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周大福創建有限公司 CTF Services Limited

(incorporated in Bermuda with limited liability)

(stock code: 00659)

GRANT OF SHARE OPTIONS

The Board announces that on 24 January 2025, share options carrying the rights to subscribe for a total of 99,969,342 new Shares were offered to be granted under the share option scheme of the Company at an exercise price of HK\$7.464 per Share.

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of CTF Services Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that on 24 January 2025, share options (the “**Options**”) carrying the rights to subscribe for a total of 99,969,342 new ordinary shares of HK\$1.00 each of the Company (the “**Share(s)**”) were offered to be granted under the share option scheme adopted by the Company on 23 November 2021 (as amended on 13 January 2025) (the “**Share Option Scheme**”). On 13 January 2025, the Board had passed a resolution to amend the rules relating to the Share Option Scheme to reflect the change of name of the Company and the change of holding company of the Company. As such amendments to the rules of the Share Option Scheme are not of a material nature nor to the advantage of the participants, such amendments are therefore not subject to approval of the shareholders of the Company under Note 1 to Rule 17.03(18) of the Listing Rules. The aforesaid offers will remain open for acceptance by the grantees (the “**Grantees**”) for a period of 14 days from the date of offer and upon their acceptance the Options will be deemed to have been granted and accepted on the date of offer (the “**Date of Grant**”). Details of the Options offered to be granted are as follows:

Date of offer:	24 January 2025
Grantee category:	Directors and employees of the Group
Total number of Options offered to be granted:	99,969,342 Options, each entitling its holder to subscribe for one new Share

Exercise price of Options offered to be granted:	HK\$7.464 per Share, representing a price which is the highest of (i) the closing price of the Shares of HK\$7.31 as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the “ Stock Exchange ”) on 24 January 2025; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding 24 January 2025, being HK\$7.464; and (iii) the nominal value of the Shares, being HK\$1.00.
Closing price of the Shares on the date of offer:	HK\$7.31 per Share
Vesting period and exercise period of the Options:	<p>The vesting periods of the Options shall be no less than 12 months from the Date of Grant and the Options shall be vested and become exercisable in three tranches as set out below:</p> <ul style="list-style-type: none"> (a) 20% of the Options granted are exercisable during the period from 24 January 2026 to 23 January 2035 (both days inclusive). (b) 30% of the Options granted are exercisable during the period from 24 January 2027 to 23 January 2035 (both days inclusive). (c) 50% of the Options granted are exercisable during the period from 24 January 2028 to 23 January 2035 (both days inclusive).
Consideration for the grant of the Options:	HK\$10 is to be paid as consideration for the grant of the Options within 14 days from the date of offer.
Performance target:	<p>It is proposed that no performance target will be attached to the Options for the following reasons:</p> <ul style="list-style-type: none"> (a) the grant of the Options to directors and senior management is a recognition of their pivotal roles and responsibilities in steering the management and strategic development of the Company; (b) the grant of the Options will provide the Grantees with a valuable opportunity to acquire a personal stake in the Company, thereby reinforcing their commitment to the overall business performance, sustainable development, value enhancement and good corporate governance of the Group;

- (c) the value of the Options is dependent to a great extent on the future performance of the Group;
- (d) the vesting of the Options in three batches serves to motivate the Grantees to promote the future growth and development of the Group;
- (e) the Options are subject to the terms of the Share Option Scheme which already cover situations where the Options will lapse in the event that the Grantees cease to be employees of the Group; and
- (f) as a recommended best practice under the Corporate Governance Code under the Listing Rules, issuers generally should not grant equity-based remuneration with performance-related elements to independent non-executive directors.

Clawback mechanism:

The Options granted will be subject to a clawback mechanism as set out in the Share Option Scheme, including but not limited to lapse of Options upon termination of employment by reason of the Grantee's misconduct justifying summary dismissal. For details, please refer to the paragraph headed "12. Lapse of Options" in Appendix III "Principal Terms of New Share Option Scheme" to the circular of the Company dated 21 October 2021 in relation to, among other things, the adoption of the Share Option Scheme.

Arrangements for the Company or any of its subsidiaries to provide financial assistance to the Grantees:

The Group has not provided any financial assistance to the Grantees to facilitate the subscription of Shares under the Share Option Scheme.

An aggregate of 99,969,342 Options were offered to be granted to the directors and employees of the Group as follows:

Name of Grantee	Position	Number of Options offered to be granted
Dr. Cheng Kar Shun, Henry	Chairman and Executive Director	12,375,800
Mr. Cheng Chi Ming, Brian	Executive Director and Group Co-Chief Executive Officer	8,380,450
Mr. Ho Gilbert Chi Hang	Executive Director and Group Co-Chief Executive Officer	8,380,450
Mr. Lam Jim	Executive Director and Group Chief Operating and Financial Officer	8,161,110
Mr. Cheng Chi Leong, Christopher	Executive Director	7,753,950
Mr. William Junior Guilherme Doo	Non-executive Director	867,100
Mr. Tsang On Yip, Patrick	Non-executive Director	867,100
Mr. Shek Lai Him, Abraham	Independent Non-executive Director	1,856,400
Mr. Lee Yiu Kwong, Alan	Independent Non-executive Director	1,856,400
Mrs. Oei Wai Chi Grace Fung	Independent Non-executive Director	1,856,400
Mr. Wong Kwai Huen, Albert	Independent Non-executive Director	1,856,400
Prof. Chan Ka Keung, Ceajer	Independent Non-executive Director	1,856,400
Ms. Ng Yuen Ting, Yolanda	Independent Non-executive Director	1,856,400
<i>Sub-total</i>		57,924,360
Employee participants (Approximately 270 in number)	Employees of the Group that are, in most of the cases, of Senior Manager grade or above (or of equivalent grade)	42,044,982
<i>Total</i>		<u><u>99,969,342</u></u>

In accordance with Rule 17.04(1) of the Listing Rules, the offer of Options to each of the above directors (including the co-chief executive officers) had been approved by the independent non-executive directors of the Company, save that each of the independent non-executive directors of the Company had abstained from approving the resolutions relating to the grant of Options to himself/herself. None of the offer of the Options will be subject to approval by independent shareholders of the Company.

To the best knowledge, information and belief of the Board having made all reasonable enquiries, none of the other grantees of the Options is (i) save as disclosed above, a director, chief executive or substantial shareholder of the Company, nor an associate (as defined under the Listing Rules) of any of them; (ii) a participant with Options granted and to be granted exceeding the 1% individual limit (as defined in the Listing Rules); or (iii) a related entity participant or service provider (as defined in the Listing Rules). The grant of the Options will not result in the Shares issued and to be issued in respect of all Options granted (excluding any Options lapsed in accordance with the terms of the Share Option Scheme) to any Grantee in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares, if any).

The allocation of the Options to the directors of the Company and other grantees is generally determined by reference to their respective position, grade and level of previous and continuous contributions.

The main purpose of the grant of the Options is to reward directors and employees of the Group for their historical contributions in business development and operations of the Group over the recent years, especially under the challenging operational environment. In view of this and having considered the reasons stated in the paragraph headed “Performance target” above, the remuneration committee of the Board is of the view that a performance target was not necessary and this aligned with the purpose of the Share Option Scheme. Whilst as an ancillary purpose, the grant of Options will also have the effect of incentivizing future contributions from the Grantees and other directors and employees of the Group.

Following the grant of the Options, the number of Shares available for future grant under the scheme mandate of the Share Option Scheme is 207,247,592.

By Order of the Board
Tang Wai Yau
Company Secretary

Hong Kong, 24 January 2025

As at the date of this announcement, (a) the executive directors of the Company are Dr. Cheng Kar Shun, Henry, Mr. Cheng Chi Ming, Brian, Mr. Ho Gilbert Chi Hang, Mr. Lam Jim and Mr. Cheng Chi Leong, Christopher; (b) the non-executive directors of the Company are Mr. William Junior Guilherme Doo (alternate director to Mr. William Junior Guilherme Doo: Mr. Lam Wai Hon, Patrick) and Mr. Tsang On Yip, Patrick; and (c) the independent non-executive directors of the Company are Mr. Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan, Mrs. Oei Wai Chi Grace Fung, Mr. Wong Kwai Huen, Albert, Professor Chan Ka Keung, Ceajer and Ms. Ng Yuen Ting, Yolanda.