, COSCO SHIPPING Africa is not directly or indirectly held by COSCO SHIPPING Holdings Co., Ltd. (being a company listed on the Main Board of the Stock Exchange, stock code: 1919).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, COSCO SHIPPING Africa and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Scope of services: The services rendered by Tera Fleet to COSCO SHIPPING Africa includes (i) handling the products/cargo as stipulated by COSCO SHIPPING Africa from time to time (the "**Products**") in the designated storage facility situated on the Land as agreed by COSCO SHIPPING Africa (the "**Storage Facility**"); (ii) warehousing and/or open storage and/or storage of the Products; (iii) stock piling of the Products in the Storage Facility; (iv) stock management and control, including stock takes, of the Products; and (v) container-related operations.

Terms and fees: The term of the Services Agreement shall commence on 1 August 2025 ("**Effective Date**") and shall continue until the earliest of (1) commencement of the lease agreement relating to the Storage Facility and change of control of certain designated sub-contractor; (2) contracting parties' mutual agreement to terminate; (3) termination pursuant to the Services Agreement upon occurrence of certain events of default or commencement of winding-up proceedings etc; and (4) 12 months after the Effective Date.

COSCO SHIPPING Africa shall pay Tera Fleet a fee in respect of the services provided under the Services Agreement, at the applicable rate as agreed in writing by both parties from time to time.

Reasons for and benefits of entering into the Services Agreement

As disclosed in the Announcements, the Group has already built its own trucking capacity and expanded its operations into the logistics sector in Sub-Saharan Africa, being part of its newly commenced supply chain management service business. As at the date of this announcement, the Group has further expanded its logistics power and has completed part of the warehouse building in its logistics center on the Land for commencement of its supply chain management service business.

Given that the logistics center is located in Zambia and is next to the border between Zambia and the DRC, which is a strategic location for cross border logistics business, the Group's logistics center has the advantages of facilitating faster customs clearance, reducing transportation costs and increasing transportation efficiency. As such, by entering into the Services Agreement, COSCO SHIPPING Africa can utilise the Group's strategic advantage for storage and transportation of the Products from various countries (included but not limited to the Republic of Zimbabwe, Zambia and the DRC) to different locations in Africa.

The Directors believe that the entering into of the Services Agreement would allow parties to commence business cooperation on the Land. The Directors are of the view that the strategic cooperation with COSCO SHIPPING Africa represents a milestone of the Group to broaden its sources of income and establish its local presence in Sub-Saharan Africa.

Furthermore, it is expected that the Group will be able to attract other international and local logistics companies to form strategic partnerships thereafter to further strengthen its local presence following the signing of the Services Agreement with COSCO SHIPPING Africa.

Having considered the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Services Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

By Order of the Board
Smart Globe Holdings Limited
NG Ho Lun
Chairman

Hong Kong, 21 July 2025

As at the date of this announcement, the executive Directors are Mr. NG Ho Lun, Mr. CHU Lok Fung Barry, Mr. CHEN Kun and Mr. LAM Tak Ling Derek; and the independent non-executive Directors are Dr. WU Ka Chee Davy, Mr. YIU Ho Chi Stephen and Ms. LAW Ying Wai Denise.