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If you have sold or transferred all your shares in CTF Services Limited, you should at once hand this circular together with the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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In particular, this circular does not constitute an offer to sell or solicitation of an offer to buy any of the Shares to Shareholders who are located in the United States of America or who are U.S. Persons (as defined in Rule 902 under the United States Securities Act of 1933, as amended from time to time) and, in those circumstances, this circular must be treated as sent for information purpose only and should not be copied or redistributed. The Shares may not be offered or sold in the United States of America or to any U.S. Persons absent registration or an applicable exemption from registration requirements. No public offer of the Shares is to be made in the United States of America or to any U.S. Persons. For the avoidance of doubt, if this circular is received by any person located in the United States of America or who is a U.S. Person, or, in each case, by his/her/its agent, custodian, nominee or trustee, he/she/it should not seek to elect to receive any Bonus Shares under the Bonus Issue unless such person is able to demonstrate to the satisfaction of CTF Services Limited, or CTF Services Limited determines, that such actions would not violate applicable legal or regulatory requirements. Any person (including, but not limited to, agents, custodians, nominees and trustees) who does forward this circular in, into or from the United States of America or to a U.S. Person (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph.



周大福創建有限公司
CTF Services Limited

(incorporated in Bermuda with limited liability)

(stock code: 00659)

**(1) PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
DECLARATION OF FINAL DIVIDEND
AND SCRIP DIVIDEND SCHEME,
BONUS ISSUE OF SHARES,
PROPOSED AMENDMENTS TO THE 2021 SHARE OPTION SCHEME,
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT UNDER
THE 2021 SHARE OPTION SCHEME
AND
REVISION OF EXISTING FY2026 ANNUAL SALES CAP FOR
CERTAIN CONTINUING CONNECTED TRANSACTIONS UNDER THE NWD
MASTER SERVICES AGREEMENT
AND
(2) NOTICE OF ANNUAL GENERAL MEETING**

Capitalized terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the 2025 AGM to be held as a hybrid meeting with a combination of an in-room meeting at the principal meeting place of Meeting Room N201 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong and an online virtual meeting via electronic facilities on Tuesday, 18 November 2025 at 11:00 a.m. or any adjournment thereof is set out in Appendix V to this circular. Whether or not you are able to attend the 2025 AGM (or any adjourned meeting) in person physically or online, you are requested to complete and (a) return the accompanying proxy form in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong; or (b) submit the proxy form electronically through the Vistra eVoting Portal (<https://evoting.vistra.com/#/659>) as soon as possible but in any event no later than 11:00 a.m. (Hong Kong time) on Sunday, 16 November 2025, or not less than 48 hours before the time appointed for holding of any adjourned meeting thereof (as the case may be). Completion and return of the proxy form shall not preclude you from attending and voting in person physically or online at the 2025 AGM or any adjourned meeting thereof should you so wish and in such event, the proxy form shall be deemed to be revoked.

24 October 2025

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ATTENDING THE 2025 AGM BY MEANS OF ELECTRONIC FACILITIES

The Company will conduct the 2025 AGM as a hybrid meeting using Vistra eVoting Portal, which allows Shareholders to participate in the 2025 AGM online in a convenient and efficient way from anywhere with an internet connection, in addition to the traditional physical attendance at the 2025 AGM. Shareholders participating in the 2025 AGM using the Vistra eVoting Portal will also be counted towards the quorum and they will be able to cast their vote and submit questions in written form to the 2025 AGM via their mobile phones, tablets or computers through the Vistra eVoting Portal.

The Vistra eVoting Portal permits a “split vote” on a resolution, in other words, a Shareholder casting his/her/its votes through the Vistra eVoting Portal does not have to vote all of his/her/its shares in the same way (“For” or “Against”). In the case of a proxy/corporate representative, he/she can vote such number of shares in respect of which he/she has been appointed as a proxy/corporate representative. Votes cast through the Vistra eVoting Portal are irrevocable once the votes have been casted.

Vistra eVoting Portal will be open for the registered Shareholders and non-registered Shareholders (see below for login details and arrangement) to log in from 10:30 a.m. on 18 November 2025 (i.e. approximately 30 minutes prior to the commencement of the 2025 AGM). Shareholders should allow ample time to check into Vistra eVoting Portal to complete the related procedures. Please refer to the Online Meeting User Guide in relation to the procedures of the online meeting at <https://evoting.vistra.com/#/659>.

Non-registered Shareholders (i.e. those shareholders whose Shares are held through a bank, a broker or a custodian or registered in the name of their nominees (together, the “**Intermediary**”)) can contact and instruct the Intermediary to appoint themselves as proxy or corporate representative to attend and vote at the 2025 AGM physically and at the same time request login details to attend and vote at the 2025 AGM using Vistra eVoting Portal.

Login details for Registered Shareholders: Details regarding the 2025 AGM arrangements including login details to access Vistra eVoting Portal are included in the Company’s notification letter to registered Shareholders for the 2025 AGM (the “**Shareholder Notification**”).

Login details for Non-registered Shareholders: Non-registered Shareholders who wish to attend and vote at the 2025 AGM using Vistra eVoting Portal should (1) contact and instruct their Intermediary to appoint themselves as proxy or corporate representative to attend the 2025 AGM; and (2) provide their email address to their Intermediary before the time limit required by the relevant Intermediary. Details regarding the 2025 AGM arrangements including login details to access Vistra eVoting Portal will be sent by the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, to the email address of the non-registered Shareholders provided by the Intermediary. Any non-registered Shareholder who has provided an email address through the relevant Intermediary for this purpose but has not received the login details by email by 11:00 a.m. on Monday, 17 November 2025 should reach out to the Company’s branch share registrar in Hong Kong for assistance. Without the login

GUIDANCE FOR THE 2025 AGM

details, non-registered Shareholders will not be able to participate and vote using Vistra eVoting Portal. Non-registered Shareholders should therefore give clear and specific instructions to their Intermediary in respect of both (1) and (2) above.

Registered Shareholders and non-registered Shareholders should note that only one device is allowed per login. Please also keep the login details in safe custody for use at the 2025 AGM and do not disclose them to anyone else. Neither the Company nor its share registrar assume any obligation or liability whatsoever in connection with the transmission of the login details or any use of the login details for voting or otherwise.

VOTING AT THE 2025 AGM

In addition to the traditional method of completing voting papers, Vistra eVoting Portal will be used at the 2025 AGM to enhance the efficiency in the poll counting process. For online voting at the 2025 AGM, Shareholders can refer to the Online Meeting User Guide by visiting <https://evoting.vistra.com/#/659> for details.

The submission of vote through the Vistra eVoting Portal using the login details will be conclusive evidence that the vote was cast by you as a Shareholder.

QUESTIONS AT THE 2025 AGM

Shareholders attending the 2025 AGM using Vistra eVoting Portal will be able to submit questions relevant to the proposed resolutions online during the 2025 AGM. The Company will endeavour to address these questions at the 2025 AGM as the Chairman of the 2025 AGM at his/her sole discretion considers practicable in the circumstances.

VOTING BY PROXY

Shareholders are encouraged to exercise their rights to attend and vote at the 2025 AGM. Physical attendance is not necessary for the purpose of exercising Shareholders' rights. Shareholders shall submit their completed proxy forms well in advance of the 2025 AGM. Return of a completed form will not preclude Shareholders from attending and voting in person (whether physically or online) at the 2025 AGM or any adjournment thereof should they subsequently so wish and in such event, the proxy form shall be deemed to be revoked.

Submission of proxy forms for Registered Shareholders: A proxy form for use at the 2025 AGM is enclosed with the print version of this circular. A copy of the proxy form can also be accessed via and/or downloaded from the website of the Company (www.ctfs.com.hk), HKEXnews website (www.hkexnews.hk) and Vistra eVoting Portal (<https://evoting.vistra.com/#/659>).

The deadline to submit completed proxy forms is Sunday, 16 November 2025 at 11:00 a.m. Completed proxy forms must be returned/submitted to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

GUIDANCE FOR THE 2025 AGM

In addition to the physical submission of the proxy form, registered Shareholders have the option to submit their proxy appointment electronically through the Vistra eVoting Portal from Saturday, 25 October 2025 up to 11:00 a.m. on Sunday, 16 November 2025. Details regarding the submission of proxy forms electronically including login details to access the Vistra eVoting Portal are included in the Shareholders Notification.

For online attendance at the 2025 AGM by proxy, registered Shareholders must provide a valid email address of their proxy (except when the Chairman of the 2025 AGM is appointed as their proxy) by inserting the email address into the proxy form. The email address so provided will be used by Tricor Investor Services Limited for sending the login details for voting at the 2025 AGM. Accordingly, registered Shareholders and their proxy should ensure that the email address provided will be appropriately secure for this purpose. If no email address is provided, their proxy cannot attend and vote online.

Appointment of proxy by Non-registered Shareholders: Non-registered Shareholders should contact their Intermediary as soon as possible for assistance in the appointment of proxy to attend the 2025 AGM physically or online.

CONTACT DETAILS OF THE COMPANY'S BRANCH SHARE REGISTRAR IN HONG KONG

If Shareholders have any queries relating to the 2025 AGM, please contact the Company's branch share registrar in Hong Kong during business hours (from 9:00 a.m. to 5:00 p.m., Monday to Friday, excluding Hong Kong public holidays) as follows:

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Telephone: (852) 2980 1333
Email: emeeting@vistra.com

DEFINITIONS

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

“2021 Share Option Scheme”	the share option scheme adopted by the Company on 23 November 2021, as amended on 13 January 2025, and as further amended (and if applicable, approved by the Shareholders) from time to time
“2023 SGM”	the special general meeting of the Company held on 26 June 2023 approving, among other matters, the NWD Master Services Agreement and the Existing FY2026 Annual Sales Cap
“2025 AGM”	the annual general meeting of the Company to be held as a hybrid meeting at the principal meeting place of Meeting Room N201 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 18 November 2025 at 11:00 a.m., notice of which is set out in Appendix V to this circular or, where the context so admits, any adjournment thereof
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of directors of the Company
“Bonus Issue”	issue of Bonus Share(s) by the Company to the Qualifying Shareholders on the basis of one (1) Bonus Share for every ten (10) Shares held on the Record Date
“Bonus Shares”	new Shares(s) to be allotted and issued by the Company by way of Bonus Issue on the terms set out in this circular
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Century Acquisition”	Century Acquisition Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CTF Enterprises
“Certain Transactions”	certain of the transactions contemplated under the NWD Master Services Agreement, namely in respect of the provision of the Operational Services by members of the Group to members of the NWD Group
“close associate(s)”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“Company”	CTF Services Limited (周大福創建有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Hong Kong Stock Exchange (stock code: 00659)
“Companies Act”	the Companies Act 1981 of Bermuda, as amended and supplemented from time to time
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“2.80% Convertible Bonds”	the HK\$850,000,000 2.80% convertible bonds due 2027 issued by the Company
“CTF Enterprises”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability which holds approximately 74.55% of the total issued share capital of the Company as at the Latest Practicable Date
“CTF Enterprises Group”	has the meaning ascribed to it in the master services agreement in relation to the operational services entered into between the Company and CTF Enterprises on 28 April 2023 as disclosed in the announcement of the Company dated 28 April 2023
“Date of Adoption”	23 November 2021, being the date of adoption of the 2021 Share Option Scheme
“Director(s)”	director(s) of the Company
“Eligible Employee(s)”	any director (including any executive director, non-executive director or independent non-executive director) and employee (whether full time or part time) of the Company, any subsidiary or member of the Group, or any associated company of the Company
“Eligible Participant(s)”	any person who is an Eligible Employee as set forth in the 2021 Share Option Scheme
“Existing FY2026 Annual Sales Cap”	the existing annual sales cap for the financial year ending 30 June 2026 of the Company in respect of the Certain Transactions under the NWD Master Services Agreement which was approved by the then independent Shareholders at the 2023 SGM

DEFINITIONS

“Final Dividend”	final ordinary dividend of HK\$0.35 per Share for the financial year ended 30 June 2025 to be paid to the Shareholders whose names appear on the register of members of the Company on 24 November 2025
“Group”	the Company and its subsidiaries from time to time
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee, comprising all the independent non-executive Directors, namely 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, which has been formed to advise the Independent Shareholders in relation to the Revised FY2026 Annual Sales Cap
“Independent Financial Adviser” or “Ballas Capital”	Ballas Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Revised FY2026 Annual Sales Cap
“Independent Shareholders”	Shareholders other than CTF Enterprises and its associates
“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares and/or to sell or transfer Treasury Shares (if any) in the manner as set out in ordinary resolution no. 5 of the Notice
“Latest Practicable Date”	20 October 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange

DEFINITIONS

“Mainland” or “PRC”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Notice”	the notice of the 2025 AGM as set out in Appendix V to this circular
“NWD”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Hong Kong Stock Exchange (stock code: 00017) and held as to approximately 45.24% by CTF Enterprises and its subsidiaries as at the Latest Practicable Date
“NWD Group”	has the meaning ascribed to it in the NWD Master Services Agreement
“NWD Master Services Agreement”	the master services agreement in relation to the Operational Services entered into between the Company and NWD on 28 April 2023 as disclosed in the announcement of the Company dated 28 April 2023 and the circular of the Company dated 5 June 2023
“Operational Services”	the services which are to arise or arise from the principal categories of services under the NWD Master Services Agreement (as more particularly set out under the paragraph headed “NWD Master Services Agreement” of this circular)
“Option(s)”	an option to subscribe for Share(s) on terms determined by the Directors pursuant to the 2021 Share Option Scheme
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong
“Proposed Amendments”	the proposed amendments to the 2021 Share Option Scheme, where (i) a summary of the proposed amendments; and (ii) the full text of the 2021 Share Option Scheme incorporating all such amendments, are set out in Appendix III to this circular

DEFINITIONS

“Qualifying Shareholder(s)”	the Shareholder(s) whose names appear on the register of members of the Company on the Record Date, other than those Overseas Shareholders whom the Directors, after making relevant enquires, consider the exclusion of those Overseas Shareholders is necessary or expedient on account either of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that place
“Record Date”	means Monday, 24 November 2025 for the determination of entitlement to the Bonus Issue and Final Dividend
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares (excluding any Treasury Shares) in the manner as set out in ordinary resolution no. 6 of the Notice
“Revised FY2026 Annual Sales Cap”	the proposed revised annual sales cap in respect of the Certain Transactions under the NWD Master Services Agreement for the financial year ending 30 June 2026 of the Company
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all Options and other options and awards to be granted under the 2021 Share Option Scheme and any other share schemes of the Company, which shall not in aggregate exceed 10% of the ordinary share capital of the Company in issue (excluding Treasury Shares) as at the date of the 2025 AGM
“Scrip Dividend Scheme”	the scrip dividend scheme proposed by the Board and announced in the results announcement of the Company on 24 September 2025 which offers Shareholders a scrip alternative whereby Shareholders may elect to receive the Final Dividends wholly or partly by the allotment of Scrip Share(s) credited as fully paid to be issued under the Scrip Dividend Scheme in lieu of cash
“Scrip Share(s)”	the new Share(s) to be allotted, issued and credited as fully paid under the Scrip Dividend Scheme
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended and supplemented from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company (or of such other nominal amount as comprising the ordinary share capital of the Company as shall result from a sub-division or a consolidation of the share capital of the Company from time to time)
“Shareholder(s)”	holder(s) of Share(s)
“subsidiary(ies)”	any entity which falls within the definition of “subsidiary” ascribed to it under the Listing Rules or the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers as amended from time to time and administered by the Securities and Futures Commission of Hong Kong
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules and as amended from time to time
“%”	per cent

EXPECTED TIMETABLE FOR THE BONUS ISSUE

The expected timetable for the Bonus Issue is set out below:

Despatch of the circular and notice of the 2025 AGM. Friday, 24 October 2025

Date and time of the 2025 AGM. 11:00 a.m. Tuesday,
18 November 2025

Last day of trading in Shares cum-entitlements to
the Bonus Issue Wednesday, 19 November 2025

First day of trading in Shares ex-entitlements to
the Bonus Issue Thursday, 20 November 2025

Latest time for lodging transfer forms of Shares for
registration to qualify for entitlements to the Bonus Issue. 4:30 p.m. Friday,
21 November 2025

Closure of register of members of the Company for
entitlement to the Bonus Issue. Monday, 24 November 2025

Record Date for determination of entitlement to
the Bonus Shares Monday, 24 November 2025

Register of members re-opens Tuesday, 25 November 2025

Certificates for the Bonus Shares expected to
be despatched Tuesday, 9 December 2025

Dealings in the Bonus Shares expected to
commence. Wednesday, 10 December 2025

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

Note:

All times in this circular refer to Hong Kong times. Dates and deadlines specified above are indicative only and may be varied by the Company. If trading of Shares on the Hong Kong Stock Exchange is interrupted due to a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by super typhoons (as announced by the Government of Hong Kong) and/or a black rainstorm warning, the record date or book close date (thus the ex-entitlement date) may need to be postponed. In such circumstance, the Company will publish an announcement on the revised timetable as soon as practicable.

Having considered that the fourth quarter is typically a busier period for the Company, as well as the resource and manpower planning for the said period, in order to allow sufficient time for making arrangements for the Bonus Issue, including but not limited to, determining the Shareholders’ entitlements to the Bonus Issue and preparing and dispatching the share certificates for the Bonus Shares to the eligible Shareholders, there is a time interval of about three weeks between (i) the first day of dealing in Shares ex-entitlements to the Bonus Issue (i.e. 20 November 2025) and (ii) the first day of dealing in the Bonus Shares (i.e. 10 December 2025).



周大福創建有限公司
CTF Services Limited

(incorporated in Bermuda with limited liability)

(stock code: 00659)

Executive Directors:

Dr Cheng Kar Shun, Henry (*Chairman*)
Mr Cheng Chi Ming, Brian (*Group Co-Chief Executive Officer*)
Mr Ho Gilbert Chi Hang (*Group Co-Chief Executive Officer*)
Mr Lam Jim (*Group Chief Operating and Financial Officer*)
Mr Cheng Chi Leong, Christopher

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Non-executive Directors:

Mr William Junior Guilherme Doo
(*alternate director to Mr William Junior Guilherme Doo:*
Mr Lam Wai Hon, Patrick)
Mr Tsang On Yip, Patrick

*Principal place of business
in Hong Kong:*

21/F., NCB Innovation Centre
888 Lai Chi Kok Road
Cheung Sha Wan, Kowloon
Hong Kong

Independent non-executive Directors:

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
Ms Ng Yuen Ting, Yolanda

24 October 2025

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
DECLARATION OF FINAL DIVIDEND
AND SCRIP DIVIDEND SCHEME,
BONUS ISSUE OF SHARES,
PROPOSED AMENDMENTS TO THE 2021 SHARE OPTION SCHEME,
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT UNDER
THE 2021 SHARE OPTION SCHEME,
AND
REVISION TO EXISTING FY2026 ANNUAL SALES CAP FOR
CERTAIN CONTINUING CONNECTED TRANSACTIONS UNDER THE NWD
MASTER SERVICES AGREEMENT
AND
(2) NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

At the 2025 AGM, resolutions will be proposed to approve, among others, the re-election of retiring Directors, the granting of the Issue Mandate and the Repurchase Mandate (including the extension of the Issue Mandate by the number of Shares repurchased), the declaration of the Final Dividend and the Scrip Dividend Scheme, the Bonus Issue, the proposed amendments to the 2021 Share Option Scheme, the proposed refreshment of the Scheme Mandate Limit under the 2021 Share Option Scheme and the revision to the Existing FY2026 Annual Sales Cap for the Certain Transactions under the NWD Master Services Agreement.

The purpose of this circular is to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the 2025 AGM.

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 84 of the Bye-laws, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Accordingly, each of Mr Cheng Chi Ming, Brian (“**Mr Cheng**”), Mr Ho Gilbert Chi Hang (“**Mr Ho**”), Mr Shek Lai Him, Abraham (“**Mr Shek**”), Mr Wong Kwai Huen, Albert (“**Mr Wong**”) and Ms Ng Yuen Ting, Yolanda (“**Ms Ng**”) shall retire from the office and, being eligible, shall offer for re-election at the 2025 AGM.

When considering the re-election of the aforesaid Directors, the Nomination Committee of the Company (the “**Nomination Committee**”) evaluates their performance and considers a range of diversity perspectives including but not limited to skills, regional and industrial experience, background, race, gender and other qualities as set out in the Board Nomination and Diversity Policy of the Company as well as the skills matrix of the Board and independence of each of the relevant independent non-executive Directors. Please refer to Appendix I for details of retiring Directors standing for re-election. The Nomination Committee then made recommendations to the Board in respect of the proposed re-election of the aforesaid Directors at the 2025 AGM.

The Nomination Committee has reviewed and assessed the annual written confirmations of independence and other relevant circumstances of Mr Shek, Mr Wong and Ms Ng, who have served as independent non-executive Directors, based on the independence criteria as set out in Rule 3.13 of the Listing Rules and considered that they remain independent and free of any relationship with any substantial shareholder, fellow Directors and management of the Company which could interfere with the exercise of their independent judgment. They will continue to bring valuable experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. Please refer to the disclosure below as regards the perspectives, skills and experience that each of them can bring to the Board, and how different background of each of them contributes to diversity of the Board.

LETTER FROM THE BOARD

Mr Shek possesses broad range of knowledge gained from directorship in reputable listed companies and long service as a member of the Legislative Council in Hong Kong, which enables him to, inter alia, (a) provide valuable strategic insights and foster effective decision-making of the Board; (b) provide guidance and advice on the affairs of the Company, with independent judgement from a balanced and objective perspective; (c) safeguard the interests of the Company and the Shareholders as a whole; and (d) contribute to the Board with his skills and experience through active participation in the meetings of the Board, Remuneration Committee, Nomination Committee and Audit Committee of the Company.

Mr Wong is a highly regarded practitioner of corporate governance and a seasoned legal professional. He assumes leadership roles in various public organizations and holds the posts of honorary lecturer, external examiner and professorships at various universities in Hong Kong. Mr Wong's extensive knowledge and broad perspective derived from private practice, public services and academia enable him to, inter alia, (a) further enhance the corporate governance standard of the Company and provide constructive thoughts for the Company's overall development; (b) bring meaningful corporate governance insight with his expertise in the legal field; and (c) contribute to the Board with his skills and experience through active participation in the meetings of the Board and Environmental, Social and Governance Committee.

Ms Ng possesses profound expertise and broad experience in the media industry, promotion of culture and public services. With leadership position in such organizations as the West Kowloon Cultural District Authority and the Hong Kong Palace Museum as well as extensive track record across broadcasting and publishing industries, Ms Ng is able to, inter alia, (a) provide valuable insights in Environmental, Social and Governance matters and public governance; (b) enhance the diversity of the Board with her extensive work experience in the public sector; and (c) contribute to the Board with her skills and experience through active participation in the meetings of the Board and Environmental, Social and Governance Committee.

The Nomination Committee is of the view that: (a) each of Mr Shek, Mr Wong and Ms Ng has the required skills, qualification, experience, integrity and independence to continue to be an independent non-executive Director; and (b) the diverse background of each of Mr Shek, Mr Wong and Ms Ng would contribute to the diversity of the Board in the context of the existing effective skills matrix of the Board as confirmed in the review of the structure and composition of the Board by the Nomination Committee.

The Board considered each of Mr Shek, Mr Wong and Ms Ng to be independent for the purpose of re-election and re-appointment as independent non-executive Director as (i) it has reviewed and assessed the written confirmation from each of them regarding independence pursuant to Rule 3.13 of the Listing Rules; (ii) specific enquiry has been made as to whether there is/are factor(s) that affect or may affect the independence of such director acting as independent non-executive Director and was replied in the negative by each of them; (iii) none of them was involved in the daily management of the Group; (iv) the Company was not aware of any relationship(s) or circumstance(s) which may adversely affect his/her independent

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judgement and duties and responsibilities as an independent non-executive Director; and (v) the Nomination Committee has discussed and assessed and was satisfied of the independence of each of them, and the assessment results have been reported to the Board.

Pursuant to the code provision set out in paragraph B.2.3 of Appendix C1 of the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to, inter alia, a separate resolution to be approved by shareholders. Notwithstanding that Mr Shek has served as independent non-executive Director for more than nine years, the Board considers Mr Shek is still independent and should be re-elected as an independent non-executive Director. As described in this circular, Mr Shek holds independent directorship roles in reputable listed companies across multiple industries and has previously served as a member of the Legislative Council. He brings to the Board profound knowledge and experience, significant corporate governance expertise, high standards of integrity, commitment and diversity of thought. In addition, Mr Shek does not have any management role in the Company or its subsidiaries, has no noticeable business relationship with the Group and, in the view of the Company, is free from any circumstances which will interfere with the exercise of his objective and independent judgment. There is no evidence to suggest that his tenure with the Company has had any impact on his independence. Accordingly, the Board and the Nomination Committee (upon consideration of all the aforementioned circumstances) are of the view that Mr Shek is and will remain independent and will remain committed to his role as independent non-executive Director despite his long service with the Company.

The Nomination Committee has also noted that as at the Latest Practicable Date, Mr Shek holds more than six directorships in listed public companies in Hong Kong (including the Company). However, the Nomination Committee is of the view that Mr Shek would still be able to devote sufficient time to the Board. Mr Shek has strong experience in corporate governance and are familiar with management of listed public companies in Hong Kong. He has good communication with the management team and other independent non-executive Directors to facilitate the decision-making process of the Board. During the financial year ended 30 June 2025, Mr Shek has attended all Board meetings to give impartial advice and exercise independent judgment and served on various board committees.

Upon due consideration of the aforesaid factors and the experience, knowledge, time commitment and contribution to the Board of the relevant individuals as well as (in respect of retiring Independent non-executive Directors) their independence confirmations and the independence assessment conducted, the Board would recommend all the retiring Directors for re-election at the 2025 AGM.

The abovementioned retiring Directors, being eligible, shall offer themselves for re-election at the 2025 AGM. Details of such Directors are set out in Appendix I to this circular.

ISSUE MANDATE AND REPURCHASE MANDATE

The existing general mandates to issue Shares and to repurchase Shares will expire at the conclusion of the 2025 AGM.

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In order to provide flexibility and discretion to the Directors to issue new Shares, an ordinary resolution will be proposed at the 2025 AGM that the Directors be granted the Issue Mandate to allot and issue new Shares up to a number not exceeding 20% of the total number of the Shares in issue (excluding any Treasury Shares) as at the date of passing such resolution and a separate ordinary resolution will also be proposed to extend the Issue Mandate by adding the number of any Shares repurchased by the Company pursuant to the Repurchase Mandate or otherwise in accordance with the Listing Rules and applicable laws and regulations (the “**Extension Mandate**”).

As at the Latest Practicable Date, the total number of Shares of the Company in issue was 4,054,500,151 Shares and the Company did not hold any Treasury Shares. There is an aggregate principal outstanding amount of HK\$630,000,000 2.80% Convertible Bonds entitling the holders thereof to convert into a maximum of 82,138,200 Shares. Subject to the passing of the proposed ordinary resolution for approving the Issue Mandate, on the basis that none of the conversion rights under the outstanding 2.80% Convertible Bonds is exercised and no further Shares are issued or repurchased by the Company prior to the date of the 2025 AGM, the Company would be allowed under the Issue Mandate to issue up to a maximum of 810,900,030 Shares, without taking into account any additional Shares which may be issued pursuant to the Extension Mandate.

At the 2025 AGM, an ordinary resolution will also be proposed to the Shareholders that the Directors be granted the Repurchase Mandate to repurchase Shares up to a maximum of 10% of the total number of Shares in issue (excluding any Treasury Shares) as at the date of passing such resolution. An explanatory statement as required by the Listing Rules to provide the requisite information concerning the Repurchase Mandate is set out in Appendix II to this circular.

The Company may cancel the repurchased Shares following settlement of any such repurchase and/or hold such Shares in treasury, subject to market conditions and its capital management needs at the relevant time of such repurchase. Accordingly, if the Company repurchases any Shares pursuant to the Repurchase Mandate and holds such Shares in treasury, any resale or transfer of the Shares held in treasury will be subject to the Issue Mandate.

DECLARATION OF FINAL DIVIDEND AND SCRIP DIVIDEND SCHEME

As mentioned in the results announcement of the Company dated 24 September 2025, the Board recommended the payment of the Final Dividends, subject to the passing of the relevant resolution at the 2025 AGM. It is expected that the Final Dividends will be paid on or about 23 December 2025.

The Final Dividends will be payable in cash, with an option granted to Shareholders to receive new and fully paid Shares in lieu of cash in whole or in part under the Scrip Dividend Scheme. The Scrip Shares will, on issue, rank pari passu in all respects with Shares in issue on the date of the allotment and issue of the Scrip Shares except that they shall not be entitled to the Final Dividends. A circular containing details of the Scrip Dividend Scheme and the relevant election form is expected to be sent to the Shareholders in December 2025. The Scrip Dividend Scheme is conditional upon the passing of the ordinary resolution no. 2 of the Notice

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relating to the payment of the Final Dividends at the 2025 AGM and the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the Scrip Shares to be issued under the Scrip Dividend Scheme.

It is expected that the cheques for cash dividends and the share certificates to be issued under the Scrip Dividend Scheme will be sent by ordinary mail to the Shareholders at their own risk on or about 23 December 2025.

The register of members will be closed for the following periods:

- (1) from 13 November 2025 to 18 November 2025, both days inclusive, during which period no transfer of Shares will be registered for the purpose of ascertaining the Shareholders entitled to attend and vote at the 2025 AGM; and
- (2) 24 November 2025, on which date no transfer of Shares will be registered for the purpose of ascertaining the Shareholders entitled to the Final Dividends to be approved at the 2025 AGM.

Shareholders of the Company who are entitled to attend and vote at the 2025 AGM are those whose names appear as members of the Company on Tuesday, 18 November 2025. The record date for determining the eligibility of the Shareholders to attend and vote at the meeting will be Tuesday, 18 November 2025. In order to be entitled to attend and vote at the 2025 AGM and to be entitled to the Final Dividends to be approved at the 2025 AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Wednesday, 12 November 2025 and Friday, 21 November 2025 respectively.

BONUS ISSUE OF SHARES

As set out in the announcement dated 24 September 2025 in respect of the final results of the Company for the year ended 30 June 2025, the Board will propose at the 2025 AGM to make the Bonus Issue. The Bonus Shares will not be entitled to any dividend in respect of the financial year ended 30 June 2025, but will rank *pari passu* in all other respects with the existing Shares.

Given that the Bonus Issue will be effected by way of capitalization of the share premium account of the Company, the Board will seek approval from the Shareholders for the Bonus Issue at the 2025 AGM in accordance with the Bye-laws and applicable laws and regulations of Bermuda. Therefore, a resolution will be proposed at the 2025 AGM for approving the Bonus Issue, including the allotment and issue of the Bonus Shares under the Bonus Issue. As the Bonus Shares will be issued on a pro-rata basis of one (1) Bonus Share for every ten (10) existing Shares (apart from the fractional entitlements of the Bonus Shares (if any)), pursuant to Rule 13.36(2)(a) of the Listing Rules, the Bonus Shares will not be allotted and issued under the general mandate which was granted to the Directors at the annual general meeting of the Company held on 22 November 2024 to allot, issue and deal with new Shares.

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Further details of the Bonus Issue are set forth below:

Basis of the Bonus Issue

Subject to the conditions set out under the paragraph headed “Conditions of the Bonus Issue” below having been fulfilled, the Bonus Shares will be issued and credited as fully paid at par on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Shareholders whose names appear on the register of members of the Company on the Record Date.

The exact total number of Bonus Shares to be issued under the Bonus Issue will be determined on the Record Date. As at the Latest Practicable Date, there were an aggregate of 4,054,500,151 Shares in issue, and assuming that there is no change in respect of the issued share capital of the Company from the Latest Practicable Date up to the Record Date, 405,450,015 Bonus Shares will be issued under the Bonus Issue. The Bonus Shares represent approximately 10.00% of the number of the Shares in issue as at the Latest Practicable Date and approximately 9.09% of the enlarged issued share capital of the Company immediately upon completion of the Bonus Issue. It is proposed that the Directors be authorized to capitalize an amount standing to the credit of the share premium account of the Company equal to one-tenth of the aggregate nominal amount of the share capital of the Company in issue on the Record Date and apply such sum in paying up in full at par the Bonus Shares.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon: (i) the passing of an ordinary resolution by the Shareholders at the 2025 AGM for approving the Bonus Issue; (ii) the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in the Bonus Shares; and (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of Bermuda and the Bye-laws to effect the Bonus Issue.

Status of the Bonus Shares

The Bonus Shares, upon issue and subject to the Bye-laws and the laws of Bermuda, will rank pari passu in all respects with the then existing Shares in issue on the date on which the Bonus Shares are allotted and issued, including the entitlement of receiving future dividends and other distributions the record date for which falls on or after the date of allotment and issue of those Bonus Shares.

Fraction of Bonus Shares and odd lots

The total number of Bonus Shares to be issued to the Qualifying Shareholders will be rounded down to a whole number, if there are any fractional entitlements of the Bonus Shares. Such fractional entitlements arising from the Bonus Issue (if any) will not be issued to the Shareholders, but will be aggregated and, if possible, sold and the proceeds shall be retained for the benefit of the Company in such manner and on such terms as the Directors may think fit.

The Bonus Shares may be allotted in odd lot (i.e. less than a board lot of 1,000 Shares). The Company will not put in place special dealing arrangements to facilitate the trading or disposal of the Bonus Shares that may be issued in odd lots as a result of the Bonus Issue. Having taken into account that (i) the scale of the Bonus Issue is not significant as the number

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of the Bonus Shares to be issued represents only approximately 10.00% of the number of the Shares in issue as at the Latest Practicable Date; and (ii) the Company's existing board lot size of 1,000 Shares and the number of Shares that may be issued in odd lots as a result of the Bonus Issue are expected to be insignificant, the Board considers that it is in the interests of the Company and its Shareholders as a whole not to provide odd lot matching arrangements as the overall administration costs and expenses to be incurred by the Company in connection with the Bonus Issue will be increased inevitably if such arrangements are to be made, which may not be commensurable to the size of the Bonus Issue.

Closure of register of members

For the purpose of determining the Shareholders' entitlements to the Bonus Issue, the register of members of the Company will be closed on Monday, 24 November 2025, during which period no transfer of Shares will be registered. In order to qualify for the entitlements to the Bonus Issue, all transfers of Shares should be lodged for registration with Tricor Investor Services Limited, the Company's Hong Kong branch share registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 21 November 2025.

Listing, dealings and share certificates for the Bonus Shares

An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. Other than the 2.80% Convertible Bonds which are listed on the Vienna Stock Exchange, no part of the securities of the Company is listed or dealt in, nor is listing or permission to deal in the securities of the Company being or proposed to be sought, on any other stock exchange.

Conditional upon the satisfaction of the conditions as set out in the above paragraph headed "Conditions of the Bonus Issue", it is expected that the certificates of the Bonus Shares will be issued and posted by ordinary post to the Qualifying Shareholders entitled thereto at their own risk on or about Tuesday, 9 December 2025. In the case of joint holding, the share certificates will be posted to the address of the person whose name stands first on the register of members on the Record Date. One share certificate will be issued for all the Bonus Shares a shareholder is entitled to. Investors holding Shares through CCASS participants will receive the Bonus Shares through their respective brokers or custodians who are CCASS clearing or custodian participants or through their CCASS Investor Participant stock account.

Dealings in the Bonus Shares on the Hong Kong Stock Exchange are expected to commence on Wednesday, 10 December 2025.

Subject to the granting of listing of and permission to deal in the Bonus Shares on the Hong Kong Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date on which dealings in the Bonus Shares commence on the Hong Kong Stock Exchange or such other date as shall be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

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Overseas Shareholders

Based on the register of members of the Company as at the Latest Practicable Date, there were Overseas Shareholders with registered addresses in Singapore, Taiwan, the PRC and the United Kingdom. The Company has made enquiries with foreign legal counsels in accordance with Rule 13.36 of the Listing Rules regarding the legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges relating to the proposed Bonus Issue to those Overseas Shareholders. Based on the results of such enquiries, as at the Latest Practicable Date, those Overseas Shareholders (including any Shareholders with registered addresses in the PRC) are eligible to receive the Bonus Shares under the Bonus Issue.

No Shareholder or beneficial owner of Shares receiving in any territory outside Hong Kong a copy of this circular may treat the same as an invitation to him/her/it to participate in the proposed Bonus Issue unless in the relevant territory such invitation could lawfully be made to that Shareholder or beneficial owner of Shares without the Company having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities. It is the responsibility of any Shareholder or beneficial owner of Shares receiving the Bonus Shares under the Bonus Issue to satisfy himself/herself/itself as to full observance of the laws of any relevant territory, including obtaining any governmental or other consents which may be required.

In particular, this circular does not constitute an offer to sell or solicitation of an offer to buy any of the Shares to Shareholders who are located in the United States of America (“**United States**”) or who are U.S. Persons (as defined in Rule 902 under the United States Securities Act of 1933, as amended from time to time) (“**U.S. Persons**”), and, in those circumstances, this circular must be treated as sent for information purpose only and should not be copied or redistributed. The Shares may not be offered or sold in the United States or to any U.S. Persons absent registration or an applicable exemption from registration requirements. No public offer of the Shares is to be made in the United States or to any U.S. Persons. For the avoidance of doubt, if this circular is received by any person in the United States or who is a U.S. Person, or in each case, by his/her/its agent, custodian, nominee or trustee, he/she/it should not seek to receive any Bonus Shares under the Bonus Issue unless such person is able to demonstrate to the satisfaction of the Company, or the Company determines, that such actions would not violate applicable legal or regulatory requirements. Any person (including, but not limited to, agents, custodians, nominees and trustees) who does forward this circular in, into or from the United States or to a U.S. Person (whether under a contractual or legal obligation or otherwise) should draw the recipient’s attention to the contents of this paragraph.

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Singapore

The Bonus Shares under the Bonus Issue are proposed to be issued to the Shareholders with registered addresses in Singapore (“**Singapore Shareholders**”) not with a view of being on-sold in Singapore, and no documents issued by or on behalf of the Company in this regard are permitted to be used in any subsequent sale by the Singapore Shareholders. This circular has not been and will not be lodged with and registered as a prospectus under the Securities and Futures Act 2001 of Singapore with the Monetary Authority of Singapore. Accordingly, this circular does not constitute an offer or invitation for the sale or purchase of securities in Singapore, whether directly or indirectly, and shall not form the basis of any contract for the issue or sale of securities in Singapore.

Taiwan

This circular and the issuance of Bonus Shares under the Bonus Issue have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations. The Bonus Shares under the Bonus Issue may not be offered, sold or issued within Taiwan through a public offering or in a circumstance which constitutes an offer or a solicitation of an offer within the meaning of the Securities and Exchange Act of Taiwan that requires registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised by the Company to offer or sell the Bonus Shares under the Bonus Issue in Taiwan.

The United Kingdom

In the United Kingdom, this circular and any other material in relation to the Bonus Shares described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this circular relates is available only to and will be engaged in only with persons who are Shareholders and to any other persons to whom such offer or solicitation would be lawful.

These Bonus Shares have been offered or will be offered pursuant to the Bonus Issue at any time to fewer than 150 natural or legal persons in the United Kingdom in accordance with the exemptions from publishing a prospectus in the United Kingdom, pursuant to Article 1(4)(h) of the UK Prospectus Regulation. For the purposes of the foregoing, the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018. Each person in the United Kingdom who acquires any Bonus Shares pursuant to the Bonus Issue will be deemed to have represented, acknowledged, and agreed that it meets the criteria outlined in this section.

PRC Southbound Trading Investors

According to the “Stock Connect Shareholding Search” available on the Hong Kong Stock Exchange’s website (<https://www.hkexnews.hk>), as at the Latest Practicable Date, an aggregate of 1,160,731 Shares, representing approximately 0.02% of the total issued shares of the Company, were held through the China Securities Depository and Clearing Corporation Limited (“**ChinaClear**”) as nominee under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect by investors from the PRC (the “**PRC Southbound Trading Investors**”).

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Pursuant to the Frequently Asked Questions FAQ18.4 — No.1–4 issued by the Hong Kong Stock Exchange in November 2014 and last updated in June 2024 on the interpretation of the Listing Rules, investors from the PRC who are PRC Southbound Trading Investors can participate in the Bonus Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to receive the Bonus Shares under the Bonus Issue in respect of all or part of their holding of Shares in accordance with the relevant laws and regulations. The PRC Southbound Trading Investors should seek advice from their intermediaries (including brokers, custodians, nominees or ChinaClear participants) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions to such intermediaries in relation to the receiving the Bonus Shares under the Bonus Issue.

For the avoidance of doubt, the Bonus Shares under the Bonus Issue are not being offered to the public.

Notwithstanding the enquiries made by the Company with its foreign legal counsels, it is the responsibility of Shareholders or beneficial owners of Shares with a registered address outside Hong Kong or otherwise residing outside Hong Kong to consult their professional advisers as to whether they are permitted to receive the Bonus Shares under the Bonus Issue, if any governmental or other consents are required or other formalities need to be observed to enable them to receive the Bonus Shares under the Bonus Issue and the taxation consequences of their decision. Persons receiving the Bonus Shares under the Bonus Issue must also comply with any restrictions on the resale of the Shares which may apply outside Hong Kong.

To the extent that there will be Overseas Shareholders in the jurisdictions other than the aforementioned as at the Record Date, the Company will make further enquiries with foreign legal counsels pursuant to Rule 13.36 of the Listing Rules regarding the legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges relating to the proposed issue of Bonus Shares under the Bonus Issue to those Overseas Shareholders.

Holders of CTFS ADS

The Company will not extend the right to receive the Bonus Shares under the Bonus Issue to holders of the Company's American depositary shares (each representing 10 Shares) ("**CTFS ADS**"). The Company has been advised by relevant legal counsel that there are applicable legal or regulatory requirements or restrictions in extending the right to receive the Bonus Shares under the Bonus Issue to holders of CTFS ADS. Accordingly, after having carefully weighed the time, costs and legal uncertainties involved in ensuring due compliance with applicable legal requirements, the Board considers that it is expedient and beneficial to the Company and the Shareholders as a whole to exclude holders of CTFS ADS from receiving the bonus shares. The entitlements to the Bonus Shares which would otherwise be made available to the holders of CTFS ADS under the Bonus Issue will be sold in the market by Deutsche Bank Trust Company Americas, the depositary bank appointed by the Company, as soon as possible after the commencement of dealings in the Bonus Shares, and the proceeds upon such sale (net of applicable taxes, governmental charges, fees, charges and expenses) will be distributed to holders of CTFS ADS.

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Reasons for Bonus Issue

The Directors believe that the Bonus Issue represents a return to the Shareholders' investment in the Company, and it will enhance the liquidity of the Shares in the market and enlarge the Company's Shareholder and capital base.

Impact of the Bonus Issue on the share capital of the Company

The following table illustrates (i) the existing shareholding structure of the Company as at the Latest Practicable Date; and (ii) the shareholding structure of the Company immediately upon the completion of the Bonus Issue, on the assumption that there will be no other change to the share capital of the Company on or before the Record Date.

Shareholders	As at the Latest Practicable Date		Immediately upon completion of the Bonus Issue	
	No. of Shares	% of issued Shares	No. of Shares	% of issued Shares
Century Acquisition	2,925,701,291	72.16	3,218,271,420	72.16
CTF Enterprises	97,034,424	2.40	106,737,866	2.40
Chow Tai Fook Nominee Limited	22,012,500	0.54	24,213,750	0.54
Public Shareholders	<u>1,009,751,936</u>	<u>24.90</u>	<u>1,110,727,130</u>	<u>24.90</u>
Total	<u><u>4,054,500,151</u></u>	<u><u>100.00</u></u>	<u><u>4,459,950,166</u></u>	<u><u>100.00</u></u>

To the best knowledge, information and belief of the Directors having made all reasonable enquiries and assuming no further issuance of Shares by the Company from the Latest Practicable Date to completion of the Bonus Issue, not less than 24.90% of the total issued Shares will be held by the public upon the completion of the Bonus Issue, which is marginally below the minimum public float of 25% as prescribed in Rule 8.08(1)(a) of the Listing Rules. Please refer to the announcement dated 16 September 2025 issued by the Company for further details on the status of its public float.

POSSIBLE ADJUSTMENTS TO OUTSTANDING SHARE OPTIONS AND 2.80% CONVERTIBLE BONDS

As at the Latest Practicable Date, there were outstanding Options entitling the holders thereof to subscribe for a total of 97,855,115 Shares and an aggregate principal amount of HK\$630,000,000 of the 2.80% Convertible Bonds remained outstanding. Pursuant to the terms of the 2021 Share Option Scheme and the terms and conditions of the 2.80% Convertible Bonds, the Scrip Shares and the Bonus Shares to be allotted and issued may lead to adjustments to the exercise price, conversion price and/or the number of the Shares which may fall to be issued upon exercise of the Options and conversion of the 2.80% Convertible Bonds. The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

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Save as disclosed above, the Company does not have any warrants, options, or other securities exchangeable or convertible into Shares as at the Latest Practicable Date.

PROPOSED AMENDMENTS TO THE 2021 SHARE OPTION SCHEME

Reference is made to the announcement of the Company dated 29 September 2025 in relation to, among other things, the proposed amendments to the 2021 Share Option Scheme and the proposed refreshment of the Scheme Mandate Limit under the 2021 Share Option Scheme.

The 2021 Share Option Scheme was adopted by the Company on 23 November 2021 and was amended on 13 January 2025 to reflect the changes of name and the holding company of the Company. Details of the existing terms of the 2021 Share Option Scheme are set out in the circular of the Company dated 21 October 2021. The purpose of the 2021 Share Option Scheme was designed primarily as a means of (i) rewarding performance, providing incentive, motivation or reward to the Eligible Participants for optimizing their performance or making contribution to the Group; (ii) attracting and retaining persons of right caliber with the necessary experience to work for or make contribution to the Group; and (iii) fostering a sense of corporate identity and allowing the Eligible Participants to enjoy the results of the Company attained through their relationship, efforts and/or contribution.

Subject to any early termination pursuant to the 2021 Share Option Scheme, the 2021 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the Date of Adoption. Apart from the 2021 Share Option Scheme, the Company has no other share schemes currently in force.

Under the existing terms of the 2021 Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all the Options granted under the 2021 Share Option Scheme and any other share schemes of the Company shall not exceed 391,113,784 Shares, representing approximately 10% of the ordinary share capital of the Company in issue as at the Date of Adoption. During the term of the 2021 Share Option Scheme and as at the Latest Practicable Date, a total of 185,947,392 Options have been granted, and after taking into account the addition of 1,586 Options arising from the declaration of past scrip dividend, 209,361,819 Options are available for grant.

The Proposed Amendments

In order to give the Company more flexibility to provide incentives as it sees fit when attracting, retaining and motivating employees that are valuable to the growth and development of the Group as a whole, which is in line with the purposes of the 2021 Share Option Scheme, the Board proposes to seek approval from the Shareholders at the 2025 AGM for the Proposed Amendments to be made to the 2021 Share Option Scheme to, among other things, (i) expand the scope of Eligible Participants to include director and employee of any associated company of the Company; (ii) whilst in compliance with the applicable requirements under the Listing Rules, allow for a shorter vesting period as may be determined by the Board under specific circumstances; (iii) clarify the circumstances under which the Options shall lapse for cause; (iv) allow grants of the Options to be satisfied by the transfer of Treasury Shares, in addition

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to the issuance and allotment of new Shares under the existing terms; and (v) bring the terms of the 2021 Share Option Scheme in line with the applicable requirements under Chapter 17 of the Listing Rules (after the new requirements coming into effect since 1 January 2023).

In view of the substantial contributions of the Group's associated companies and joint ventures to the business and financial performance of the Group, it would be important that their directors and employees are incentivised to delivering improved performance of our associated companies and joint ventures. Accordingly, it is proposed that the scope of Eligible Participants be expanded to include directors and employees of any associated company of the Company. The Board (including the independent non-executive Directors) is thus of the view that the proposed expansion of the scope of Eligible Participants is fair and reasonable and aligns with the purpose of the 2021 Share Option Scheme, and provides flexibility to the Company as a means of incentivizing or rewarding persons who contribute to the long-term success of the Group.

To ensure the practicality in fully attaining the purpose of the 2021 Share Option Scheme, and taking into account (i) instances where a strict 12-month vesting period requirement would be impractical or unfair to the holders of the Options (e.g. termination due to death or disability or the occurrence of any circumstance that is beyond the holders' control); (ii) the need for the Company to retain flexibility under warranting circumstances to reward, attract and retain outstanding performers through accelerated vesting; (iii) the importance of allowing the Company discretion to formulate its own talent recruitment and retention strategies in response to evolving market conditions and industry competition (e.g. through the grant of "make-whole" Options); and (iv) the desirability of enabling the Company to impose vesting conditions based on performance targets instead of time-based criteria, depending on individual circumstances, so as to align with the purpose of the 2021 Share Option Scheme, the Board and, where the arrangements relate to grants of Options to Directors and/or senior managers of the Company, the Remuneration Committee are of the view that shortening the vesting period under the circumstances specified in paragraphs (a) to (f) below is appropriate and aligns with the purpose of the 2021 Share Option Scheme. Accordingly, it is proposed that the Board shall have the discretion to determine a shorter vesting period under the following circumstances:

- (a) grants of "make-whole" Options to new Eligible Employees to replace share options or share awards such Eligible Employees forfeited when leaving their previous employers;
- (b) grants of Options to Eligible Employees whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants of Options with performance-based vesting conditions provided pursuant to the 2021 Share Option Scheme in lieu of time-based vesting criteria;
- (d) grants of Options that are made in batches during a year for administrative or compliance requirements, in which case the relevant vesting period may be shortened to reflect the time from which the Options would have been granted;
- (e) grants of Options with a mixed or accelerated vesting schedule such as where the Options vest evenly over a period of twelve (12) months; or

LETTER FROM THE BOARD

- (f) grants of Options with a total vesting and holding period of more than twelve (12) months, such as where the Options may vest by several batches with the first batch to vest within twelve (12) months of the date of grant and the last batch to vest twelve (12) months thereafter.

Under the Proposed Amendments, the granting of Options to director and employee of any associated company of the Company shall not be subject to a shorter vesting period arrangement under the circumstances as set out under (a) to (f) above.

In addition, in view of the fact that the grant of Options will to a large extent depend on future business and financial performance of the Group and having regard to the diverse nature of the Group's business and the existence of a clawback mechanism under the existing terms of the 2021 Share Option Scheme, the Board considers it appropriate that no performance target shall be set out in the 2021 Share Option Scheme.

The Board considers that the Proposed Amendment as summarised in paragraph (f) under the section headed "*Summary of the Proposed Amendments to the 2021 Share Option Scheme*" in Appendix III of this circular, is proposed to align with Note 1 to Rule 17.04(5) of the Listing Rules by requiring Shareholders' approval for any change to the terms of Options granted to Directors, chief executives or substantial shareholder of the Company, or any of their respective associates (where such approval was required for the initial grant of the Options under the terms of the 2021 Share Option Scheme), and that the Proposed Amendment as described in paragraph (g) under the same section involves textual modifications that do not materially impact upon the existing rights of the holders of the Options. On the basis of the above, the Board is of the view that such amendments are fair and reasonable, and in the interest of the Company and its Shareholders as a whole.

Save for the Proposed Amendments, all other terms of the 2021 Share Option Scheme, as disclosed in the circular of the Company dated 21 October 2021 and the announcement of the Company dated 24 January 2025, shall remain unchanged. It is intended that the Proposed Amendments, if approved, will apply to all of the outstanding Options under the 2021 Share Option Scheme.

The Board is of the view that the Proposed Amendments are in the interests of the Company and the Shareholders as a whole as they provide more flexibility for the Company to provide incentive to encourage the Eligible Participants to perform their best in achieving the goals of the Group and allow the Eligible Participants to enjoy the results of the Company attained through their efforts and contributions.

Listing Rules Implications

Pursuant to Note (1) of Rule 17.03(18) of the Listing Rules, any alterations to the terms and conditions of the 2021 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the Shareholders. As the Proposed Amendments are of a material nature and involve the potential issuance of new

LETTER FROM THE BOARD

Shares and the transfer of Treasury Shares, resolution will be proposed at the 2025 AGM for the Shareholders to consider and, if thought fit, approve the Proposed Amendments in accordance with the applicable requirements under Chapter 17 of the Listing Rules.

In the event that the Company has Treasury Shares available, the Company may, after taking into account of the relevant circumstances, use Treasury Shares to satisfy the Options granted under the 2021 Share Option Scheme as provided under the Proposed Amendments.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders are required to abstain from voting to approve the Proposed Amendments.

PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT UNDER THE 2021 SHARE OPTION SCHEME

Under the existing terms of the 2021 Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all the Options granted under the 2021 Share Option Scheme and any other share schemes of the Company shall not exceed 391,113,784 Shares, representing approximately 10% of the ordinary share capital of the Company in issue as at the Date of Adoption. During the term of the 2021 Share Option Scheme and up to the Latest Practicable Date, a total of 185,947,392 Options have been granted, and after taking into account the addition of 1,586 Options arising from the declaration of past scrip dividend, 209,361,819 Options are available for grant. As at the Latest Practicable Date, under the 2021 Share Option Scheme, 1,482,500 Options have been exercised; 97,855,115 Options are outstanding; 4,197,013 Options have lapsed; and 82,414,350 Options have been cancelled.

As at the Latest Practicable Date, there are 4,054,500,151 Shares in issue. Subject to the approval of the Shareholders at the 2025 AGM, and assuming that no Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the date of the 2025 AGM, if the Scheme Mandate Limit is refreshed in accordance with the ordinary resolution no. 10 of the Notice, the maximum number of Shares which may be issued upon exercise of all Options and other options and awards to be granted under the 2021 Share Option Scheme and other share schemes of the Company will be 405,450,015 Shares, being approximately 10% of the Shares in issue as at the date of the 2025 AGM.

As at the Latest Practicable Date, the Company does not intend to grant further Options under the existing Scheme Mandate Limit before the 2025 AGM. However, the Board may, from time to time, consider whether to grant any Options under any approved Scheme Mandate Limit, and the Company will make further announcement(s) in accordance with the Listing Rules as and when appropriate if further Options are granted.

The Board considers that the proposed refreshment of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole as it provides more flexibility for the Company to motivate the Eligible Participants for their future contributions to the Group and/or to reward them for their past contributions, and to maintain on-going relationships with them.

LETTER FROM THE BOARD

Conditions of the proposed refreshment of the Scheme Mandate Limit

The proposed refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders to approve the Proposed Amendments at the 2025 AGM;
- (b) the passing of an ordinary resolution by the Shareholders to approve the proposed refreshment of the Scheme Mandate Limit at the 2025 AGM; and
- (c) the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as at the date of the 2025 AGM, which may fall to be allotted and issued pursuant to the exercise of the Options that may be granted under the Scheme Mandate Limit so amended and refreshed.

An application will be made to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the 2021 Share Option Scheme under the refreshed Scheme Mandate Limit.

Listing Rules Implications

Pursuant to Rule 17.03C(1)(a) of the Listing Rules, the Company may seek approval by the Shareholders in general meeting for refreshment of the existing Scheme Mandate Limit. Resolution will be proposed at the 2025 AGM for the Shareholders to consider and, if thought fit, approve the proposed refreshment of Scheme Mandate Limit in accordance with the applicable requirements under Chapter 17 of the Listing Rules.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting in favour of the resolution to approve the proposed refreshment of Scheme Mandate Limit.

Pursuant to Rule 17.03C(2) of the Listing Rules, the total number of Shares which may be issued upon exercise of all Options to be granted under the 2021 Share Option Scheme and any other share schemes of the Company under the Scheme Mandate Limit as "refreshed" must not exceed 10% of the ordinary share capital of the Company in issue (excluding Treasury Shares) as at the date of approval of the proposed refreshment of the Scheme Mandate Limit.

The Directors consider that the terms of the proposed refreshment of the Scheme Mandate Limit are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. As such, the Directors recommend that the Shareholders to vote in favour of the relevant resolution to be proposed at the 2025 AGM.

LETTER FROM THE BOARD

REVISION TO THE EXISTING FY2026 ANNUAL SALES CAP FOR CERTAIN TRANSACTIONS UNDER THE NWD MASTER SERVICES AGREEMENT

Reference is made to the announcement of the Company dated 29 September 2025 in relation to the revision to Existing FY2026 Annual Sales Cap for certain continuing connected transactions under the NWD Master Services Agreement.

In the ordinary course of business, members of the Group enter into continuing connected transactions with members of the NWD Group. In order to streamline the reporting, announcement and, if necessary, the Independent Shareholders' approval process of such continuing connected transactions, the Company had entered into, among others, the NWD Master Services Agreement with NWD.

NWD Master Services Agreement

Pursuant to the NWD Master Services Agreement, each of the Company and NWD agrees to, and agrees to procure that members of the Group or the NWD Group (to the extent practicable), engage relevant members of the NWD Group or the Group to provide the Operational Services to relevant members of the Group or the NWD Group (as the case may be) during the term of the NWD Master Services Agreement.

Major terms of the NWD Master Services Agreement are set out below:

Date : 28 April 2023

Parties : (1) NWD
(2) the Company

Duration : An initial term of three years commencing from the Effective Date (as defined under the NWD Master Services Agreement) to 30 June 2026 (both days inclusive) unless terminated earlier in accordance with the NWD Master Services Agreement.

Subject to re-compliance with the applicable Listing Rules at the relevant time, the NWD Master Services Agreement may be renewed at the end of the initial term or subsequent renewal term for a successive period of three years thereafter (or such other period permitted under the Listing Rules) unless either party gives written notice to the other party not less than 30 Business Days (as defined under the NWD Master Services Agreement) before the end of the initial term or any subsequent renewal term to terminate the NWD Master Services Agreement.

LETTER FROM THE BOARD

- Nature of Transactions/
Operational Services
covered
- : 1. Contracting services — provision of services as main contractors, management contractors, project managers, subcontractors, suppliers or agents, building and general construction, civil engineering, building exterior and interior design, building maintenance and repair, renovation, refurbishment, cleaning of properties, development and redevelopment of buildings, properties and real estate, maintenance consultancy and other services, demolition, piling and foundation, building and property fitting out and decoration work, construction management, hiring, procurement and supply of plant, machinery, equipment and materials, computer aided drafting services and related services;
2. Facility management services — provision of convention and exhibition facilities, hospitality and related functions and services, provision of ticketing services, ticketing information system and agency services, food and beverage catering services, provision of information technology services, computer programming and related consultancy and advisory services, technical projects studies, computer program management and planning information systems, design and updating of software and software packages, analysis and design of information system and data processing;
3. Property management services — property management, property sales and letting agency services, provision of car parking management and related services;
4. Rental services — rental and licensing of the rights to use properties, spare spaces, car parking spaces and related services;
5. Insurance and healthcare services — provision of insurance and related services, insurance underwriting services, policy underwriting services, medical and healthcare services, rehabilitation and wellness enhancement and related services;

LETTER FROM THE BOARD

6. Merchandising and procurement services — buying and procurement services for sourcing goods, provision of supply chain management and consultancy services, sample production and import and export trading services, wholesaling, provision of freight forwarding and packaging and other logistics services, storage and warehousing services, design, marketing and sourcing services, merchandising agent services and general trading of merchandise;
7. Advertising services — advertising, branding, marketing, loyalty and rewards program and promotion-related services; and
8. Consultancy and advisory services relating to all the aforesaid services, and such other types of services as the parties may agree upon from time to time in writing.

Pricing : Determined in the ordinary and usual course of business on normal commercial terms, negotiated on an arm's length basis and at prices and on terms no less favourable to the Group than terms available to and/or from independent third parties, with reference to the pricing policy as described under the section headed "Operational Agreement(s) and pricing policies" of the circular of the Company dated 5 June 2023 regarding, among other things, the entering into of the NWD Master Services Agreement, the transactions contemplated thereunder and the Existing FY2026 Annual Sales Cap.

Payment terms : The terms in relation to the time and method of payment will be stated in the relevant Operational Agreements (as defined under the NWD Master Services Agreement) and will be no less favourable to the Group than terms available to and/or from independent third parties.

LETTER FROM THE BOARD

The Existing FY2026 Annual Sales Cap and the Revised FY2026 Annual Sales Cap

Following a review by the Board of the Certain Transactions, the Board envisages that (i) there will be an expected increase in the continuing connected transactions (in terms of volume and transaction values) in respect of the Operational Services to be provided by members of the Group to members of the NWD Group for the financial year ending 30 June 2026 and (ii) therefore the Existing FY2026 Annual Sales Cap for the Certain Transactions for the said period will not be sufficient. In light of the above, the Board considers it appropriate to revise and increase the maximum aggregate annual value for the provision of Operational Services by members of the Group to members of the NWD Group for such period to the Revised FY2026 Annual Sales Cap.

Set out below are the existing annual sales caps (including the Existing FY2026 Annual Sales Cap) and the relevant transacted amounts (if applicable) for the Certain Transactions under the NWD Master Services Agreement for the financial years ended/ending 30 June 2024, 30 June 2025 and 30 June 2026, as approved by the then independent shareholders at the 2023 SGM and the Revised FY2026 Annual Sales Cap:

	Financial year ended 30 June 2024 <i>HK\$'million</i>	Financial year ended 30 June 2025 <i>HK\$'million</i>	Financial year ending 30 June 2026 <i>HK\$'million</i>
Existing annual sales caps	1,099.0	1,972.0	2,407.0
Transacted amounts	300.3 (Note 1)	750.1 (Note 2)	228.1 (Note 3)
Cap utilization	Within cap (Note 4)	Within cap (Note 4)	Expected to exceed existing cap
Revised FY2026 Annual Sales Cap	Not applicable	Not applicable	2,991.0

Notes:

1. The transacted amount is extracted from the annual report of the Company for the financial year ended 30 June 2024.
2. The transacted amount is extracted from the annual report of the Company for the financial year ended 30 June 2025.
3. The transacted amount is based on the management records of the Group for the period from 1 July 2025 up to 31 August 2025 (and therefore is unaudited).
4. The annual sales caps for the financial years ended 30 June 2024 and 30 June 2025 were primarily related to the provision of contracting services by the construction segment of the Group. The actual utilization was lower than estimated mainly because: (i) at the time when the caps were estimated in 2023, the Company took into account probable values under two to three projects but which projects did not materialize at the end; (ii) the change in the Company's holding company from NWD to CTF Enterprises in November 2023, resulting in a joint venture project of NWD no longer constituting a continuing connected transaction of the Company; and (iii) NWD's disposal of its equity interest in Kai Tak Sports Park Limited in November 2024, as a result of which subsequent contracting services provided by the Group for the development of Kai Tak Sports Park were no longer regarded as continuing connected transactions of the Company with the NWD Group (but with CTF Enterprises Group).

LETTER FROM THE BOARD

Save for the Revised FY2026 Annual Sales Cap, all other terms of the NWD Master Services Agreement as disclosed in the announcement of the Company dated 28 April 2023 and the circular of the Company dated 5 June 2023, including but not limited to the pricing policy, shall remain unchanged.

The Revised FY2026 Annual Sales Cap represents a moderate increase from the Existing FY2026 Annual Sales Cap and has been determined with reference to the projected annual or annualized amounts in respect of the Operational Services to be provided by members of the Group to members of the NWD Group in the financial year ending 30 June 2026, having taken into account:

- the existing projects in progress which affect the demand of the Operational Services by the NWD Group;
- the estimated demand for the Operational Services by the NWD Group for the financial year ending 30 June 2026 having regard to the upcoming projects expected to be undertaken;
- the inflation factor (which may vary in nature and can be economic, labour and materials related or otherwise and will result in change in costs), if applicable. The inflation rate will be assessed by the Group by reference to or after taking into account such rate(s) available in public sources, such as the rate reported by the Hong Kong Census and Statistics Department;
- adjustments to cater for exceptional circumstances or other contingencies; and

on the principal assumptions that, for the duration of the projected period, (i) there will not be any adverse change or disruption in market conditions, operation and business environment or government policies which may materially affect the businesses of the Group or the NWD Group; and (ii) the service industries in which the Group operates will have steady growth.

It is expected that the Revised FY2026 Annual Sales Cap will be constituted, to a substantial extent, by the transaction value for the provision of contracting services by members of the Group to members of the NWD Group. As at the Latest Practicable Date, based on management's latest available information and the expected timing for accounting recognition of the transaction value for existing projects and upcoming/future projects with the NWD Group, the aggregate transaction value that relates to contracting services may reach approximately HK\$2,887 million (about 80% of which relate to existing projects) for the financial year ending 30 June 2026. The remaining 20% of the budgeted amount for contracting services provides a reasonable buffer for (i) new projects which may be awarded in the remaining period of the financial year ending 30 June 2026, (ii) potential maintenance works for commercial and retail projects of the NWD Group, estimated with reference to historical trends and anticipated requirements of the NWD Group, (iii) a reasonable buffer to account for variations in timing of recognition due to actual work progress and possible construction variation work orders.

LETTER FROM THE BOARD

Reasons for and Benefits of proposing the Revised FY2026 Annual Sales Cap for the Certain Transactions

The Certain Transactions under the NWD Master Services Agreement are expected to be recurring in nature and in the ordinary and usual course of business of the Group and a major portion of the Certain Transactions represents the contracting services.

As a leading construction service provider, the construction business of the Group has an excellent track record in general contracting, construction management, civil engineering and foundation works and has maintained a good reputation within the industry. The NWD Group, with profound experience in the area of services, property development in particular, has demonstrated itself as reliable customers of the Group over the years. Riding on this long-standing business relationship, the NWD Group is found to be a trustworthy and professional partner of the Group in respect of construction and other services. Its expertise in project management in terms of budgeting, quality and timeline requirements aligns with the Group's experience and the services we offer.

NWD completed the divestment of its wholly-owned subsidiary Hip Seng Construction Group Limited in June 2023, which mainly acted as the main contractor or project manager for certain of the NWD Group's business or projects. As mentioned in the announcement of NWD dated 28 April 2023 relating to the disposal, the divestment would enable the NWD Group to explore a wider range of external service providers. This has created an opportunity for the Group to enhance its business growth by providing more Operational Services to the NWD Group. The increase in annual sales cap is to ensure that the Group has sufficient approved annual sales cap to meet existing and anticipated business growth for relevant transactions with the NWD Group for the year ending 30 June 2026.

To ensure that the transactions under the NWD Master Services Agreement adhere to normal commercial terms, the Group has implemented, and will continue to implement, adequate internal control measures for monitoring all of its continuing connected transactions, including assessing the financial capability of counterparties. The Directors therefore believe that the maintenance of strategic business relationships with the NWD Group will continue to bring sustainable contribution to the Group's profitability in the long run.

The Directors (except for the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee of this circular) are of the view that the Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Information of the parties

The Group

The Group invests and operates a wide range of businesses predominantly in Hong Kong and the Mainland. Its businesses include toll roads, financial services, logistics, construction and facilities management.

LETTER FROM THE BOARD

NWD

NWD and its subsidiaries are principally engaged in property development, property investment and investment in and/or operation of hotels and other strategic businesses.

Listing Rules Implications

As at the Latest Practicable Date, CTF Enterprises (through itself and its wholly-owned subsidiary, Century Acquisition) holds approximately 74.55% of the total issued share capital of the Company and is the holding company and substantial shareholder of the Company. As CTF Enterprises (together with its subsidiaries) holds approximately 45.24% of the total issued share capital of NWD as at the Latest Practicable Date, NWD is regarded as an associate of CTF Enterprises and thus a connected person of the Company under Chapter 14A of the Listing Rules. As such, the Certain Transactions contemplated under the NWD Master Services Agreement constitute continuing connected transactions of the Company.

Since the highest of the applicable percentage ratios calculated under Chapter 14A of the Listing Rules in respect of the Revised FY2026 Annual Sales Cap exceeds 5%, the Revised FY2026 Annual Sales Cap is subject to the reporting, announcement, annual review, circular requirements and approval of the Independent Shareholders under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.54 of the Listing Rules, the Company must re-comply with the announcement and Independent Shareholders' approval requirements before the Existing FY2026 Annual Sales Cap is exceeded.

Each of Dr Cheng Kar Shun, Henry, Mr Cheng Chi Ming, Brian and Mr Ho Gilbert Chi Hang, each being a Director, is also a director of NWD. Accordingly, Dr Cheng Kar Shun, Henry, Mr Cheng Chi Ming, Brian, Mr Ho Gilbert Chi Hang, Mr Cheng Chi Leong, Christopher (being a Director, the son of Dr Cheng Kar Shun, Henry and the brother of Mr Cheng Chi Ming, Brian), Mr William Junior Guilherme Doo (being a Director, the nephew of Dr Cheng Kar Shun, Henry and the cousin of Mr Cheng Chi Ming, Brian and Mr Cheng Chi Leong, Christopher) and Mr Tsang On Yip, Patrick (being a Director and whose spouse is a niece of Dr Cheng Kar Shun, Henry and hence he is a cousin-in-law of Mr Cheng Chi Ming, Brian, Mr Cheng Chi Leong, Christopher and Mr William Junior Guilherme Doo) abstained from voting on the resolution approving the Revised FY2026 Annual Sales Cap at the relevant Board meeting. Save as disclosed herein, none of the other Directors has any material interest in the NWD Master Services Agreement (including the Revised FY2026 Annual Sales Cap) and the transactions contemplated thereunder and therefore none of the other Directors has been required to abstain from voting on the relevant Board resolution.

At the 2025 AGM, any Shareholder with a material interest in the transactions contemplated under the NWD Master Services Agreement must abstain from voting on the resolution to approve the Revised FY2026 Annual Sales Cap. CTF Enterprises (through itself and its wholly-owned subsidiary, Century Acquisition) holds approximately 74.55% of the total issued share capital of the Company as at the Latest Practicable Date and is the holding company and substantial shareholder of the Company. In addition, CTF Enterprises (together with its subsidiaries) holds approximately 45.24% of the total issued share capital of NWD as at the Latest Practicable Date. CTF Enterprises and its associates will abstain from voting on such resolution at the 2025 AGM.

LETTER FROM THE BOARD

2025 AGM

The notice convening the 2025 AGM is set out in Appendix V to this circular. A proxy form for use in connection with the 2025 AGM is enclosed with the print version of this circular and can be downloaded from the website of the Company (www.ctfs.com.hk), HKEXnews website (www.hkexnews.hk) and Vistra eVoting Portal (<https://evoting.vistra.com/#/659>). Whether or not you are able to attend the 2025 AGM in person physically or online, you are requested to complete and (a) return the accompanying proxy form in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong; or (b) submit the proxy form electronically through the Vistra eVoting Portal (<https://evoting.vistra.com/#/659>) as soon as possible but in any event no later than 11:00 a.m. (Hong Kong time) on Sunday, 16 November 2025, or not less than 48 hours before the time appointed for holding of any adjourned meeting thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the 2025 AGM or any adjourned meeting thereof should you so desire. In such event, the proxy form will be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by way of poll save for resolution relating purely to a procedural or administrative matter. Accordingly, the Chairman of the 2025 AGM shall demand the resolutions to be put to vote by poll.

After the conclusion of the 2025 AGM, the results of the poll will be published on HKEXnews website at www.hkexnews.hk and the Company's website at www.ctfs.com.hk.

RECOMMENDATION

The Independent Board Committee has been established to consider the Revised FY2026 Annual Sales Cap, and to advise the Independent Shareholders on whether the Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group, is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole, and to give recommendation to the Independent Shareholders on how to vote on the relevant resolution to be proposed at the 2025 AGM. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 37 to 38 of this circular which contains its recommendations to the Independent Shareholders on the Revised FY2026 Annual Sales Cap; and (ii) the letter from the Independent Financial Adviser set out on pages 39 to 47 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Revised FY2026 Annual Sales Cap and the principal factors and reasons considered by the Independent Financial Adviser in arriving at its advice.

LETTER FROM THE BOARD

The Directors believe that the proposals for the re-election of the retiring Directors, the granting of the Issue Mandate and the Repurchase Mandate (including the extension of the Issue Mandate by the number of Shares repurchased), the declaration of the Final Dividend and the Scrip Dividend Scheme, the Bonus Issue, the proposed amendments to the 2021 Share Option Scheme, the proposed refreshment of the Scheme Mandate Limit under the 2021 Share Option Scheme and the revision to the Existing FY2026 Annual Sales Cap for Certain Transactions under the NWD Master Services Agreement are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of each of the proposed resolutions as set out in the Notice.

GENERAL

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
Dr Cheng Kar Shun, Henry
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in respect of the Revised FY2026 Annual Sales Cap, which has been prepared for the purpose of incorporation in this circular.

24 October 2025

To the Independent Shareholders

Dear Sir or Madam,

REVISION TO EXISTING FY26 ANNUAL SALES CAP FOR CERTAIN CONTINUING CONNECTED TRANSACTIONS UNDER THE NWD MASTER SERVICES AGREEMENT

We refer to the circular dated 24 October 2025 (the “**Circular**”) of which this letter forms part. Terms defined in the Circular have the same meanings when used herein unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider the Revised FY2026 Annual Sales Cap, and to advise the Independent Shareholders as to whether, in our opinion, the Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group, is fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole, and to give recommendation to the Independent Shareholders on how to vote on the relevant resolution to be proposed at the 2025 AGM.

Ballas Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the Revised FY2026 Annual Sales Cap and whether the Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group, and whether the Revised FY2026 Annual Sales Cap is in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote.

We wish to draw your attention to the letter from the Board as set out on pages 11 to 36 of the Circular which contains, among others, information on the Revised FY2026 Annual Sales Cap as well as the letter from the Independent Financial Adviser as set out on pages 39 to 47 of the Circular which contains its advice in respect of the Revised FY2026 Annual Sales Cap.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the advice of the Independent Financial Adviser, we consider that the Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group, is fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders vote in favour of the ordinary resolution to be proposed at the 2025 AGM in relation to the Revised FY2026 Annual Sales Cap.

Yours faithfully

Independent Board Committee

Mr Shek Lai Him, Abraham

Mr Lee Yiu Kwong, Alan

Mrs Oei Wai Chi Grace Fung

Mr Wong Kwai Huen, Albert

Prof Chan Ka Keung, Ceajer

Ms Ng Yuen Ting, Yolanda

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of the letter of advice from Ballas Capital to the Independent Board Committee and the Independent Shareholders prepared for the purpose of incorporation in this circular.

BALLAS
C A P I T A L

5/F, Capital Centre
151 Gloucester Road
Wanchai
Hong Kong

24 October 2025

*To the Independent Board Committee and
the Independent Shareholders of
CTF Services Limited*

Dear Sir or Madam,

REVISION TO EXISTING FY2026 ANNUAL SALES CAP FOR CERTAIN CONTINUING CONNECTED TRANSACTIONS UNDER THE NWD MASTER SERVICES AGREEMENT

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Revised FY2026 Annual Sales Cap. Details of the terms of the Revised FY2026 Annual Sales Cap are contained in the circular of CTF Services Limited dated 24 October 2025 (the “**Circular**”). Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 28 April 2023, the Company entered into the NWD Master Services Agreement with NWD in respect of the Operational Services for a term of three years commencing on 1 July 2023. Pursuant to the NWD Master Services Agreement, each of the Company and NWD agrees to, and agrees to procure that members of the Group or the NWD Group (to the extent practicable), engage relevant members of the NWD Group or the Group to provide the Operational Services to relevant members of the Group or the NWD Group (as the case may be) during the term of the NWD Master Services Agreement.

As set out in the Letter from the Board, following a review by the Board of the Certain Transactions, the Board envisages that (i) there will be an expected increase in the continuing connected transactions (in terms of volume and transaction values) in respect of the Operational Services to be provided by members of the Group to members of the NWD Group for the financial year ending 30 June 2026 and (ii) therefore the Existing FY2026 Annual Sales Cap for the Certain Transactions for the said period will not be sufficient. In light of the

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above, the Board considers it appropriate to revise and increase the maximum aggregate annual value for the provision of Operational Services by members of the Group to members of the NWD Group for such period to the Revised FY2026 Annual Sales Cap.

As at the Latest Practicable Date, CTF Enterprises (through itself and its wholly owned subsidiary, Century Acquisition) held approximately 74.55% of the total issued share capital of the Company and is the holding company and substantial shareholder of the Company. As CTF Enterprises (together with its subsidiaries) held approximately 45.24% of the total issued share capital of NWD as of the Latest Practicable Date, NWD is regarded as an associate of CTF Enterprises and thus a connected person of the Company under Chapter 14A of the Listing Rules.

Since the highest of the applicable percentage ratios calculated under Chapter 14A of the Listing Rules in respect of the Revised FY2026 Annual Sales Cap exceeds 5%, the Revised FY2026 Annual Sales Cap is subject to the reporting, announcement, annual review, circular requirements and approval of the Independent Shareholders under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.54 of the Listing Rules, the Company must re-comply with the announcement and Independent Shareholders' approval requirements before the Existing FY2026 Annual Sales Cap is exceeded.

The Independent Board Committee comprising 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, all being independent non-executive Directors, has been established to advise the Independent Shareholders on whether the Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group, is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information and facts contained or referred to in the Circular as well as the representations made or provided by the Directors and the senior management of the Company.

The Directors have confirmed in the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained in the Circular and that there are no other matters the omission of which would make any statement in the Circular misleading. We have also assumed that the information and the representations made by the Directors as contained or referred to in the Circular were true and accurate at the time they were made and continue to be so up to the date of the AGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the senior management of the Company. We have also been advised by the Directors and believe that no material facts have been omitted from the Circular.

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendations. We have not, however, conducted an independent

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verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Group or any of its respective subsidiaries or associates.

INDEPENDENCE DECLARATION

We are not associated or connected with the Company, NWD, or their respective core connected persons or associates. In the two years immediately preceding the Latest Practicable Date, save for the appointment as the independent financial adviser to (a) the Company, in respect of an option adjustment as disclosed in its announcement dated 19 April 2024; and (b) NWD in respect of (i) a connected transaction as disclosed in its announcement dated 26 September 2024; (ii) a connected transaction as disclosed in its circular dated 2 August 2024; (iii) a connected transaction exempt from announcement and independent shareholders' approval requirements in February 2024; and (iv) a connected transaction exempt from announcement and independent shareholders' approval requirements in June 2025 (the "Previous Engagements"), we did not have any other relationship with or interests in the Group, NWD or their respective core connected persons or associates. As the Previous Engagements were for the role of an independent financial adviser, they would not affect our independence for acting as the independent financial adviser to the Company in respect of the Revised FY2026 Annual Sales Cap.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating and giving our independent financial advice to the Independent Board Committee and the Independent Shareholders, we have taken into account the following principal factors:

1. Information on the Group and the NWD Group

1.1. Information on the Group

The Group invests and operates a wide range of businesses predominantly in Hong Kong and the Mainland. Its business includes toll roads, financial services, logistics, construction and facilities management.

1.2. Information on the NWD Group

NWD and its subsidiaries are principally engaged in property development, property investment and investment in and/or operation of hotels and other strategic businesses.

2. Background of the NWD Master Services Agreement

As stated in the Letter from the Board, on 28 April 2023, the Company entered into the NWD Master Services Agreement with NWD in respect of the Operational Services for a term of three years commencing on 1 July 2023. Pursuant to the NWD Master Services Agreement, each of the Company and NWD agrees to, and agrees to procure that members of the Group or the NWD Group (to the extent practicable), engage relevant members of the NWD Group or the Group to provide the Operational Services to relevant members of the Group or the NWD

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Group (as the case may be) during the term of the NWD Master Services Agreement. On 26 June 2023, the then independent shareholders of the Company approved the NWD Master Services Agreement at the 2023 SGM. Save for the Revised FY2026 Annual Sales Cap, all other terms the NWD Master Services Agreement as disclosed in the announcement of the Company dated 28 April 2023 and the circular of the Company dated 5 June 2023, including but not limited to the pricing policy, shall remain unchanged.

3. Reasons for and benefits of the Revised FY2026 Annual Sales Cap

The Certain Transactions under the NWD Master Services Agreement are expected to be recurring in nature and in the ordinary and usual course of business of the Group and a major portion of the Certain Transactions represents the contracting services.

As a leading construction service provider, the construction business of the Group has an excellent track record in general contracting, construction management, civil engineering and foundation works and has maintained a good reputation within the industry. The NWD Group, with profound experience in the area of services, property development in particular, has demonstrated itself as a reliable customer of the Group over the years. Riding on this long-standing business relationship, the NWD Group is found to be a trustworthy and professional partner of the Group in respect of construction and other services. The Directors also consider that the expertise of the NWD Group in project management in terms of budgeting, quality and timeline requirements aligns with the Group's experience and the services it offers.

NWD completed its divestment of its wholly-owned subsidiary, Hip Seng Construction Group Limited, in June 2023, which mainly acted as the main contractor or project manager for certain of the NWD Group's business or projects. As mentioned in the announcement of NWD dated 28 April 2023 relating to the disposal, the divestment would enable the NWD Group to explore a wider range of external service providers. This has created an opportunity for the Group to enhance its business growth by providing Operational Services to the NWD Group. The increase in annual sales cap is to ensure that the Group has sufficient approved annual sales cap to meet existing and anticipated business growth for transactions with the NWD Group for the year ending 30 June 2026.

To ensure that the transactions under the NWD Master Services Agreement adhere to normal commercial terms, the Group has implemented, and will continue to implement, adequate internal control measures for monitoring all of its continuing connected transactions, including assessing the financial capability of counterparties. The Directors therefore believe that the maintenance of strategic business relationships with the NWD Group will continue to bring sustainable contribution to the Group's profitability in the long run.

As set out in the Letter from the Board, following a review by the Board of the Certain Transactions, the Board envisages that (i) there will be an expected increase in the continuing connected transactions (in terms of volume and transaction values) in respect of the Operational Services to be provided by members of the Group to members of the NWD Group for the financial year ending 30 June 2026 and (ii) therefore the Existing FY2026 Annual Sales Cap for the Certain Transactions for the said period will not be sufficient. In light of the

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above, the Board considers it appropriate to revise and increase the maximum aggregate annual value for the provision of Operational Services by members of the Group to members of the NWD Group for such period to the Revised FY2026 Annual Sales Cap.

Taking into account the fact that (i) the nature of the NWD Master Services Agreement falls within the ordinary and usual course of business of the Group; and (ii) the revision of the annual sales cap under the NWD Master Services Agreement will enable the Group to continue to provide the Operational Services to the NWD Group and thereby increasing its revenue and gross profit, we consider the Revised FY2026 Annual Sales Cap is within the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

4. Revised FY2026 Annual Sales Cap

Set out below are the existing annual sales caps and the relevant transacted amounts (if applicable) for the Certain Transactions under the NWD Master Services Agreement for the financial years ended/ending 30 June 2024, 30 June 2025 and 30 June 2026 as approved by the then Independent Shareholders at the 2023 SGM and the Revised FY2026 Annual Sales Cap:

	Aggregate transaction values		
	Financial year ended 30 June 2024 <i>HK\$'million</i>	Financial year ended 30 June 2025 <i>HK\$'million</i>	Financial year ending 30 June 2026 <i>HK\$'million</i>
Existing annual sales caps	1,099.0	1,972.0	2,407.0
Transacted amounts	300.3 <i>(Note 1)</i>	750.1 <i>(Note 2)</i>	228.1 <i>(Note 3)</i>
Cap utilisation	Within cap <i>(Note 4)</i>	Within cap <i>(Note 4)</i>	Expected to exceed existing cap
Revised FY2026 Annual Sales Cap	Not applicable	Not applicable	2,991.0

Notes:

1. The transacted amounts is extracted from the annual report of the Company for the financial year ended 30 June 2024.
2. The transacted amount is extracted from the annual report of the Company for the financial year ended 30 June 2025.
3. The transacted amount is based on the management records of the Group for the period from 1 July 2025 to 31 August 2025 (and therefore is unaudited).
4. The annual sales caps for the financial years ended 30 June 2024 and 30 June 2025 were primarily related to the provision of contracting services by the construction segment of the Group. The actual utilization was lower than estimated mainly because: (i) at the time when the caps were estimated in 2023, the Company took into account probable values under two to three projects but which projects did not materialize at the end; (ii) the change in the Company's holding company from NWD to CTF Enterprises in November 2023, resulting in a joint venture project of NWD no longer constituting a continuing connected transaction of the Company; and (iii) NWD's disposal of its equity interest in Kai Tak Sports Park Limited in November 2024, as a result of which subsequent contracting services provided by the Group for the development of Kai Tak Sports Park were no longer regarded as continuing connected transactions of the Company with the NWD Group (but with CTF Enterprises Group).

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As stated in the Letter from the Board, the Revised FY2026 Annual Sales Cap for the Certain Transactions represents a moderate increase from the Existing FY2026 Annual Sales Cap and has been determined with reference to the projected annual or annualized amounts in respect of the Operational Services to be provided by members of the Group to members of the NWD Group respectively in the financial year ending 30 June 2026, having taken into account:

1. the existing projects in progress which affect the demand of the Operational Services by the NWD Group;
2. the estimated demand for the Operational Services by the NWD Group for the financial year ending 30 June 2026 having regard to the upcoming projects expected to be undertaken;
3. the inflation factor (which may vary in nature and can be economic, labour and materials related or otherwise and will result in change in costs), if applicable. The inflation rate will be assessed by the Group by reference to or after taking into account such rate(s) available in public sources, such as the rate reported by the Hong Kong Census and Statistics Department;
4. adjustments to cater for exceptional circumstances or other contingencies; and

on the principal assumptions that, for the duration of the projected period, (i) there will not be any adverse change or disruption in market conditions, operation and business environment or government policies which may materially affect the businesses of the Group or the NWD Group; and (ii) the service industries in which the Group operates will have steady growth.

As disclosed in the Letter from the Board, it is expected that the Revised FY2026 Annual Sales Cap will be constituted, to a substantial extent, by the transaction value for the provision of contracting services by members of the Group to members of the NWD Group. As at the Latest Practicable Date, based on management's latest available information and the expected timing for accounting recognition of the transaction value for existing projects and upcoming/future projects with the NWD Group, the aggregate transaction value that relates to contracting services may reach approximately HK\$2,887 million (about 80% of which relate to existing projects) for the financial year ending 30 June 2026. The remaining 20% of the budgeted amount for contracting services provides a reasonable buffer for (i) new projects which may be awarded in the remaining period of the financial year ending 30 June 2026, (ii) potential maintenance works for commercial and retail projects of the NWD Group, estimated with reference to historical trends and anticipated requirements of the NWD Group and (iii) a reasonable buffer to account for variations in timing of recognition due to actual work progress and possible construction variation work orders.

Our work done

In assessing the fairness and reasonableness of the Revised FY2026 Annual Sales Cap, we have obtained the underlying calculation of the Revised FY2026 Annual Sales Cap and performed the work as described below.

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We have discussed with the management of the Group and reviewed the breakdown of the Revised FY2026 Annual Sales Cap. Based on our review, we note that around 97% of the Revised FY2026 Annual Sales Cap relates to the provision of contracting services to the NWD Group, while the remaining minor portion (around 3%) represents the annual sales cap for other types of Operational Services. Accordingly, the Revised FY2026 Annual Sales Cap is predominantly driven by the contracting services. In determining the annual sales cap for contracting services, the management of the Company has prepared a schedule (the “**Project Schedule**”), which sets out, among other things, the estimated contract values on a project-by-project basis, categorized by Operational Services entered into or potentially to be entered into with the NWD Group for the period from 1 July 2025 to 30 June 2026. We have reviewed the Project Schedule and note that within the estimated amount for contracting services, approximately 80% of the revised annual sales cap for contracting services is derived from the transaction values in accordance with the progress of confirmed projects. We have discussed with the management of the Group and understand that the expected project status and progress are assessed by the qualified quantity surveyors, reviewed by the commercial managers, and approved by the commercial director of the Group’s construction segment, based on their technical expertise and professional judgment. The remaining 20% of the estimated amount for contracting services is mainly attributable to potential maintenance works and a buffer to cater for scenarios where revenue recognition of certain confirmed projects may exceed original estimates due to accelerated construction progress or earlier-than-expected achievement of project milestones or any other contingences. For the estimated amount of maintenance works, we understand that it mainly relates to a few commercial and retail development projects, and the potential demand for maintenance services was assessed based on the Group’s observations of the projects’ current conditions. We further understand that the buffer allows reasonable headroom in the annual sales cap to accommodate such variations without exceeding the Revised FY2026 Annual Sales Cap.

We understand from the management of the Company that the transaction values for confirmed projects are estimated based on the latest progress and construction schedules of those projects. The transaction values for potential maintenance works are mainly estimated with reference to the Group’s internal assessment of demand for maintenance services from certain property projects, and the Group’s plans to participate in the relevant tender or quotation processes when they commence.

For the remaining approximately 3% of the Revised FY2026 Annual Sales Cap that relates to other types of Operational Services, we have reviewed the relevant schedule provided by the Company and note that the amount mainly represents estimated transaction values for (i) rental services, for which we note the amount is broadly equivalent to the actual amount recorded for FY2025; and (ii) insurance and healthcare services, for which we have reviewed the estimation basis as provided by the Company and note that it is determined based on the existing insurance policies in place and possible expansion of scope of insurance service.

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We note that the Revised FY2026 Annual Sales Cap represents a significant increase compared to the actual transacted amounts for the preceding financial years, during which the utilisation rates were approximately 27% and 38% for FY2024 and FY2025, respectively. We understand from the management of the Company that the lower utilisation of the previous annual sales caps was primarily due to certain projects originally expected to proceed during FY2024 and FY2025 not materialising or ceasing to constitute continuing connected transactions. Notwithstanding these observations, we note that the Revised FY2026 Annual Sales Cap is predominantly attributable to contracting services, of which approximately 80% is derived from confirmed projects based on the latest project schedules. Given the short timeframe between the timing of estimation by the management of the Company and the end of FY2026 (June 2026), we consider that the current estimation of project progress and corresponding transaction values would be relatively more reliable and reflective of the actual construction progress compared to when the previous annual sales cap was determined in FY2023.

Given the above, we consider the Revised FY2026 Annual Sales Cap is fair and reasonable.

5. Requirements by the Listing Rules regarding the transactions contemplated under the NWD Master Services Agreement

Pursuant to Rules 14A.55 to 14A.59 of the Listing Rules, the transactions contemplated under the NWD Master Services Agreement are subject to the following annual review requirements:

- (a) Each year the independent non-executive Directors must review the transactions contemplated under the NWD Master Services Agreement and confirm in the annual report that the transactions have been entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.
- (b) Each year the auditors of the Company must provide a letter to the Board confirming that the transactions contemplated under the NWD Master Services Agreement:
 - have received the approval of the Board;
 - are, in all material respects, in accordance with the pricing policies of the Company if the transactions involve provision of goods or services by the Company;
 - have been entered into, in all material respects, in accordance with the relevant agreement governing the continuing connected transactions; and

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- have not exceeded the annual caps.
- (c) The Company must allow, and ensure that the relevant counterparties to the NWD Master Services Agreement allow, the Company's auditors sufficient access to their records for the purpose of reporting on the transactions. The Board must state in the annual report whether its auditors have confirmed the matters stated in paragraph (b) above; and
- (d) The Company must promptly notify the Stock Exchange and publish an announcement in accordance with the Listing Rules if it knows or has reason to believe that the independent non-executive Directors and/or the auditors of the Company cannot confirm the matters set out in paragraphs (a) and/or (b) above respectively.

In light of the reporting requirements attached to the NWD Master Services Agreement, in particular, (i) the restriction of the value of the relevant transactions by way of the annual caps; and (ii) the ongoing review by the independent non-executive Directors and the auditors of the Company on the terms of the NWD Master Services Agreement and the annual caps not being exceeded, we are of the view that appropriate measures are in place to govern the conduct of the NWD Master Services Agreement and safeguard the interests of the Shareholders.

RECOMMENDATION

Having considered the aforesaid principal factors and reasons referred to above, we are of the opinion that Revised FY2026 Annual Sales Cap is in the ordinary and usual course of business of the Group, is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Shareholders and the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the 2025 AGM to approve the Revised FY2026 Annual Sales Cap.

Yours faithfully,
For and on behalf of
Ballas Capital Limited
Heidi Cheng **Cathy Leung**
Managing Director *Director*

Note: Ms. Heidi Cheng of Ballas Capital Limited has been a responsible officer of Type 6 (advising on corporate finance) regulated activities since 2004, and Ms. Cathy Leung of Ballas Capital Limited has been a responsible officer of Type 6 (advising on corporate finance) regulated activities since 2019.

The following are the particulars of the Directors who will retire and, being eligible, offer themselves for re-election at the 2025 AGM:

Mr Cheng Chi Ming, Brian

Mr Cheng, aged 42, joined the Company in January 2008 and was appointed as Executive Director in July 2009 and Co-Chief Executive Officer in January 2024. He is also a member of the Executive Committee, the Nomination Committee, the Remuneration Committee and the Environmental, Social and Governance Committee of the Company. He is also a director of certain subsidiaries of the Group. Mr Cheng is a non-executive director of NWD and the Chairman and a non-executive director of Integrated Waste Solutions Group Holdings Limited, both being listed public companies in Hong Kong. He is a director of PBA International Pte. Ltd. and a number of companies in the Mainland. He was also a non-executive director of Haitong International Securities Group Limited (resigned on 13 March 2024) (the company was delisted from the Hong Kong Stock Exchange on 11 January 2024) and Wai Kee Holdings Limited (resigned on 26 June 2024) (a listed public company in Hong Kong). Mr Cheng is currently a member of the Fourteenth Shanghai Municipal Committee of the Chinese People's Political Consultative Conference of the PRC. Before joining the Company, Mr Cheng had been working as a research analyst in the Infrastructure and Conglomerates sector for CLSA Asia-Pacific Markets. Mr Cheng holds a Bachelor of Science degree from Babson College in Massachusetts, USA. Mr Cheng is the son of Dr Cheng Kar Shun, Henry, the brother of Mr Cheng Chi Leong, Christopher, the cousin of Mr William Junior Guilherme Doo and cousin-in-law of Mr Tsang On Yip, Patrick.

Save as disclosed above, Mr Cheng did not hold any other position with the Company or other members of the Group as at the Latest Practicable Date and did not hold any directorship in other listed public companies in the last three years.

Mr Cheng's letter of appointment as Executive Director provides for a fixed term of three years and he is also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. He is entitled to annual director's fee of HK\$300,000 which is subject to determination by the Board with the authorization granted by the Shareholders at annual general meetings of the Company. In addition, under Mr Cheng's employment contract, he is entitled to receive a monthly salary of HK\$800,000 and a year-end discretionary bonus to be determined by the Board from time to time. Mr Cheng's remuneration package has been determined by reference to his duties and responsibilities within the Group and the Group's remuneration policy.

Save as disclosed above, Mr Cheng does not have any relationship with any Director, senior management of the Company, substantial Shareholder or controlling Shareholder. As at the Latest Practicable Date, Mr Cheng has personal interest in 8,380,450 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Mr Cheng has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr Cheng that need to be brought to the attention of the Shareholders.

Mr Ho Gilbert Chi Hang

Mr Ho, aged 49, joined the Company as senior director in January 2018 and has been serving as Executive Director since July 2018. He was appointed as Chief Operating Officer in February 2022 and Co-Chief Executive Officer in January 2024. He is a member of the Executive Committee, the Nomination Committee, the Remuneration Committee and the Environmental, Social and Governance Committee of the Company. He is also a director of certain subsidiaries of the Group. Mr Ho is the director and co-chief executive officer of CTF Enterprises, a holding company and substantial shareholder of the Company. Mr Ho was appointed as an Executive Director and a member of the Executive Committee of NWD on 29 November 2024, a listed public company in Hong Kong. Prior to joining the Group, Mr Ho was a director and/or senior executive in several Hong Kong listed public companies. He was the senior investment director of NWD and an executive director of New World Strategic Investment Limited. He was also a partner of an international law firm Fried, Frank, Harris, Shriver & Jacobson LLP. Mr Ho is an independent non-executive director of Asia Allied Infrastructure Holdings Limited and Kam Hing International Holdings Limited, and a non-executive director of Shoucheng Holdings Limited, all being listed public companies in Hong Kong. He was also a non-executive director of Wai Kee Holdings Limited (resigned on 26 June 2024) (a listed public company in Hong Kong). He is the member of the General Committee of Hong Kong General Chamber of Commerce, the Vice Chairperson of the Chamber of Hong Kong Listed Companies, the Deputy Chairman of the Greater Bay Area Committee of CPA Australia, a member of the Hong Kong Logistics Development Council, a member of the Advisory Council on Career Development of Hong Kong University of Science and Technology, and a standing committee member of the Youth Federation of Inner Mongolia. He was also a committee member of the Industry Advisory Committee of Insurance Authority from June 2020 to May 2022 and a committee member of the Chinese People's Political Consultative Conference of Shenyang from December 2007 to December 2021. Mr Ho holds a Bachelor of Commerce degree and a Bachelor of Laws degree from the University of Sydney, Australia and was admitted as a solicitor in New South Wales, Australia and England and Wales and as a solicitor and barrister in the High Court of Australia. He is also a fellow member of CPA Australia.

Save as disclosed above, Mr Ho did not hold any other position with the Company or other members of the Group as at the Latest Practicable Date and did not hold any directorship in other listed public companies in the last three years.

Mr Ho's letter of appointment as Executive Director provides for a fixed term of three years and he is also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. He is entitled to annual director's fee of HK\$300,000 which is subject to determination by the Board with the authorization granted by the Shareholders at annual general meetings of the Company. In addition, under Mr Ho's employment contract, he is entitled to receive a monthly salary of HK\$800,000 and a year-end discretionary bonus to be determined by the Board from time to time. Mr Ho's remuneration package has been determined by reference to his duties and responsibilities within the Group and the Group's remuneration policy.

Saved as disclosed above, Mr Ho does not have any relationship with any Director, senior management of the Company, substantial Shareholder or controlling Shareholder. As at the Latest Practicable Date, Mr Ho has personal interest in 8,380,450 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Mr Ho has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr Ho that need to be brought to the attention of the Shareholders.

Mr Shek Lai Him, Abraham *GBS, SBS, JP*

Mr Shek, aged 80, was appointed as Independent Non-executive Director in September 2004 and is the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr Shek is the Chairman and a non-executive director of JY Grandmark Holdings Limited (appointed on 6 June 2025), a listed public company in Hong Kong. He is also an independent non-executive director of Alliance International Education Leasing Holdings Limited, China Resources Building Materials Technology Holdings Limited, Chuang's China Investments Limited (also acts as Honorary Chairman), Chuang's Consortium International Limited, Cosmopolitan International Holdings Limited, CSI Properties Limited, Everbright Grand China Assets Limited, Far East Consortium International Limited, Hao Tian International Construction Investment Group Limited, ITC Properties Group Limited (also acts as Joint Vice Chairman), Lai Fung Holdings Limited, Paliburg Holdings Limited and Shin Hwa World Limited, all being listed public companies in Hong Kong, and an independent non-executive director of Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust) and Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust), both of the trusts are listed on the Hong Kong Stock Exchange. Mr Shek is an independent non-executive director of Lifestyle International Holdings Limited (the company withdrew its listing on the Hong Kong Stock Exchange on 20 December 2022 due to privatization). He was an executive director and the Chairman of Goldin Financial Holdings Limited ("**Goldin**", in liquidation and delisted from the Hong Kong Stock Exchange on 31 October 2023). He was also an independent non-executive director of Country Garden Holdings Company Limited ("**Country Garden**") (resigned on 15 March 2024), a listed public company in Hong Kong. Mr Shek was a member of the Legislative Council for the HKSAR representing real estate and construction functional constituency from 2000 to 2021. He was appointed as Justice of the Peace in 1995 and was awarded the Silver Bauhinia Star and the Gold Bauhinia Star in 2007 and 2013 respectively. Mr Shek graduated from the University of Sydney with Bachelor of Arts and attained a Juris Doctor degree of The City University of Hong Kong.

Save as disclosed above, Mr Shek did not hold any other position with the Company or other members of the Group as at the Latest Practicable Date and did not hold any directorship in other listed public companies in the last three years.

Mr Shek's letter of appointment as independent non-executive Director provides for a fixed term of three years and he is also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. He is entitled to annual

director's fee of HK\$300,000 which is subject to determination by the Board with the authorization granted by the Shareholders at annual general meetings of the Company. Mr Shek's remuneration package has been determined by reference to his duties and responsibilities within the Group and the Group's remuneration policy.

Mr Shek, who has served the Board for more than nine years, confirmed that he had satisfied all factors set out in Rule 3.13 of the Listing Rules in assessing his independence. Mr Shek does not have any relationship with any Director, senior management of the Company, substantial Shareholder or controlling Shareholder. As at the Latest Practicable Date, Mr Shek has personal interest in 1,856,400 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Mr Shek had been an independent non-executive director of Titan Petrochemicals Group Limited ("**Titan**") (a company incorporated in Bermuda and whose shares were delisted from the Hong Kong Stock Exchange with effect from 23 August 2023), from 27 February 2006 to 27 February 2014. According to the announcements and circulars published by Titan, on 9 July 2012 (Bermuda time), Saturn Petrochemical Holdings Limited ("**SPHL**") served on Titan a petition (the "**Petition**") at the Supreme Court of Bermuda (the "**Bermuda Court**") for an order, amongst other things, to wind up and to appoint a provisional liquidator against Titan. At the first hearing of the Petition on 16 August 2012 (Bermuda time), the court has, amongst other things, adjourned the hearing of the Petition to 5 September 2012 (Bermuda time). The Petition was in relation to a notice to Titan from SPHL to redeem all of the outstanding convertible redeemable preferred shares issued by Titan and held by SPHL at a redeemable amount equal to the notional value of those shares (being HK\$310.8 million) together with any accrued and unpaid dividends. To the best knowledge of Mr Shek, the Petition was in relation to the redemption of the abovementioned convertible redeemable preferred shares of Titan. Thereafter, the Bermuda Court ordered the appointment of Mr Garth Calow and Ms Allison Tomb, both of PricewaterhouseCoopers, as the joint provisional liquidators of Titan on 18 October 2013 (Bermuda time). This appointment of the joint provisional liquidators was in relation to an application made by KTL Camden Inc. ("**Camden**") to the Bermuda Court on 6 August 2013 (Bermuda time) in connection with its claim that Titan Storage Limited, a subsidiary of Titan, failed to pay certain hiring charges to Camden pursuant to a bareboat charter party contract and that Titan was liable to Camden for such hiring charges plus interest thereon in the sum of approximately US\$6,853,032 (up to 16 April 2013) pursuant to a deed of guarantee issued by Titan in favour of Camden. The Bermuda Court sanctioned a proposed scheme of arrangement (the "**Scheme**") between Titan and its scheme creditors on 5 November 2014 and the Scheme became effective and binding on the scheme creditors upon a copy of the order of the Bermuda Court being delivered to the Bermuda Registrar of Companies in accordance with section 99 of the Companies Act 1981 of Bermuda on 5 November 2014. Apart from information relating to Titan already in the public domain, Mr Shek in his capacity as a past director of Titan, has no other knowledge relating to Titan.

As disclosed above, Mr Shek was an executive director and the Chairman of Goldin (in liquidation), a company incorporated in Bermuda and whose shares were delisted from the Hong Kong Stock Exchange with effect from 31 October 2023. Goldin is an investment holding company and its group is principally engaged in the provision of factoring services,

financial investment, winery and wine related business, property development and investment and operation of restaurants. On 7 October 2020, Goldin received a winding up petition dated 7 August 2020 filed by DB Trustees (Hong Kong) Limited (“**DBT**”) with the Bermuda Court for the purported winding-up of Goldin (the “**DBT Petition**”). The DBT Petition was filed by DBT in relation to a dual tranche term loan facility in the principal amounts of approximately HK\$1,494.9 million and US\$243 million (collectively, the “**Loan**”) owed by two direct wholly-owned subsidiaries of Goldin to certain independent financial institutions, with DBT as the security agent in respect of the Loan and Goldin as the corporate guarantor of the Loan. On 11 August 2023 (Bermuda time), Goldin was ordered to be wound up by the Bermuda Court under the provisions of the Companies Act 1981 of Bermuda and the joint provisional liquidators (the “**JPLs**”) of Goldin were ordered to continue as the provisional liquidators of Goldin. On 13 October 2023, the JPLs received a letter from the Hong Kong Stock Exchange stating that the Listing Committee of the Hong Kong Stock Exchange (the “**Listing Committee**”) had decided to cancel Goldin’s listing under Rule 6.01A of the Listing Rules (the “**Delisting Decision**”) on the ground that Goldin had failed to fulfil the resumption guidance set out in the letter dated 20 June 2022 from the Hong Kong Stock Exchange and resume trading in its shares by 30 September 2023. Goldin decided not to apply for a review of the Delisting Decision made by the Listing Committee and was delisted from the Hong Kong Stock Exchange with effect from 31 October 2023.

As disclosed above, Mr Shek was an independent non-executive director of Country Garden, a company incorporated in the Cayman Islands and a listed public company in Hong Kong. Mr Shek resigned as an independent non-executive director of Country Garden on 15 March 2024. Country Garden is an investment holding company and its group is principally engaged in property development, construction, interior decoration, property investment, and the development and management of hotels. A winding-up petition dated 27 February 2024 was filed by Ever Credit Limited (the “**Petitioner**”) at the High Court of the HKSAR (the “**High Court**”) against Country Garden in relation to the non-payment of a term loan facility between the Petitioner as lender and Country Garden as borrower in the principal amount of approximately HK\$1.6 billion, plus accrued interest. The hearing of the petition has been adjourned several times and is now adjourned to 5 January 2026. No winding-up order has been granted by the High Court to wind up Country Garden as at the Latest Practicable Date.

Save as disclosed above, Mr Shek has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr Shek that need to be brought to the attention of the Shareholders.

Mr Wong Kwai Huen, Albert *SBS, BBS, JP*

Mr Wong, aged 73, was appointed as independent non-executive Director in July 2018 and is also the Chairman of the Environmental, Social and Governance Committee of the Company. He is currently the principal of Huen Wong Consultancy. He was the principal of Fried, Frank, Harris, Shriver & Jacobson (China Offices) and has served as its Managing Partner in Asia from 2006 until 2011. He is also an independent non-executive director of Hua Hong Semiconductor Limited and China International Marine Containers (Group) Co., Ltd. (appointed on 15 May 2025), both companies are listed public companies in Hong Kong. He

was an independent non-executive director of Vinda International Holdings Limited (resigned on 31 August 2024) (the company was delisted from the Hong Kong Stock Exchange on 16 August 2024). Mr Wong holds a Bachelor of Arts degree from The Chinese University of Hong Kong and a Bachelor of Laws degree from the University of London, United Kingdom. He is admitted as a solicitor in Hong Kong, the United Kingdom and Singapore. Mr Wong is the Honorary Chairman of Hong Kong International Arbitration Centre. He is also the Chairman of the Board of Review (Inland Revenue Ordinance) and the Board of Directors of HKBU Chinese Medicine Hospital Company Limited and the Honorary Legal Adviser of Hong Kong Business Accountants Association. He was formerly the President of the Law Society of Hong Kong and the Inter-Pacific Bar Association, Chairman of the Copyright Tribunal, Honorary Adviser of Financial Reporting Council and a council member of The Hong Kong Institute of Directors. Mr Wong holds the posts of honorary lecturer, external examiner and professorships at The University of Hong Kong, The Chinese University of Hong Kong, City University of Hong Kong, The Hang Seng University of Hong Kong and Hong Kong Shue Yan University. He was appointed as Justice of the Peace in 2010 and was awarded the Bronze Bauhinia Star and Silver Bauhinia Star by the Government of the HKSAR in 2014 and 2022 respectively.

Save as disclosed above, Mr Wong did not hold any other position with the Company or other members of the Group as at the Latest Practicable Date and did not hold any directorship in other listed public companies in the last three years.

Mr Wong's letter of appointment as independent non-executive Director provides for a fixed term of three years and he is also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. He is entitled to annual director's fee of HK\$300,000 which is subject to determination by the Board with the authorization granted by the Shareholders at annual general meetings of the Company. Mr Wong's remuneration package has been determined by reference to his duties and responsibilities within the Group and the Group's remuneration policy.

Mr Wong does not have any relationship with any Director, senior management of the Company, substantial Shareholder or controlling Shareholder. As at the Latest Practicable Date, Mr Wong has personal interest in 1,856,400 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Mr Wong has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr Wong that need to be brought to the attention of the Shareholders.

Ms Ng Yuen Ting, Yolanda MH

Ms Ng, aged 50, was appointed as independent non-executive Director on 1 December 2022 and is also a member of the Environmental, Social and Governance Committee of the Company. She is a media veteran and multi-channel network (MCN) incubator, and holds a number of public service positions.

Ms Ng is currently a board member of the West Kowloon Cultural District Authority (“**WKCD**”), the Hong Kong Palace Museum and the Hong Kong Resource Centre for Heritage and chairs the WKCD’s Working Group on Youth and Community Engagement. She is also Co-Chairperson of the Cultural and Art Committee of Hong Kong Women Professionals and Entrepreneurs Association, Advisor for Our Hong Kong Foundation and the degree of Master of Arts in Arts Tech and Digital Communication, Hong Kong Chu Hai College, Director of The Hong Kong Institute for Promotion of Chinese Culture, General Secretary of Cultural Power and a member of the Hong Kong Public Governance Association, Mega Arts and Cultural Events Committee and Commission on Children, and a committee member of ICH June. She is also the Founder of InspirNation and the Director of Business Development of Cheer Champion Cyber Limited. Ms Ng served as a Wan Chai District councilor for 12 years from 2008–2019 and was the Chairperson of the Cultural and Sports Committee of the Wan Chai District Council.

Ms Ng is an active member of the creative and media industries and at present a programme host of Radio Television Hong Kong (“**RTHK**”). Previously she was a journalist, a programme host, and playwright for radio drama and new media programmes. Ms Ng hosted various current affairs programmes on RTHK and HK Open TV. Her numerous published works cover such contemporary themes as women’s societal and community engagement, memoirs and culture of Hong Kong and social issues of teenage pregnancy.

Save as disclosed above, Ms Ng did not hold any other position with the Company or other members of the Group as at the Latest Practicable Date and did not hold any directorship in other listed public companies in the last three years.

Ms Ng’s letter of appointment as independent non-executive Director provides for a fixed term of three years and she is also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. She is entitled to annual director’s fee of HK\$300,000 which is subject to determination by the Board with the authorization granted by the Shareholders at annual general meetings of the Company. Ms Ng’s remuneration package has been determined by reference to her duties and responsibilities within the Group and the Group’s remuneration policy.

Ms Ng does not have any relationship with any Director, senior management of the Company, substantial Shareholder or controlling Shareholder. As at the Latest Practicable Date, Ms Ng has personal interest in 1,856,400 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Ms Ng has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Ms Ng that need to be brought to the attention to the Shareholders.

This explanatory statement contains the information required by the Listing Rules. Its purpose is to provide to the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

(a) SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares of the Company in issue was 4,054,500,151 Shares and the Company did not hold any Treasury Shares. There is an aggregate outstanding principal amount of HK\$630,000,000 2.80% Convertible Bonds entitling the holders thereof to convert into a maximum of 82,138,200 Shares. Subject to the passing of the relevant ordinary resolution approving the Repurchase Mandate, on the basis that none of the conversion rights under the outstanding 2.80% Convertible Bonds is exercised and no further Shares are issued or repurchased by the Company prior to the date of the 2025 AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 405,450,015 Shares, representing 10% of the total number of issued Shares (excluding any Treasury Shares) as at the Latest Practicable Date.

The Company may cancel such repurchased Shares or hold them as Treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any Treasury Shares deposited with CCASS pending resale on the Hong Kong Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as Treasury Shares.

(b) REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole and will provide the Directors the flexibility to repurchase Shares in the market when appropriate and beneficial to the Company. Depending on market conditions and funding arrangements at the time, Shares repurchased for cancellation may lead to an enhancement of the net assets value of the Company and/or earnings per Share. If the Shares repurchased are held by the Company in treasury, they may be resold to raise capital or utilized for other purposes. Share repurchases will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

(c) FUNDING OF REPURCHASES

Pursuant to the Listing Rules, repurchases must be financed out of funds legally available for the purpose in accordance with the Company's constitutional documents and the laws of the jurisdiction in which the Company is incorporated or otherwise established.

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares pursuant to and in accordance with the Companies Act. Repurchases will be funded from the Company's available cash flow or working capital facilities. The laws of Bermuda provide that repurchases may only be effected out of the capital paid up on the repurchased Shares or out of the funds of the Company otherwise available for payment of dividend or distribution or out of proceeds of a fresh issue of Shares made for the purpose of the repurchase. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for payment of dividend or distribution or out of the Company's share premium account. No repurchase may be made if on the date on which the repurchase is to be effected, there are reasonable grounds for believing the Company is, or after the repurchase would be, unable to pay its liabilities as they become due.

The Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the financial year ended 30 June 2025) in the event that the Repurchase Mandate was to be exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing ratio of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

(d) UNDERTAKING OF THE DIRECTORS

The Directors will exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda and the regulations set out in the Memorandum of Association and Bye-laws of the Company.

The Directors confirm that neither this explanatory statement nor the proposed share repurchase contemplated under the Repurchase Mandate has any unusual features.

(e) DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company has notified the Company that they have a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

(f) EFFECT OF TAKEOVERS CODE

Repurchase of Shares may result in an increase in the proportionate interests of a Shareholder in the voting rights of the Company and such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following parties had an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Name	Number of shares				Approximate percentage to the issued share capital of the Company as at the Latest Practicable Date	Approximate percentage to the issued share capital of the Company if the Repurchase Mandate is exercised in full
	Beneficial interests	Corporate interests	Other interests	Total		
Cheng Yu Tung Family (Holdings) Limited	—	3,044,748,215	—	3,044,748,215	75.10%	83.44%
Cheng Yu Tung Family (Holdings II) Limited	—	3,044,748,215	—	3,044,748,215	75.10%	83.44%
Chow Tai Fook Capital Limited	—	3,044,748,215	—	3,044,748,215	75.10%	83.44%
Chow Tai Fook (Holding) Limited	—	3,044,748,215	—	3,044,748,215	75.10%	83.44%
CTF Enterprises	97,034,424	2,925,701,291	—	3,022,735,715	74.55%	82.84%
Century Acquisition	2,895,701,291	—	30,000,000	2,925,701,291	72.16%	80.18%

(Note)

Note:

On 10 July 2025, Century Acquisition lent and delivered 30,000,000 Shares to UBS AG, London Branch.

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the percentages shown in the last column of the above table and such increase will not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the percentage of Shares held by the public was approximately 24.90%, which was marginally below the minimum public float of 25% as prescribed in Rule 8.08(1)(a) of the Listing Rules. Therefore, the Directors have no present intention to exercise the Repurchase Mandate before the restoration of the Company's public float as required under the Listing Rules.

(g) SHARE PRICES

The highest and lowest market prices at which the Shares have traded on the Hong Kong Stock Exchange during each of the previous twelve (12) months preceding the Latest Practicable Date were as follows:

		Per Share	
		Highest price	Lowest price
		HK\$	HK\$
2024	October	8.34	7.53
	November	8.31	7.52
	December	8.27	7.26
2025	January	7.88	7.23
	February	8.19	7.27
	March	8.05	7.07
	April	7.35	6.67
	May	7.50	7.18
	June	7.58	7.12
	July	7.90	7.38
	August	7.85	7.58
	September	8.59	7.72
	October (up to and including the Latest Practicable Date)	8.60	8.31

(h) SHARE REPURCHASE MADE BY THE COMPANY

On 18 July 2025, the Company completed the repurchase of the HK\$780,000,000 4.00 per cent. convertible bonds due 2025 issued by the Company on 22 January 2025 (the “**4.00% Convertible Bonds**”) at a price equivalent to 100% of the principal amount. An aggregate outstanding principal amount of HK\$566,000,000 of the 4.00% Convertible Bonds has been repurchased.

Save as disclosed above, the Company has not repurchased any of its Shares or securities which carry a right to subscribe or purchase Shares (whether on the Hong Kong Stock Exchange or otherwise) in the six (6) months preceding the Latest Practicable Date.

SUMMARY OF THE PROPOSED AMENDMENTS TO THE 2021 SHARE OPTION SCHEME

The Proposed Amendments are summarised below:

- (a) to expand the scope of Eligible Participants to include director and employee of any associated company of the Company;
- (b) to allow grants of the Options to be satisfied by the issuance and allotment of new Shares and/or the transfer of Treasury Shares;
- (c) to include a minimum vesting period of twelve (12) months from the date of acceptance of an Option, provided that the Board shall have the authority to determine a shorter vesting period under specific circumstances;
- (d) to clarify the limit on the maximum number of new Shares which may be issued in respect of all Options and other options and awards to be granted under the 2021 Share Option Scheme and any other share schemes of the Company, which shall not exceed 10% of the Shares in issue (excluding any Treasury Shares) on the date when the Proposed Amendments are approved by the Shareholders, currently being 405,450,015 Shares based on the number of Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue (excluding Treasury Shares) between the Latest Practicable Date and the date of the 2025 AGM. Any refreshment of the said limit shall require Shareholders' approval in accordance with the applicable requirements of the Listing Rules;
- (e) to remove the limit on the number of Shares which may be issued upon exercise of all the outstanding Options granted and yet to be exercised under the 2021 Share Option Scheme and any other schemes of the Company, which limit shall not exceed 30% of the ordinary share capital of the Company in issue from time to time;
- (f) to include a requirement to seek the approval of the Shareholders for any change in the terms of Options granted to a holder who is a Director or chief executive of the Company, or any of their respective associates if the initial grant of the Options required such approval (except where the changes take effect automatically under the terms of the 2021 Share Option Scheme);
- (g) to clarify the specific circumstances under which Options granted to an Eligible Employee shall lapse and determine; and
- (h) house-keeping and other consequential amendments to align the wordings of the 2021 Share Option Scheme with that of Chapter 17 of the Listing Rules.

THE TERMS OF THE 2021 SHARE OPTION SCHEME (AS AMENDED)

The following sets forth the full text of the 2021 Share Option Scheme (after incorporating the Proposed Amendments, as underlined) to be considered at the 2025 AGM.

1. DEFINITIONS

1.1 In these Rules, except where the context otherwise requires, the following words and expressions shall bear the following meanings:

<u>“Acceptance Period”</u>	<u>has the meaning ascribed thereto in Rule 9.1;</u>
<u>“Affiliated Company”</u>	<u>has the meaning ascribed thereto in Rule 10.2(iv);</u>
“associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Auditor”	the auditor of the Company as appointed from time to time;
“Companies Ordinance”	the Companies Ordinance of Hong Kong (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
“Company”	CTF Services Limited 周大福創建有限公司, an exempted company incorporated under the laws of Bermuda;
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
<u>“core connected person(s)”</u>	<u>has the meaning ascribed thereto in the Listing Rules;</u>
“Date of Adoption”	23 November 2021, being the date of adoption of the Scheme;
<u>“Date of Amendment”</u>	<u>18 November 2025, being the date on which amendments of the Rules of the Scheme were approved by the Shareholders;</u>
“Date of Grant”	the date on which an Option is deemed to have been granted pursuant to Rule <u>9.2</u> ;
“Date of Offer”	the date on which an Option is offered to be granted;
“dealing day”	a day on which Shares are traded on the <u>Hong Kong</u> Stock Exchange for a minimum of three <u>(3)</u> hours and an official closing price is provided by the <u>Hong Kong</u> Stock Exchange;

“Directors”	the board of directors of the Company for the time being or a duly authorized committee thereof;
“electronic communication”	a communication sent by electronic transmission in any form through any medium;
“Eligible Employee(s)”	any director (including any executive director, non-executive director or independent non-executive director) and employee (whether full time or part time) of the Company, any Subsidiary or member of the Group, <u>or any associated company of the Company;</u>
“Eligible Participant(s)”	any person who is an Eligible Employee as set forth in Rule <u>5.4</u> ;
“Exercise Price”	the price per Share payable on the exercise of an Option as determined by the Directors which must be at least higher than or the highest of: (i) the closing price of the Share as stated in the <u>Hong Kong</u> Stock Exchange’s daily quotations sheet on the Date of Grant, which must be a dealing day; (ii) the average closing price of the Share as stated in the <u>Hong Kong</u> Stock Exchange’s daily quotations sheets for the five <u>(5)</u> dealing days immediately preceding the Date of Grant pursuant to Rule <u>9.2</u> or (where applicable) such price as from time to time adjusted pursuant to the Scheme; and (iii) the nominal value of the Share;
“Grantee”	any Eligible Participant who accepts the offer of the grant of any Option in accordance with the terms of the Scheme or (where the context so permits) a person entitled to such Option in consequence of the death of the original Grantee;
“Group”	the group of companies comprising the Company and its Subsidiaries and the expressions “Group company” and “member of the Group” shall be construed accordingly;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“ <u>Hong Kong</u> Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Listing Rules”	the Rules Governing the Listing of Securities on the <u>Hong Kong</u> Stock Exchange as amended from time to time;
“Option(s)”	an option to subscribe for Share(s) on terms determined by the Directors pursuant to the Scheme;
“Option Holder”	a person holding an Option;
“Option Period”	the period that an Option may be exercised as specified by the Directors (or in these Rules) for the whole or parcel(s) of Shares subject to the Option, which shall not be more than ten <u>(10)</u> years from the Date of Grant;
“Scheme”	this scheme in its present form or as from time to time amended in accordance with the provisions hereof;
“ <u>Scheme Mandate Limit</u> ”	<u>has the meaning ascribed thereto in Rule 6.1;</u>
“Scheme Period”	the period of ten (10) years commencing from the Date of Adoption;
“Secretary”	the company secretary of the Company;
“Share(s)”	a fully paid ordinary share of HK\$1.00 each in the capital of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company of such other nominal amount as shall result from any such sub-division, consolidation, re-classification or re-construction;
“Shareholder(s)”	holder(s) of Shares entered in the register of members of the Company;
“Subscription Price”	an amount equal to the Exercise Price multiplied by the relevant number of Shares;
“Subsidiary”	a subsidiary undertaking of the Company within the meaning of Schedule 1 of the Companies Ordinance or a subsidiary of the Company within the meaning of Section 86 of the Companies Act 1981 of Bermuda (as amended from time to time), whether incorporated in Hong Kong, Bermuda or elsewhere;

“substantial shareholder(s)”	has the meaning ascribed thereto in the Listing Rules;
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong;
“Treasury Share(s)”	<u>the Share(s) repurchased and held by the Company in treasury (if any), as authorised by the applicable laws, regulations, rules and requirements for the time being in force in any relevant jurisdiction, the bye-laws of the Company and the Listing Rules; and</u>
“%”	per cent.

1.2 In these Rules, the singular includes the plural and the masculine includes the feminine and vice versa, headings are inserted for convenience only and reference to a Rule is to one of the Rules. In addition, reference to persons includes bodies corporate and unincorporated and partnerships.

1.3 References in the Scheme to the term “new Share(s)” shall, unless specified otherwise, include both new Shares issued, and Treasury Shares transferred, by the Company to satisfy Options granted under the Scheme, and the phrase “Share(s) that may be issued”, “Shares to be issued”, “Shares to be allotted” or similar phrases in the Scheme shall be construed to include the transfer of Treasury Shares accordingly.

2. PURPOSE OF THE SCHEME

2.1 The purpose of the Scheme is designed primarily as a means of rewarding performance, providing incentive, motivation or reward to Eligible Participants for optimizing their performance or making contribution to the Group; attracting and retaining persons of right caliber with the necessary experience to work for or make contribution to the Group; and fostering a sense of corporate identity and allowing the Eligible Participants to enjoy the results of the Company attained through their relationship, efforts and/or contribution.

2.2 Unless the Directors otherwise determined and stated in the terms of offer for the grant of the Options pursuant to Rule 5.1, no performance target is required to be achieved before any Option can be granted to the Eligible Participant(s) or exercised by the Option Holder.

3. CONDITIONS

The Scheme shall take effect subject to the following conditions:

- 3.1 the passing of an ordinary resolution of the Shareholders in general meeting approving the adoption of the Scheme and authorizing the Directors to grant Options and to allot and issue Shares pursuant to the exercise of any Options granted under the Scheme;
- 3.2 the passing of an ordinary resolution of the shareholders of New World Development Company Limited in general meeting approving the adoption of the Scheme (Note: New World Development Company Limited was the holding company of the Company until the close of business on 17 November 2023); and
- 3.3 the Listing Committee of the Hong Kong Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued and allotted pursuant to the exercise of Options under the Scheme.

4. DURATION AND ADMINISTRATION

- 4.1 Subject to the fulfilment of the conditions in Rule 3 and the termination provision in Rule 16.4, the Scheme shall be valid and effective for a period of ten (10) years commencing on the Date of Adoption, after which period no further Options will be granted but in all other respects, subject to the compliance with the provisions under the Listing Rules, the provisions of the Scheme shall remain in full force and effect and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue.
- 4.2 The Scheme shall be subject to the administration of the Directors whose decision as to all matters arising in relation to the Scheme or its interpretation or effect (save as otherwise provided herein) shall be final, conclusive and binding on all parties.
- 4.3 Subject to compliance with the requirements of the Listing Rules and the provisions of the Scheme, the Directors shall have the right in their absolute discretion (i) to interpret and construe the provisions of the Scheme; (ii) to determine the persons who will be granted Options under the Scheme, the number of Shares to be issued under the Option and the Exercise Price; (iii) to make such appropriate and equitable adjustments to the terms of Options granted under the Scheme as it deems necessary; and (iv) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of the Scheme. The Directors may also provide restrictions on the exercise of an Option during the period an Option may be exercised.
- 4.4 The administration and operation of the Scheme shall be subject to the compliance of the requirements under the Listing Rules and laws and regulations that are applicable to the Company and/or the Scheme.

5. GRANT OF OPTIONS

- 5.1 Subject to the fulfilment of the conditions set forth in Rule 3, the Directors may during the Scheme Period at their absolute discretion and based on the consideration of matters that they consider relevant, desirable or necessary, and subject to such conditions as they may think fit and the restrictions herein contained, offer to an Eligible Participant an Option to subscribe for such number of Shares as they may determine at the Exercise Price during the Option Period. Subject to the compliance with the Listing Rules, the Directors may in their absolute discretion when offering the grant of an Option impose any conditions, restrictions or limitations in relation thereto in addition to those set out in the Scheme as the Directors may think fit including (without prejudice to the generality to the foregoing) continuing eligibility criteria, vesting period, conditions, restrictions or limitation relating to the achievement of performance, operating or financial targets by the Company and/or the Grantee, the satisfactory performance or maintenance by the Grantee of certain conditions or obligations of the time or period when the right to exercise the Option in respect of all or some of the Shares shall vest.
- 5.2 In selecting an Eligible Participant, the Directors shall take into account factors including (i) previous and continuous contributions to the business development and operations of the Group; (ii) knowledge, skill, experience and other personal attributes; and (iii) roles and responsibilities.
- 5.3 Subject to Rules 12.1 to 12.3, the vesting of an Option shall be subject to a vesting period of not less than twelve (12) months from the date of acceptance of an Option, provided that the Directors (or the remuneration committee of the Company where the arrangements relate to grants of Options to the Directors and/or member(s) of senior management of the Company) shall have the discretion to determine a shorter vesting period under the following specific circumstances for any Eligible Participant who is not a director or employee of any associated company of the Company:
- (i) grants of “make-whole” Options to new Eligible Employees to replace share options or share awards such Eligible Employees forfeited when leaving their previous employers;
 - (ii) grants of Options to Eligible Employees whose employment is terminated due to death or disability or occurrence of any out of control event;
 - (iii) grants of Options with performance-based vesting conditions provided pursuant to the Scheme in lieu of time-based vesting criteria;
 - (iv) grants of Options that are made in batches during a year for administrative or compliance requirements, in which case the relevant vesting period may be shortened to reflect the time from which the Options would have been granted;
 - (v) grants of Options with a mixed or accelerated vesting schedule such as where the Options vest evenly over a period of twelve (12) months; or

(vi) grants of Options with a total vesting and holding period of more than twelve (12) months, such as where the Options may vest by several batches with the first batch to vest within twelve (12) months of the Date of Grant and the last batch to vest twelve (12) months thereafter.

5.4 For the purposes of the Scheme, an Eligible Participant is any person who is an Eligible Employee.

5.5 For the purposes of the Scheme, an offer for grant of any Option may, subject to compliance with the Listing Rules and (where required) the obtaining of a consent or waiver from the Hong Kong Stock Exchange, be made to any company wholly owned by one or more Eligible Participants.

6. NUMBER OF SHARES FOR WHICH OPTIONS MAY BE GRANTED

6.1 The total number of new Shares which may be issued upon exercise of all Options and other options and awards to be granted under the Scheme and any other share schemes of the Company must not in aggregate exceed 10% of the ordinary share capital of the Company in issue (excluding Treasury Shares) as at the Date of Amendment (the “**Scheme Mandate Limit**”), unless otherwise permitted by the Listing Rules or the Company obtains the requisite approvals to refresh the Scheme Mandate Limit in accordance with Rule 6.2. Options or awards lapsed in accordance with the terms of the Scheme or any other share schemes of the Company shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. Options or awards cancelled in accordance with the terms of the Scheme and any other share schemes of the Company will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

6.2 The Company may seek approval by the Shareholders in general meeting (and other approval(s) as required under the Listing Rules) for “refreshing” the Scheme Mandate Limit under the Scheme and any other share schemes of the Company and shall comply with the requirements under rule 17.03C(1) of the Listing Rules (as applicable). However, the total number of Shares which may be issued upon exercise of all Options to be granted under the Scheme and any other share schemes of the Company under the limit as “refreshed” must not exceed 10% of the ordinary share capital of the Company in issue (excluding Treasury Shares) as at the date of approval of the “refreshed” limit. Options previously granted under the Scheme and any other share schemes of the Company, including those outstanding, cancelled, lapsed or exercised options in accordance with the Scheme and any other share schemes of the Company will not be counted for the purpose of calculating the limit as “refreshed”. The Company shall send a circular to the Shareholders containing the information required for such refreshment under Chapter 17 of the Listing Rules.

- 6.3 The Company may seek separate approval by the Shareholders in general meeting (and other approval(s) as required under the Listing Rules) granting Options beyond the Scheme Mandate Limit provided the Options in excess of the limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to the specified Eligible Participants shall be fixed before being approved by the Shareholders in general meeting.
- 6.4 Where the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit or any subsequent “refreshed” limit has been approved by the Shareholders in the requisite general meeting, the maximum number of Shares that may be issued in respect of all Options granted under the Scheme or other share schemes of the Company as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded down to the nearest whole Share.

7. GRANTING OF OPTIONS TO CONNECTED PERSONS

- 7.1 Notwithstanding any provision in the bye-laws of the Company, each grant of Options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who or whose associate is the proposed grantee of the Option).
- 7.2 Notwithstanding any provision in the bye-laws of the Company, for any grant of Options to an independent non-executive Director of the Company who is the grantee of the Options, such independent non-executive Director must abstain from voting for approving such grant and that the consent for giving such grant from the other independent non-executive Director(s) of the Company under the resolution of the Directors must also be obtained.
- 7.3 Where any grant of Options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates, will result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including options exercised, cancelled and outstanding, but excluding any Options lapsed in accordance with the terms of the Scheme or any other share schemes of the Company) to such person in the 12-month period up to and including the date of such grant represent in aggregate over 0.1% of the ordinary share capital of the Company in issue (excluding Treasury Shares) at the date of such grant, such further grant of Options must be approved by the Shareholders in general meeting and must obtain other approval(s) as required under the Listing Rules. In such a case, the Company shall send a circular to the Shareholders. The grantee, his

associates and all core connected persons (each as defined in the Listing Rules) of the Company must abstain from voting at such general meeting, except that any connected person (as defined in the Listing Rules) may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken in the meeting to approve the grant of Options must be taken on a poll. The circular must contain:

- (i) details of the number and terms (including the Exercise Price) of the Options to be granted to each such person, which must be fixed before the general meeting of the Company and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Exercise Price;
- (ii) the views of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the proposed grantee of the Options) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting;
- (iii) the information required under rule 17.02(2)(c) of the Listing Rules; and
- (iv) the information required under rule 2.17 of the Listing Rules.

7.4 Any change in the terms of Options granted to an Option Holder who is a Director, chief executive of the Company, substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates must be approved by the Shareholders in general meeting if the initial grant of the Options required such Shareholders' approval. The foregoing requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.

8. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

- 8.1 Unless approved by the Shareholders in general meeting and other approval(s) as required under the Listing Rules are obtained, and subject to the requirements in Rule 7, the total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the ordinary share capital of the Company in issue (excluding Treasury Shares).
- 8.2 Where any further grant of Options to an Eligible Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to that Eligible Participant (including exercised, cancelled and outstanding Options, but excluding any Options lapsed in accordance with the terms of the Scheme or any other share schemes of the Company) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the ordinary share capital of the Company in issue (excluding Treasury Shares), such further grant must

be separately approved by the Shareholders in general meeting with that Eligible Participant and his close associates (or his associates if the Eligible Participant is a connected person) abstaining from voting and must obtain other approval(s) as required under the Listing Rules. In such event, for the purpose of the general meeting of the Company, the Company must send a circular to the Shareholders and the circular must disclose the identity of such Eligible Participant, the number and terms of the Options to be granted (and Options previously granted to such Eligible Participant in the 12-month period), the purpose of granting the Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms (including the Exercise Price) of Options to be granted to such Eligible Participant must be fixed before approval of the Shareholders and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

9. ACCEPTANCE OF OFFERS OF OPTIONS

- 9.1 An offer of the grant of an Option shall be made to an Eligible Participant by letter in such form as the Directors may from time to time determine, specifying (inter alia) the matters set forth in Rule 9.5, and shall be open for acceptance in writing received by the Secretary or the Directors at the principal place of business of the Company for the time being in Hong Kong for a period of fourteen (14) days from the Date of Offer (the “**Acceptance Period**”) provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the Scheme has been terminated in accordance with the provisions hereof, whichever is earlier.
- 9.2 An Option shall be deemed to have been granted and accepted on the Date of Offer provided that acceptance of such offer is received by the Company within the Acceptance Period together with a remittance in favour of the Company of HK\$10 by way of consideration for the grant thereof are received by the Company within the Acceptance Period. Such remittance shall in no circumstances be refundable. The Company shall within ten (10) days after closing of the Acceptance Period issue a formal written notification to such Eligible Participant to confirm his entitlement to the Options in such form as the Directors may from time to time determine.
- 9.3 Any offers of the grant of Options not accepted within the Acceptance Period shall lapse.
- 9.4 An Option shall be personal to the Option Holder and shall not be assignable nor transferable, and no Option Holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favour of any party over or in relation to any Option or attempt to do so, save that, subject to the grant of waiver by the Hong Kong Stock Exchange, the Option Holder may have the Shares to be issued on the exercise of his Option to be registered in the name of a nominee holding in trust for him. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option, or any part thereof, granted to such Option Holder.

- 9.5 An offer for the grant of an Option shall state (i) the name, address and position of the Eligible Participant; (ii) the number of Shares in respect of the Option and the Exercise Price for such Shares; (iii) the Option Period(s) in respect of the whole or separate parcels of Shares comprised in the offer; (iv) the performance target (if any) that must be attained by the Eligible Participant before the Option can be exercised; (v) such other terms and conditions of the offer as may be imposed by the Directors as are not inconsistent with the Scheme; and (vi) a statement requiring the Eligible Participant to undertake to hold the Option on the terms on which it is granted and to be bound by the provisions of the Scheme.

10. RIGHTS OF EXERCISE AND CLAWBACK

- 10.1 Subject to the following paragraphs of the Scheme, an Option may be exercised by an Option Holder in accordance with the terms of the grant and the Scheme at such time and for such portion of the Shares granted under the relevant Option as the Directors shall in their absolute discretion see fit during the Option Period commencing on the Date of Grant and notwithstanding that the Scheme Period may have expired. However, in any event the Options must be exercised within ten (10) years from the Date of Grant.

- 10.2 If an Option Holder, being an Eligible Employee, ceases to be an Eligible Employee under any of the following circumstances:

- (i) *On ill-health, disability, death or retirement of an Eligible Employee (all evidenced to the satisfaction of the Directors)*

in the event that the employment of an Eligible Employee is terminated by reason of ill-health, disability (all evidenced to the satisfaction of the Directors), death or retirement in accordance with the retirement policy of the relevant member of the Group or as adopted by the Company from time to time (if any), he or (as the case may be) his personal representative (s) may exercise all the Options granted to such Eligible Employee, to the extent vested before termination of employment, within a period being the earlier of (I) the expiration of six (6) months following the date of such termination of employment or (II) the expiration of the relevant Option Period. Options granted to such Eligible Employee, to the extent not vested at the time of termination of employment, shall lapse immediately on the date of such termination of employment;

(ii) *On voluntary termination by an Eligible Employee*

in the event that the employment of an Eligible Employee is terminated by him voluntarily for reasons other than ill-health, disability, death or retirement in accordance with the retirement policy of the relevant member of the Group or as adopted by the Company from time to time (if any), (a) Options granted to such Eligible Employee, to the extent vested before termination of employment shall lapse and determine on the earlier of (I) the 30th day following the date of such termination of employment or (II) the expiration of the relevant Option Period; and (b) Options granted to such Eligible Employee, to the extent not vested at the time of termination of employment shall lapse immediately on the date of such termination of employment;

(iii) *On cessation of an Eligible Employee's employing company being a member of the Group or an associated company of the Company*

in the event that the Eligible Employee's employing company ceases to be a member of the Group or an associated company of the Company, (a) Options granted to such Eligible Employee, to the extent vested at the time his employing company ceases to be a member of the Group or an associated company of the Company (as the case may be), shall lapse and determine on the earlier of (I) the expiration of six (6) months following the date his employing company ceases to be a member of the Group or an associated company of the Company (as the case may be) or (II) the expiration of the relevant Option Period; and (b) Options granted to such Eligible Employee, to the extent not vested at the time of his employing company ceases to be a member of the Group or an associated company of the Company (as the case may be), shall lapse upon his employing company ceasing to be a member of the Group or an associated company of the Company (as the case may be), unless the cessation is due to a transfer of employment to an Affiliated Company (as defined below) in which case Rule 10.2(iv) shall apply;

(iv) *On transfer of employment to affiliated company*

in the event that the employment of an Eligible Employee is terminated by reason of his transfer of employment to the Company's holding companies or their respective subsidiaries and associated companies (excluding any member(s) of the Group or associated company(ies) of the Company) (each an "Affiliated Company"), (a) Options granted to such Eligible Employee, to the extent vested at the time of his transfer of employment to the Affiliated Company, shall lapse and determine on the earlier of (I) the expiration of six (6) months following the date of his said transfer of employment or (II) the expiration of the relevant Option Period; and (b) Options granted to such Eligible Employee, to the extent not vested at the time of his transfer of employment to the Affiliated Company, shall lapse upon his said transfer of employment;

(v) *Termination for cause*

in the event that the employment of an Eligible Employee is terminated by reason of the Eligible Employee's misconduct justifying summary dismissal (i.e. termination without notice or payment in lieu of notice), all outstanding Options granted (whether vested or not vested) to such Eligible Employee shall lapse upon the termination of employment;

(vi) *Termination other than for cause*

in the event that the Eligible Employee ceases to be an Eligible Employee or whose employment is terminated, for any reason other than for the circumstances provided in Rules 10.2(i) to (v) above, (a) Options granted to such Eligible Employee, to the extent vested at the time of termination of employment, shall lapse and determine on the earlier of (I) the 30th day following the date of such termination of employment or (II) the expiration of the relevant Option Period; and (b) Options granted to such Eligible Employee, to the extent not vested at the time of termination of employment, shall lapse immediately on the date of such termination of employment,

provided that in any of the above cases, the Directors may in their absolute discretion otherwise determine and/or may impose such conditions or limitations as the Directors may reasonably consider appropriate.

10.3 In relation to an Option Holder not being an Eligible Employee, all Options held by such Option Holder (to the extent not already exercised) shall forthwith lapse if the Directors shall at any time in their absolute discretion determine that (i) such Option Holder or his associate has committed any breach of any contract entered into between such Option Holder or his associate on the one part and any member of the Group on the other part or that such Option Holder has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; and (ii) all Options held by that Option Holder shall lapse. A resolution of the Directors to the effect that any event herein stated leading to the lapse of Options has occurred shall be conclusive.

10.4 Notwithstanding anything in the Scheme to the contrary, the Option Period shall not be extended beyond ten (10) years from the Date of Grant, and on expiry of the Option Period all rights in respect of an Option shall terminate, except in so far as there has been an effective exercise of that Option prior thereto and the Company has not discharged all its duties under the Scheme in relation to such exercise. No Option may be exercised after the expiry of the Option Period.

10.5 Save for as set out above in this Rule 10, unless otherwise determined by the Directors at their absolute discretion, there is no clawback mechanism under the Scheme to recover or withhold any Options granted to any Eligible Employee. The Options that are clawed back pursuant to this Rule 10 shall be regarded as lapsed and the Options so lapsed shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

11. CANCELLATION AND RE-GRANT OF OPTIONS

11.1 Options granted but not exercised may be cancelled if the Eligible Participant so agrees and new Options may only be made to the same Eligible Participant with available unissued Options (excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in Rule 6. The Options so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

11.2 The Directors may also, at any time in their absolute discretion, cancel any Option granted but not exercised. Where the Directors cancel any Options and make an offer of the grant of new Options to the same Option Holder, the offer may only be made with available unissued Options (to the extent not yet granted and excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in Rule 6. The Options so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

12. TAKEOVER OFFERS, LIQUIDATION AND RECONSTRUCTION

12.1 If, in consequence of any general offer made to the holders of Shares (being an offer made in the first instance on a condition such that, if it is satisfied, the offeror will have control of the Company) or otherwise, any person shall have obtained control (as defined in the Takeovers Code or applicable laws) of the Company, then the Directors shall as soon as practicable thereafter notify every Option Holder accordingly and each Option Holder shall, subject to Rule 10.4, be entitled at any time within the period of six (6) months after such control has been obtained to exercise any Option (whether vested or not vested) in whole or in part, and to the extent that it has not been so exercised, any Option shall upon the expiry of such period cease and determine PROVIDED THAT if, during such period, such person becomes entitled to exercise rights of compulsory acquisition of Shares pursuant to Sections 102 or 103 of the Companies Act 1981 of Bermuda (as amended from time to time) and gives notice in writing to any holders of Shares that he intends to exercise such rights, the Options shall, subject to Rule 10.4, be and remain exercisable until fourteen (14) days from the date of such notice and, to the extent that they have not been exercised, shall thereupon cease and determine or such person could provide for cancellation of all Options and payment of an appropriate see-through price as determined based on the Takeovers Code and applicable laws and by reference to the Exercise Price and the offer price under such general offer.

- 12.2 If notice is duly given of a general meeting at which a resolution will be proposed for the voluntary winding-up of the Company, the Option (whether vested or not vested) shall, subject to Rule 10.4, be exercisable by every Option Holder in whole or in part (but so that any exercise hereunder shall only be valid if, at the time of such resolution being passed, the Option shall not have ceased and determined in accordance with the foregoing provisions of the Scheme) at any time thereafter until the resolution is duly passed or defeated or the general meeting concluded or adjourned sine die, whichever shall first occur. If such resolution is duly passed, all Options shall, to the extent that they have not been exercised, thereupon cease and determine.
- 12.3 If under Section 99 of the Companies Act 1981 of Bermuda (as amended from time to time) a scheme of arrangement is proposed between the Company and its members, the Company shall give notice thereof to all Option Holders on the same date as it despatches the notice which is sent to each member of the Company convening the meeting to consider the scheme of arrangement, and thereupon each Option Holder (or where permitted his personal representatives) may forthwith and until the expiry of fourteen (14) days from such date be entitled to exercise his Option (whether vested or not vested), but the exercise of an Option as aforesaid shall be conditional upon the scheme of arrangement being sanctioned by the Court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as exercised under this Rule. The Shares issued pursuant to the exercise of Options may be subject to such a scheme of arrangement or the Company may thereafter require each Option Holder to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Option Holder in the same position as nearly as may be as would have been the case had such Shares been subject to such scheme of arrangement.
- 12.4 Provided that, if the period for the exercise of an Option provided in Rules 12.1 to 12.3 above is shorter than twelve (12) months from the date of its acceptance, unless such shorter period was determined pursuant to Rule 5.3, the Directors shall not permit the shortening of the vesting period to the period prescribed in Rules 12.1 to 12.3 unless a relevant consent or approval from the Hong Kong Stock Exchange has been obtained to permit such shortening of the vesting period or it is otherwise permitted under the Listing Rules.

12.5 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws of the Company for the time being in force and will rank pari passu in all respects with the fully paid Shares in issue on the date the name of the Option Holder is registered in the register of members of the Company, in particular but without prejudice to the generality of the foregoing, in respect of voting, transfer, and other rights including those arising on a liquidation of the Company and rights in respect of any dividend or other distribution paid or made after the date when the name of the Option Holder is entered into the register of members of the Company other than any dividend or distribution to be paid or made if the record date therefor shall be before the date the name of the Option Holder is registered in the register of members.

12.6 Provided always that when the date of exercise of the Option falls on a date upon when the register of members is closed then the exercise of the Option shall become effective on the first business date in Hong Kong on which the register of members of the Company is re-opened.

13. EXERCISE OF OPTIONS

13.1 In order for exercise of an Option to be effective, the Secretary of the Company must, prior to the expiry of the Option Period, have received:

- (i) a written notice (which may be endorsed on the Option certificates) exercising the Option in accordance with Rule 10.1, signed by or on behalf of the Option Holder and specifying the number of Shares in respect of which the Option is being exercised;
- (ii) Option certificates (if applicable) sufficient to cover the number of Shares in respect of which the Option is being exercised; and
- (iii) payment in full of the Subscription Price for the Shares in respect of which the notice is given.

Unless otherwise agreed between the Company and the Option Holder (or the Option Holder's representative as the case may be), Shares in respect of an Option shall be issued to the Option Holder and/or his nominee within thirty (30) days of the date upon which exercise of an Option becomes effective (being the date of such receipt).

13.2 An Option can be exercised in whole or in part provided it is exercised in respect of a board lot for dealing in Shares on the Hong Kong Stock Exchange or an integral multiple thereof.

13.3 Notwithstanding the provision in Rule 13.1 above, the Directors may exercise their discretion to appoint any administrator or agent to handle the process for the exercise of Options. The relevant appointment and the process for exercise of Options to be handled by such administrator or agent will be informed to the Option Holder.

- 13.4 All allotments and issues of Shares will be subject to any necessary consents under any relevant enactments or regulations for the time being in force in Bermuda, Hong Kong or elsewhere and it shall be the responsibility of the Option Holder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any such consent. The Company shall not be responsible for any failure by an Option Holder to obtain any such consent or for any tax or other liability to which an Option Holder may become subject as a result of the Option Holder's participation in the Scheme or the exercise of any Option.
- 13.5 The Shares to be issued upon the exercise of an Option will be subject to all the provisions of the Company's Bye-laws for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of issue and accordingly will entitle the holders to have the same rights on voting and transfer as well as the rights to participate in all dividends and other distributions paid or made on or after the date of issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of issue.
- 13.6 If the number of Shares, to which certificates lodged under Rule 13.1 above relate, exceeds the number of Shares comprised in the notice of exercise thereof, the Company shall provide a certificate in relation to the balance to the person or persons lodging the same.
- 13.7 The Company shall use all reasonable endeavours to procure that Shares to be issued upon the exercise of an Option shall, upon the issue thereof (or as soon thereafter as reasonably practicable), become listed on those stock exchanges upon which Shares already in issue are listed.

14. ADJUSTMENTS

- 14.1 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalization of profits or reserves (whether by way of a bonus issue or otherwise), rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such appropriate adjustments (if any) shall be made in:

- (i) the Exercise Price; and/or
- (ii) the number of Option so far as unexercised,

in such manner as the Directors (having received a confirmation in writing from the Auditor or an independent financial adviser to the Company (as the case may be), acting as experts and not as arbitrators, that in their opinion the adjustments proposed are fair and reasonable and satisfy the requirements set out in rule 17.03(13) of the Listing Rules and the note thereto), except in the case of a capitalization issue where no such confirmation from the Auditor or an independent

financial adviser to the Company (as the case may be) shall be required unless otherwise expressly required by the Directors) may deem appropriate provided always that:

- (a) no increase shall be made in the aggregate Subscription Price relating to any Option;
- (b) the proportion of the issued share capital of the Company to which an Option Holder is entitled after any adjustment shall remain materially the same as that to which he was previously entitled prior to such adjustment;
- (c) no adjustments shall be made which will enable a Share to be issued at less than its nominal value;
- (d) any adjustment so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Hong Kong Stock Exchange;
- (e) no adjustments shall be made in the event of an issue of Shares as consideration in respect of a transaction to which the Company is a party; and
- (f) no adjustments to the Exercise Price or number of Shares should be made to the advantage of the Eligible Participants without specific prior Shareholders' approval.

14.2 Notice of any such adjustment shall be given to the Option Holders by the Company, which may, but need not, call in Option certificates for endorsement or replacement. The costs of the Auditor or the independent financial adviser to the Company (as the case may be) shall be borne by the Company.

15. ADMINISTRATION

15.1 Notices or documents required to be given to an Eligible Participant or to an Option Holder shall be sent to him (i) by hand or by post at his last known address or by facsimile or other form of electronic communication to any facsimile number or electronic address supplied by him according to the records of the Company or his employing company, (ii) if sent by post, be deemed to have been given (a) on the second day following the date of posting if the address is in Hong Kong and (b) on the seventh day following the date of posting if the address is out of Hong Kong, and in case of sending by fax on the same day, and (iii) if sent by electronic communication, be deemed to have been given on the day on which it is transmitted from the server of the Company or its agent.

15.2 Option Holders shall be entitled to receive copies of all notices and documents sent by the Company to the Shareholders generally.

- 15.3 The Company shall at all times keep available for allotment enough unissued Shares of the Company to satisfy all Options.
- 15.4 The decision of the Directors in any disputes relating to an Option or matter relating to the Scheme shall be final and conclusive, subject to the prior receipt of a statement in writing from the Auditor when so required by Rule 14.
- 15.5 The costs of introducing and administering the Scheme shall be borne by the Company.
- 15.6 The Directors shall have power from time to time to make or vary regulations for the administration and operation of the Scheme, provided that the same are not inconsistent with these Rules.
- 15.7 The Scheme shall not form part of any contract of employment between the Company, any Subsidiary or any member of the Group and any Eligible Employee and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his participation in the Scheme or any right which he may have to participate in it and the Scheme shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 15.8 The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company or any member of the Group.

16. VARIATIONS AND TERMINATION

- 16.1 Any alterations to the terms and conditions of the Scheme which are of a material nature shall be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the Scheme. Save with the prior approval of the Shareholders in general meeting and the obtaining of other approval(s) as required under the Listing Rules, no alteration shall be made to (i) the provisions relating to the matters contained in Chapter 17 of the Listing Rules; (ii) the authority of the Directors or the administrators of the Scheme in relation to any alteration to the terms of the Scheme; or (iii) the provisions relating to the matters set out in rule 17.03 of the Listing Rules which will be to the advantage of the Eligible Participants. Subject to the aforesaid, the Directors may from time to time in their absolute discretion waive or amend such of the Rules of the Scheme as they deem desirable by resolution of the Directors.
- 16.2 No amendments to the Scheme shall be made which would have the effect of materially abrogating or altering materially and adversely any of the subsisting rights of Option Holders with respect to Options granted except with the consent on their part.

- 16.3 Any change to the terms of the Options granted to an Option Holder must be approved by the Directors, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Directors, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be). The foregoing requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.
- 16.4 The Company by resolution in general meeting may terminate the Scheme at any time, and in such event no further Options will be offered but in all other respects the provisions of the Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of the Scheme and Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Scheme.
- 16.5 In no circumstances shall a person ceasing to be an Eligible Participant for any reason be entitled to any compensation or damages for or in respect of any consequent diminution or extinction of his rights or benefits (actual or prospective) under any Options then held by him or otherwise in connection with the Scheme.
- 16.6 The terms of the Scheme and/or any Options amended pursuant to this Rule 16 must continue to comply with the applicable requirements of the Listing Rules.
- 16.7 The Company must provide to all Option Holders all details relating to the change of the terms of the Scheme immediately upon such changes taking effect.

17. RESTRICTIONS ON GRANT OF OPTIONS

No grant of Options shall be made to any Eligible Participant:

- (a) after an inside information has come to the knowledge of an Eligible Participant until (and including) the dealing day after such inside information has been published in accordance with the Listing Rules and applicable laws;
- (b) on any day on which financial results of the Company are published and:
 - (i) during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
 - (ii) during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

- (c) in any circumstances which are restricted or prohibited under the Listing Rules or where the requisite approval from any applicable regulatory authorities has not been granted.

18. GOVERNING LAW

The Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Bermuda.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' INTERESTS IN SECURITIES

As at the Latest Practicable Date, the Directors had the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or were recorded in the register kept by the Company pursuant to Section 352 of the SFO or were notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 of the Listing Rules (the “**Model Code**”):

(a) Long position in shares

Name	Number of shares			Total	Approximate percentage of shareholding as at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests		
The Company (Ordinary shares)					
Mr William Junior Guilherme Doo	—	125,932 (Note 1)	—	125,932	0.003%
<i>Associated corporation:</i>					
Chow Tai Fook Jewellery Group Limited (“CTFJ”) (Ordinary shares)					
Dr Cheng Kar Shun, Henry	21,635,200	420,000 (Note 2)	—	22,055,200	0.224%

Notes:

- (1) The shares were held by the spouse of Mr William Junior Guilherme Doo.
- (2) The shares were held by the spouse of Dr Cheng Kar Shun, Henry.

(b) Long position in underlying shares*(1) The Company — share options*

The following Directors had personal interests in options to subscribe for Shares as detailed below:

Name	Date of grant (Note 1)	Vesting period/ exercisable period	Number of share options outstanding as at the Latest Practicable Date	Exercise price per share HK\$
The Company				
Dr Cheng Kar Shun, Henry	24 January 2025	(Note 2)	12,375,800	7.464
Mr Cheng Chi Ming, Brian	24 January 2025	(Note 2)	8,380,450	7.464
Mr Ho Gilbert Chi Hang	24 January 2025	(Note 2)	8,380,450	7.464
Mr Lam Jim	24 January 2025	(Note 2)	8,161,110	7.464
Mr Cheng Chi Leong, Christopher	24 January 2025	(Note 2)	7,753,950	7.464
Mr William Junior Guilherme Doo	24 January 2025	(Note 2)	867,100	7.464
Mr Tsang On Yip, Patrick	24 January 2025	(Note 2)	867,100	7.464
Mr Shek Lai Him, Abraham	24 January 2025	(Note 2)	1,856,400	7.464
Mr Lee Yiu Kwong, Alan	24 January 2025	(Note 2)	1,856,400	7.464
Mrs Oei Wai Chi Grace Fung	24 January 2025	(Note 2)	1,856,400	7.464
Mr Wong Kwai Huen, Albert	24 January 2025	(Note 2)	1,856,400	7.464
Professor Chan Ka Keung, Ceajer	24 January 2025	(Note 2)	1,856,400	7.464
Ng Yuen Ting, Yolanda	24 January 2025	(Note 2)	1,856,400	7.464

Notes:

(1) The closing price per share on the trading day immediately before the date of grant was HK\$7.27.

(2) Details of the vesting schedule are as follows:

	Date of vesting	Exercisable period
(i) 20% of the share options granted (First Tranche)	24 January 2026	From 24 January 2026 to 23 January 2035
(ii) 30% of the share options granted (Second Tranche)	24 January 2027	From 24 January 2027 to 23 January 2035
(iii) 50% of the share options granted (Third Tranche)	24 January 2028	From 24 January 2028 to 23 January 2035

(3) The cash consideration paid by each of the Directors for the grant of share options is HK\$10.

(4) Dr Cheng Kar Shun, Henry is the father of Mr Cheng Chi Ming, Brian and Mr Cheng Chi Leong, Christopher and the uncle of each of Mr William Junior Guilherme Doo and the spouse of Mr Tsang On Yip, Patrick.

(II) CTFJ — share awards

Under the share award scheme of CTFJ, the Company's associated corporation, the following Director had personal interest in unvested awards for ordinary shares of CTFJ. Details of the share awards granted by CTFJ to the Director are as follows:

Name	Number of share awards as at the Latest Practicable Date
Dr Cheng Kar Shun, Henry	1,589,200 (<i>Note 1</i>) (<i>Note 2</i>)(<i>Note 3</i>)

Notes:

	Number of share awards	Date of grant	Date of vesting
(1)	335,600	10 August 2023, at nil consideration	1 July 2026, subject to fulfilment of performance targets and other requirements
(2)	854,400	7 October 2024, at nil consideration	1 July 2027, subject to fulfilment of performance targets and other requirements
(3)	399,200	1 September 2025, at nil consideration	1 July 2028, subject to fulfilment of performance targets and other requirements

Save as disclosed above, as at the Latest Practicable Date, none of the directors or chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares and debentures of the Company and any of its associated corporations as defined in the SFO which were notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or were recorded in the register kept by the Company pursuant to Section 352 of the SFO or were notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS' INTEREST IN SECURITIES

As at the Latest Practicable Date, so far as are known to the Directors, the following parties (other than a director or chief executive of the Company) would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register kept by the Company under Section 336 of the SFO as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

Name	Number of shares				Approximate percentage to the issued share capital of the Company as at the Latest Practicable Date
	Beneficial interests	Corporate interests	Other interests	Total	
Cheng Yu Tung Family (Holdings) Limited	—	3,044,748,215 (Note 1)	—	3,044,748,215	75.10%
Cheng Yu Tung Family (Holdings II) Limited	—	3,044,748,215 (Note 2)	—	3,044,748,215	75.10%
Chow Tai Fook Capital Limited ("CTFC")	—	3,044,748,215 (Note 3)	—	3,044,748,215	75.10%
Chow Tai Fook (Holding) Limited ("CTFH")	—	3,044,748,215 (Note 4)	—	3,044,748,215	75.10%
CTF Enterprises	97,034,424	2,925,701,291 (Note 5)	—	3,022,735,715	74.55%
Century Acquisition	2,895,701,291	—	30,000,000 (Note 7)	2,925,701,291	72.16%

Notes:

- (1) Cheng Yu Tung Family (Holdings) Limited held approximately 48.98% direct interest in CTFC and was accordingly deemed to have an interest in the shares deemed to be interested by CTFC.
- (2) Cheng Yu Tung Family (Holdings II) Limited held approximately 46.65% direct interest in CTFC and was accordingly deemed to have an interest in the shares deemed to be interested by CTFC.
- (3) CTFC held approximately 81.03% direct interest in CTFH and was accordingly deemed to have an interest in the shares deemed to be interested by CTFH.

- (4) CTFH held 100% direct interest in CTF Enterprises and was accordingly deemed to have an interest in the shares interested by or deemed to be interested by CTF Enterprises. CTFH also held 99.90% direct interest in Chow Tai Fook Nominee Limited (“CTFN”) and was accordingly deemed to have an interest in the 22,012,500 shares interested by CTFN.
- (5) CTF Enterprises held 100% direct interest in Century Acquisition and was accordingly deemed to have an interest in the shares interested by Century Acquisition.
- (6) All the interests stated above represented long positions.
- (7) The 30,000,000 ordinary Shares were lent and delivered by Century Acquisition to UBS AG, London Branch pursuant to the Stock Borrowing and Lending Agreement as disclosed in the Company’s announcement dated 10 July 2025.

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than the directors or chief executives of the Company whose interests in shares, underlying shares and debentures of the Company or any of its associated corporation are set out on pages 82 to 84 of this circular) was interested (or deemed to be interested) or held any short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. DIRECTORS’ INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, pursuant to Rule 8.10(2) of the Listing Rules, the following directors of the Company are considered to have interests in the business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group (other than those businesses where the directors of the Company were appointed as directors to represent the interests of the Company and/or the Group) as set out below:

Name	Entity whose business is considered to compete or likely to compete with the businesses of the Group	Description of business of the entity which is considered to compete or likely to compete with the businesses of the Group	Nature of interest of the director in the entity
Dr Cheng Kar Shun, Henry	CTF Enterprises group of companies	Investment in healthcare business	Director
	FSE Lifestyle Services Limited group of companies	Carpark management	Director
	NWD group of companies	Facilities management, food and beverage operations and investment in healthcare business	Director
Mr Cheng Chi Ming, Brian	NWD group of companies	Facilities management, food and beverage operations and investment in healthcare business	Director

Name	Entity whose business is considered to compete or likely to compete with the businesses of the Group	Description of business of the entity which is considered to compete or likely to compete with the businesses of the Group	Nature of interest of the director in the entity
Mr Ho Gilbert Chi Hang	CTF Enterprises group of companies	Investment in healthcare business	Director
	NWD group of companies	Facilities management, food and beverage operations and investment in healthcare business	Director
Mr Cheng Chi Leong, Christopher	CTF Enterprises group of companies	Investment in healthcare business	Director
Mr William Junior Guilherme Doo	FSE Holdings Limited group of companies	Carpark management	Director
Mr Lam Wai Hon, Patrick	FSE Holdings Limited group of companies	Carpark management	Director
Mr Tsang On Yip, Patrick	CTF Enterprises group of companies	Investment in healthcare business	Director
	UMP Healthcare Holdings Limited group of companies	Investment in healthcare business	Director

As the Board is independent of the boards of the abovementioned entities and none of the above directors of the Company can control the Board, the Group is therefore capable of carrying on its businesses independently of, and at arm's length from the businesses of these entities.

5. ADDITIONAL DISCLOSURE OF INTERESTS

As at the Latest Practicable Date:

- (a) none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular which was significant in relation to the businesses of the Group;
- (b) none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which would not expire or was not determinable by the relevant member of the Group within one year without payment of compensation, other than statutory compensation;

- (c) Dr Cheng Kar Shun, Henry, Mr Cheng Kar Shing, Peter, Mrs Sun Cheng Lai Ha, Cecilia and Mrs Doo Cheng Sau Ha, Amy, collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited which in turn indirectly control CTF Enterprises. CTF Enterprises is the substantial shareholder of NWD.

The Group is proposing to enter into the following transaction with NWD Group since 30 June 2025:

- Agreement regarding the proposed letting of office premises by NWD Group to the Group at a monthly rental of HK\$220,770. The amount of this transaction is covered under the NWD Master Services Agreement and contemplated under the annual purchase caps approved at the 2023 SGM.

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 30 June 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by, or leased to, any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member the Group; and

- (d) the following Directors were also directors of the companies as listed below which had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of common director	Name of company
Dr Cheng Kar Shun, Henry	Cheng Yu Tung Family (Holdings) Limited
Dr Cheng Kar Shun, Henry	Cheng Yu Tung Family (Holdings II) Limited
Dr Cheng Kar Shun, Henry	CTFC
Dr Cheng Kar Shun, Henry	CTFH
Dr Cheng Kar Shun, Henry	CTF Enterprises
Mr Ho Gilbert Chi Hang	CTF Enterprises
Mr Cheng Chi Leong, Christopher	CTF Enterprises
Mr Tsang On Yip, Patrick	CTF Enterprises

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Group since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

7. QUALIFICATION AND CONSENT OF EXPERT

Ballas Capital is a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO.

Ballas Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter dated 24 October 2025 and references to its name and its letter in the form and context in which they respectively appear.

As at the Latest Practicable Date, Ballas Capital did not have (i) any shareholding in any member of the Group or right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) any direct or indirect interest in any assets which had, since 30 June 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by, or leased to, any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

8. MISCELLANEOUS

The English text of this circular and the proxy form shall prevail over the Chinese text in the event of any inconsistency.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the HKEXnews website (www.hkexnews.hk) and the website of the Company (www.ctfs.com.hk) for a period of not less than fourteen (14) days before the date of the 2025 AGM and will be made available for inspection at the 2025 AGM:

- (a) the 2021 Share Option Scheme with all the Proposed Amendments incorporated and shown in mark-ups;
- (b) the NWD Master Services Agreement;
- (c) the “Letter from the Independent Board Committee” as set out in this circular;
- (d) the “Letter from the Independent Financial Adviser” as set out in this circular;
- (e) the written consent of Ballas Capital referred to in the paragraph headed (“7. Qualification and Consent of Expert”) in this appendix; and
- (f) this circular.



周大福創建有限公司

CTF Services Limited

(incorporated in Bermuda with limited liability)

(stock code: 00659)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of CTF Services Limited (the “**Company**”) will be held as a hybrid meeting with a combination of an in-room meeting at the principal meeting place of Meeting Room N201 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong and an online virtual meeting via electronic facilities on Tuesday, 18 November 2025 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the Reports of the Directors and the Independent Auditor for the financial year ended 30 June 2025.
2. To declare a final ordinary dividend of HK\$0.35 per share, with an option for scrip dividend, for the financial year ended 30 June 2025.
3.
 - (a) To re-elect Mr Cheng Chi Ming, Brian as Director.
 - (b) To re-elect Mr Ho Gilbert Chi Hang as Director.
 - (c) To re-elect Mr Shek Lai Him, Abraham as Director.
 - (d) To re-elect Mr Wong Kwai Huen, Albert as Director.
 - (e) To re-elect Ms Ng Yuen Ting, Yolanda as Director.
 - (f) To authorize the Board of Directors to fix the Directors’ remuneration.
4. To re-appoint Messrs. PricewaterhouseCoopers as Auditor and to authorize the Board of Directors to fix the Auditor’s remuneration.

As special business, to consider and if thought fit, pass with or without amendment, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5. “THAT:

- (A) subject to paragraph (C) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (including any sale or transfer of treasury shares (has the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and as amended from time to time, “**Treasury Shares**”) out of treasury) or securities convertible into such shares or options, warrants, or similar rights to subscribe for any shares or convertible securities and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (C) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Company pursuant to the approval granted in paragraph (A) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of any conversion rights attaching to any securities which are convertible into shares of the Company; (iii) the exercise of the rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to directors and/or employees of the Company and/or any of its subsidiaries and/or eligible participants as defined under such option scheme of options to subscribe for, or rights to acquire, shares of the Company; or (iv) any issue of shares as scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20% of the total number of issued shares of the Company (excluding any Treasury Shares) as at the date of passing of this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be issued pursuant to the approval in paragraph (A) of this resolution as a percentage of the total number of issued shares of the Company (excluding any Treasury Shares) at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly, and the approval granted in paragraph (A) shall be limited accordingly;

(D) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong); and

- (E) any reference to an allotment, issue, grant, offer or dealing of shares of the Company shall include the sale or transfer of Treasury Shares out of the treasury of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, warrants, options or similar rights to subscribe for shares in the Company) to the extent permitted by, and subject to the provisions of, the Listing Rules and applicable laws and regulations.”

6. “**THAT:**

- (A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and the Hong Kong Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or that of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(B) the total number of shares which may be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution shall not exceed 10% of the total number of issued shares of the Company (excluding any Treasury Shares) as at the date of the passing of this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be repurchased pursuant to the approval in paragraph (A) of this resolution as a percentage of the total number of issued shares of the Company (excluding any Treasury Shares) at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly, and the authority granted pursuant to paragraph (A) of this resolution shall be limited accordingly; and

(C) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. “**THAT** conditional upon the Ordinary Resolutions Nos. 5 and 6 being passed, the general mandate granted to the directors of the Company pursuant to Ordinary Resolution No. 5 be and is hereby extended by the addition to the total number of shares of the Company which may be allotted by the directors of the Company pursuant to such general mandate, a number representing the total number of shares repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 6 provided that such number shall not exceed 10% of the total number of issued shares of the Company (excluding any Treasury Shares) as at the date of passing of this resolution (subject to adjustment in the case of consolidation or subdivision of shares of the Company).”
8. “**THAT** conditional upon the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares (as defined in this paragraph below), an amount standing to the credit of the share premium account of the Company equal to one-tenth of the aggregate nominal amount of the share capital of the Company in issue at the close of business on 24 November 2025 be capitalized and that the directors of the Company be and they are hereby authorized and directed to apply such sum in paying up in full at par such number of Bonus Shares to be allotted and distributed, credited as fully paid, to the members of the Company whose names appear on the register of members of the Company on 24

November 2025 in the proportion of one new ordinary share of HK\$1.00 for every ten ordinary shares of HK\$1.00 each then held by such members (“**Bonus Shares**”), and that such Bonus Shares shall rank for all purposes pari passu with the existing issued ordinary shares of the Company save that they shall not rank for the final ordinary dividend declared in respect of the financial year ended 30 June 2025, and that no fractional Bonus Shares shall be allotted and fractional entitlements will be aggregated and sold at such time or times as the Directors of the Company shall think fit for the benefit of the Company, and the Directors of the Company be authorized generally to do all acts and things as may be necessary to give effect to the issue of the Bonus Shares.”

9. “**THAT**:

- (A) the proposed amendments to the terms of the share option scheme of the Company adopted on 23 November 2021 and amended on 13 January 2025 (the “**2021 Share Option Scheme**”), which are summarised in the circular of the Company dated 24 October 2025 (the “**Circular**”), be and are hereby approved and adopted;
- (B) the 2021 Share Option Scheme (after incorporating the proposed amendments referred to in sub-paragraph (A) above), the terms and conditions of which are set out in the document produced to this meeting marked “A” and for the purposes of identification initiated by the chairman of this meeting, be and is hereby approved and adopted; and
- (C) the directors of the Company be and are hereby authorised to grant options thereunder, and do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the implementation of the proposed amendments referred to in sub-paragraph (A) above.”

10. “**THAT** conditional upon the Ordinary Resolution No. 9 being passed:

- (A) approval be and is hereby granted for refreshing the 10% limit under the 2021 Share Option Scheme (the “**Scheme Mandate Limit**”) provided that the total number of shares of the Company which may be issued upon the exercise of all options to be granted under the 2021 Share Option Scheme and any other share schemes of the Company under the limit as amended and refreshed hereby shall not exceed 10% of the ordinary share capital of the Company in issue (excluding Treasury Shares) as at the date on which this resolution is passed (options previously granted under the 2021 Share Option Scheme and any other share schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the 2021 Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit) (the “**Refreshed Scheme Mandate Limit**”); and

(B) the directors of the Company be and are hereby authorised to grant options under the 2021 Share Option Scheme up to the Refreshed Scheme Mandate Limit, to exercise all powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options and to do such acts and execute such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

11. “**THAT** the proposed revised annual cap for the financial year ending 30 June 2026 in respect of the provision of Operational Services by members of the Group to members of the NWD Group under the NWD Master Services Agreement (a copy of which has been produced to the meeting marked “B” and initialled by the chairman of the meeting for identification purpose) be and is hereby approved, ratified and/or confirmed and the directors of the Company acting together or by committee, or any director acting individually, be and is/are hereby authorized to take all steps necessary on behalf of the Company whatever he or they may, in his/their absolute discretion, consider necessary, desirable or expedient for the purpose of, or in connection with, the implementing and/or giving effect to the above matter (terms defined in the Circular have the same meanings when used in this resolution)”

By Order of the Board of
CTF Services Limited
Tang Wai Yau
Company Secretary

Hong Kong, 24 October 2025

Notes:

1. The annual general meeting will be a hybrid meeting. Registered shareholders may attend the annual general meeting either (a) in person; or (b) online through the Vistra eVoting Portal with the personalised login and access code provided by the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, by post. Registered shareholders attending the annual general meeting through the Vistra eVoting Portal will be able to vote and submit questions online. For non-registered shareholders whose Shares are held by banks, brokers, custodians or HKSCC Nominees Limited who wish to attend the annual general meeting online, they should consult their banks, brokers, custodians or HKSCC Nominees Limited (as the case may be) for the necessary arrangements and the personalised login and access code will be sent to them upon receipt of request through the banks, brokers, custodians or HKSCC Nominees Limited.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or (if he is a holder of two or more shares) more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
3. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof (as the case may be).
4. Completion and return of the proxy form will not preclude you from attending and voting at the annual general meeting (or any adjournment thereof) and in such event, the proxy form shall be deemed to be revoked.

5. In addition to the physical submission of the proxy form, registered shareholders have the option to submit their proxy appointment electronically through the Vistra eVoting Portal (<https://evoting.vistra.com/#/659>) from Saturday, 25 October 2025 up to 11:00 a.m. on Sunday, 16 November 2025 or in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof (as the case may be). Details regarding the submission of proxy forms electronically including login details to access the Vistra eVoting Portal are included in the Company's notification letter to registered Shareholders dated 24 October 2025.
6. For the purposes of determining eligibility of the members of the Company to attend and vote at the meeting and entitlement to the final ordinary dividend and the Bonus Shares, the register of members of the Company will be closed. Details of such closures are set out below:

For determining eligibility to attend and vote at the meeting:

Latest time to lodge transfer documents for registration. 4:30 p.m. on 12 November 2025

Closure of register of members. 13 to 18 November 2025
(both days inclusive)

Record date 18 November 2025

For determining entitlement to the final ordinary dividend and the Bonus Shares:

Latest time to lodge transfer documents for registration. 4:30 p.m. on 21 November 2025

Closure of register of members. 24 November 2025

Record date 24 November 2025

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the meeting and to qualify for the final ordinary dividend and the Bonus Shares, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

7. If a tropical cyclone warning signal number 8 or above or black rainstorm warning signal or "extreme conditions" announced by the Government of the HKSAR is in force at any time between 7:00 a.m. and 11:00 a.m. on the date of the meeting, the meeting will be automatically postponed to a later date and/or time as determined by the Company. The Company will publish an announcement on its corporate website (www.ctfs.com.hk) and the HKEXnews website (www.hkexnews.hk) to notify members of the Company of the date, time and location of the rescheduled meeting.
8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. The "Guidance for the 2025 AGM" set out in the circular dated 24 October 2025 shall form part of this notice.
10. As at the date of this notice, (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.