

Hong Kong - Tax Guide

Employee Share Purchase Plan

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1. Introduction

The following is a summary of the tax treatment of an award made to you by Seagate Technology Holdings PLC under the Employee Share Purchase Plan (the "Plan"). This summary assumes that you have been resident in Hong Kong during the lifecycle of the award.

The tax treatment as explained herein is intended as a guide only. It is limited to a general description of the national tax laws, and is not intended to address city, regional, or other local tax laws that may be applicable to you. It may not apply to your particular tax or financial situation, and we are not in a position to assure you of any particular tax result. Therefore, we recommend that you consult with your own independent tax advisor regularly to determine the consequences of taking or not taking any action concerning your shares, and to determine how the tax or other laws in Hong Kong apply to your specific situation. This information was last reviewed in October, 2025.

2. Overview

Award

- It allows you to purchase Seagate Technology Holdings PLC shares at a discount.
- You are **not subject to taxation on equity** at this point.

Purchase

- You will **be subject to tax** at this point.
- The taxable amount is calculated based upon the market value of the shares at the date of purchase less the price paid for the shares.
- **Seagate Technology Holdings PLC is responsible for reporting the income.**
- You are also **responsible for reporting the income.**

Sale

- The date you sell Seagate Technology Holdings PLC shares.
- You are **not subject to taxation on equity** at this point.

3. Tax Treatment

	Award	Purchase	Sale
Action required	No action required.	Pay any taxes due. Report the income on tax return.	No action required.
Income tax / Capital gains tax	No	Income tax payable at rates up to 17%.	No

Employee social tax	No	No	No
Employer's social tax	No	No	No
Income tax withholding	No	No	No
Employee tax reporting	No	Yes	No
Employer tax reporting	No	Yes	No
Tax return deadline	N/A		
What documents do I need for my taxes	N/A	Form BIR60	N/A
Foreign asset reporting	While there are no specific foreign asset reporting obligations, residents of Hong Kong may need to report any assets held outside Hong Kong, including any shares acquired under an employee share plan, in their annual tax return.		

Income tax - The rates set out in this guide are marginal rates. In the event that you are required to pay income tax on the value of your award, the amount of income tax you pay will depend on your marginal tax rate. Generally, the more you earn, the higher your marginal income tax rate.

4. Will I pay tax when I am granted an award under the ESPP?

You will not have to pay any tax when you are granted a right to acquire shares under the ESPP.

5. Will I pay tax when I receive my shares?

Income Taxes

When the shares are purchased, you will be required to pay income tax on the difference between the purchase price and the market value of the shares at that time at rates of up to 17%.

Social Taxes

You will not be required to pay any social taxes.

Payment Method

The local company will not withhold income tax on the award and it will be your duty to report and pay income tax due under the ESPP in your tax return.

6. How will any benefits under the ESPP be reported?

You will need to report:

- Any income tax due on purchase of the shares in Form BIR60 to the tax authorities in the annual tax return.
For taxpayers not solely owning any unincorporated business during the year of assessment, the tax return should be filed within 1 month from the date of issuance of the tax return (normally the due date will fall in early June). The IRD normally issues the individual tax return (Form BIR60) on the first working day of May each year. The individual tax returns are required to be filed within 1 month of the date of issue.
For taxpayers solely owning any unincorporated business during the year of assessment, the tax return should be filed within 3 months from the date of issuance of the tax return (normally the due date will fall in early August)

7. Will I have to pay any tax on any dividends paid on the shares?

There will be no tax payable on any dividends you receive.

8. Will I pay any tax when I sell my shares?

You will not have to pay any tax on the sale of the shares.

9. Additional Information

Maximum income tax rate

Only part of the income may be subject to a maximum tax rate of 17%, since there are two ways to compute the salaries tax in Hong Kong. You can pay tax on your net chargeable income (assessable income less deductions and allowances) at progressive rates ranging from 2% to 17%, or at a flat rate of 15% on net income (assessable income less deductions), whichever is the lower.

10. Sample tax calculation

This illustrative example assumes the following:

- Purchase price of USD 70.
- An income tax rate of 17%.
- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not

been applied.

Tax implications

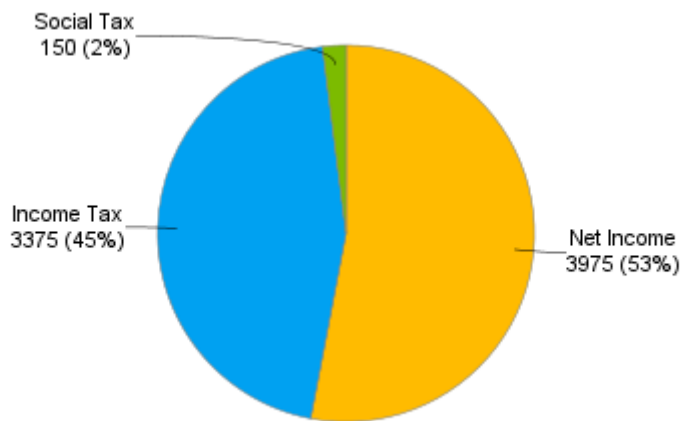
Award

No taxes due.

Purchase

Number of Shares Purchased	100
Purchase Price	USD 70
Fair Market Value (FMV) of the shares on Purchase	USD 80
Taxable Income (100 x USD 80) - (100 x USD 70)	USD 1,000
<u>Income Tax Payable by you (USD 1,000 x 17%)</u>	<u>USD 170</u>
Net Income (USD 1,000 - USD 170)	USD 830

Vesting



Sale

No taxes due.

* Please note the above is for information purposes only. Transaction fees may also apply and are not included.

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