

Terms of options granted to the Chief executive Officer (CEO) and Chief Financial Officer (CFO)

SG Fleet Group Limited (**SG Fleet Group**) has established an equity incentive plan (**Plan**) in order to facilitate remuneration arrangements for employees of SG Fleet Group and its related bodies corporate (including the CEO and CFO) and to enhance the alignment of their interests with those of shareholders.

The rules of the Plan (**Plan Rules**) provide the framework under which the Plan and individual grants will operate. SG Fleet Group intends to offer options as long term incentives, which it will grant under the Plan (**LTI**).

As disclosed in the prospectus, an award of options will be made to the CEO and CFO at or around the time of the initial listing of SG Fleet Group. Under the Plan Rules, options are an entitlement to receive a fully paid ordinary share in SG Fleet Group (**Share**) upon satisfaction of applicable conditions and payment of an applicable exercise price. Under the LTI offers:

- the CEO will be entitled to receive options worth \$768,000 in value; and
- the CFO will be entitled to receive options worth \$315,000 in value.

The final number of options awarded to the CEO will be calculated by an independent advisor based on the Black Scholes pricing model.

Details of the terms of the options to be granted to the CEO and CFO of SG Fleet Group under the Plan are set out below:

Issue price	The options will be issued at no cost.				
Exercise price	The exercise price payable per option is \$1.85.				
Performance conditions, performance period and vesting	<p>Options granted as part of the LTI offer will vest subject to the satisfaction of performance conditions.</p> <p>The performance conditions will be tested over a performance period of at least 3 years (commencing on the date of the initial listing of SG Fleet Group and ending on 30 June 2017).</p> <p>The performance conditions must be satisfied in order for the options to vest and become exercisable.</p> <p>The performance conditions will be based on the compound annual growth rate (CAGR) of SG Fleet Group's earnings per share (EPS).</p> <p>The percentage of options that vest and become exercisable, if any, will be determined by reference to the following vesting schedule:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><i>Company's CAGR of EPS over the Performance Period</i></th> <th style="text-align: center;"><i>% of Options that become exercisable</i></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 5% CAGR</td> <td style="text-align: center;">Nil</td> </tr> </tbody> </table>	<i>Company's CAGR of EPS over the Performance Period</i>	<i>% of Options that become exercisable</i>	Less than 5% CAGR	Nil
<i>Company's CAGR of EPS over the Performance Period</i>	<i>% of Options that become exercisable</i>				
Less than 5% CAGR	Nil				

0 Terms of options granted to the Chief executive Officer (CEO) and Chief Financial Officer (CFO)

	<table border="1" data-bbox="555 309 1318 528"> <tr> <td data-bbox="555 309 938 383">5% CAGR (threshold performance)</td> <td data-bbox="938 309 1318 383">30%</td> </tr> <tr> <td data-bbox="555 383 938 456">Between 5% and 15% CAGR</td> <td data-bbox="938 383 1318 456">Straight line pro rata vesting between 30% and 100%</td> </tr> <tr> <td data-bbox="555 456 938 528">15% CAGR or above (stretch performance)</td> <td data-bbox="938 456 1318 528">100%</td> </tr> </table> <p data-bbox="539 568 1401 629">Any options that remain unvested at the end of the performance period will lapse immediately.</p>	5% CAGR (threshold performance)	30%	Between 5% and 15% CAGR	Straight line pro rata vesting between 30% and 100%	15% CAGR or above (stretch performance)	100%
5% CAGR (threshold performance)	30%						
Between 5% and 15% CAGR	Straight line pro rata vesting between 30% and 100%						
15% CAGR or above (stretch performance)	100%						
Exercise of options	<p data-bbox="539 696 1401 757">The participant must exercise any vested options within 12 months of vesting. After 12 months, any unexercised options will lapse.</p> <p data-bbox="539 768 1401 828">In order to exercise the options, the participant must submit an exercise notice and pay the exercise price before Shares are allocated.</p> <p data-bbox="539 840 1401 925">The participant will be entitled to receive one Share for each option that vests and is exercised. The Board may make an equivalent cash payment in lieu of providing Shares to the participant.</p>						
Rights associated with options	<p data-bbox="539 992 1401 1052">The options do not carry dividends or voting rights prior to vesting and exercise.</p>						
Restrictions on dealing	<p data-bbox="539 1144 1401 1205">The participant must not sell, transfer, encumber, hedge or otherwise deal with options.</p> <p data-bbox="539 1216 1401 1301">The participant will be free to deal with the Shares allocated to him on exercise of the options, subject to the requirements of SG Fleet Group's Policy for Dealing in Securities.</p>						
Cessation of employment	<p data-bbox="539 1368 1401 1429">If the participant ceases employment for cause, the unvested options will automatically lapse unless the Board determines otherwise.</p> <p data-bbox="539 1440 1401 1552">In other circumstances, the options will remain on foot and subject to the original performance conditions with a broad discretion for the Board to vest or lapse some or all of the options, the latter of which the Board will ordinarily be expected to exercise in the case of resignation.</p>						
Change of control	<p data-bbox="539 1603 1401 1798">In a situation where there is likely to be a change of control, the Board has the discretion to accelerate vesting of some or all of the options and the Board will notify the participant of the date on which any vested but unexercised options will expire. Where only some of the options are vested on a change of control, the remainder of the options will immediately lapse. If the change of control occurs before the Board exercises its discretion, the options will remain on foot subject to their original terms.</p>						
Reconstructions, corporate actions, rights issues, bonus	<p data-bbox="539 1865 1401 1926">A participant cannot participate in new issues of securities by SG Fleet Group without first exercising the options.</p> <p data-bbox="539 1937 1401 1998">However, the Plan Rules include specific provisions dealing with rights issues, bonus issues and corporate actions and other capital reconstructions.</p>						

issues, etc	These provisions are intended to ensure that there is no material advantage or disadvantage to the participant in respect of their options as a result of such corporate actions.
Clawback and preventing inappropriate benefits	<p>The Plan Rules provide the Board with broad 'clawback' powers if, amongst other things,</p> <ul style="list-style-type: none">• the participant has:<ul style="list-style-type: none">• acted fraudulently or dishonestly;• engaged in gross misconduct;• breached his or her obligations to the SG Fleet Group or its related bodies corporate; or• acted in a manner that has brought SG Fleet Group or its related bodies corporate into disrepute; or• there is a material financial misstatement;• SG Fleet Group is required or entitled under law or company policy to reclaim remuneration from the participant; or• the participant's entitlements vest as a result of the fraud, dishonesty or breach of obligations of any other person and the Board is of the opinion that the incentives would not have otherwise vested.