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周大福創建有限公司 CTF Services Limited

(incorporated in Bermuda with limited liability)
(stock code: 00659)

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

References are made to (i) the announcement of the Company dated 28 April 2023 and (ii) 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.

REVISION TO THE EXISTING FY2026 ANNUAL SALES CAP FOR THE CERTAIN TRANSACTIONS

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.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CTF Enterprises (through itself and its wholly-owned subsidiary, Century Acquisition) holds approximately 74.99% 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 of the date of this announcement, 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.

2025 ANNUAL GENERAL MEETING

The 2025 AGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve, amongst other things, the Revised FY2026 Annual Sales Cap, by way of an ordinary resolution.

A circular containing, among other things, (i) details of the Revised FY2026 Annual Sales Cap; (ii) the letter from the Independent Board Committee to the Independent Shareholders in respect of the Revised FY2026 Annual Sales Cap; (iii) the recommendation of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) a notice convening the 2025 AGM; and (v) other information as required by the Listing Rules will be published on the websites of the Company and the Stock Exchange. The circular is expected to be published within 15 business days after the date of this announcement in accordance with the Listing Rules.

INTRODUCTION

References are made to (i) the announcement of the Company dated 28 April 2023 and (ii) 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.

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.

REVISION TO THE EXISTING FY2026 ANNUAL SALES CAP FOR THE CERTAIN TRANSACTIONS

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.

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.

THE EXISTING FY2026 ANNUAL SALES CAP AND 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 <i>(Note 1)</i>	750.1 <i>(Note 2)</i>	Not applicable
Cap utilisation	Within cap	Within cap	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 to be published.

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.

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 who reserve their views pending receipt of advice from the Independent Financial Adviser) 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.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CTF Enterprises (through itself and its wholly-owned subsidiary, Century Acquisition) holds approximately 74.99% 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 of the date of this announcement, 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.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

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.

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.

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.

2025 ANNUAL GENERAL MEETING

The 2025 AGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve, amongst other things, the Revised FY2026 Annual Sales Cap, by way of an ordinary 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 74.99% of the total issued share capital of the Company as at the date of this announcement 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 date of this announcement. CTF Enterprises and its associates will abstain from voting on such resolution at the 2025 AGM.

A circular containing, among other things, (i) details of the Revised FY2026 Annual Sales Cap; (ii) the letter from the Independent Board Committee to the Independent Shareholders in respect of the Revised FY2026 Annual Sales Cap; (iii) the recommendation of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) a notice convening the 2025 AGM; and (v) other information as required by the Listing Rules will be published on the websites of the Company and the Stock Exchange. The circular is expected to be published within 15 business days after the date of this announcement in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the meanings as set out below:

“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 to consider and, if thought fit, approve, among other things, the Revised FY2026 Annual Sales Cap;
“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors of the Company;
“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;
“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 Stock Exchange (stock code: 00659);
“connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“CTF Enterprises”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability which holds approximately 74.99% of the total issued share capital of the Company as at the date of this announcement;
“Director(s)”	director(s) of the Company;
“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;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China;
“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”	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”	the Shareholders other than (a) any Shareholder who has a material interest in the NWD Master Services Agreement (including the Revised FY2026 Annual Sales Cap) and the transactions contemplated thereunder, other than its interest as a Shareholder; and (b) any close associate of such Shareholder referred to in (a);
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Mainland”	the People’s Republic of China and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“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 Stock Exchange (stock code: 00017) and held as to approximately 45.24% by CTF Enterprises and its subsidiaries as at the date of this announcement;
“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 sub-paragraph headed “New NWD Master Services Agreement” of the announcement of the Company dated 28 April 2023);
“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;
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“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;

“HK\$” Hong Kong dollar, the lawful currency of Hong Kong; and

“%” per cent.

By order of the Board
CTF Services Limited
Dr. Cheng Kar Shun, Henry
Chairman

Hong Kong, 29 September 2025

As at the date of this announcement, (a) the executive Directors 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 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 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.