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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares of CTF Media & Entertainment Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CTF Media & Entertainment Limited

周大福媒體娛樂有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO NEW MASTER SALES AGREEMENT
AND
NOTICE OF GENERAL MEETING**

Financial Adviser to the Company



**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



Capitalised terms used in this cover page have the same meanings as defined in this circular unless otherwise specified.

A letter from the Board is set out on pages 5 to 20 of this circular. A letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 21 to 22 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 23 to 45 of this circular.

A notice of the GM to be convened at 3:00 p.m. on Friday, 18 September 2026 at 5/F, KOHO, Nos. 73–75 Hung To Road, Kwun Tong, Kowloon, Hong Kong is set out on pages GM-1 to GM-3 of this circular and a form of proxy for the GM is despatched together with this circular.

Whether or not you intend to attend and vote at the GM in person, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the holding of the GM or any adjournment meeting (as the case may be). The completion of a form of proxy will not preclude you from attending and voting at the GM in person should you so wish, and in such case, the authority of your proxy will be revoked.

1 September 2026

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DEFINITIONS

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

“Advertising and Event Management Services”	comprising collectively, (i) sale of commercial airtime on the Group’s free television channels and related digital platforms; (ii) provision of integrated value-added marketing solutions, including but not limited to, TV marketing, online and digital services, content creation, social media marketing, key opinion leader (KOL) marketing, artist endorsements, billboard, outdoor TV, and other platforms; (iii) content production for commercial events, TV programmes, TV segments, product placement, and television commercials, including creative development, shooting, scriptwriting, talent assignment, editing, postproduction and subtitling; (iv) production of advertising materials for display, exhibitions and giveaways; (v) event sponsorship, promotion, production, collaboration, management and organisation, and related merchandising and e-commerce coordination services
“Announcement”	the announcement of the Company dated 6 August 2026 in relation to, among others, the New Master Sales Agreement and the Annual Caps
“Annual Caps”	the maximum aggregate annual transaction amounts for the continuing connected transactions under the New Master Sales Agreement for each of the years ending 31 December 2026 and 2027
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors from time to time
“BVI”	British Virgin Islands
“Celestial Pioneer”	Celestial Pioneer Limited, a limited liability company incorporated in the BVI and is wholly-owned by Dr. Cheng, and a substantial shareholder of the Company
“Company”	CTF Media & Entertainment Limited (formerly known as i-CABLE Communications Limited), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1097)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“cost-per-time”	the advertising pricing model, which is charged according to the length of duration of the commercial airtime
“CTF Enterprises”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability
“CTF Jewellery”	Chow Tai Fook Jewellery Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1929), a member of the CTFE Group
“CTF Life”	Chow Tai Fook Life Insurance Company Limited, a company incorporated in Bermuda with limited liability, a member of the CTFE Group
“CTF Services”	CTF Services Limited (formerly known as NWS Holdings Limited), a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 659), a member of the CTFE Group
“CTFE Group”	means (a) CTF Enterprises; (b) any company which is its subsidiary; and/or (c) any other company (including its subsidiaries) the equity capital of which CTF Enterprises and its subsidiaries are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors
“Director(s)”	the director(s) of the Company
“Dr. Cheng”	Dr. Cheng Kar-Shun, Henry <i>GBM, GBS</i> , the chairman of the Board, a non-executive Director and a substantial shareholder of the Company
“Forever Top”	Forever Top (Asia) Limited, a limited liability company incorporated in Hong Kong and is owned as to 72% by Celestial Pioneer, and a substantial shareholder of the Company

DEFINITIONS

“GM”	the general meeting of the Company other than the annual general meeting to be held for the purpose of considering and, if thought fit, approving the New Master Sales Agreement, the transactions contemplated thereunder and the related Annual Caps
“Group”	the Company, its subsidiaries and consolidated structured entities from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board, comprising Prof. Hu Shao Ming Herman, Mr. Luk Koon Hoo Roger and Mr. Tang Sing Ming Sherman, all of whom are independent non-executive Directors, formed to advise the Independent Shareholders as to the New Master Sales Agreement and the related Annual Caps
“Independent Financial Adviser”	WRISE Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulatory activity under the SFO, which has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the New Master Sales Agreement and the related Annual Caps
“Independent Shareholders”	Shareholders other than Celestial Pioneer and Forever Top and their respective associates
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, who is/are independent of and not connected with the Company and its connected persons
“Latest Practicable Date”	26 August 2026, being the latest practicable date prior to the printing of this circular, for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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“New Master Sales Agreement”	the advertising and event management services master sales agreement dated 6 August 2026 entered into between the Company and CTF Enterprises, the principal terms of which are more particularly set out in the section headed “THE NEW MASTER SALES AGREEMENT — Principal terms” in this circular
“New World Department Store”	New World Department Store China Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 825), a member of the CTFE Group
“New World Development”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 17), a member of the CTFE Group
“Old Master Sales Agreement”	the advertising services master sales agreement dated 10 May 2023 entered into amongst the Company, CTF Enterprises, CTF Jewellery and Chow Tai Fook Nominee Limited
“Registrar”	the share registrar of the Company, being Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

LETTER FROM THE BOARD

CTF Media & Entertainment Limited

周大福媒體娛樂有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

Dr. Cheng Kar-Shun, Henry *GBM, GBS*
(Chairman, Non-executive Director)

Mr. Tsang On Yip, Patrick *BBS*
(Vice-chairman, Executive Director)

Ms. Wong Nga Fan (Chief Executive Officer,
Executive Director)

Dr. Luk Wai Ki Elvis (Executive Director)

Mr. Darren Raymond Shaw (Executive Director)

Mr. Chang Tat Joel (Executive Director)

Mr. Lam Kin Fung Jeffrey *GBM, GBS, JP*
(Independent non-executive Director)

Prof. Hu Shao Ming Herman *GBS, JP*
(Independent non-executive Director)

Mr. Luk Koon Hoo, Roger *BBS, JP*
(Independent non-executive Director)

Mr. Tang Sing Ming Sherman
(Independent non-executive Director)

Registered office:

12/F, KOHO

Nos. 73–75 Hung To Road

Kwun Tong

Kowloon

Hong Kong

1 September 2026

To the Shareholders

Dear Sir/Madam,

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO NEW MASTER SALES AGREEMENT**

INTRODUCTION

Reference is made to the Announcement in relation to, among others, the New Master Sales Agreement and the Annual Caps, which are subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval under Chapter 14A of the Listing Rules.

The purpose of this circular is to, among others, provide you with (i) further information on the details of the New Master Sales Agreement, the transactions contemplated thereunder and the related Annual Caps; (ii) the letter of recommendation from the Independent Board Committee which contains its recommendation to the Independent Shareholders; (iii) the letter of advice from the Independent Financial Adviser which contains its recommendation to the Independent Board Committee and the Independent Shareholders; (iv) other information as required under the Listing Rules; and (v) the notice of the GM to the Shareholders on convening the GM.

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THE NEW MASTER SALES AGREEMENT

As stated in the Announcement, on 6 August 2026, the Company entered into the New Master Sales Agreement with CTF Enterprises for the sale of the Advertising and Event Management Services by the Group to the CTFE Group for the two years ending 31 December 2026 and 2027, unless terminated earlier in accordance with the terms thereof.

Principal terms

Set out below is a summary of the principal terms of the New Master Sales Agreement:

- Date : 6 August 2026
- Parties : (i) the Company; and
(ii) CTF Enterprises
- Term : Two financial years commencing from 1 January 2026 up to and including 31 December 2027
- Nature of transactions : Pursuant to the New Master Sales Agreement, the Company has agreed to provide, either itself or through members of the Group, the Advertising and Event Management Services to members of the CTFE Group.

The relevant members of the Group and the relevant members of the CTFE Group shall enter into separate definitive agreements in respect of the Advertising and Event Management Services, on terms mutually agreed between the parties, provided that such separate agreements shall always be in compliance with the Listing Rules.

- Consideration : The fees payable under the New Master Sales Agreement will be determined after arm's length negotiations with reference to the prevailing market price and in accordance with the pricing policy of the Group from time to time:
- (i) in respect of sale of commercial airtime, a pre-emptive pricing mechanism on the basis of cost-per-time at the standard charging price set for different timeslot of the day, which varies for different programmes or events or under sponsorship package (where pricing will vary for different episodes, timeslots, casting, categories and seasonality). The fees to be paid for such services will be accumulated and billed by the Group at the end of every month.

LETTER FROM THE BOARD

- (ii) in respect of provision of integrated value-added marketing solutions, production related services, and event management services, at the rate that is comparable to those charged by the Group to its Independent Third Party customers for similar services. The fees to be paid for such services will be billed by the Group upon completion of different production phases of such marketing solutions, commercials, events and/or advertising materials (whichever is applicable) being rendered to the relevant members of the CTFE Group. The phases of fee payment shall be agreed between the Group and the CTFE Group on a case by case basis.

Annual Caps : The aggregate annual transaction amount for the continuing connected transactions under the New Master Sales Agreement shall not exceed the following proposed Annual Caps:

For the year ending 31 December	Annual Caps (HK\$'000)
2026	35,000
2027	55,000

Historical transaction amounts

For the three years from 1 January 2023 to 31 December 2025

In May 2023, the Company entered into the Old Master Sales Agreement with each of CTF Enterprises, CTF Jewellery and Chow Tai Fook Nominee Limited (“**CTF Nominee**”, together with its subsidiaries, the “**CTFN Group**”), pursuant to which the Group agreed to provide advertising services to CTF Enterprises, CTF Jewellery and CTF Nominee and their respective subsidiaries for the three financial years from 1 January 2023 to 31 December 2025. Details of the Old Master Sales Agreement are set out in the Company’s announcement and circular dated 10 May 2023 and 25 May 2023, respectively.

The annual caps and historical transaction amounts for the advertising services provided by the Group to the CTFE Group and the CTFN Group under the Old Master Sales Agreement for the years indicated are set out below.

For the year ended 31 December	Transaction amounts (HK\$'000)	Annual caps (HK\$'000)
2023	9,795	20,000
2024	5,911	25,000
2025	1,080	30,000

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The Company noted that the annual caps under the Old Master Sales Agreement were underutilised, primarily due to the challenging and uncertain macroeconomic environment that affected the Hong Kong retail and advertising sectors during the three years ended 31 December 2025, which had a general restraining effect on the advertising and promotional expenditure of market participants, including members of the CTFE Group and the CTFN Group. Key factors included the record-high gold prices in April 2024 and March 2025, which weighed heavily on the jewellery retail sector, and evolving consumer behaviour characterised by a rise in local outbound travel and changes in Mainland tourists' spending patterns and preferences in Hong Kong. These conditions collectively contributed to a subdued advertising market, resulting in lower-than-anticipated transaction volumes in 2024 and 2025.

The Board views the historical underutilisation as a reflection of the prevailing adverse market conditions during that period rather than an indication of the long-term underlying demand for or the potential of the Group's Advertising and Event Management Services. With the gradual stabilisation of the macroeconomic landscape and the improving market sentiment in Hong Kong, coupled with the Group's strategic investment in its media business and the expanded scope of services under the New Master Sales Agreement, the Board anticipates an upward shift in the demand trajectory for its services going forward, which forms the basis for the proposed Annual Caps under the New Master Sales Agreement, as detailed below.

For the seven months ended 31 July 2026

For the seven months ended 31 July 2026, the Group provided Advertising and Event Management Services to the CTFE Group with aggregate transaction amount of approximately HK\$1.1 million. As the aggregate transaction amount during such period was less than HK\$3 million and the highest applicable percentage ratio (excluding profits ratio) as defined under Rule 14.07 of the Listing Rules for the transactions, when aggregated, was less than 5%, the connected transactions for the period constituted de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and were fully exempt from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules. As at the Latest Practicable Date, such transaction amounts in aggregate remained below the de minimis thresholds and were fully exempted.

While the Old Master Sales Agreement had expired at the end of 2025, the Group was in the midst of its strategic repositioning and needed additional time to plan and prepare the expanded scope of services under the New Master Sales Agreement. During this period, the Group ensured that each transaction was covered by separate written agreements, and monitored the aggregate transaction amounts to ensure that no threshold would be exceeded before the New Master Sales Agreement was entered into. The Group also continued to implement its internal control measures, as more particularly described in the section headed "INTERNAL CONTROL MEASURES" below, to monitor and ensure that all transactions were conducted on normal commercial terms or better, in accordance with the pricing policies of the Group, and would not prejudice the interests of the Company and the Shareholders as a whole.

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For the avoidance of doubt, the above transaction amounts for Advertising and Event Management Services provided by the Group to the CTFE Group during the seven months ended 31 July 2026 and up to the Latest Practicable Date will be aggregated with future transaction amounts for the remainder of the year ending 31 December 2026 and will be subject to the Annual Cap for the said year under the New Master Sales Agreement.

As mentioned above, the transactions in respect of Advertising and Event Management Services provided to the CTFE Group for the seven months ended 31 July 2026 amounted to approximately HK\$1.1 million, representing approximately 3.1% of the proposed Annual Cap for the year ending 31 December 2026. This was primarily due to the additional time needed by the Group to complete its strategic repositioning and to plan and prepare the expanded scope of services under the New Master Sales Agreement. As a result, while the Group has begun to provide limited Advertising and Event Management Services during the year, the full ramp up of such business is planned for the latter part of the year, to coincide with the traditional peak season for advertising and corporate events driven by year-end promotional campaigns and festive events, as well as the 20th Asian Games Aichi-Nagoya 2026. The majority of the Annual Cap for 2026 is therefore expected to be utilised in the four months ending 31 December 2026.

Basis for the Annual Caps

The Annual Caps for the two years ending 31 December 2026 and 2027 have been determined with reference to the anticipated growth in demand from the CTFE Group for the expanded scope of Advertising and Event Management Services and the recent development of the Group, having regard to:

- (a) the charging rates by the Group for different categories of the Advertising and Event Management Services effective in 2026 which are in line with the prevailing market rates charged by other market players in the industry for similar services;
- (b) the potential increase in advertising budgets of the members of the CTFE Group expected by the Company having considered the recovering economy and improving market sentiment in Hong Kong and around the world as understood by the Group from its discussions with its existing and potential CTFE Group customers regarding their proposed marketing campaigns, promotional activities and advertising plans;
- (c) the expected increase in quantity and frequency of the sale of commercial airtime and production related services to the members of the CTFE Group following the continuous efforts and development of the Group to transform its media business, including the rebrand of “HOY” as “HOY Media Network,” a global network rooted in Hong Kong but reaching international audiences with a core mission of broadening audience perspectives, taking Hong Kong stories and original content beyond borders and connecting with global Chinese communities, through moving beyond traditional TV broadcasting to an integrated online/offline platform;

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- (d) the expected increase in quantity and frequency of the sale of commercial airtime, production related services, event management services during special broadcasting events where the Group has secured broadcasting rights. For example, the Group has secured the broadcasting rights for the Hong Kong Sevens 2026/27 season, and the exclusive broadcasting rights for Volleyball Nations League Hong Kong 2026 season (and pursuing the same for the 2027 and 2028 seasons) and the 20th Asian Games Aichi-Nagoya 2026, in Hong Kong on the Group's HOY media network platforms. The live broadcasts and replays will be available across multiple platforms including HOY free TV channels, HOY official website and HOY mobile app. It is expected that during these events, the Group will also leverage on its event management services, with a view to cooperating with various sectors in Hong Kong, to promote such important events to bring Hong Kong Sevens, Volleyball Nations League and Asian Games fever to Hong Kong; and
- (e) the enhancement of the Group's service offerings, including but not limited to the expansion of (i) the integrated value-added marketing solutions and production related services, such as the expected increase in the number of self-produced media programmes and the development of new digital and e-commerce collaboration channels; and (ii) the event management services.

The Annual Caps represent an increase over the historical transaction amounts for the years ended 31 December 2023, 2024 and 2025 as well as the seven months ended 31 July 2026, for the reasons set out below.

For the year ending 31 December 2026, the anticipated transaction amount of Advertising and Event Management Services provided by the Group to the CTFE Group is approximately HK\$25 million, with reference to (i) approximately HK\$1.1 million aggregate transaction amount recorded for the seven months ended 31 July 2026 and up to the Latest Practicable Date; (ii) the advanced discussions between the Group and 2 members of CTFE Group on Advertising and Event Management Services campaign proposals involving provision of, among others, (a) title sponsorship of select TV shows on HOY free channels; (b) 20th Asian Games advertising package including, among others, title sponsorship, logo exposure and sponsorship posts related broadcasts on HOY free TV, HOY app, website and social media, as well as MTR station and in-train broadcast as well as Asian Games Interactive Fencing Experience in Hong Kong Station; (c) e-sports advertising package including, among others, programme naming rights, logo exposure and sponsorship posts in respect of relevant streaming and posts on HOY social media; and (d) advertising package for outdoor TV in high footfall areas such as Causeway Bay, Mongkok, Tsimshatsui and in West Kowloon High-speed Railway Station, submitted by the Group with expected transaction amounts totalling approximately HK\$12.0 million to be recognised in the remainder of 2026; and (iii) the Advertising and Event Management Services campaign proposals tailor-made for the relevant customer, involving, for example, (a) programme production services relating to an education-themed TV series to promote teaching methodology and planning educational seminars and related events for a customer engaged in education business; (b) sponsorship services with logo exposure on branded wristbands, on-site booths, VIP access areas and artists wearing products of the customer on-stage during events organised by the Company; and (c) production service for short TV series promoting the business and projects of the customer in Hong Kong and

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China, which the Group is planning and preparing for 5 members of CTFE Group with expected transaction amounts totalling approximately HK\$11.9 million to be recognised in the remainder of 2026. The Company considers that the anticipated transaction amount for 2026 is primarily supported by identified business opportunities and ongoing commercial discussions with specific members of the CTFE Group, rather than by extrapolation of historical transaction amounts.

For the year ending 31 December 2027, the anticipated transaction amount of Advertising and Event Management Services provided by the Group to the CTFE Group is approximately HK\$45 million, with reference to (i) a full 12-month operational runway in 2027 as compared to the partial operating period in 2026; (ii) the partial operating period in 2026 coincides with a peak season for advertising and corporate events, as already discussed above, which will have a higher average operating intensity as compared to the average for a full year; and (iii) the anticipated renewal rates of CTFE Group customers and their expected demand for the Group's Advertising and Event Management Services for the year. The higher anticipated transaction amount for 2027 reflects the expected growth in demand for the Group's Advertising and Event Management Services as the New Master Sales Agreement enters its first full year of operation and the Group continues to expand its service offerings and customer engagement with members of the CTFE Group. In addition to the above reasons, the Company has also considered that 2027 will be the 30th anniversary of the establishment of the Hong Kong Special Administrative Region and having understood that the Government of Hong Kong is planning to hold various celebratory events which may involve venues managed and operated by the CTFE Group, such as Kai Tak Sports Park and Hong Kong Convention and Exhibition Centre. As a result, it is expected that the demand for the Group's Advertising and Event Management Services will remain robust in 2027.

The Annual Caps have also incorporated a buffer of HK\$10 million for each year on top of the transaction amount estimated based on the above to provide flexibility in responding to unforeseeable changes which may be outside of the Group's control. The buffer of HK\$10 million has been determined based on the typical expected transaction amount ranging between HK\$1 million and HK\$3 million for each Advertising and Event Management Services project planned for the year ending 31 December 2026 and the number of potential CTFE Group customers which the Company is considering but does not yet have a concrete plan to approach. The Company considers that a HK\$10 million buffer would provide sufficient operational flexibility while remaining proportionate to the estimated transaction amounts.

Having considered the information set out in the sections headed "Historical transaction amounts" and "Basis of the Annual Caps" above, the Directors (including the independent non-executive Directors, but excluding the Directors who abstained from voting on the relevant resolutions in respect of the Advertising and Event Management Services) are of the view that the proposed Annual Caps are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Pricing policy

For sale of commercial airtime, the Group adopts a pre-emptive pricing mechanism on the basis of cost-per-time at the standard charging prices set for different timeslot of the day, which varies for different programmes or events or under sponsorship package (where pricing will vary for different episodes, timeslots, casting, categories and seasonality). Those pricing offered to customers are determined with reference to (1) the daily volume and quantity of advertisements to be displayed on the Group's advertising platforms; and (2) the prevailing market rate and industry practice for similar services offered in the market as charged by other service providers. The same pricing mechanism is applicable to all customers of the Group. These standard charging prices may be adjusted according to prevailing market conditions.

In respect of the integrated value-added marketing solutions, production related services, and event management services, the pricing offered to all customers who desire similar services is determined with reference to:

- (a) the credit evaluation by the Group on each customer in terms of its size, reputation and industry;
- (b) the level of complexity and specific specifications of the integrated value-added marketing solutions and the relevant production costs listed in the quotations;
- (c) the prevailing market rate and industry practice of similar services offered in the market by other marketing solutions service providers and event organisers; and
- (d) the potential future business opportunities from the customer.

The Group had provided integrated value-added marketing services and production related services to its customers including, among others, the CTFE Group under the Old Master Sales Agreement, during the three years ended 31 December 2025.

In the course of providing integrated value-added marketing services, including but not limited to production related services and event management services as the case may be, the Group's sales team engages with the customer to understand their needs, goals, expectations and requirements (including budget) for the proposed marketing exercise and leverages their industry expertise to tailor-make marketing campaign proposals that integrate provision of commercial airtime, production related services, event management services and/or related services as may be desirable having taken into consideration said requirements. As a result of such operating model, the Group utilises the same pricing policy for marketing campaign proposals involving one or more of the integrated value-added marketing services, production related services and event management services, which are priced on a cost-plus basis with reference to, among others, the budgeted costs for the campaign and the target profit margin of the Group no less than 15% taking into consideration the factors set out in (a) to (d) above on a holistic basis, as further discussed below.

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When the Group first enters into a business relationship with a new customer, as part of its customer on-boarding procedure, the sales team will obtain from the customer its corporate information including its valid business registration, latest financial statements and annual return, and review relevant public information of the customer, for credit evaluation. The sales team will review such information periodically and when determining the price for marketing campaign proposals. The Group may consider charging higher upfront fees to customers with a weaker credit profile, due to their greater risk of non-payment, and vice versa.

The Group will also consider whether the customer is a returning customer and the potential future business opportunities with them. The Group may consider charging lower fees, or providing extra benefits at no additional cost, to customers with high potential for future repeat business.

The Group also takes into consideration the prevailing market rate and industry practice of similar services in the market by other marketing solutions service providers and event organisers. As such information typically constitutes trade secrets of competitors of the Group in the industry and as the Group is not in a position to solicit quotations from its competitors for comparison. Having considered the limited number of competitors in the market comparable to the Group, the Group relies mainly on the experience and industry knowledge of its sales team, discussions with its customers, together with available public information, which the Company considers to be sufficient relevant and informed reference to understand the prevailing market rate and industry practice of similar services.

As mentioned above, when designing the marketing campaign proposals for customers, the sales team will determine the expected costs involved in the campaign, and the proposed fee with reference to the expected costs and the target profit margin with reference to the various qualitative factors discussed above, which will be submitted for approval by the team head or head of commercial sales.

Having considered the information set out above, including that the pricing offered to all customers who desire similar services are determined on the same basis, the Directors (including the independent non-executive Directors, but excluding the Directors who abstained from voting on the relevant resolutions in respect of the Advertising and Event Management Services) are of the view that the pricing mechanism in respect of (i) the sale of commercial airtime; and (ii) integrated value-added marketing services, production related services and event management services, are fair and reasonable, on normal commercial terms, and no less favourable than those offered to Independent Third Parties.

Reasons for and benefits of the New Master Sales Agreement

The CTFE Group has a diversified investment portfolio. As part of the promotion and marketing activities undertaken by CTF Enterprises and the CTFE Group from time to time, the Group may provide the Advertising and Event Management Services to CTF Enterprises and/or other members of the CTFE Group, which may include, among others, CTF Jewellery, which has profound experience and reputation in the jewellery business; CTF Life, one of the most well-established life insurance companies in Hong Kong; and New World Development, a

LETTER FROM THE BOARD

market leader in property development and investment, as well as in hotels and hospitality, and cultural and leisure facilities and projects, such as K11 shopping malls and the Kai Tak Sports Park sports and entertainment complex.

As part of such promotion activities to enhance brand awareness and market exposure for their brands and projects, the Group will provide the Advertising and Event Management Services, including, among others, (i) sales of commercial airtime on the Group's free TV channels, and related digital platforms; (ii) providing integrated value-added marketing solutions including but not limited to TV marketing, online and digital services, content creation, social media marketing, key opinion leader (KOL) marketing, artist endorsements, billboard, outdoor TV, and other platforms; (iii) content production for commercial events, TV programmes, TV segments, product placement and TV commercials; (iv) production of advertising materials; (v) event sponsorship, promotion, production, collaboration, management and organisation, and related merchandising and e-commerce coordination services. The New Master Sales Agreement, which consolidates this wide array of services under a single framework agreement, will enable the Group to offer the CTFE Group more comprehensive and integrated solutions and achieve greater synergies with the CTFE Group.

The Directors (including the independent non-executive Directors, but excluding the Directors who abstained from voting on the relevant resolutions in respect of the Advertising and Event Management Services) are of the view that (i) the terms of the New Master Sales Agreement have been negotiated and arrived at on an arm's length basis and in the ordinary and usual course of businesses of the Group and on normal commercial terms or better, between the Group and the CTFE Group are fair and reasonable, and in the interests of the Company and the Shareholders as a whole in line with, and with reference to, the industry practice and prevailing market prices; and (ii) having considered the historical underutilisation as a consequence of the aforementioned adverse market conditions, and the promising prospects for an upward demand trajectory as detailed above, the proposed Annual Caps for the two years ending 31 December 2026 and 2027 under the New Master Sales Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

As a general principle, the price and terms of the individual sale or service contract in respect of the New Master Sales Agreement will be determined in the ordinary course of business, on normal commercial terms or better, negotiated on arm's length basis, on similar basis as the Group transacts business with other Independent Third Party customers and shall be on terms which are no less favourable to the Group than those offered to other Independent Third Party customers.

LETTER FROM THE BOARD

To ensure that all the continuing connected transactions are conducted on normal commercial terms or better and in accordance with the pricing policies of the Group and will not be prejudicial to the interests of the Company and the Shareholders as a whole, and the annual caps under the New Master Sales Agreement will not exceed the Annual Caps, the Group has adopted the following internal control measures:

- (i) before entering into individual sale or service contracts contemplated under the continuing connected transactions, the sales department or the project team will be responsible for preparing the relevant contracts in accordance with the Group's management systems on connected transactions, so as to ensure that the standard charging price conforms to the prevailing market rate and industry practice. The sales department or the project team will review the pricing on a yearly basis before the end of each year, and make adjustments to the standard charging price if required. In the event that there have been significant changes in the market conditions, the standard charging price will be adjusted accordingly to reflect such changes in the market;
- (ii) the Group's finance department, headed by the chief financial officer, is responsible for conducting a yearly review on the pricing mechanism for the transactions under the New Master Sales Agreement to ensure that the prices are determined in accordance with the pricing policies adopted by the Group on normal commercial terms or better. The chief financial officer will report to the Board, the audit committee of the Board and the independent non-executive Directors at the end of each review period;
- (iii) all individual sale or service contracts contemplated under the continuing connected transactions must be or will be entered into prior to the provision of such services. The Group's finance department is responsible for reviewing the pricing mechanism for the transactions under the New Master Sales Agreement to ensure that the prices charged for a specific transaction are determined in accordance with the applicable pricing policy and on normal commercial terms or better, and do not exceed the Annual Caps. To ensure that the Annual Caps are not exceeded, before entering into a specific transaction, the sales team is required to report details of the transaction, including the relevant transaction amount, to the finance department. The finance department will review the same to ensure that the aggregate transaction amount will not exceed the relevant Annual Cap. The finance department also conducts monthly review of the transaction amount and reports to the senior management on the utilisation of the relevant Annual Caps and the remaining available balance. In the event that the aggregate transaction amount reaches approximately 90% of the relevant Annual Cap, the finance department will promptly report the utilisation status to senior management and the Board for monitoring purposes and to assess whether any further action is required under the Listing Rules before any additional transactions are entered into;
- (iv) the finance department will be responsible for consistently recording the transaction amounts of all continuing connected transactions and will report to the Board on a half-yearly basis regarding the amounts conducted during the period to facilitate the

LETTER FROM THE BOARD

Board in monitoring the actual transaction amount, assessing whether the Annual Caps will be exceeded. In the event that the Annual Caps are exceeded, the Group shall enter into a supplemental agreement with the relevant connected persons to agree on the revised annual caps and comply with the relevant requirements of the Listing Rules prior to entering into further transactions with the connected persons in this regard;

- (v) the finance department will monitor the credit terms granted to members of the CTFE Group to ensure the terms are strictly adhered to, and there are no payments which are overdue; and
- (vi) the independent non-executive Directors will review the transactions contemplated under the New Master Sales Agreement on an annual basis, and the external auditors of the Company will also conduct an annual review of the pricing terms and Annual Caps thereof in accordance with the Listing Rules.

Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the New Master Sales Agreement have been and will be conducted on normal commercial terms or better and not prejudicial to the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES INVOLVED

The Company and the Group

The Company is 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: 1097).

The Group is engaged in domestic free television programme service, advertising, television relay service, programme licensing, theatrical release, other media related business, broadband internet access services, portal operation, telephony services, network leasing, network construction, mobile service and mobile agency service as well as other telecommunications related businesses.

LETTER FROM THE BOARD

CTF Enterprises and the CTFE Group

CTF Enterprises is a company incorporated in Hong Kong with limited liability. As at the Latest Practicable Date, CTF Enterprises is a wholly-owned subsidiary of Chow Tai Fook (Holding) Limited, which is held as to approximately 90.52% by Chow Tai Fook Capital Limited. Chow Tai Fook Capital Limited is owned as to approximately 48.98% and approximately 46.65% by Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, respectively.

To the best knowledge of the Directors, CTF Enterprises is principally engaged in investment holding.

The CTFE Group is a Hong Kong-based conglomerate, whose core entities include, among others, CTF Enterprises, CTF Jewellery (stock code: 1929), CTF Services (stock code: 659), New World Department Store (stock code: 825) and New World Development (stock code: 17). To the best knowledge of the Directors, the CTFE Group is principally engaged in investment holding, jewellery and retail, property development, hotel and hospitality, culture and entertainment, department store, infrastructure and logistics, construction and civil engineering, financial and insurance services, facilities management, healthcare, education and other businesses.

LISTING RULES IMPLICATIONS

Dr. Cheng, who is the chairman of the Board, a non-executive Director and a substantial shareholder of the Company, is a member of the Cheng family, which holds or controls the CTFE Group. As such, each member of the CTFE Group is treated as a connected person of the Company. Accordingly, the Advertising and Event Management Services contemplated under the New Master Sales Agreement constitute continuing connected transactions of the Company.

As one or more of the applicable percentage ratios (excluding profits ratio) as defined under Rule 14.07 of the Listing Rules for the continuing connected transactions under the New Master Sales Agreement are, on an annual basis, over 5% and the related Annual Caps is more than HK\$10,000,000, the Advertising and Event Management Services contemplated under the New Master Sales Agreement are subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for Celestial Pioneer and Forever Top, who hold an aggregate of 3,567,311,760 Shares, representing 50.0% of the total number of issued shares of the Company as at the Latest Practicable Date, and will be required to abstain from voting at the GM, no other Shareholder has a material interest and will be required to abstain from voting at the GM in respect of the resolutions in relation to the New Master Sales Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

As at the Latest Practicable Date:

- (i) Dr. Cheng, the chairman of the Board and a non-executive Director, is the sole shareholder of Celestial Pioneer, which holds 72% interests in Forever Top. He is also the chairman and executive director of each of CTF Jewellery, New World Development, New World Department Store and CTF Services; and a director of each of Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited, Chow Tai Fook Capital Limited, Chow Tai Fook (Holding) Limited and CTF Enterprises;
- (ii) Mr. Tsang On Yip, Patrick (“**Mr. Tsang**”), the vice-chairman of the Board and an executive Director, is a director of each of Chow Tai Fook (Holding) Limited and CTF Enterprises. He is also a non-executive director of CTF Services; and
- (iii) Mr. Lam Kin Fung Jeffrey (“**Mr. Lam**”), an independent non-executive Director, is an independent non-executive director of CTF Jewellery.

As a result of the above, Dr. Cheng is considered to have a material interest in the transactions contemplated under the New Master Sales Agreement. In addition, in the interests of good corporate governance and to avoid any actual or perceived conflict of interest arising from the directorships held by Mr. Tsang and Mr. Lam in certain members of the CTFE Group, each of Dr. Cheng, Mr. Tsang and Mr. Lam abstained from voting on the Board resolutions in respect of the continuing connected transactions under the New Master Sales Agreement between the Group and the CTFE Group.

The Board confirms that, except for Dr. Cheng, none of the Directors had any material interest in the continuing connected transactions between the Group and the CTFE Group under the New Master Sales Agreement. Save as mentioned above, none of the Directors was required to abstain from voting on the Board resolutions in relation to the continuing connected transactions under the New Master Sales Agreement.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all of the independent non-executive Directors (save for Mr. Lam) has been established to advise the Independent Shareholders as to (i) whether the terms of the New Master Sales Agreement and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the transactions contemplated under the New Master Sales Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Group; (iii) whether the transactions contemplated under the New Master Sales Agreement are in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in respect of the relevant resolution to be proposed at the GM. No member of the Independent Board Committee has any material interest in the New Master Sales Agreement or the continuing connected transactions contemplated thereunder.

LETTER FROM THE BOARD

WRISE Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the continuing connected transactions as to whether the terms of the New Master Sales Agreement and the continuing connected transactions contemplated thereunder and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, whether such terms are in the interests of the Company and the Shareholders as a whole, as well as how to vote on the New Master Sales Agreement and the transactions contemplated thereunder.

GM

The Company will convene the GM or any adjourned meeting hereof at 5/F, KOHO, Nos. 73–75 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Friday, 18 September 2026 at 3:00 p.m. for the purpose of considering and, if thought fit, approving the New Master Sales Agreement, the continuing connected transactions as contemplated thereunder and the Annual Caps. The notice convening the GM is set out on pages GM-1 to GM-3 of this circular.

A form of proxy for use in connection with the GM is enclosed herewith. Whether or not you intend to be present and vote at the GM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the holding of the GM or any adjournment thereof (as the case may be). The completion and delivery of a form of proxy will not preclude you from attending and voting at the GM (or any adjourned meeting thereof) in person should you so wish, and in such case, the authority of your proxy will be revoked.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the New Master Sales Agreement and the transactions contemplated thereunder is required to abstain from voting on the relevant resolution at the GM. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for Celestial Pioneer and Forever Top, who hold an aggregate of 3,567,311,760 Shares, representing 50.0% of the total number of issued shares of the Company as at the Latest Practicable Date, will be required to abstain from voting at the GM, no other Shareholder has a material interest and will be required to abstain from voting at the GM in respect of the resolutions in relation to the New Master Sales Agreement and the transactions contemplated thereunder.

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith and in compliance with the Listing Rules, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the GM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining Shareholders' entitlement to attend and vote at the GM, the register of members of the Company will be closed from Tuesday, 15 September 2026 to Friday, 18 September 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the GM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 14 September 2026. The record date for the purpose of ascertaining Shareholders' entitlement to attend and vote at the GM is Friday, 18 September 2026.

RECOMMENDATION

The Board considers that the terms of the New Master Sales Agreement and the continuing connected transactions are entered into after arm's length negotiation in the ordinary course of businesses of the Group and on normal commercial terms or better, and the Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolution as set out in the notice of the GM.

Your attention is drawn to the letter of recommendation from the Independent Board Committee set out on pages 21 to 22 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 23 to 45 of this circular in connection with the New Master Sales Agreement and the continuing connected transactions contemplated thereunder (including the Annual Caps) and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the New Master Sales Agreement and the continuing connected transactions contemplated thereunder (including the proposed Annual Caps) are fair and reasonable so far as the Independent Shareholders are concerned and on normal commercial terms or better and in the ordinary and usual course of businesses of the Group and in the interests of the Company and the Shareholders as a whole.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
CTF Media & Entertainment Limited
Lee Lung Piu
Company Secretary

CTF Media & Entertainment Limited

周大福媒體娛樂有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

1 September 2026

To the Independent Shareholders,

Dear Sir/Madam,

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO NEW MASTER SALES AGREEMENT**

We refer to the circular of the Company dated 1 September 2026 (the “**Circular**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee and to advise you (i) whether the terms of the New Master Sales Agreement and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the transactions contemplated under the New Master Sales Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Group; (iii) whether the transactions contemplated under the New Master Sales Agreement are in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in respect of the relevant resolutions to be proposed at the GM.

WRISE Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the New Master Sales Agreement and the continuing connected transactions contemplated thereunder and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, whether such terms are in the interests of the Company and the Shareholders as a whole. Details of the Independent Financial Adviser’s advice, together with the principal factors taken into consideration in arriving at such advice, are set out on pages 23 to 45 of the Circular.

We wish to draw your attention to the letter from the Board set out on pages 5 to 20 of the Circular and the additional information set out in the appendix of the Circular.

Having taken into account (i) the terms and conditions of the New Master Sales Agreement; and (ii) the advice and recommendations of the Independent Financial Adviser as set out from pages 23 to 45 of the Circular, we are of the opinion that the terms of the New Master Sales Agreement and the continuing connected transactions contemplated thereunder are entered into after arm’s length negotiation in the ordinary course of businesses of the Group on normal commercial terms or better and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and

LETTER FROM THE INDEPENDENT BOARD COMMITTEE
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the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the GM to approve the New Master Sales Agreement and the continuing connected transactions contemplated thereunder and the Annual Caps.

Yours faithfully,
Independent Board Committee
CTF Media & Entertainment Limited

**Prof. Hu Shao Ming
Herman**
*Independent non-executive
Director*

**Mr. Luk Koon Hoo,
Roger**
*Independent non-executive
Director*

**Mr. Tang Sing Ming
Sherman**
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from WRise Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Master Sales Agreement, which has been prepared for the purpose of incorporation in this circular.



1 September 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO NEW MASTER SALES AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Master Sales Agreement, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular issued by the Company to the Shareholders dated 1 September 2026 (the “**Circular**”), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

On 6 August 2026, the Company entered into the New Master Sales Agreement with CTF Enterprises for the sale of the Advertising and Event Management Services by the Group to the CTFE Group for the two years ending 31 December 2026 and 2027, unless terminated earlier in accordance with the terms thereof.

As at the Latest Practicable Date, Dr. Cheng, who is the chairman of the Board, a non-executive Director and a substantial shareholder of the Company, is a member of the Cheng family, which holds or controls the CTFE Group. As such, each member of the CTFE Group is treated as a connected person of the Company. Accordingly, the Advertising and Event Management Services contemplated under the New Master Sales Agreement constitute continuing connected transactions of the Company.

As one or more of the applicable percentage ratios (excluding profits ratio) as defined under Rule 14.07 of the Listing Rules for the continuing connected transactions under the New Master Sales Agreement are, on an annual basis, over 5% and the related Annual Caps is more than HK\$10,000,000, the Advertising and Event Management Services contemplated under the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

New Master Sales Agreement are subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all of the independent non-executive Directors (save for Mr. Lam) has been established to advise the Independent Shareholders as to (i) whether the terms of the New Master Sales Agreement and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the transactions contemplated under the New Master Sales Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Group; (iii) whether the transactions contemplated under the New Master Sales Agreement are in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in respect of the relevant resolution to be proposed at the GM.. We, WRise Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

OUR INDEPENDENCE

We are not associated with the Company, its directors, subsidiaries, associates, substantial shareholders or any of their respective associates; nor are we associated with CTF Enterprises and the CTFE Group or their close associates, associates or core connected persons (all as defined under the Listing Rules). We have not acted as independent financial adviser or financial adviser for any transaction of the Company in the last two years prior to the date of the Circular. Apart from normal professional fees paid or payable to us in connection with such appointments as the independent financial adviser, no arrangements exist whereby we had received any fees or benefits from the Company. As at the Latest Practicable Date, we did not have any relationships or interests with the Company that could reasonably be regarded as hindrance to our independence. Accordingly, we are considered to be eligible to give independent advice in respect of the New Master Sales Agreement.

BASIS OF OUR OPINION

In formulating our advice and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, amongst other things:

- (i) the Company's annual report for the financial year ended December 31, ("FY") 2025 ("2025 AR");
- (ii) the announcements of the Company in respect to the New Master Sales Agreement;
- (iii) the information supplied by the Company, the Directors and management of the Group (collectively, the "Management");
- (iv) the opinions expressed by and the representations of the Management;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (v) other information as set out in the Circular;
- (vi) the latest annual reports and/or interim reports of CTF Jewellery (stock code: 1929), CTF Services (stock code: 659), New World Department Store (stock code: 825) and New World Development (stock code: 17), respectively; and
- (vii) our review of other relevant public information.

We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Management. We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the GM. We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group or its future prospects.

The Directors jointly and severally accept full responsibility for the accuracy of the information disclosed and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts not contained in this letter, the omission of which would make any statement herein misleading.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection for their consideration of the New Master Sales Agreement and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation with regard to the New Master Sales Agreement, we have taken into account the principal factors and reasons set out below:

1. Background

Information of parties to the New Master Sales Agreement

Information of the parties to the New Master Sales Agreement, being the Company and the Group, CTF Enterprises and the CTFE Group can be found in the section headed “Information of the Parties Involved” in the Letter from the Board of the Circular.

Historical financial performance of the Group

Set out below is a summary of the audited consolidated financial information of the Group for FY2024 and FY2025, which has been extracted from the 2025AR.

	FY2025 <i>HK\$'000</i> (audited)	FY2024 <i>HK\$'000</i> (audited)
Revenue	538,739	584,489
Total cost of services	(704,106)	(759,250)
— Programming costs	(339,812)	(355,504)
— Network expenses	(226,420)	(230,833)
— Cost of sales	(137,874)	(172,913)
Selling, general & administrative and other operating expenses	(195,301)	(230,542)
Loss from operations	(360,301)	(409,713)
Loss before taxation	(470,858)	(537,848)
Income tax	(19,120)	(15,490)
Loss for the year	(489,978)	(553,338)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	As at 31 December 2025 <i>HK\$'000</i> (audited)	As at 31 December 2024 <i>HK\$'000</i> (audited)
Non-current assets	536,866	601,016
— Property, plant and equipment	318,985	344,048
— Right-of-use assets	129,499	161,874
— Deferred tax assets	38,316	54,266
— Deposits, prepayments and other receivables	46,572	37,254
Current assets	330,189	281,509
— Trade receivables and contract assets	85,738	105,671
— Deposits, prepayments and other receivables	55,557	64,841
— Financial assets at fair value through profit or loss	42,847	26,242
— Restricted bank balances	24,050	12,050
— Cash and bank balances	113,732	53,771
Non-current liabilities	(2,360,792)	(1,742,492)
— Convertible bonds	(630,186)	(600,064)
— Interest-bearing borrowings	(1,500,316)	(866,035)
— Lease liabilities	(202,518)	(249,468)
Current liabilities	(878,951)	(1,022,214)
— Trade payables	(77,665)	(88,313)
— Accrued expenses and other payables	(332,161)	(297,621)
— Receipts in advance and customers' deposits	(77,777)	(74,960)
— Interest-bearing borrowings	(340,000)	(525,000)
— Lease liabilities	(51,348)	(36,267)
Total assets	867,055	882,525
Total liabilities	(3,239,743)	(2,764,706)
Net liabilities	(2,372,688)	(1,882,181)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

FY2025 as compared to FY2024

The Group's revenue decreased by approximately 8% from HK\$584 million in FY2024 to HK\$539 million in FY2025. Such decrease was attributable to the decrease in advertising sales revenue from the media segment and network construction revenue from the telecommunications segment. Revenue derived from the media segment decreased by approximately HK\$23 million, or 10%, from approximately HK\$220 million in FY2024 to approximately HK\$197 million in FY2025, mainly due to decreased advertising sales revenue. Revenue derived from the telecommunications segment decreased by approximately HK\$22 million, or 6%, from approximately HK\$364 million in FY2024 to approximately HK\$342 million in FY2025, as the increase in other business-to-business telecommunications revenue was more than offset by decreases in revenue from broadband internet access services, telephony services and network construction.

The total operating expenses of the Group decreased by HK\$95 million or 10% to approximately HK\$899 million for the year ended 31 December 2025 (2024: approximately HK\$994 million). In which, cost of services of the Group for the year ended 31 December 2025, including programming costs, network expenses and cost of sales, decreased by approximately HK\$55 million to approximately HK\$704 million (2024: approximately HK\$759 million). Programming costs, network expenses and cost of sales decreased by approximately 4%, 2% and 20% respectively as compared to the year ended 31 December 2024. Selling, general and administrative and other operating expenses of the Group decreased by approximately 15% as compared to the year ended 31 December 2024.

As a result of the above, the Group's loss from operations decreased by approximately HK\$49 million, or 12%, from approximately HK\$410 million in FY2024 to approximately HK\$360 million in FY2025. The Group's loss before taxation decreased from approximately HK\$538 million in FY2024 to approximately HK\$471 million in FY2025. After taking into account income tax of approximately HK\$19 million, the Group's loss for the year decreased by approximately HK\$63 million, or 11%, from approximately HK\$553 million in FY2024 to approximately HK\$490 million in FY2025.

As at 31 December 2025 compared to 31 December 2024

The Group's non-current assets decreased by approximately HK\$64 million, from approximately HK\$601 million as at 31 December 2024 to approximately HK\$537 million as at 31 December 2025. Such decrease was mainly attributable to decreases in property, plant and equipment, right-of-use assets and deferred tax assets.

The Group's current assets increased by approximately HK\$49 million, from approximately HK\$282 million as at 31 December 2024 to approximately HK\$330 million as at 31 December 2025. Such increase was mainly due to the combined effects of (i) the increase in cash and bank balances from approximately HK\$54 million to approximately HK\$114 million; (ii) the increase in restricted bank balances from approximately HK\$12 million to approximately HK\$24 million; and (iii) the increase in

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

financial assets at fair value through profit or loss from approximately HK\$26 million to approximately HK\$43 million, partially offset by the decrease in trade receivables and contract assets from approximately HK\$106 million to approximately HK\$86 million.

The Group's current liabilities decreased from approximately HK\$1,022 million as at 31 December 2024 to approximately HK\$879 million as at 31 December 2025, mainly due to the decrease in current interest-bearing borrowings from approximately HK\$525 million to approximately HK\$340 million. On the other hand, the Group's non-current liabilities increased substantially from approximately HK\$1,742 million to approximately HK\$2,361 million, mainly due to the increase in non-current interest-bearing borrowings from approximately HK\$866 million to approximately HK\$1,500 million.

As a result of the above changes in the consolidated financial position of the Group and the loss recorded for FY2025, the Group's net liabilities increased from approximately HK\$1,882 million as at 31 December 2024 to approximately HK\$2,373 million as at 31 December 2025.

Overall, we noted that the operating condition of the Group remained challenging in FY2025. In particular, the Group continued to record substantial operating losses and net liabilities, while revenue from the media segment, including advertising sales revenue declined. Notwithstanding the foregoing, the Group achieved a reduction in its loss from operations and loss for the year through lower programming costs, cost of sales and selling, general & administrative and other operating expenses. The New Master Sales Agreement, which may broaden the Group's sources of advertising, marketing and event-related revenue, would be commercially relevant to the Group's efforts to diversify and reinforce its revenue streams.

Business profile and commercial relevance of the CTFE Group

As set out in the Letter from the Board, The CTFE Group is a Hong Kong-based conglomerate, whose core entities include, among others, CTF Enterprises, CTF Jewellery (stock code: 1929), CTF Services (stock code: 659), New World Department Store (stock code: 825) and New World Development (stock code: 17). To the best knowledge of the Directors, the CTFE Group is principally engaged in investment holding, jewellery and retail, property development, hotel and hospitality, culture and entertainment, department store, infrastructure and logistics, construction and civil engineering, financial and insurance services, facilities management, healthcare, education and other businesses.

Certain members operate sizeable consumer-facing businesses and venues which may from time to time require commercial airtime, integrated value-added marketing solutions, production related services, and event management services. We consider that the business profile of the CTFE Group demonstrates the commercial relevance of the Advertising and Event Management Services and provides the Group with a potentially broad customer base.

2. Rationale for entering into the New Master Sales Agreement

The Group is engaged in domestic free television programme service, advertising, television relay service, programme licensing, theatrical release, other media related business, broadband internet access services, portal operation, telephony services, network leasing, network construction, mobile service and mobile agency service as well as other telecommunications related businesses.

As set out in the Letter from the Board, the CTFE Group has a diversified investment portfolio. As part of the promotion and marketing activities undertaken by CTF Enterprises and the CTFE Group from time to time, the Group may provide the Advertising and Event Management Services to CTF Enterprises and/or other members of the CTFE Group, which may include, among others, CTF Jewellery, which has profound experience and reputation in the jewellery business; CTF Life, one of the most well-established life insurance companies in Hong Kong; and New World Development, a market leader in property development and investment, as well as in hotels and hospitality, and cultural and leisure facilities and projects, such as K11 shopping malls and the Kai Tak Sports Park sports and entertainment complex.

As part of such promotion activities to enhance brand awareness and market exposure for their brands and projects, the Group will provide the Advertising and Event Management Services, including, among others, (i) sales of commercial airtime on the Group's free TV channels, and related digital platforms; (ii) providing integrated value-added marketing solutions including but not limited to TV marketing, online and digital services, content creation, social media marketing, key opinion leader (KOL) marketing, artist endorsements, billboard, outdoor TV, and other platforms; (iii) content production for commercial events, TV programmes, TV segments, product placement and TV commercials; (iv) production of advertising materials; (v) event sponsorship, promotion, production, collaboration, management and organisation, and related merchandising and e-commerce coordination services. The New Master Sales Agreement, which consolidates this wide array of services under a single framework agreement, will enable the Group to offer the CTFE Group more comprehensive and integrated solutions and achieve greater synergies with the CTFE Group.

In assessing the above rationale, we have reviewed the 2025AR and discussed with the Management, we noted that the Group operates three free television channels and related digital platforms, and possesses experience and resources in advertising sales, integrated marketing, content creation and programme production. We also noted that the Group will actively venture into new business areas closely aligned with its core content capabilities, spanning programme production, project development, and talent management, thereby extending the value chain and elevating its market influence. In this regard, we consider that the provision of the Advertising and Event Management Services is compatible with, and complementary to, the Group's existing businesses.

We are of the view that the Group's ability to provide integrated solutions across its free television channels, digital platforms, content production and event management services may enhance its attractiveness and competitiveness as a service provider to the CTFE Group. The New Master Sales Agreement will also provide a framework governing the provision of a wide range of related services and facilitate the conduct and monitoring of future transactions

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between the parties. Based on the above, we concur with the Directors that the entering into of the New Master Sales Agreement is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the New Master Sales Agreement

Major terms of the New Master Sales Agreement are set out below (details of which are contained in the Letter from the Board).

3.1. Parties

- (i) the Company; and
- (ii) CTF Enterprises

3.2. Terms

Two financial years commencing from 1 January 2026 up to and including 31 December 2027.

3.3. Nature of transactions

The Company has agreed to provide, either itself or through members of the Group, the Advertising and Event Management Services to members of the CTFE Group.

3.4. Considerations

The fees payable under the New Master Sales Agreement will be determined after arm's length negotiations with reference to the prevailing market price and in accordance with the pricing policy of the Group from time to time:

- (i) in respect of sale of commercial airtime, a pre-emptive pricing mechanism on the basis of cost-per-time at the standard charging price set for different timeslot of the day, which varies for different programmes or events or under sponsorship package (where pricing will vary for different episodes, timeslots, casting, categories and seasonality). The fees to be paid for such services will be accumulated and billed by the Group at the end of every month.
- (ii) in respect of provision of integrated value-added marketing solutions, production related services, and event management services, at the rate that is comparable to those charged by the Group to its Independent Third Party customers for similar services. The fees to be paid for such services will be billed by the Group upon completion of different production phases of such marketing solutions, commercials, events and/or advertising materials (whichever is applicable) being rendered to the relevant members of the CTFE Group. The phases of fee payment shall be agreed between the Group and the CTFE Group on a case by case basis.

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We noted that the Group already has in place procedures governing connected transactions under the Listing Rules and the procedures had been properly observed when sale of commercial airtime and provision of integrated value-added marketing solutions and production related services were conducted between the Group and members of CTF Enterprises, CTF Jewellery, CTF Nominee in the past in 2023, 2024 and 2025. In light of the entering into of the New Master Sales Agreement, the Group has further established the internal control measures to specifically govern the terms and conditions of the New Master Sales Agreement to ensure that the New Master Sales Agreement is on an arm's length basis, on normal commercial terms or on terms better to the Group than those terms which the Group offered to Independent Third party customers.

In particular, we noted the below pricing policy and credit terms for (i) sale of commercial airtime; and (ii) provision of integrated value-added marketing solutions and production related services and event management services and have had discussions with the Management on its implementation under the New Master Sales Agreement.

Pricing policy for sale of commercial airtime

The Group adopts a pre-emptive pricing mechanism on the basis of cost-per-time at the standard charging price set for different timeslot of the day, which varies for different programmes or events or under sponsorship package (where pricing will vary for different episodes, timeslots, casting, categories and seasonality).

Those pricing offered to customers are determined with reference to (1) the daily volume and quantity of advertisements to be displayed on the Group's advertising platforms; and (2) the prevailing market rate and industry practice for similar services offered in the market as charged by other service providers. The same pricing mechanism is applicable to all customers of the Group. These standard charging prices may be adjusted according to prevailing market conditions.

We have obtained the Group's rate cards for its three television channels as well as examples of advertising campaign and noted that they are consistent with the pricing mechanisms described above. The Management also confirms that the standard charging prices (including any adjustments) under these rate cards and sponsorship packages are applicable to all customers and will similarly be applied to the CTFE Group. In summary, the pricing offered to the CTFE Group for any particular airtime slot will be the same with those offered to Independent Third Party customers. In the event there is excess demand for particular time slots, the Group has a transparent bidding process where slots will be allocated to bidders offering the highest prices. In the event that there is available airtime slot not taken up by any Independent Third Party customer, the Group may offer discounted pricing from the rate cards to the CTFE Group as well as to Independent Third Party customers for such slot. The Group is not disadvantaged in this case as without which, the Group will generate no revenue at all from such airtime slot not taken up.

In order to assess whether the above measures had been applied in the past and can in future be applied to transactions under the New Master Sales Agreement, we have obtained and reviewed (i) all past commercial airtime sales agreements between

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the Group (under its previous pay television platform) with members of the CTFE Group during 2023, 2024 and 2025, comprising twenty-four transactions in total (including five transactions in 2023, thirteen transactions in 2024 and six transactions in 2025); as well as (ii) four sample commercial airtime sales agreements with Independent Third Party customers selected on a random basis for each year, comprising twelve agreements in total.

Our review showed that the pricing of these airtime sales agreements were generally determined based on the then prevailing rate cards. Specifically, we noted that the pricing of all reviewed transactions followed the applicable rate cards for the relevant year, where the applicable rate per spot was determined based on the relevant zone, rate level and duration, multiplied by the number of spots purchased, with a discount applied thereafter to arrive at the final quoted price. We further noted that, in general, the discounts offered to members of the CTFE Group were not more favourable than those offered to Independent Third Party customers. Having considered above, we are of the view that future transactions involving sale of commercial airtime conducted under the same pricing policy are expected to be carried out on normal commercial terms and on terms no less favourable to the Group than those offered to Independent Third Party customers.

Pricing policy for integrated value-added marketing solutions and production related services, and event management services

The pricing offered to all customers who desire similar services is determined with reference to:

- (i) the credit evaluation by the Group on each customer in terms of its size, reputation and industry;
- (ii) the level of complexity and specific specifications of the integrated value-added marketing solutions listed in the quotations;
- (iii) the prevailing market rate and industry practice of similar services offered in the market by other marketing solutions service providers; and
- (iv) the potential future business opportunities from the customer.

As set out in the Letter from the Board, in the course of providing integrated value-added marketing services, including but not limited to production related services and event management services as the case may be, the Group's sales team engages with the customer to understand their needs, goals, expectations and requirements (including budget) for the proposed marketing exercise and leverages their industry expertise to tailor-make marketing campaign proposals that integrate provision of commercial airtime, production related services, event management services and/or related services as may be desirable having taken into consideration said requirements. As a result of such operating model, the Group utilises the same pricing policy for marketing campaign proposals involving one or more of the integrated value-added marketing services, production related services and event

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management services, which are priced on a cost-plus basis with reference to, among others, the budgeted costs for the campaign and the target profit margin of the Group no less than 15% and taking into consideration the factors set out in (a) to (d) above on a holistic basis, as further discussed below.

When the Group first enters into a business relationship with a new customer, as part of its customer on-boarding procedure, the sales team will obtain from the customer its corporate information including its valid business registration, latest financial statements and annual return, and review relevant public information of the customer, for credit evaluation. The sales team will review such information periodically and when determining the price for marketing campaign proposals. The Group may consider charging higher upfront fees to customers with a weaker profile, due to their greater risk of non-payment, and vice versa.

The Group will also consider whether the customer is a returning customer and the potential future business opportunities with them. The Group may consider charging lower fees, or providing extra benefits at no additional cost, to customers with high potential for future repeat business.

The Group also takes into consideration the prevailing market rate and industry practice of similar services in the market by other marketing solutions service providers and event organisers. As such information typically constitutes trade secrets of competitors of the Group in the industry and as the Group is not in a position to solicit quotations from its competitors for comparison, the Group relies mainly on the experience and industry knowledge of its sales team, discussions with its customers, together with available public information, to understand the prevailing market rate and industry practice of similar services.

As mentioned above, when designing the marketing campaign proposals for customers, the sales team will determine the expected costs involved in the campaign, and the proposed fee with reference to the expected costs and the target profit margin with reference to the various qualitative factors discussed above, which will be submitted for approval by the team head or head of commercial sales.

We have also discussed with the Management on the Group's price determination process. Based on our understanding from the Management, we noted that the actual workflow of the Group's integrated value-added marketing solutions, production related services and event management services is generally consistent with the description set out above.

We have independently reviewed four transactions involving integrated value-added marketing solutions and production related services with members of the CTFE Group, and eight aforesaid transactions with Independent Third Party customers conducted from 2023 to 31 July 2026 selected on a random basis. Based on the selected samples, we noted that all the profit margins of the aforesaid reviewed samples were no less than the Group's target profit margin of 15% under its pricing policy as stated in the Letter from the Board. In addition, we noted that the average profit margin of the selected samples involving integrated value-added

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marketing solutions and production related services with members of the CTFE Group were comparable to the average profit margin of the selected samples involving aforesaid services with Independent Third Party customers.

In addition, we have independently reviewed four transactions (each with a transaction amount not exceeding HK\$100,000) involving event management services with members of the CTFE Group conducted from 2023 to 31 July 2026, being all transactions involving event management services with members of the CTFE Group during the period, as well as eight randomly-selected transactions involving event management services with Independent Third Party customers during the same period. Based on the selected samples, we noted that the profit margins of all the aforesaid reviewed samples were no less than the Group's target profit margin of 15% (excluding two transactions with Independent Third Parties which incurred losses due to cost overruns) under its pricing policy as stated in the Letter from the Board. In addition, we noted that the average profit margin of the selected samples involving event management services with members of the CTFE Group were comparable to the average profit margin of the selected samples involving event management services with Independent Third Party customers.

Based on the above, we consider that the Group's pricing policy has been consistently applied in practice and that the pricing of integrated value-added marketing solutions, production related services and event management services was generally determined in accordance with the Group's stated pricing policy and on normal commercial terms and on terms no more favourable to members of the CTFE Group than the terms offered to Independent Third Party customers.

Given the customised nature of integrated value-added marketing solution, production related services and event management services, the scope and specifications of the services provided may vary depending on the specific requirements of each customer and marketing campaign. For example, integrated value-added marketing solutions may involve different combinations of services, including media placement advice, creative concepts, script and slogan development; production related services may vary depending on the complexity, duration and quality requirements of the production output, involving different levels of production crew, equipment rental and post-production services; while event management services may differ in terms of event scale, format, venue requirements and related arrangements. As such, there may not always be identical or directly comparable services provided to Independent Third Party customers that could be used for direct pricing comparison. Notwithstanding the above, based on our review of the historical transactions conducted by the Group, we noted that the average profit margin of transactions involving the CTFE Group were generally comparable to those of transactions involving Independent Third Party customers.

As safeguards, the Management explained that the Group will follow a series of procedures which include preparing detailed breakdown of the costs and specifications of services rendered and items used to ensure that the prices charged to the CTFE Group are not below costs and command reasonable profit margins.

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In addition, subjective considerations such as customer credit evaluations on the CTFE Group will be documented for comparison of the eventual pricing offered to them with those offered to Independent Third Party customers of similar credit standing.

Based on the above safeguards, together with our review of the historical transactions and the Group's pricing practices, we are of the view that future transactions involving integrated value-added marketing solutions, production related services and event management services conducted under the same pricing policies are expected to be carried out on normal commercial terms and on terms no more favourable to members of the CTFE Group than those offered to Independent Third Party customers.

Credit terms

The Group intends to grant credit period of up to 30 days to the CTFE Group for payments relating to the Group's sales of commercial airtime and provision of integrated value-added marketing solutions, production related services and event management services. Based on our review of contracts entered into between the Group and Independent Third Party customers, we noted that the Group has generally granted payment terms ranging from 0 to 30-day credit period. The credit period for the CTFE Group is within this range. We understand from the Management that when determining the credit period to be granted, the Group will typically consider factors such as number of years of relationship, credit standing as well as business volume with the relevant customer.

Based on the above, we consider that the policies and measures for determining the pricing and credit terms of the services under the New Master Sales Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. We are also of the view that the Group's internal control measures as further detailed below can be implemented and adhered to, and these measures are adequate to ensure that the Advertising and Event Management Services will be carried out on normal commercial terms or better. Accordingly, the transactions to be conducted under the New Master Sales Agreement will be fair and reasonable.

4. Proposed Annual Caps

4.1. Historical transactions

The Group's historical transaction amounts under the Old Master Sales Agreement recorded relatively low values. The transaction amounts were approximately HK\$9.795 million for 2023, HK\$5.911 million for 2024 and HK\$1.080 million for 2025. Based on our understanding from the Management, the underutilised was primarily due to the challenging and uncertain macroeconomic environment that affected the Hong Kong retail and advertising sectors during the three years ended 31 December 2025, which had a general restraining effect on the advertising and promotional expenditure of market participants, including members of the CTFE Group and the CTFN Group. Key factors included the record-high gold prices in April 2024 and March 2025, which weighed

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heavily on the jewellery retail sector, and evolving consumer behaviour characterised by a rise in local outbound travel and changes in Mainland tourists' spending patterns and preferences in Hong Kong. These conditions collectively contributed to a subdued advertising market, resulting in lower-than-anticipated transaction volumes in 2024 and 2025.

We have reviewed the contracts for the aforesaid historical transactions under the Old Master Sales Agreement and noted the pricing of the commercial airtime sales was based on published rate cards applicable to all customers. Based on settlement records, the payments for the transactions in 2023, 2024 and 2025 had been made.

For the seven months ended 31 July 2026

As set out in the Letter from the Board, for the seven months ended 31 July 2026, the Group provided Advertising and Event Management Services to the CTFE Group with aggregate transaction amount of approximately HK\$1.1 million. As the aggregate transaction amount during such period was less than HK\$3 million and the highest applicable percentage ratio (excluding profits ratio) as defined under Rule 14.07 of the Listing Rules for the transactions, when aggregated, was less than 5%, the connected transactions for the period constituted de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and were fully exempt from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules. As at the Latest Practicable date, such transaction amounts in aggregate remain below the de minimis thresholds and were fully exempted.

While the Old Master Sales Agreement had expired at the end of 2025, the Group was in the midst of its strategic repositioning and needed additional time to plan and prepare the expanded scope of services under the New Master Sales Agreement. During this period, the Group ensured that each transaction was covered by separate written agreements, and monitored the aggregate transaction amounts to ensure that no threshold would be exceeded before the New Master Sales Agreement was entered into. The Group also continued to implement its internal control measures, as more particularly described in the section headed "INTERNAL CONTROL MEASURES" in the Letter from the Board, to monitor and ensure that all transactions were conducted on normal commercial terms or better, in accordance with the pricing policies of the Group, and would not prejudice the interests of the Company and the Shareholders as a whole.

For the avoidance of doubt, the above transaction amounts for Advertising and Event Management Services provided by the Group to the CTFE Group during the seven months ended 31 July 2026 will be aggregated with future transaction amounts for the remainder of the year ending 31 December 2026 and will be subject to the Annual Cap for the said year under the New Master Sales Agreement.

As mentioned above, the transactions in respect of Advertising and Event Management Services provided to the CTFE Group for the seven months ended 31 July 2026 amounted to approximately HK\$1.1 million, representing approximately 3.1% of the proposed Annual Cap for the year ending 31 December 2026. This was

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primarily due to the additional time needed by the Group to complete its strategic repositioning and to plan and prepare the expanded scope of services under the New Master Sales Agreement. As a result, while the Group has begun to provide limited Advertising and Event Management Services during the year, the full ramp up of such business is planned for the latter part of the year, to coincide with the traditional peak season for advertising and corporate events driven by year-end promotional campaigns and festive events, as well as the 20th Asian Games Aichi-Nagoya 2026. The majority of the Annual Cap for 2026 is therefore expected to be utilised in the four months ending 31 December 2026.

For due diligence purposes, we have independently reviewed the agreements entered into between the Group and members of CTFE Group under the Old Master Sales Agreement. We noted that, from 2023 to 2025, the transaction amounts were primarily concentrated during the period from September to December, which accounted for approximately 65% of the total transaction value, which is in line with the current expectation of the Management.

Having considered the rationale provided by the Management and our review of the historical transactions under the Old Master Sales Agreement, we therefore concur with the Directors' view that the low utilisation of the Annual Cap for the seven months ended 31 July 2026 was primarily due to the time required for the Group to complete its strategic repositioning and prepare for the expanded scope of services under the New Master Sales Agreement. Accordingly, we are of the view that the expected utilisation of the majority of the 2026 Annual Cap during the four months ending 31 December 2026 is more or less in line with the historical transaction pattern and the Group's expected business ramp-up.

4.2. Annual Caps

The Annual Caps for the year ended 31 December 2026 and 2027 are HK\$35.0 million and HK\$55.0 million respectively.

As set out in the Letter from the Board, the Company determined the Annual Caps with reference to:

- (a) the Group's charging rates for the Advertising and Event Management Services;
- (b) the potential increase in advertising budgets of members of the CTFE Group and the broader market environment;
- (c) the expected increase in commercial airtime and production-related services following the development of HOY Media Network;
- (d) the expected increase in quantity and frequency of the sale of commercial airtime, production related services, event management services during special broadcasting events and the Group's event-management capability; and

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- (e) the expansion of integrated marketing, production, digital/e-commerce and event-management service offerings.

For the year ending 31 December 2026, the anticipated transaction amount of Advertising and Event Management Services provided by the Group to the CTFE Group is approximately HK\$25 million, with reference to (i) approximately HK\$1.1 million aggregate transaction amount recorded for the seven months ended 31 July 2026 and up to the Latest Practicable Date; (ii) the advanced discussions between the Group and 2 members of CTFE Group on Advertising and Event Management Services campaign proposals involving provision of, among others, (a) title sponsorship of select TV shows on HOY free channels; (b) 20th Asian Games advertising package including, among others, title sponsorship, logo exposure and sponsorship posts related broadcasts on HOY free TV, HOY app, website and social media, as well as MTR station and in-train broadcast as well as Asian Games Interactive Fencing Experience in Hong Kong Station; (c) e-sports advertising package including, among others, programme naming rights, logo exposure and sponsorship posts in respect of relevant streaming and posts on HOY social media; and (d) advertising package for outdoor TV in high footfall areas such as Causeway Bay, Mongkok, Tsimshatsui and in West Kowloon High-speed Railway Station, submitted by the Group with expected transaction amounts totalling approximately HK\$12.0 million to be recognised in the remainder of 2026; and (iii) the Advertising and Event Management Services campaign proposals tailor-made for the relevant customer, involving, for example, (a) programme production services relating to an education-themed TV series to promote teaching methodology and planning educational seminars and related events for a customer engaged in education business; (b) sponsorship services with logo exposure on branded wristbands, on-site booths, VIP access areas and artists wearing products of the customer onstage during events organised by the Company; and (c) production service for short TV series promoting the business and projects of the customer in Hong Kong and China, which the Group is planning and preparing for 5 members of CTFE Group with expected transaction amounts totalling approximately HK\$11.9 million to be recognised in the remainder of 2026. We have reviewed the campaign proposals submitted by the Group, and have received confirmation from the Management that the proposals referred to in (ii) above, with expected transaction amounts totalling approximately HK\$12 million, are being finalized and shall materialize in 2026.

For the year ending 31 December 2027, the anticipated transaction amount of Advertising and Event Management Services provided by the Group to the CTFE Group is approximately HK\$45 million, with reference to (i) a full 12-month period to solicit more business in 2027 as compared to the partial operating period in 2026; (ii) the partial operating period in 2026 coincides with a peak season for advertising and corporate events, as already discussed above, which will have a higher average operating intensity as compared to the average for a full year; and (iii) the anticipated renewal rates of CTFE Group customers and their expected demand for the Group's Advertising and Event Management Services for the year. Based on the above, we concur with the Management's view that the higher anticipated transaction amount for 2027 reflects the expected growth in demand for the Group's Advertising

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and Event Management Services as the New Master Sales Agreement enters its first full year of operation and the Group continues to expand its service offerings and customer engagement with members of the CTFE Group. In addition to the above reasons, the Company has also considered that 2027 will be the 30th anniversary of the establishment of the Hong Kong Special Administrative Region and having understood that the Government of Hong Kong is planning to hold various celebratory events which may involve venues managed and operated by the CTFE Group, such as Kai Tak Sports Park and Hong Kong Convention and Exhibition Centre. As a result, it is expected that the demand for the Group's Advertising and Event Management Services will remain robust in 2027.

The Company has also incorporated a buffer of HK\$10.0 million into each of the 2026 and 2027 Annual Caps to provide flexibility in responding to unforeseeable changes which may be outside of the Group's control. In assessing the reasonableness of the Annual Caps, in addition to the above, we have also considered the matters set out under three headings below: pricing assumptions, counterparty-specific demand, special broadcasting events and the Group's service capacity and identifiable business catalysts.

Pricing assumptions

We note from the Letter from the Board that the Group adopts a pre-emptive pricing mechanism on the basis of cost-per-time at standard charging prices set for different timeslots, programmes or sponsorship packages, while integrated value-added marketing solution, production related services and event management services are intended to be priced at rates comparable to those charged to Independent Third Party customers for similar services. For external benchmarking, we identified public advertising rate-card materials published by other Hong Kong free-to-air broadcasters, including TVB 2026 Rate Book and 2026 ViuTV Rate Card No.11. Our review confirms that HOY's rate cards follow a comparable pricing framework to the two broadcasters, with tiered charges differentiated by airtime slots. However, its actual advertising rates stand at roughly one quarter of ViuTV's and are substantially lower than TVB's, equating to approximately one-twentieth of TVB's tariff levels. Accordingly, subject to prevailing market conditions, audience reach and demand, there may be scope for HOY to increase its advertising rates over time.

In respect of the integrated value-added marketing solutions, production related services, and event management services, the pricing offered to all customers who desire similar services is determined with reference to: (a) the credit evaluation by the Group on each customer in terms of its size, reputation and industry; (b) the level of complexity and specific specifications of the integrated value-added marketing solutions and the relevant production costs listed in the quotations; (c) the prevailing market rate and industry practice of similar services offered in the market by other marketing solutions service providers and event organisers; and (d) the potential future business opportunities from the customer.

Counterparty-specific demand

The improving economic environment also lends support to the proposed Annual Caps, with the Hong Kong Government's revised figures for the first quarter of 2026 showing year-on-year growth of 5.9% in real GDP and 4.9% in private consumption expenditure, indicating a pick-up in local demand in Hong Kong. Against this broader economic backdrop, the CTFE Group's business performance and development initiatives also provide company-specific support for its continued marketing requirements.

For CTF Jewellery, its latest financial year revenue recovery and ongoing brand, product, retail and digital initiatives support its continued marketing requirements. In addition, market data indicated that, as at 6 August 2026, gold was trading approximately 24% below its record high reached on 29 January 2026. According to the China section of the World Gold Council's *Gold Demand Trends: Q1 2026* report, published on 29 April 2026, Mainland China's gold jewellery demand declined by 32% year-on-year, with the gold price identified as a key factor behind the decline. Accordingly, the subsequent moderation in gold prices may help alleviate affordability pressures and stimulate demand for gold jewellery, thereby providing a more favourable operating environment for retailers such as CTF Jewellery.

For CTF Services, its investment in Kai Tak Sports Park Limited provides relevant context for its potential requirements for advertising, promotional and event-related services. CTF Services disclosed in its Interim Report 2025–2026 that Kai Tak Sports Park hosted a range of sports and entertainment events during the six months ended 31 December 2025, while the Hong Kong Government has also reported sustained event activity at the venue since its opening. Such continued event activity supports the commercial relevance of marketing and promotional services in connection with CTF Services' investment and related business interests.

For New World Development, its latest annual report records ongoing property launches and K11 experiential and cross-sector campaigns, including events that delivered measurable increases in visitors, retail sales and tourist spending. These activities demonstrate a recurring and commercially significant need for promotional, experiential-marketing and event-related services, even as the Group maintained strict control over capital expenditure and general administrative and other operating expenses.

For New World Department Store, its network of 22 department stores and shopping malls across 12 Mainland Chinese cities, together with recurring member campaigns, experiential events, cross-sector collaborations and integrated online-offline livestreaming initiatives, constitutes a clear and established use case for integrated marketing, promotional and event-related services. This is further supported by its separately reported selling, promotion and advertising expenses and its transactions for advertising, branding, marketing, loyalty and promotion-related services.

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In addition, CTF Life, one of the most well-established life insurance companies in Hong Kong, has historically been one of the key counterparties procuring the relevant services, further supporting the recurring demand for Advertising and Event Management Services within the CTFE Group.

Taken together, the above information indicates meaningful and recurring demand for Advertising and Event management services across the CTFE Group and provides a reasonable commercial basis for the procurement assumptions underlying the Annual Caps model. In addition, based on the latest available figures, the reported marketing-related expenses of CTF Jewellery, CTF Services, New World Development and New World Department Store were approximately HK\$821.7 million, HK\$117.2 million, HK\$1,181.5 million and HK\$29.6 million in their latest financial year, respectively, representing approximately HK\$2.15 billion in aggregate. Against this benchmark, the proposed Annual Caps of HK\$35 million for 2026 and HK\$55 million for 2027 would represent only approximately 1.6% and 2.6%, respectively, of such aggregate marketing expenditure.

Special broadcasting events

We have independently reviewed the relevant agreements and obtained confirmation from the Management in relation to the special broadcasting events below. We noted that the Group has secured the exclusive broadcasting rights in Hong Kong for the 20th Asian Games Aichi-Nagoya 2026 and has entered into a broadcasting agreement in relation to the Hong Kong Sevens season 2026/27. The Group is also maintaining its ongoing cooperation with the relevant parties for the Volleyball Nations League Hong Kong, and has already secured the exclusive broadcasting rights for and broadcast the 2026 season, and is expected to pursue and secure the broadcasting rights for the 2027–2028 seasons. These major international sporting events will be broadcast and distributed across the Group's HOY media network platforms, providing the Group with opportunities to further enhance audience engagement and monetise its premium sports content through advertising, production-related services and event management activities.

The Asian Games is one of the largest multi-sport events in Asia with significant audience reach and commercial value. The previous edition, Hangzhou Asian Games 2023, generated extensive media exposure, with China Media Group platforms recording 34.15 billion television viewing occasions and 7.27 billion new media views. The opening ceremony alone attracted approximately 199 million television viewers, highlighting the substantial audience and advertising potential of the upcoming Aichi-Nagoya 2026 Asian Games.

The Hong Kong Sevens is one of Hong Kong's most prominent international sporting events. The 2025/26 season held at Kai Tak Sports Park attracted over 110,000 spectators over three days and was estimated to have generated an economic impact of approximately HK\$768 million economic impact assessment. The strong attendance and commercial appeal demonstrate the continued potential for advertising, sponsorship and event-related opportunities surrounding future editions.

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Volleyball Nations League has also demonstrated strong audience appeal locally and globally in 2025. The Hong Kong stage attracted approximately 40,000 spectators over five days, while total attendance across all Volleyball Nations League venues reached approximately 883,000. In addition, cumulative television audiences reached 1.72 billion across 80 territories. The continued popularity of volleyball provides potential opportunities for future broadcasting exposure and commercialisation.

Having considered the sport fever generated by the aforementioned major sporting events, we are of the view that such events are expected to support the growth in demand for the Group's Advertising and Event Management Services, thereby providing the Group with more opportunities to provide services to Members of the CTFE Group and offering support to the proposed Annual Caps.

Group service capacity and identifiable business catalysts

With reference to the 2025AR, the Group's digital television broadcasting network covers nearly 99% of Hong Kong households and its HOY app recorded over one million downloads; it also reports over 1,300 hours of live broadcasts of major global sports events in 2025. The 2026 HOY Media Network strategy expressly contemplates an integrated online and offline model and collaboration with cross-industry partners, while the Letter from the Board refers to exclusive broadcasting rights and related event-management opportunities. These matters support a broader inventory of airtime, sponsorship, production and event-related opportunities than a traditional television-only offering.

The 2025AR also states that advertisers are increasingly shifting budgets towards digital channels; the Group is developing interactive and personalised advertising products for digital platforms and adopting a "digital assets-first" production approach; and, in its 2026 outlook, the Group intends to offer content sponsorship, integrated marketing solutions, customised advertising content and tailor-made cross-platform bundled sales. The Business Review further notes that branded-content programmes have secured clients from a range of retail-related industries and that market demand for innovative marketing, digital promotion and experiential marketing services continues to grow. In our view, these disclosures provide a reasonable qualitative basis for expecting the expanded service scope, including Advertising and Event Management Services, to create additional transaction opportunities with members of the CTFE Group.

Having considered the above, we are of the view that the proposed annual caps under the New Master Sales Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

5. Internal Control Policies

The Letter from the Board states that, as a general principle, individual sale or service contracts under the New Master Sales Agreement will be determined in the ordinary course of business, on normal commercial terms or better, negotiated on an arm's length basis, and on terms no less favourable to the Group than those offered to Independent Third Party customers. The principal internal control measures include:

- (i) preparation of individual contracts by the sales department or project team and annual review of standard charging prices against prevailing market rates and industry practice;
- (ii) an annual review by the finance department, headed by the chief financial officer, of the pricing mechanism, with reporting to the Board, Audit Committee and independent non-executive Directors;
- (iii) finance review of the pricing mechanism for individual contracts and monitoring against the Annual Caps before services are provided;
- (iv) continuous recording of transaction amounts and half-yearly reporting to the Board, with Listing Rules compliance required before further transactions if a cap is to be exceeded;
- (v) monitoring of credit terms and overdue payments; and
- (vi) annual review by the independent non-executive Directors and the external auditor in accordance with the Listing Rules.

Having considered the above, and having (i) obtained and reviewed the relevant internal control policies and procedures adopted and followed by the Management; and (ii) obtained confirmation from the Management that the Group will strictly adhere to and implement the relevant internal control measures on an ongoing basis, we are of the view that the Group's existing procedures governing connected transactions and the internal control measures in relation to the New Master Sales Agreement are adequate and effective for monitoring the transactions thereunder, such that (i) the pricing will be on normal commercial terms or better; (ii) the proposed annual caps will not be exceeded; and (iii) ensuring these transactions are entered into in the interests of Independent Shareholders.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER
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OPINION AND RECOMMENDATION

Having considered the principal factors and reasons as discussed above, we consider that (i) the New Master Sales Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and (ii) the terms of which are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the GM.

Yours faithfully,
For and on behalf of
WRISE CAPITAL LIMITED
Alan Au-Yeung
Executive Director

Mr. Alan Au-Yeung is the Executive Director of Wrise Capital and is licensed under the SFC as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Au-Yeung has over 22 years of corporate finance experience in Hong Kong and has participated in and completed various financial advisory and independent financial advisory transaction.

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 as 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. DISCLOSURE OF INTERESTS OF DIRECTORS

(a) Directors' interest or short positions in shares and underlying shares of the Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors or the chief executive of the Company or their respective associates had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules:

Name of Director	Number of Shares held through controlled corporation	Approximate percentage of holding
Dr. Cheng ^(Note)	11,052,488,230 (L) 1,871,294,118 (S)	154.91% 26.23%

(L) denotes a long position in such Shares and (S) denotes a short position in such Shares

Note: Celestial Pioneer was wholly-owned by Dr. Cheng and held 72.0% interests in Forever Top. Accordingly, both Celestial Pioneer and Forever Top were controlled corporations of Dr. Cheng. Forever Top was interested in 10,568,899,364 Shares, which represented (i) 3,083,722,894 Shares owned by Forever Top; (ii) 4,544,000,000 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in June 2019; and (iii) 2,941,176,470 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in March 2021. Celestial Pioneer was interested in 11,052,488,230 Shares, which represented (i) 483,588,866 Shares owned by Celestial Pioneer; and (ii) the deemed interests in 10,568,899,364 Shares held by Forever Top under the SFO. Therefore, Dr. Cheng was deemed to be interested in such 11,052,488,230 Shares under the SFO. The short position is in 1,871,294,118 Shares held by Forever Top as a beneficial owner.

As at the Latest Practicable Date, save for Dr. Cheng, none of the Directors or chief executive of the Company is a director or employee of a company which has an interest or short position in the shares, underlying shares or debentures of the Company and its associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as was known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, persons other than a Director or chief executive of the Company who had interests or short positions in the Shares and underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, were as follows:

Name	Number of Shares			Total	Approximate percentage of the number of issued Shares (%)
	Beneficial owner	Interest of spouse	Interest of a controlled corporation		
Celestial Pioneer ⁽¹⁾	483,588,866 (L)	—	10,568,899,364 (L) 1,871,294,118 (S)	11,052,488,230 (L) 1,871,294,118 (S)	154.91 26.23
Forever Top ⁽¹⁾	10,568,899,364 (L) 1,871,294,118 (S)	—	—	10,568,899,364 (L) 1,871,294,118 (S)	148.14 26.23
Mr. Ng Hung Sang ⁽²⁾	120,334,500 (L)	64,722,500 (L)	382,496,000 (L)	567,553,000 (L)	7.95
Ms. Ng Lai King Pamela ⁽³⁾	64,722,500 (L)	502,830,500 (L)	—	567,553,000 (L)	7.95
South China Securities Limited ⁽⁴⁾	381,120,000 (L)	—	—	381,120,000 (L)	5.34

(L) denotes a long position in such Shares and (S) denotes a short position in such Shares.

Notes:

- (1) These 10,568,899,364 Shares represent (i) 3,083,722,894 Shares owned by Forever Top; (ii) 4,544,000,000 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in June 2019; and (iii) 2,941,176,470 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in March 2021. As at the Latest Practicable Date, Celestial Pioneer holds 72.0% of Forever Top and is deemed to be interested in all the interests held by Forever Top under the SFO. Celestial Pioneer was wholly-owned by Dr. Cheng. Accordingly, both Celestial Pioneer and Forever Top were controlled corporations of Dr. Cheng, and Dr. Cheng was therefore deemed to be interested in these 10,568,899,364 Shares under the SFO. For details of Dr. Cheng's interests in the Shares, please refer to the paragraph headed "Directors' interest or short positions in shares and underlying shares of the Company" above. Based on the disclosure of interests forms for a relevant event on 6 June 2025 filed in respect of Celestial Pioneer and Forever Top, (i) Celestial Pioneer came to have a short position in the

shares because Forever Top, a corporation controlled by Celestial Pioneer, became the holder of, wrote or issued certain equity derivatives; and (ii) Forever Top came to have a short position in the shares because Forever Top as the beneficial owner became the holder of, wrote or issued certain equity derivatives.

- (2) Mr. Ng Hung Sang, the spouse of Ms. Ng Lai King Pamela, was deemed to be interested in the 64,722,500 Shares in which Ms. Ng Lai King Pamela was interested under the SFO. Mr. Ng Hung Sang was also deemed to be interested in 382,496,000 Shares in which his controlled corporations are interested under the SFO. South China Finance and Management Limited directly held 1,376,000 Shares, while South China Securities Limited directly held 381,120,000 Shares. Both of these companies were wholly-owned by South China Financial Holdings Limited. Based on the information available to the Company, South China Financial Holdings Limited was held as to approximately 29.98% by Mr. Ng Hung Sang, among which approximately 25.66% was held through his wholly-owned corporations, while according to publicly available information, approximately 4.32% was held by him as beneficial owner.
- (3) Ms. Ng Lai King Pamela, the spouse of Mr. Ng Hung Sang, was deemed to be interested in the 502,830,500 Shares in which Mr. Ng Hung Sang is interested under the SFO.
- (4) Based on the publicly available information, South China Securities Limited is wholly-owned by Mr. Ng Hung Sang. As at the Latest Practicable Date, based on a disclosure of interest form for a relevant event dated 30 June 2026 filed in respect of Mr. Ng Hung Sang, South China Securities Limited directly held 381,120,000 Shares.

Save as disclosed above, so far as was known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, no persons other than a Director or chief executive of the Company had any interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which would not expire or would not be determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, save for (i) the sub-licence of certain commercial premises by a company within the CTFE Group in which Dr. Cheng is interested to members of the Group for terms of six months at monthly licence fees of HK\$60,000 and HK\$220,000, respectively; and (ii) the provision of certain premises by a company within the CTFE Group in which Dr. Cheng is interested to the Group for the purpose of holding two general meetings of the Company, for a total fee of HK\$40,000, none of the Directors has or had any interest, either directly or indirectly, in any assets which have since 31 December 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 are proposed to be acquired or disposed of by, or leased to, any member of the Group.

5. DIRECTORS' INTERESTS IN CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, save for:

- (a) the unlisted long-term convertible securities subscription agreement dated 25 January 2019 between the Company and Forever Top in relation to the subscription of the unlisted long-term convertible bonds with the principal amount of HK\$568 million by Forever Top, which was completed in June 2019;
- (b) the unlisted long-term convertible securities subscription agreement dated 27 January 2021 between the Company and Forever Top in relation to the subscription of the unlisted long-term convertible bonds with the principal amount of HK\$200 million by Forever Top, which was completed in March 2021;
- (c) the loan agreement dated 21 January 2022 between Hong Kong Cable Television Limited (“**HKC**”) as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$70 million for a term of three years with an interest rate of 2.5% per annum. Such loan was extended by a loan extension agreement dated 31 December 2024 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the unpaid principal amount and interest for the loan maturing on 20 January 2025 of approximately HK\$68.5 million for a term of three years from 21 January 2025, with an interest rate of 6.0% per annum;
- (d) the loan agreement dated 4 April 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 3.0% per annum. Such loan was extended by a loan extension agreement dated 18 March 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan maturing on 3 April 2025, an extension for approximately HK\$52.6 million for a term of three years from 4 April 2025, with an interest rate of 6.0% per annum;
- (e) the loan agreement dated 28 June 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 3.0% per annum. Such loan was extended by a loan extension agreement dated 18 March 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 27 June 2025, an extension for approximately HK\$53.0 million for a term of three years from 28 June 2025, with an interest rate of 6.0% per annum;

- (f) the loan agreement dated 24 August 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 3.0% per annum. Such loan was extended by a loan extension agreement dated 18 March 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 22 August 2025, an extension for approximately HK\$84.8 million for a term of three years from 23 August 2025, with an interest rate of 6.0% per annum;
- (g) the loan agreement dated 8 November 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 3.0% per annum. Such loan was extended by a loan extension agreement dated 18 March 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 7 November 2025, an extension for approximately HK\$53.4 million for a term of three years from 8 November 2025, with an interest rate of 6.0% per annum;
- (h) the loan agreement dated 9 January 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum. Such loan was extended by a loan extension agreement dated 7 August 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan maturing on 8 January 2026, an extension for approximately HK\$90.0 million for a term of three years from 9 January 2026, with an interest rate of 4.0% per annum;
- (i) the loan agreement dated 3 April 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum. Such loan was extended by a loan extension agreement dated 7 August 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 2 April 2026, an extension for approximately HK\$91.0 million for a term of three years from 3 April 2026, with an interest rate of 4.0% per annum;
- (j) the loan agreement dated 25 May 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum. Such loan was extended by a loan extension agreement dated 7 August 2025 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 22 May 2026, an extension for approximately HK\$91.0 million for a term of three years from 25 May 2026, with an interest rate of 4.0% per annum;

- (k) the loan agreement dated 2 August 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum. Such loan was extended by a loan extension agreement dated 24 March 2026 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan maturing on 31 July 2026, an extension for approximately HK\$92.0 million for a term of three years from 31 July 2026, with an interest rate of 4.0% per annum;
- (l) the loan agreement dated 18 September 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum. Such loan was extended by a loan extension agreement dated 24 March 2026 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 17 September 2026, an extension for approximately HK\$92.0 million for a term of three years from 17 September 2026, with an interest rate of 4.0% per annum;
- (m) the loan agreement dated 21 November 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 6.0% per annum. Such loan was extended by a loan extension agreement dated 24 March 2026 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 20 November 2026, an extension for approximately HK\$59.0 million for a term of three years from 20 November 2026, with an interest rate of 4.0% per annum;
- (n) the loan agreement dated 4 January 2024 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 6.0% per annum. Such loan was extended by a loan extension agreement dated 24 March 2026 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 31 December 2026, an extension for approximately HK\$94.4 million for a term of three years from 31 December 2026, with an interest rate of 4.0% per annum;
- (o) the loan agreement dated 6 March 2024 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$90 million for a term of three years with an interest rate of 6.0% per annum. Such loan was extended by a loan extension agreement dated 21 August 2026 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 5 March 2027, an extension for approximately HK\$106.2 million for a term of three years from 5 March 2027, with an interest rate of 4.0% per annum;

- (p) the loan agreement dated 3 June 2024 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$70 million for a term of three years with an interest rate of 8.0% per annum. Such loan was extended by a loan extension agreement dated 21 August 2026 entered into between HKC as the borrower and Celestial Pioneer as the lender, pursuant to which HKC obtained an unsecured loan extension for the loan originally maturing on 2 June 2027, an extension for approximately HK\$86.8 million for a term of three years from 2 June 2027, with an interest rate of 4.0% per annum;
- (q) the loan agreement dated 2 September 2024 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$20 million for a term of three years with an interest rate of 8.0% per annum;
- (r) the loan agreement dated 2 October 2024 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 6.0% per annum;
- (s) the loan agreement dated 2 December 2024 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$40 million for a term of three years with an interest rate of 6.0% per annum;
- (t) the loan agreement dated 4 February 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$60 million for a term of three years with an interest rate of 6.0% per annum;
- (u) the loan agreement dated 18 March 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$60 million for a term of three years with an interest rate of 6.0% per annum;
- (v) the loan agreement dated 13 May 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$60 million for a term of three years with an interest rate of 6.0% per annum;
- (w) the loan agreement dated 15 July 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$60 million for a term of three years with an interest rate of 4.0% per annum;
- (x) the loan agreement dated 10 September 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$60 million for a term of three years with an interest rate of 4.0% per annum;
- (y) the loan agreement dated 14 November 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 4.0% per annum;
- (z) the loan agreement dated 24 December 2025 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$328 million for a term of three years with an interest rate of 4.0% per annum;

- (aa) the loan agreement dated 16 January 2026 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$226 million for a term of three years with an interest rate of 4.0% per annum;
- (bb) the loan agreement dated 2 April 2026 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$150 million for a term of three years with an interest rate of 4.0% per annum; and
- (cc) the loan agreement dated 31 July 2026 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 4.0% per annum,

none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

7. COMPETING INTERESTS OF DIRECTORS AND ASSOCIATES

As at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or have or may have any other conflict of interest with the Group pursuant to the Listing Rules.

8. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against any member of the Group.

9. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
WRISE Capital Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, WRISE Capital Limited did not have (i) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; (ii) any direct or indirect interest in any assets which had, since 31 December 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 are proposed to be acquired or disposed of by, or leased to any member of the Group; (iii) any beneficial interest in the share capital of any member of the Group and had no right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

WRISE Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or references to its name in the form and context in which it appears.

10. DOCUMENTS ON DISPLAY

A copy of the New Master Sales Agreement will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.ctfme.com) from the date of this circular up to and including the date of the GM.

11. MISCELLANEOUS

- (a) The Registrar is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (b) The company secretary of the Company is Mr. Lee Lung Piu. Mr. Lee is a fellow of the Hong Kong Institute of Certified Public Accountants, and an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (c) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

NOTICE OF GENERAL MEETING

CTF Media & Entertainment Limited

周大福媒體娛樂有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting other than the annual general meeting (“**GM**”) of CTF Media & Entertainment Limited (the “**Company**”) will be held at 3:00 p.m. on Friday, 18 September 2026 at 5/F, KOHO, Nos. 73–75 Hung To Road, Kwun Tong, Kowloon, Hong Kong to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the New Master Sales Agreement (as defined in the circular of the Company dated 1 September 2026 (the “**Circular**”)) dated 6 August 2026 entered into between the Company and Chow Tai Fook Enterprises Limited, a copy of which has been produced at the GM marked “A” and signed by the chairman of the GM for the purpose of identification, and the execution thereof and implementation of the transactions contemplated thereunder, as well as the annual caps in relation to such transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and
- (b) the directors of the Company be and are authorised to do all such acts and/or things and/or execute for and on behalf of the Company all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the New Master Sales Agreement and all transactions contemplated thereunder as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the New Master Sales Agreement and the implementation of all transactions contemplated thereunder and to agree to such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interest of the Company.”

By Order of the Board
CTF Media & Entertainment Limited
Lee Lung Piu
Company Secretary

Hong Kong, 1 September 2026

NOTICE OF GENERAL MEETING

Registered office:

12/F, KOHO
Nos. 73–75 Hung To Road
Kwun Tong
Kowloon
Hong Kong

Notes:

1. Any shareholders entitled to attend and vote at the GM is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, to vote on his/her/its behalf. A proxy need not be a shareholder of the Company but must be present in person at the GM to represent the shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of shares of the Company in respect of which each such proxy is so appointed. On a poll, votes may be given either personally or by proxy.
2. A form of proxy for use at the GM is enclosed. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the share registrar of the Company (the “**Registrar**”), Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the holding of the GM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude members from attending and voting at the GM or any adjournment thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
3. A form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorised to sign the same.
4. Where there are joint holders of any share(s), any one of such persons may attend and vote at the GM, either in person or by proxy in respect of such share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the GM or any adjournment thereof (as the case may be), the more senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. On a poll, every shareholder present at the GM shall be entitled to one vote for every fully paid-up share of which he/she is the holder. The result of such poll shall be deemed to be the resolution of the GM at which the poll was so required or demanded. For the avoidance of doubt, holders of treasury shares of the Company (if any) are not entitled to vote at the GM.
6. The register of members of the Company will be closed from Tuesday, 15 September 2026 to Friday, 18 September 2026, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the GM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 14 September 2026. The record date for the purpose of ascertaining Shareholders’ entitlement to attend and vote at the GM is Friday, 18 September 2026.
7. If a Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or “extreme conditions caused by a super typhoon” announced by the Government is/are in force at 1:00 p.m. on the date of the meeting, the meeting will be postponed or adjourned. The Company will post an announcement on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company’s website (www.ctfme.com) to notify the shareholders of the date, time and venue of the rescheduled meeting.

NOTICE OF GENERAL MEETING

As at the date of this notice, the Board comprises ten Directors, namely Dr. Cheng Kar Shun, Henry (Chairman) as non-executive Director; Mr. Tsang On Yip, Patrick (Vice-chairman), Ms. Wong Nga Fan (Chief Executive Officer), Dr. Luk Wai Ki Elvis, Mr. Darren Raymond Shaw and Mr. Chang Tat Joel as executive Directors; and Mr. Lam Kin Fung Jeffrey, Prof. Hu Shao Ming Herman, Mr. Luk Koon Hoo, Roger and Mr. Tang Sing Ming Sherman as independent non-executive Directors.