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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)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE ENTERING INTO OF THE SUPPLY CHAIN MANAGEMENT SERVICE FRAMEWORK AGREEMENT

THE SUPPLY CHAIN MANAGEMENT SERVICE FRAMEWORK AGREEMENT

On 20 October 2026, the Company entered into the Supply Chain Management Service Framework Agreement with HITO Limited, pursuant to which the Group will provide the Supply Chain Management Services to the HITO Group from time to time during the term of the Supply Chain Management Service Framework Agreement.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Mr. Ng Ho Lun is the chairman of the Board, an executive Director, and a controlling shareholder of the Company. HITO Limited is a company directly and wholly owned by Mr. Ng Ho Lun and is therefore an associate of Mr. Ng Ho Lun and a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Supply Chain Management Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the highest proposed annual cap under the Supply Chain Management Service Framework Agreement exceed 5%, the transactions contemplated thereunder are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in connection with the Supply Chain Management Service Framework Agreement, the transactions contemplated thereunder and the proposed annual caps. Frontpage Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened for the Independent Shareholders to consider and, if thought fit, approve the Supply Chain Management Service Framework Agreement, the transactions contemplated thereunder and the proposed annual caps.

A circular containing, among other things, (i) further details of the transactions contemplated under the Supply Chain Management Service Framework Agreement and the proposed annual caps; (ii) a letter from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 10 November 2026.

THE SUPPLY CHAIN MANAGEMENT SERVICE FRAMEWORK AGREEMENT

On 20 October 2026, the Company entered into the Supply Chain Management Service Framework Agreement with HITO Limited, pursuant to which the Group will provide the Supply Chain Management Services to the HITO Group from time to time during the term of the Supply Chain Management Service Framework Agreement.

The principal terms of the Supply Chain Management Service Framework Agreement are set out below:

Date	:	20 October 2026
Parties	:	(1) The Company; and (2) HITO Limited
Duration	:	Subject to the fulfilment of the condition precedent, the transactions contemplated under the Supply Chain Management Service Framework Agreement will be governed by the terms thereof effective on and from the later of (i) the date of obtaining Independent Shareholders' approval of the Company, or (ii) 1 January 2027 (the " Commencement Date ") to 31 December 2029 (both days inclusive).

Nature of Transaction	:	The Group will provide the Supply Chain Management Services to the HITO Group in Sub-Saharan Africa, including but not limited to: (1) Logistics Services: Provision of cross-border and domestic transportation, freight forwarding, and cargo handling services. (2) Warehousing Services: Provision of storage space, inventory management, loading/unloading, and packaging services. (3) Material Sourcing Services: Provision of an integrated service to procure the required goods and deliver them to customers across countries.
Pricing Terms	:	The service fees under the Supply Chain Management Service Framework Agreement shall be determined on normal commercial terms, negotiated on an arm's length basis, and shall be no less favourable than those offered by the Group to Independent Third Parties for comparable services.
Payment Terms	:	Payment of the consideration and/or the performance of any of its respective obligations shall be made pursuant to the terms and conditions of the relevant Transaction Documents.
Condition Precedent	:	The transactions contemplated under the Supply Chain Management Service Framework Agreement will be conditional upon the Company having obtained the Independent Shareholders' approval for the entering into of the Supply Chain Management Service Framework Agreement, the transactions contemplated thereunder and the proposed annual caps.

Pricing

The fees for the Supply Chain Management Services shall be determined as follows:

- (1) **Logistics services:** Fees shall be determined by reference to prevailing market rates, taking into account the route distance, road and infrastructure quality in the countries, type of cargo, mode of transportation, fuel costs, cargo weight and volume, and, for cross-border transportation, the complexity of customs clearance.

- (2) **Warehousing services:** Fees shall be determined by reference to prevailing market rates for comparable warehouses in adjacent areas, taking into account the storage space utilised, inventory turnover rate and any specialised handling requirements.
- (3) **Material sourcing services:** Fees shall be charged on a “cost-plus” basis, comprising the actual procurement cost of materials sourced at market prices from independent upstream suppliers, associated costs and a pre-agreed fixed margin.

Before executing any definitive service order for logistics or warehousing services, the Group shall benchmark the proposed fees against at least two concurrent transactions entered into between the Group and Independent Third Parties for the same or similar services under comparable circumstances. If such internal comparables are unavailable, the Group shall obtain at least two independent market quotations for the same or similar services under comparable circumstances. The fees charged to the HITO Group shall be on terms no less favourable than those offered by the Group to Independent Third Parties for comparable services.

Before executing any definitive service order for material sourcing services, the Group shall benchmark the proposed margin against the margins under at least two recent transactions entered into between the Group and Independent Third Parties for the same or similar services under comparable circumstances. The margin charged to the HITO Group shall not fall below the range of the comparable margins obtained.

Annual Caps

The proposed annual caps in respect of the transactions contemplated under the Supply Chain Management Service Framework Agreement for each of the periods: (i) from the Commencement Date until 31 December 2027, (ii) during the financial year ending 31 December 2028, and (iii) during the financial year ending 31 December 2029 are USD13 million, USD13 million and USD13 million, respectively.

The proposed annual caps were determined after taking into account the following factors:

- (i) the anticipated Supply Chain Management Services to be provided by the Group to the HITO Group under the Supply Chain Management Service Framework Agreement, in particular the projected volume of cargoes required to be transported (which is currently estimated to be approximately 16,000 MT of mineral and metal commodities per annum and approximately 4,500 cubic meters of liquid bulk commodities per annum based on the HITO Group’s procurement forecast taking into account the anticipated seasonal fluctuations, operational slowdowns, and logistical constraints typically caused by the annual rainy seasons in the Sub-Saharan Africa region);
- (ii) the anticipated capacity of trucking fleet available over the three-year term to cater for the projected demand for the Supply Chain Management Services;
- (iii) the estimated logistics fees, which are determined based on prevailing transportation market rates for different types of commodities (including, but not limited to, copper, sulphur, and gasoil);

- (iv) a buffer of 10% was applied to the aggregate estimated transaction amounts for the year ending 31 December 2027, to accommodate any unanticipated demand for the Supply Chain Management Services. The buffer was determined with reference to (a) the potential ad-hoc demand for the Supply Chain Management Services and (b) the Group's recent operational growth, where the revenue generated from the Group's supply chain management service segment increased from approximately HK\$47.3 million for the six months ended 30 June 2025 to approximately HK\$145.2 million for the six months ended 30 June 2026 (representing an increase of approximately 206.7%); and
- (v) as a prudent estimation, the proposed annual caps in respect of the transactions contemplated under the Supply Chain Management Service Framework Agreement for the financial years ending 31 December 2028 and 31 December 2029 will remain the same as the proposed annual caps for the year ending 31 December 2027, assuming that the baseline cargo volume and service allocation remain relatively stable across the term of the Supply Chain Management Service Framework Agreement.

INTERNAL CONTROL

To ensure the transactions contemplated under the Supply Chain Management Service Framework Agreement are conducted strictly in accordance with the pricing policy and do not exceed the respective annual caps, the Group has adopted the following internal control measures:

- (1) Before executing any definitive service or purchase order, the relevant operational department must compare the proposed pricing against at least two concurrent transactions of a similar nature and scale entered into between the Group and Independent Third Parties. If internal comparables are unavailable, the Group will obtain at least two independent market quotations.
- (2) The finance department is responsible for tracking the aggregate transaction amounts incurred under the Supply Chain Management Service Framework Agreement on a monthly basis. If the cumulative amount reaches 80% of the respective annual cap for a given year, an early warning notification will be issued to the Board. If the amount reaches 95%, the financial system will automatically suspend processing further orders until full compliance with Chapter 14A of the Listing Rules is verified (including revising the caps and seeking further Independent Shareholders' approval, if necessary).

- (3) In strict compliance with Rules 14A.55 and 14A.56 of the Listing Rules, the independent non-executive Directors will conduct an annual review of the transactions to confirm they are conducted in the ordinary and usual course of business, on normal commercial terms or better, in accordance with the relevant agreements, and in the interests of the Company and the Shareholders as a whole. Furthermore, the external auditor will be engaged annually to issue a confirmation letter to the Board confirming whether anything has come to its attention that causes it to believe that the continuing connected transactions: (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group where the transactions involve the provision of services by the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing them; or (iv) have exceeded the relevant annual caps.

The Directors consider that the above internal control measures are adequate and appropriate to ensure that the transactions under the Supply Chain Management Service Framework Agreement will be conducted in the Group's ordinary course of business, on normal commercial terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE GROUP AND THE HITO GROUP

The Group is principally engaged in the provision of supply chain management services and the printing business.

HITO Limited, a company incorporated in the British Virgin Islands, is wholly owned by Mr. Ng Ho Lun (being the chairman and an executive Director). The HITO Group is principally engaged in commodity trading.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLY CHAIN MANAGEMENT SERVICE FRAMEWORK AGREEMENT

The Group's supply chain management service segment has demonstrated strong and continuous growth, establishing itself as a core driver of the Group's overall operations, as shown by the Group's recent financial performance for the six months ended 30 June 2026. Building upon this proven operational success, the Group has been actively capitalising on its significantly expanded capacity by extending its integrated services to a broader range of customers. The entering into of the Supply Chain Management Service Framework Agreement allows the Group to effectively deploy this newly expanded capacity to capture substantial new business opportunities with its connected persons.

By onboarding these connected persons as long-term clients, the Group will generate mutually beneficial operational synergies. Specifically, aligning the Group's end-to-end service capabilities directly with the connected persons' continuous, large-scale procurement and transportation requirements creates a seamless operational loop. This highly coordinated approach will maximise asset utilisation and establish a highly stable and significant new revenue stream, thereby sustaining the robust growth trajectory of the Group's supply chain segment.

The Directors (other than Mr. Ng Ho Lun and Mr. Chu Lok Fung Barry, who have abstained from voting on the relevant Board resolutions, and the independent non-executive Directors who will form their view after considering the advice from the Independent Financial Adviser) are of the view that the Supply Chain Management Service Framework Agreement and the transactions contemplated thereunder will be conducted on an arm's length basis and on normal commercial terms in the ordinary and usual course of business of the Group and the terms of the Supply Chain Management Service Framework Agreement are fair and reasonable, and the Supply Chain Management Service Framework Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

At the Board meeting convened to consider the transactions contemplated under the Supply Chain Management Service Framework Agreement and the proposed annual caps, Mr. Ng Ho Lun was regarded as having a material interest (as further explained below) in the Supply Chain Management Service Framework Agreement and accordingly he was required to abstain from voting on the relevant Board resolutions. Mr. Chu Lok Fung Barry, being a director of HITO Limited, also voluntarily abstained from voting on the relevant Board resolutions for good corporate governance. Save as disclosed above, none of the other Directors has a material interest in the transactions or is required to abstain from voting on the relevant Board resolutions.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Mr. Ng Ho Lun is the chairman of the Board, an executive Director, and a controlling shareholder of the Company. HITO Limited is a company directly and wholly owned by Mr. Ng Ho Lun and is therefore an associate of Mr. Ng Ho Lun and a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Supply Chain Management Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the highest proposed annual cap under the Supply Chain Management Service Framework Agreement exceed 5%, the transactions contemplated thereunder are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the Supply Chain Management Service Framework Agreement is required to abstain from voting on the relevant resolutions at the EGM. As at the date of this announcement, TeraMetal Holdings Limited (being a company directly and wholly owned by Mr. Ng Ho Lun) held 750,000,000 Shares, representing approximately 73.53% of the total issued share capital of the Company. Accordingly, Mr. Ng Ho Lun and his associates, including TeraMetal Holdings Limited, are required to abstain from voting on the resolutions in respect of the Supply Chain Management Service Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps). To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, save as disclosed above, no Shareholder has a material interest in the Supply Chain Management Service Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) or is required to abstain from voting on the relevant resolutions at the EGM.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in connection with the Supply Chain Management Service Framework Agreement, the transactions contemplated thereunder and the proposed annual caps. Frontpage Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened for the Independent Shareholders to consider and, if thought fit, approve the Supply Chain Management Service Framework Agreement, the transactions contemplated thereunder and the proposed annual caps.

A circular containing, among other things, (i) further details of the transactions contemplated under the Supply Chain Management Service Framework Agreement and the proposed annual caps; (ii) a letter from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 10 November 2026.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Smart Globe Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Stock Exchange (stock code: 1481)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	extraordinary general meeting to be held by the Company to consider and approve the Supply Chain Management Service Framework Agreement and the transactions contemplated thereunder and the proposed annual caps
“Group”	the Company and its subsidiaries
“HITO Group”	HITO Limited and its subsidiaries and its associates, which may be classified as connected persons for the purposes of the Listing Rules, as may exist from time to time during the term of the Supply Chain Management Service Framework Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising all independent non-executive Directors, which has been established under the Listing Rules to advise the Independent Shareholders on the transactions contemplated under the Supply Chain Management Service Framework Agreement and the proposed annual caps
“Independent Financial Adviser”	Frontpage Capital Limited, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the Supply Chain Management Service Framework Agreement and the proposed annual caps
“Independent Shareholders”	the Shareholder(s) who are not required to abstain from voting at the EGM under the Listing Rules
“Independent Third Party(ies)”	any party who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are third party(ies) independent of and not connected with the Company and its connected persons

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MT”	metric tonnes
“Share(s)”	the ordinary shares in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supply Chain Management Services”	including but not limited to the provision of logistics services, material sourcing services and warehousing services by the Group
“Supply Chain Management Service Framework Agreement”	the supply chain management service framework agreement dated 20 October 2026 entered into between the Company and HITO Limited in relation to the provision of Supply Chain Management Services by the Group to the HITO Group
“Transaction Documents”	any agreements, documentation or confirmation for effecting any relevant transaction entered into between a member of the Group and a member of the HITO Group pursuant to the Supply Chain Management Service Framework Agreement in such form and substance acceptable to the relevant member of the Group and the relevant member of the HITO Group
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
Smart Globe Holdings Limited
Ng Ho Lun
Chairman

Hong Kong, 20 October 2026

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.