SkinKandy.

Long Term Incentive Plan Rules

SkinKandy Limited (ACN 636 484 814)

(Performance Rights and Service Rights)

ADOPTED MAY 2026

Contents

1 Defined terms and interpretation

1.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

(a) which is defined in the Dictionary in Schedule 1 (**Dictionary**), has the meaning given to it in the Dictionary;

(b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act; and

(c) which is defined in the GST Law, but is not defined in the Dictionary or the Corporations Act, has the meaning given to it in the GST Law.

1.2 Interpretation

The interpretation clause in Schedule 1 (**Dictionary**) sets out rules of interpretation for this deed.

2 Purpose

The purpose of the Plan is to:

(a) assist in the motivation, retention and reward of senior Management and other employees that may be invited to participate in the Plan from time to time;

(b) align the interests of employees with the interests of Shareholders by providing an opportunity for employees to receive an equity interest in the Company;

(c) provide employees with the opportunity to share in any future growth in value of the Company; and

(d) provide greater incentive for employees to focus on the Company's longer term goals.

3 Commencement

The Plan will commence on a date determined by resolution of the Board.

4 Grant of Rights

4.1 Types of Rights

Under the Plan, the Company may grant Performance Rights and Service Rights (each, a **Right**) as incentives, subject to the terms of individual offers and the satisfaction of performance and vesting conditions determined by the Board from time to time:

(a) a **Performance Right** is an entitlement to receive Shares subject to the satisfaction of applicable performance and service conditions;

(b) a **Service Right** is an entitlement to receive Shares subject to the satisfaction of applicable service conditions, which may be used in connection with senior Management transition between employers; and

(c) unless otherwise specified in an Offer, the Board has the discretion to settle Rights with a cash equivalent payment.

4.2 Compliance with laws

Notwithstanding the Rules or the terms of any Right, no Right (or resultant Share) may be offered, granted or exercised, if to do so:

(a) would contravene the Corporations Act, the ASX Listing Rules or any other Applicable Law; or

(b) would contravene the local laws or customs of a Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical or unreasonably onerous.

4.3 No prohibited financial assistance

No person may, whether directly or indirectly, provide financial assistance that is prohibited by the Corporations Act to a Participant for the purposes of, or in connection with, the acquisition or exercise of Rights under the Plan.

4.4 Quotation

The Company will not apply for quotation of Rights.

Application will be made to ASX for official quotation of any Shares issued on the vesting of Rights to the extent required by the ASX Listing Rules or any other Applicable Law if the Company's Shares are listed on ASX at that time.

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5 Offers

5.1 Board to make Offer

The Board may, in its absolute discretion and subject to any requirement for Shareholder Approval, determine that the Company offer Rights to any Eligible Employee from time to time.

5.2 Prospective Eligible Employees

The Company may, in its absolute discretion, offer Rights in accordance with these Rules to a person where the Offer is conditional on the person becoming an Eligible Employee.

5.3 Number of Rights

The number of Rights the subject of an Offer to an Eligible Employee will be determined by the Company in its absolute discretion and in accordance with the Rules and Applicable Law.

5.4 Form of Offer

An Offer (other than an Offer that does not require disclosure to any investor under Part 6D.2 of the Corporations Act because of section 708 of the Corporations Act) must be expressed to be made under Division 1A of Part 7.12 of the Corporations Act.

5.5 Issue price

No payment is required for a grant of a Right allocated under the Plan.

5.6 Acceptance basis

An Offer must be accepted by the Participant and can be made on an opt-in or opt-out basis as determined by the Board.

5.7 Terms

The terms and conditions applicable to an Offer are as determined by the Company in its absolute discretion.

5.8 Offer personal

An Offer is personal and can only be accepted by the Eligible Employee to whom the Offer is made.

6 Application for Rights

(a) An Eligible Employee wishing to apply for Rights must submit a signed and completed Application form to the Company by the date specified in the Offer.

(b) Upon receipt of an Application from an Eligible Employee, the Company must either accept or reject the Application.

7 Acceptance of Offer

7.1 Acceptance of Offer

(a) Subject to Rule 7.1(b), an Eligible Employee may accept an Offer by giving to the Company an Application by such date advised by the Company when making the Offer. By accepting an Offer for Rights in accordance with Rule 7.1(a), the Participant will be taken to have:

(i) agreed to become a Participant bound by these Rules;

(ii) irrevocably offered to acquire Rights:

(A) under, and subject to, these Rules; and

(B) on and subject to the terms and conditions of the Offer; and

(iii) agreed to become a Shareholder of the Company and be bound by the Constitution upon the issue of Shares to the Participant on vesting of the Rights.

(b) An Eligible Employee may not accept an Offer, and an Application will not be accepted if, at the date the Application would otherwise be accepted:

(i) the Eligible Employee is not an Employee;

(ii) the Eligible Employee has given notice of his or her resignation as an Employee; or

(iii) the Eligible Employee has been given notice of termination of employment as an Employee.

(c) The Company may, in its absolute discretion, refuse to allow an Eligible Employee to participate in the Plan even though an Application is received from the Eligible Employee in accordance with Rule 7.1(a).

7.2 Lapse of Offer

An Offer that is not accepted in accordance with Rule 7.1 will lapse at 5.00pm (Sydney time) by such date advised by the Company to the Eligible Employee when making the Offer (if any).

7.3 Withdrawal of Offer prior to acceptance

The Company reserves the right (subject to any Applicable Law) to withdraw an Offer made to an Eligible Employee, provided that the Offer has not yet been accepted in accordance with Rule 7.1.

7.4 Grant of Rights by Company

(a) Subject to the terms and conditions included in an Offer, the Company will grant that number of Rights set out in the Application to the relevant Participant. Nothing in any Offer or Application, or in these Rules, will be taken to confer on any Participant any right or title to or interest in, any Rights until the Rights are so granted.

(b) The Company will give notice, or cause notice to be given, to a Participant (or any person authorised to receive such notice on the Participant's behalf), in accordance with the ASX Listing Rules or any other Applicable Law, of the grant of Rights to the Participant under the Plan, including information on the following:

(i) the number and type of Rights granted to the Participant;

(ii) the date of grant of those Rights;

(iii) the vesting conditions and expiry date applicable to those Rights; and

(iv) any other specific terms and conditions applicable.

7.5 Shares to rank equally

All Shares issued pursuant to the conversion of Rights will rank equally with existing Shares on and from their date of issue.

8 Vesting

8.1 Vesting conditions

(a) Vesting of Rights is subject to any vesting or performance conditions determined by the Board and specified in the Offer.

(b) Subject to the Rules and the terms of the specific Offer, Rights will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied.

(c) Rights may have an exercise mechanism as specified in the Offer; however, no exercise price is payable.

8.2 Settlement on vesting

Upon vesting of Rights:

(a) the Company may satisfy vested Rights by issuing new Shares or by procuring on-market purchases of existing Shares; and

(b) the Company will give notice, or cause notice to be given (including via a Holding Statement), to a Participant of the issue of Shares to that Participant in accordance with the ASX Listing Rules or any other Applicable Law.

8.3 Restrictions on Dealing

(a) Prior to vesting, a Participant must not sell, transfer, encumber, hedge or otherwise deal with their Rights.

(b) Post-vesting, Shares acquired on vesting of Rights may be subject to restrictions on dealing during the periods determined in the Company's Securities Trading Policy or due to the application of restrictions contained in the Corporations Act or any other applicable laws or due to restrictions contained in the Rules or terms of the Offer.

(c) Any Dealing will also be subject to compliance with the Company's Minimum Shareholding Policy (if applicable).

9 Expiry

Rights which have vested and are not exercised prior to their Expiry Date will lapse on their Expiry Date.

10 Lapse of Rights

(a) Unless otherwise specified in the Offer or determined otherwise by the Board, a Right lapses on the earliest of:

  (i) the Board determining that any vesting condition or other condition applicable to the Right has not been satisfied, reached or met in accordance with its terms, or is not capable of being satisfied, reached or met;

  (ii) the Expiry Date;

(iii) the Right lapsing in accordance with Rule 14;

(iv) the Right lapsing in accordance with Rule 15;

(v) the Right lapsing in accordance with Rule 16;

(vi) the Participant purporting to Deal with the Right, or entering into any arrangement in respect of the Right, in breach of these Rules or the terms of the Offer;

(vii) the Participant entering into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to, the Right if restricted by Applicable Law;

(viii) the Company receiving a notice in writing from the Participant electing to surrender the Right; or

(ix) any other date, event or circumstance specified in the Offer as a date, event or circumstance on which the Right will lapse.

(b) Where a Participant's Rights have lapsed under this Rule, all rights of the Participant under the Plan in respect of those Rights are forfeited, the Company may cancel those Rights, and the Company will not be liable for any consideration, compensation, damages or other amounts to the Participant in respect of those Rights.

11 Dividends and voting rights

(a) Rights do not carry dividend or voting rights prior to vesting.

(b) Prior to Shares being issued or allocated to a Participant on vesting of Rights, the Participant has no right to receive notice of, attend, or vote at any meeting of Shareholders.

(c) Shares allocated on vesting of Rights carry the same dividend and voting rights as other Shares.

12 Return of capital and surplus profit

Prior to vesting and exercise, Rights do not entitle the Participant to any return of capital, whether in a winding up or upon a reduction of capital and do not entitle the Participant to participate in any surplus profit or assets of the Company on winding up.

13 Participation in new issues and reorganisation of capital

13.1 New issues of securities

Participants are not entitled to participate in new issues of securities by the Company prior to the vesting (and exercise if applicable) of their Rights.

13.2 Bonus issues

In the event of a bonus issue, Rights will be adjusted in the manner allowed or required by the ASX Listing Rules.

13.3 Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to existing holders of Shares and no Share has been issued in respect of a Right before the record date for determining entitlements to the pro rata issue, the Board may, in its discretion, determine whether any adjustment will be made to the terms of the Right (including whether or not there will be any resulting increase in the number of Shares which the relevant Participant will be entitled on the vesting (and exercise if applicable) of the Right and the manner in which any such increase will be calculated).

13.4 Capital reconstructions and returns of capital

Subject to the ASX Listing Rules and without limiting Rules 13.2 and 13.3, prior to the allocation of Shares (or payment of a cash equivalent) to a Participant upon vesting (and, if applicable, exercise) of Rights, the Board may grant additional Rights or make any adjustments it considers appropriate to the terms of a Right granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action by, or capital reconstruction in relation to, the Company, including but not limited to any return of capital. Adjustments that may be made include adjustments to:

(a) the number of Rights to which the Participant is entitled;

(b) the number of Shares to which the Participant is entitled upon vesting (and, if applicable, exercise) of Rights;

(c) any amount payable on vesting of Rights (and, if applicable, exercise); or

(d) a combination of paragraphs (a), (b) or (c).

13.5 Notice of adjustments

Whenever the number of Shares underlying a Right is adjusted pursuant to this Rule 13, the Company will give notice of the adjustment to the Participant.

14 Liquidity Event

If a Liquidity Event occurs, or the Board determines that a Liquidity Event is likely to occur, the Board may in its sole and absolute discretion, subject to Applicable Law and the ASX Listing Rules, determine how any or all Rights (whether vested or unvested) and any Shares allocated on vesting of Rights will be treated, including but not limited to:

(a) determining that unvested Rights (or a portion of unvested Rights) will vest and, if applicable, become exercisable with such vesting deemed to have taken place immediately prior to the effective date of the Liquidity Event, regardless of whether or not the employment, engagement or office of the Participant is terminated or ceases in connection with the Liquidity Event;

(b) reducing, waiving or varying any vesting conditions or other conditions attaching to those Rights;

(c) specifying a period during which vested Rights may be exercised and determining that any Rights not exercised within that period will lapse, or deeming vested Rights to have been exercised on a specific date or on the occurrence of a specific event;

(d) determining that any restrictions on Dealing with Shares allocated on vesting of Rights will cease to have effect from a specific date or on the occurrence of a specific event;

(e) determining that a Participant may or must participate in, or otherwise have their Rights or Shares dealt with in connection with, any transaction arising from or in connection with the Liquidity Event;

(f) determining that Rights be cancelled, bought back, exchanged or replaced for cash, securities or other consideration, including for fair market value as determined by the Board in good faith;

(g) if another body corporate acquires Control of the Company or becomes the holding company of the Company, determining that a Participant's Rights be replaced with awards in that body corporate or that, on vesting of those Rights, the Participant be provided with shares in that body corporate or its related body corporate in lieu of Shares, on substantially the same terms and conditions with any necessary or appropriate adjustments; and/or

(h) determining that any Rights that do not vest, are not exercised, or are not otherwise dealt with under this Rule will lapse or will remain on foot subject to their existing terms or any varied terms determined by the Board.

Whether or not the Board determines to accelerate the vesting of any Rights or take any other action under this Rule, the Company must give written notice of any proposed Liquidity Event, and any treatment determined by the Board under this Rule, to each affected Participant as soon as reasonably practicable.

Despite any other provision of this Rule 14 or the definition of Liquidity Event, if a Right is a performance security for the purposes of ASX Guidance Note 19, the Board must not determine that the Right will vest, become exercisable, be deemed exercised, convert into Shares or be settled by the allocation of Shares because of a Liquidity Event unless the Liquidity Event involves a person who did not Control the Company when the Right was granted acquiring Control of the Company through the acquisition of a Relevant Interest in more than 50% of the Shares of the Company, or the vesting, exercise, conversion or allocation is otherwise permitted by the ASX Listing Rules.

15 Cessation of employment

15.1 Bad leaver

Unless the Board determines otherwise, if a Participant's employment is terminated for cause or a Participant resigns (or gives notice of their resignation) prior to vesting, all their unvested Rights will lapse.

15.2 Good leaver

Unless the Board determines otherwise, if a Participant ceases employment for any other reason (such as retirement, redundancy, death, total and permanent disability, or termination by mutual agreement) prior to vesting, a pro-rata portion of unvested Rights based on the proportion of the performance period that has elapsed up to the date of cessation will remain on foot and will continue to be subject to the original performance conditions.

15.3 Board discretion

Notwithstanding the provisions of this Rule, the Board may, subject to compliance with the ASX Listing Rules, the Corporations Act and any other Applicable Law (which may require Shareholder Approval), determine to treat any Rights held by the relevant Participant in any other manner, if the Board determines that the relevant circumstances warrant such treatment.

15.4 Other conditions

It is intended that individual offer documents will provide more specific information on how the entitlements will be treated if the Participant ceases employment.

16 Malus, clawback and preventing inappropriate benefits

(a) The Board may take any of the actions in Rule 16(b) if the Board determines, acting in good faith, that one or more of the following circumstances has occurred and that action is warranted to address an undue benefit or unfair advantage to a Participant:

(i) a Participant at any time:

(A) has acted fraudulently or dishonestly, or made a material misstatement, in connection with any Group Company;

(B) has engaged in gross negligence, serious misconduct or a material breach of duties or obligations owed to any Group Company;

(C) has acted in a manner which could reasonably be regarded as having brought any Group Company into disrepute; or

(D) is convicted of a serious offence connected with the affairs of any Group Company;

(ii) a Participant has retained a Right, or has received or retained a benefit under the Plan, based on circumstances that the Board subsequently determines were incorrect or incomplete and that, had they been known at the relevant time, would have resulted in the Right being forfeited, reduced or treated differently;

(iii) there is a material misstatement in, or omission from, the financial statements of any Group Company, or a misstatement concerning the satisfaction of a vesting condition applicable to a Right, which results in a Participant obtaining or retaining a Right or other benefit under the Plan that, in the opinion of the Board, would not otherwise have been obtained, retained or vested;

(iv) a Participant's Rights vest or may vest as a result of the fraud, dishonesty or material breach of obligations of any other person and, in the opinion of the Board, the Rights will not or would not have otherwise vested;

(v) any other adverse event or circumstance specified in the Offer has occurred or arisen which the Board determines has unfairly advantaged the Participant in relation to their participation in the Plan; or

(vi) the Company (or another Group Company) is required by law, regulation or a direction from a regulator to reclaim remuneration from a Participant or reduce a Participant's remuneration outcome.

(b) In the circumstances set out in Rule 16(a), the Board may, at its discretion and subject to Applicable Law, determine any treatment in relation to a Right, Share or other benefit under the Plan which it considers appropriate and proportionate to address the undue benefit or unfair advantage, including, without limitation, to:

(i) reduce or extinguish a Participant's entitlement to a Right;

(ii) deem all or some Rights held by the Participant to have lapsed or been forfeited, or else remain on foot but subject to conditions;

(iii) deem all or any Shares allocated to a Participant on vesting of Rights, which are still held by or on behalf of the Participant, to be forfeited or subject to further restrictions;

(iv) adjust the vesting conditions applicable to the assessment of a Right;

(v) amend the terms or conditions applicable to a Right;

(vi) determine that any restrictions applicable to Shares acquired under the Plan be extended;

(vii) require that the Participant pay or repay to the Company as a debt:

(A) all or part of the net proceeds of sale where Shares acquired under the Plan have been sold, to the extent those proceeds exceed any amount paid by the Participant for those Shares;

(B) any cash equivalent payment or other cash amount received under the Plan; and/or

(C) any dividends or dividend equivalent payments received in respect of Rights or Shares acquired under the Plan.

(c) In circumstances where:

(i) the Board is considering the application of this Rule 16;

(ii) a Participant is under investigation by the Group, a Group Company or an external third party; or

(iii) such other circumstances specified in an Offer,

the Board may determine that the vesting, exercise and/or allocation of a Participant's Rights may be delayed or suspended, and/or that restrictions on disposing or otherwise Dealing with Shares allocated on vesting of Rights may be extended, for so long as the Board considers reasonably necessary to determine whether Rule 16 applies.

17 Amendment of Rules

(a) Subject to Rule 17(c), the Board may at any time, by written instrument:

(i) amend, vary, add to, delete or modify all or any of the provisions of these Rules, including this Rule 17;

(ii) amend the terms of an Offer; or

(iii) suspend or terminate the operation of the Plan.

(b) Notwithstanding Rule 17(c), the Board may waive, amend or replace any vesting condition attaching to a Right if the Board determines that the original vesting condition is no longer appropriate or applicable, provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant.

(c) Any amendment under Rule 17(a) that materially reduces any Participant's rights in respect of their Rights granted before the date of the amendment requires the written consent of the Participant, other than an amendment introduced primarily:

(i) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;

(ii) to correct any manifest error or mistake;

(iii) to allow the implementation of a trust arrangement in relation to the holding of Shares granted under the Plan;

(iv) to amend, reduce or waive any vesting conditions or restrictions applicable to a Right made in accordance with these Rules;

(v) for the purpose of complying with Applicable Law; and/or

(vi) to take into consideration possible adverse taxation implications (including, without limitation, on account of fringe benefits tax) for the Company in respect of the Plan or the Rights granted, including as a result of changes to applicable taxation legislation or the interpretation of that legislation by any taxation authority or a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.

(d) Subject to these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

(e) Subject to any shareholder approval (if required), the Board may determine that any amendment to these Rules or the terms of an Offer made pursuant to Rule 17(a) be given retrospective effect.

(f) Amendment of these Rules or the terms of an Offer by the Board will be of immediate effect unless otherwise determined by the Board.

(g) As soon as reasonably practicable after making any amendment under Rule 17(a), the Company must give notice in writing of that amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

(h) For so long as the Company's Shares are listed on ASX, then any amendments made to these Rules or the terms of an Offer will be subject at all times to the ASX Listing Rules.

18 Administration of Plan

The Plan will be administered by the Board in accordance with these Rules.

(a) The Board may make further provisions for the operation of the Plan which are consistent with these Rules.

(b) Subject to the general purpose, terms and conditions of this Plan, the Board will have full power and authority to implement and carry out this Plan including the power and authority to:

(i) delegate some or all of the administration of the Plan to any person or persons or committee or sub-committee, for any period and on any terms and conditions it decides, to exercise any of its powers or discretions under the Plan;

(ii) decide on appropriate procedures for administering the Plan, including the forms and notices to be issued under the Plan;

(iii) construe, interpret and resolve conclusively all questions of fact or interpretation concerning the Plan and these Rules and any dispute of any kind that arises under the Plan;

(iv) correct any defect, supply any omission or reconcile any inconsistency in these Rules;

(v) determine that any decision made, or permission given, under the Plan, is subject to further conditions decided by the Board;

(vi) make all other determinations which the Board considers necessary or desirable for the administration of this Plan;

(vii) take and rely upon independent professional or expert advice in or in relation to the exercise of any of its powers or discretions under these Rules; and

(viii) appoint or engage specialist service providers for the operation and administration of the Plan.

(c) Subject to the requirements of these Rules, the Board has absolute and unfettered discretion to act or refrain from acting under these Rules or concerning the Plan and in exercising any power or discretion concerning the Plan or any rights under the Plan.

(d) Any power or discretion which is conferred on the Board by these Rules must be exercised in the interests, or for the benefit, of the Company. The Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.

(e) The decisions of the Board as to the interpretation, effect or application of these Rules and all determinations made by the Board under these Rules are final, conclusive and binding on the Participants and any person with any interest in any Rights.

(f) The Board may from time to time require a Participant to complete and return any documents that are required by law to be completed by the Participant and any other documents which the Board considers should, for legal or taxation reasons, be completed by the Participant.

(g) Any calculations or adjustments which are required to be made in connection with any Rights under the Plan will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Participant.

(h) Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of a Share, the fraction will be eliminated by rounding down to the nearest whole number.

19 Rights of Participants

(a) Neither participation in the Plan by a Group Company or any Eligible Employees or holders of a Right or anything contained in these Rules will in any way prejudice or affect the right of a Group Company to dismiss any Eligible Employee or holder of a Right or to vary the terms of employment of any Eligible Employee or holder.

(b) Nor will participation or the rights or benefits of an Eligible Employee or holder of a Right under the Rules be relevant to or used as grounds for granting or increasing damages in any action brought by an Eligible Employee or holder of a Right against a Group Company whether in respect of any alleged wrongful dismissal or otherwise.

20 Attorney

Each Participant, in consideration of an Offer:

(a) irrevocably appoints the Company and any person nominated from time to time by the Company (each an “attorney”), severally, as the Participant’s attorney to complete and execute any documents including Applications for Rights and Share transfers and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules;

(b) covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;

(c) releases each member of the Group and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule; and

(d) indemnifies and holds harmless each member of the Group and the attorney in respect thereof.

21 Notices

Any notice to Participants may be given in such manner as the Company determines.

22 Governing Law

This Plan is governed by the laws of New South Wales, Australia.

Schedule 1 Dictionary

1 Dictionary

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

Applicable Law means any one or more or all, as the context requires of:

(a) the Corporations Act;

(b) the Corporations Regulations;

(c) the ASX Listing Rules;

(d) the Constitution;

(e) the Tax Act;

(f) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a) to (e) above; and

(g) any other legal requirement that applies to the Plan.

Application means a duly completed and executed application for the grant of Rights made by an Eligible Employee in respect of an Offer, in the form approved by the Board from time to time.

ASIC means the Australian Securities and Investments Commission.

Associated Entity means, in relation to the Company, an associated entity of the Company within the meaning of section 50AAA of the Corporations Act, provided that the entity is a body corporate.

ASX means the Australian Securities Exchange.

ASX Listing Rules means the official listing rules of the Australian Securities Exchange as amended from time to time.

Board means the board of directors of the Company.

Business Day means a day on which banks are open for general business in Sydney, New South Wales, excluding Saturdays, Sundays or public holidays.

Company means SkinKandy Limited ACN 636 484 814.

Change of Control Event means any of the events in paragraphs (a) to (e), but does not include the events in paragraphs (f) and (g):

(a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional and the bidder has a Relevant Interest in more than 50% of the issued capital of the Company;

(b) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company, or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate, other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company;

(c) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;

(d) any Group Company enters into agreements to sell all or substantially all, or a majority in value, of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies; or

(e) the Board determines in its reasonable opinion that Control of the Company has changed or passed, or is likely to change or pass, to one or more persons, none of which are Group Companies;

(f) any internal reorganisation of the structure, business and/or assets of the Group; or

(g) a person who already holds a Relevant Interest in more than 50% of the issued capital of the Company continuing to hold such a Relevant Interest.

Constitution means the constitution of the Company (as amended from time to time).

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Corporations Regulations means the *Corporations Regulations 2001* (Cth), as amended from time to time.

Deal or Dealing means, in relation to a Share or Right:

(a) to sell, transfer, assign, novate, swap, declare a trust over, grant a Security Interest over, dispose of or otherwise alienate or deal with any legal or equitable interest in the Share or Right; or

(b) taking any steps or attempting to do any of the things set out in paragraph (a).

Directors means the directors of the Company.

Employee means a person who is an employee of the Company or of an Associated Entity of the Company.

Expiry Date means, in relation to Rights, the date specified in an Offer as the date on which the Rights will expire and lapse if not exercised, or, if no date is specified in an Offer, the Business Day prior to the 15th anniversary of the date of grant of the Rights.

Eligible Employee means a person who is an Employee or a Director of the Company or of an Associated Entity of the Company, or an individual who provides services to the Company or an Associated Entity of the Company, or any prospective such person, or any other person that the Board determines to be eligible to receive a grant under the Rules.

GST Law has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Group Company means a member of the Group.

Group means the Company and each of its Subsidiaries.

Holding Statement means a holding statement issued by the Company's share registry in respect of Shares issued under the Plan.

Liquidity Event means a Change of Control Event or any other transaction, event or state of affairs which the Board determines in its absolute discretion is likely to result in, or should otherwise be treated as, a liquidity event for the purposes of these Rules, including where the Company passes a resolution for the voluntary winding-up of the Company or where an order is made for the compulsory winding up of the Company.

Management means the senior executives and key management personnel of the Company as determined by the Board from time to time.

Offer means an offer made to an Eligible Employee to subscribe for Rights under the Plan.

Participant means an Eligible Employee to whom the Company determines is to be granted Rights under the Plan and to whom Rights have been granted under the Plan.

Performance Right means an entitlement to receive Shares subject to the satisfaction of applicable performance and service conditions.

Plan means the long term incentive plan established in accordance with these Rules.

Relevant Interest has the meaning given in the Corporations Act.

Right means a Performance Right or a Service Right granted under this Plan.

Rules means the rules of the Plan set out in this document.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature (including the registration and/or perfection of that security interest under the *Personal Property Securities Act 2009* (Cth)).

Service Right means an entitlement to receive Shares subject to the satisfaction of applicable service conditions.

Share means a fully paid ordinary share in the Company.

Shareholder means a holder of Shares.

Shareholder Approval means any prior approvals that need to be obtained from Shareholders of the Company in terms of these Rules before an action is taken or determination made under these Rules and doesn't contemplate the concept of shareholder approval generally.

Subsidiary has the meaning given to that term in the Corporations Act.

Tax Act means the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth).

2 Interpretation

In these Rules, the following rules of interpretation apply unless the contrary intention appears:

(a) headings are for convenience only and do not affect the interpretation of these Rules;

(b) the singular includes the plural and vice versa;

(c) words that are gender neutral or gender specific include each gender;

(d) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

(e) the words 'such as', 'including', 'particularly' and similar expressions are not words of limitation;

(f) a reference to:

  (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation, trust or other body corporate;

  (ii) a thing (including but not limited to a chose in action or other right) includes a part of that thing;

  (iii) a party includes its agents, successors and permitted assigns;

  (iv) a document includes all amendments or supplements to that document;

  (v) a rule, term, party, schedule or attachment is a reference to a rule or term of, or party, schedule or attachment to these Rules;

  (vi) these Rules includes all schedules, appendices and attachments to it;

  (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity and is a reference to that law as amended, consolidated or replaced;

  (viii) a statute includes any regulation, ordinance, by-law or other subordinate legislation under it;

  (ix) an agreement other than these Rules includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and

  (x) a monetary amount is in Australian dollars and all amounts payable under or in connection with these Rules are payable in Australian dollars;

(g) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of the Rules or any part of them;

(h) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day;

(i) in determining the time of day, where relevant to these Rules, the relevant time of day is:

    (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or

    (ii) for any other purpose under these Rules, the time of day in the place where the party required to perform an obligation is located;

(a) a day is the period of time commencing at midnight and ending immediately before the next midnight is to occur; and

(b) if a period of time is calculated from a particular day, act or event (such as the giving of a notice), unless otherwise stated in these Rules, it is to be calculated exclusive of that day, or the day of that act or event.