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**豐盛生活服務有限公司**  
**FSE LIFESTYLE SERVICES LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 331)**

## **CONTINUING CONNECTED TRANSACTIONS:**

- (1) NWD MASTER SERVICES AGREEMENT**
- (2) CTFE MASTER SERVICES AGREEMENT**
- (3) DOO'S ASSOCIATES GROUP MASTER SERVICES AGREEMENT**

In the ordinary and usual course of business of the Group, members of the Group regularly enter into continuing connected transactions regarding the provision of the Services to and from members of the NWD Group, the CTFE Group and the Doo's Associates Group. In order to streamline these continuing connected transactions, the Company has entered into the New Master Services Agreements. The principal terms and conditions of these agreements are set out in this announcement.

As the highest of the applicable Percentage Ratio in respect of the Annual Caps for the NWD Master Services Agreement and the CTFE Master Services Agreement is more than 25%, the NWD Master Services Agreement, the CTFE Master Services Agreement, the Services Transactions contemplated thereunder respectively, and their respective Annual Caps are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A.

As the highest of the applicable Percentage Ratio in respect of the Annual Caps for the Doo's Associates Group Master Services Agreement exceeds 5% and HK\$10,000,000, the Doo's Associates Group Master Services Agreement, the Services Transactions contemplated thereunder and its Annual Caps are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A.

A circular containing further details of the EGM Matters and other information required under the Listing Rules, together with a form of proxy, is expected to be despatched to the Shareholders on or about 29 May 2026, as time is required to prepare the necessary information for inclusion in the circular.

## **INTRODUCTION**

In the ordinary and usual course of business of the Group, members of the Group regularly enter into continuing connected transactions regarding the provision of the Services to and from members of the NWD Group, the CTFE Group and the Doo's Associates Group.

In order to streamline these continuing connected transactions, the Company has entered into the New Master Services Agreements. The principal terms and conditions of these agreements are set out in this announcement.

## **NEW MASTER SERVICES AGREEMENTS**

### **1. NWD MASTER SERVICES AGREEMENT**

As the initial term of the Former NWD Master Services Agreement will expire on 30 June 2026, the Company and NWD have entered into the NWD Master Services Agreement. This new agreement provides a master framework of agreement for the Definitive Agreements to be entered into between the Group and the NWD Group. Furthermore, as the Group is part of the Services Group (Doo's Associates), the NWD Master Services Agreement also serves as a definitive agreement under the NWD Services Group Master Services Agreement.

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

- Date** : 24 April 2026
- Parties** : (1) NWD; and  
(2) the Company.
- Conditions Precedent** : The NWD Master Services Agreement is conditional upon:
- (1) the obtaining of the approval of the Independent Shareholders at the EGM approving the NWD Master Services Agreement, the Services Transactions contemplated thereunder and its Annual Caps; and
  - (2) (if required) the obtaining of the approval of the independent shareholders of NWD at an extraordinary general meeting of NWD approving the NWD Services Group Master Services Agreement, the transactions contemplated thereunder and their annual caps.
- Duration** : Subject to fulfillment of the conditions precedent contained in the NWD Master Services Agreement, the NWD Master Services Agreement is for an initial term of three years commencing on the Effective Date and ending on 30 June 2029 (both days inclusive), unless terminated at an earlier date pursuant to the NWD Master Services Agreement.

Subject to re-compliance with the applicable requirements of the Listing Rules at the relevant time, the NWD Master Services Agreement may be automatically renewed at the end of its initial term (or any subsequent renewed term) for a successive period of three years (or such other period permitted under the Listing Rules) unless either party gives written notice to the other party not less than 30 business days before the end of its initial term (or any subsequent

renewed term) to terminate the NWD Master Services Agreement.

**Services to be provided by the Group to the NWD Group** : The FSE Services, the FSE Insurance Solutions Services to NWD Group and such other types of services as members of the Group and members of the NWD Group may agree upon from time to time in writing.

**Services to be provided by the NWD Group to the Group** : The NWD Services and such other types of services as members of the Group and members of the NWD Group may agree upon from time to time in writing.

**Definitive Agreements** : Members of the Group and members of the NWD Group will, from time to time during the term of the NWD Master Services Agreement, enter into separate Definitive Agreements in respect of the Services Transactions contemplated thereunder which shall always be in compliance with the Listing Rules, the NWD Master Services Agreement and the NWD Services Group Master Services Agreement.

All definitive agreements entered into in respect of the transactions contemplated under the Former NWD Master Services Agreement, which are subsisting as at the Effective Date will be treated as Definitive Agreements made pursuant to the NWD Master Services Agreement as from the Effective Date and continue in full force and effect until their termination in accordance with their respective terms.

## 2. CTFE MASTER SERVICES AGREEMENT

As the initial term of the Former CTFE Master Services Agreement will expire on 30 June 2026, the Company and CTFE have entered into the CTFE Master Services Agreement. This new agreement provides a master framework of agreement for the Definitive Agreements to be entered into between the Group and the CTFE Group.

The major terms of the CTFE Master Services Agreement are set out below:

**Date** : 24 April 2026

**Parties** : (1) CTFE; and  
(2) the Company.

**Condition Precedent** : The CTFE Master Services Agreement is conditional upon the obtaining of the approval of the Independent Shareholders at the EGM approving the CTFE Master Services Agreement, the Services Transactions contemplated thereunder and its Annual Caps.

**Duration** : Subject to the fulfillment of the condition precedent of the CTFE Master Services Agreement, the CTFE Master Services Agreement is for an initial term of three years commencing on the Effective Date and ending on 30 June 2029 (both days inclusive), unless terminated at an earlier date pursuant to the CTFE Master Services Agreement.

Subject to re-compliance with the applicable requirements of the Listing Rules at the relevant time, the CTFE Master Services Agreement may be automatically renewed at the end of its initial term (or any subsequent renewed term) for a successive period of three years (or such other period permitted under the Listing Rules) unless either party gives written notice to the other party no later than two months before the end of its initial term (or any subsequent renewed term) to terminate the CTFE Master Services Agreement.

**Services to be provided by the Group to the CTFE Group** : The FSE Services (not including lift repair and maintenance services under the FSE E&M Services), the FSE Insurance Solutions Services to Others and such other types of services as members of the Group and members of the CTFE Group may agree upon from time to time in writing.

**Services to be provided by the CTFE Group to the Group** : The CTFE Services and such other types of services as members of the Group and members of the CTFE Group may agree upon from time to time in writing.

**Definitive Agreements** : Members of the Group and members of the CTFE Group will, from time to time during the term of the CTFE Master Services Agreement, enter into separate Definitive Agreements in respect of the Services Transactions contemplated thereunder which shall always be in compliance with the Listing Rules and the CTFE Master Services Agreement.

All definitive agreements entered into in respect of the transactions contemplated under the Former CTFE Master Services Agreement, which are subsisting as at the Effective Date will be treated as Definitive Agreements made pursuant to the CTFE Master Services Agreement as from the Effective Date and continue in full force and effect until their termination in accordance with their respective terms.

### **3. DOO'S ASSOCIATES GROUP MASTER SERVICES AGREEMENT**

As the initial term of the Former Doo's Associates Group Master Services Agreement will expire on 30 June 2026, the Company and FSE Management have entered into the Doo's Associates Group Master Services Agreement. This new agreement provides a master framework of agreement for the Definitive Agreements to be entered into between the Group and the Doo's Associates Group.

The major terms of the Doo's Associates Group Master Services Agreement are set out below:

- Date** : 24 April 2026
- Parties** : (1) FSE Management; and  
(2) the Company.
- Condition Precedent** : The Doo's Associates Group Master Services Agreement is conditional upon the obtaining of the approval of the Independent Shareholders at the EGM approving the Doo's Associates Group Master Services Agreement, the Services Transactions contemplated thereunder and its Annual Caps.
- Duration** : Subject to fulfillment of the condition precedent contained in the Doo's Associates Group Master Services Agreement, the Doo's Associates Group Master Services Agreement is for an initial term of three years commencing on the Effective Date and ending on 30 June 2029 (both days inclusive), unless terminated at an earlier date pursuant to the Doo's Associates Group Master Services Agreement.
- Subject to re-compliance with the applicable requirements of the Listing Rules at the relevant time, the Doo's Associates Group Master Services Agreement may be automatically renewed at the end of its initial term (or any subsequent renewed term) for a successive period of three years (or such other period permitted under the Listing Rules) unless either party gives written notice to the other party no later than two months before the end of its initial term (or any subsequent renewed term) to terminate the Doo's Associates Group Master Services Agreement.
- Services to be provided by the Group to the Doo's Associates Group** : The FSE Services, the FSE Insurance Solutions Services to Others and such other types of services as members of the Group and members of the Doo's Associates Group may agree upon from time to time in writing.
- Services to be provided by the Doo's Associates Group to the Group** : Doo's Associates Services and such other types of services as members of the Group and members of the Doo's Associates Group may agree upon from time to time in writing.
- Definitive Agreements** : Members of the Group and members of the Doo's Associates Group will, from time to time during the term of the Doo's Associates Group Master Services Agreement, enter into separate Definitive Agreements in respect of the Services Transactions contemplated thereunder which shall always be in compliance with the Listing Rules and the Doo's Associates Group Master Services Agreement.

All definitive agreements entered into in respect of the transactions contemplated under the Former Doo's Associates Group Master Services Agreement which are subsisting as at the Effective Date will be treated as Definitive Agreements made pursuant to the Doo's Associates Group Master Services Agreement as from the Effective Date and continue in full force and effect until their termination in accordance with their respective terms.

## **QUALIFICATIONS OF ENGAGEMENT**

The engagement to be made pursuant to each of the New Master Services Agreements is subject to the following qualifications:

- (1) the engagement only applies to services required for businesses, projects and/or premises for which the relevant member(s) of the Group, the NWD Group, the CTFE Group or the Doo's Associates Group (as the case may be) has (have) the right to select providers of the relevant Services;
- (2) the engagement is not contrary to the terms of contracts governing the relevant businesses, projects and/or premises or any applicable laws, regulations or administrative directives promulgated by competent authorities to which the businesses, projects and/or premises of the relevant members of the Group, the NWD Group, the CTFE Group or the Doo's Associates Group (as the case may be) may relate; and
- (3) in the event that the provider of a particular Service is required to be selected through auction or tender or other similar process, the engagement shall only become effective as and when the relevant member(s) of the Group, the NWD Group, the CTFE Group or the Doo's Associates Group (as the case may be) has (have) been selected by the relevant member(s) of the Group, the NWD Group, the CTFE Group or the Doo's Associates Group (as the case may be) as the service provider as a result of the relevant auction or tender or other similar process.

The engagement to be made pursuant to the CTFE Master Services Agreement is also subject to the following qualification apart from the above:

- CTFE and its group members shall have the sole and absolute right and discretion to decide whether to engage any member of the Group to provide the relevant FSE Services and the FSE Insurance Solutions Services to Others, and neither CTFE nor any of its group members shall be under any obligation or commitment to engage or procure the engagement of any member of the Group to provide the relevant FSE Services and the FSE Insurance Solutions Services to Others.

## **PRICING POLICIES (GENERAL PRINCIPLE)**

As a general principle, the prices and terms of the Definitive Agreements with respect to the Services Transactions to be entered into pursuant to each of the New Master Services Agreements shall be determined:

- (1) in the ordinary and usual course of business of the Group and group members of the

relevant Connected Parties;

- (2) on normal commercial terms and negotiated on arm's length basis;
- (3) at prices and on terms no less favourable to the Group or the group member(s) of the relevant Connected Parties (as the case may be) than those charged and provided to independent third party customers of (a) the Group (in respect of the FSE Services and the FSE Insurance Solutions Services); or (b) the NWD Group (in respect of the NWD Services); or (c) the CTFE Group (in respect of the CTFE Services); or (d) the Doo's Associates Group (in respect of the Doo's Associates Services); and
- (4) at prices and on terms no less favourable to the Group or the group member(s) of the relevant Connected Parties (as the case may be) than those paid to or available from independent third party suppliers of (a) the Group (in respect of the NWD Services, the CTFE Services and the Doo's Associates Services); or (b) each of the NWD Group, the CTFE Group and the Doo's Associates Group (in respect of the relevant FSE Services and the FSE Insurance Solutions Services).

## **PRICING POLICIES (PRICING POLICY AND PROCEDURES)**

Subject to the general principle above, the pricing policy and procedures adopted and applied by the Group to set the contract prices and terms for the Services Transactions with members of the relevant Connected Parties are described below.

These pricing policy and procedures ensure that the Group compares the terms of the Services Transactions (including pricing) with market terms before entering into such transactions, ensuring the terms of the Services Transactions are comparable to market norms (or are more favourable than those available from independent third parties). Additionally, the Company has established internal control measures to report and monitor continuing connected transactions. These measures include the regular checks by the Group's legal, company secretarial, managers and the general managers to ensure adherence to these pricing policy and procedures, as well as annual assessments of the transactions conducted by the internal audit department of the Group. Further details are set out in the paragraph headed "Internal Control Measures" below.

Accordingly, the Directors are of the view that these pricing policy and procedures ensure the Services Transactions will be conducted on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

### **Services to be provided by the Group**

#### ***FSE Cleaning Services***

As regards the FSE Cleaning Services to be provided by the Group pursuant to the relevant New Master Services Agreements:

- In general, the fees payable by the Connected Parties will be determined by reference to comparables of fee quotations provided by the Group to other independent third party customers, taking into account factors including the nature and type of services to be rendered.
- The marketing department identifies business opportunities by reviewing public tender

notices and through invitations from customers to submit tenders for potential work. The marketing department is responsible for the preparation of tenders according to the tender preparation policies and procedures.

- During such tendering process, the Group estimates the service charge of each service based on the estimated cost under each service contract, such as (i) the estimated manpower required according to the scope of services required by the customer; (ii) materials and consumables required; and (iii) equipment required, plus a profit margin. The estimated service charges may need to be adjusted in order to enhance the competitiveness of the Group's tenders.
- The proposed profit margin for the cleaning services would be determined taking into account factors including the nature and complexity of the relevant project; the expected competitiveness of the tender based on the previous experience; the historical profit margin of similar type of existing contract; and the strategic consideration of the contract, etc. The Group adopts the same pricing policy and procedures in the determination of the service charge to the connected persons of the Group as well as to independent third party customers of the Group in order to ensure that the service charge as may be submitted by the Group to connected persons of the Group will be fair and reasonable and no less favourable to the Group than those offered to the independent third party customers. The reasonable profit margin and the service charge for the relevant services are approved by deputy general managers, director and general manager and managing director in accordance with the company's approval procedures with limits of authority.
- For non-tendering contracts of the Group's cleaning services, where a member of the Group is invited to provide a fee quotation, the contract sum and terms will be assessed and determined by adopting the same pricing policy and procedure as in the determination of the Group's tender prices and terms.

### ***FSE E&M Services***

As regards the FSE E&M Services to be provided by the Group pursuant to the relevant New Master Services Agreements, members of the Group are typically engaged as subcontractor, contractor, management contractor or project manager of the FSE E&M Services of the relevant projects after having been selected from participating tenderers or contractors by members of the relevant Connected Parties:

- Where a member of the Group participates in a tender with all bidders (including independent third parties in the market), the winning bid of which will usually be the one with the lowest tender amount in accordance with the employer's tender procedures on the condition that the bidder conformed to all the essential requirements (including but not limited to relevant experience, capability and historical relationship) as set out in the bid invitation from the employer. For each potential project, the tender information is submitted to the Group's tender department for review. The preparation of tenders is a very important aspect of the Group's E&M engineering operations and requires considerable experience in pricing the tender so that it is competitive while remaining profitable. The tender preparation process includes tender wrap-up meeting to perform a thorough analysis of the project to be undertaken including contract requirements and possible risks, followed by the collection of cost data. Such data include quotations from suppliers for materials to be used in the project, estimates on management resources, and material and labour costs.

- In pricing a tender, the Group also make references to recent job quotations, such as tender record, major material and equipment costs and subcontractor's labour costs, quotations, resources availability of the Group's projects completed or in progress which are stored in the Group's data system. In addition, related market information, such as material price trend and potential contract opportunities are also retrieved for reference. Before submission, each tender has to be reviewed by the Group's contract managers and approved by the Group's project director in accordance with the Group's pricing policy and limits of authority. In the tender wrap up process as referred to above in the determination of the tender price as may be submitted by the Group, the project director and where the proposed tender sum is more than certain thresholds as set out in the Group's pricing policy from time to time, the top management committee, will review the reasonableness of the tender price which included a mark-up, by reference to the unit costs (such as cost per area, cost per capacity or rating, cost per numbers of flat or unit, cost per equipment etc.) and to compare with the current and historical market prices of similar projects and tenders available and stored in the Group's data system (the current and historical market prices include successful tender prices by the Group and successful tender prices from other competitors (if available) if the relevant projects were not awarded to the Group, and recent tender prices submitted), to ensure that the tender price as may be submitted by the Group is fair, reasonable and competitive. The Group adopts the same pricing policy and procedures in the determination of the tender prices to connected persons of the Company as well as to independent third party customers of the Group in order to ensure that the tender prices as may be submitted by the Group to connected persons of the Company will be fair and reasonable and no less favourable to the Group than those offered to the independent third party customers.
- If the tender is from any connected person of the Company, the preparation and submission of the quotation should follow the same procedure as that with the independent third party customers under a fair basis.
- In essence, the tender prices and terms of the Group's electrical & mechanical engineering services are project specific and will be at a fixed monetary amount and on terms assessed by the Group's contract managers, reviewed and approved by the Group's project director in charge of the relevant project in accordance with the Group's approved pricing policy which takes into account factors like the nature and complexity of the relevant project, the estimate of the costs and expenses of the Group, the requirements of the employer or main contractor of the relevant project.
- For non-tendering contracts of the Group's electrical & mechanical engineering services, the Group's contract sum and terms will be assessed and determined by adopting the same pricing policy and procedures as in the determination of the Group's tender prices and terms.

### ***FSE Environmental Solutions Services***

As regards the environmental management services to be provided by the Group as part of the FSE Environmental Solutions Services pursuant to the relevant New Master Services Agreements:

- In essence, the Group's contract sum and terms will be at a fixed monetary amount based primarily on the Group's purchase costs which include mainly the costs of purchasing environmental products and equipment and all direct costs including applicable shipping

or air freight costs, and direct labour costs or subcontractor costs estimate based on the nature, complexity and the requirements of the property owner or main contractor of the relevant project with a mark-up as determined by reference to the latest market trend and acceptable pricing level which is monitored and assessed by the respective managers of environmental management services division of the Group from time to time based on market information available from the markets or their trend as may be gathered from projects in which the Group had made tenders in the past, so that the contract sums or prices including the mark-up provided by the Group are reasonable, competitive while remaining profitable to the Group and on terms assessed on the Group's standard terms in general. The prices including the mark-up for the relevant services are reviewed and approved by the general manager of the environmental solutions division of the Group.

- If the job is from any connected person of the Company, the preparation and submission of the quotation should follow the same procedure as that with independent third party customers under a fair basis. The general manager of the environmental solutions services division of the Group is to adhere to the aforesaid pricing policy and procedures, which apply to all customers of the Group irrespective of whether or not they are independent third party customers or are connected persons of the Company, in the determination of the contract sum for the supply of environmental solutions services to ensure that the contract sums or prices are fair and reasonable and no less favourable to the Group than those offered to the independent third party customers.

As regards the landscaping services to be provided by the Group as part of the FSE Environmental Solutions Services pursuant to the relevant New Master Services Agreements:

- The fees payable by the relevant Connected Parties to the Group will be determined by reference to comparables of fee quotations provided by the Group to other independent third party customers, taking into account factors including the nature and type of services to be rendered.
- In assessing the service fees for the landscaping services, factors that the Group would consider include the relevant costs, the market reference and its strategic development in the relevant contracts.
- For its cost analysis, the Group would consider the labour costs, administrative costs, the required materials and the costs of the plantations. If specific plants are required by the customer that are harder to source or are more perishable, it would increase the costs in sourcing, acquiring and maintaining such plantations. Furthermore, the Group would also consider more case specific factors, including the location of services (such as whether such location is easily reachable) and the potential risk exposure associated with extreme weather conditions as some locations in Hong Kong are more susceptible to natural hazards such as typhoons.
- For market reference, given the landscaping industry has low entry barrier and is very competitive, the Group will need to stay on top of the competition and consider if its quotation is attractive comparing to other market players while maintaining an acceptable profit margin. The Group would consider its historical fee quotations and profit margin for similar type of projects as well as the recent fees charged by its competitors (if available) in coming up with a competitive quotation.
- Strategic consideration is also important for the Group in assessing its landscaping

services fees, it will consider the contract size, the length of the contract and any potential business growth (such as whether there will be future opportunities in other sites from the customers) from a strategic perspective. For strategic customers that entered into service contracts with the Group for a longer period and/or for a number of locations, the Group may offer more attractive terms in securing and strengthening such business relationships.

- Procedural wise, the project officer or senior operation manager/deputy general manager/assistant general manager would calculate the expected costs as the baseline for the tender proposal, depending on the tender requirement and the background of customers, the charges offered for existing client with similar nature will be compared. In most cases, the charges offered to two existing clients will be compared if available. Other factors include but not limited to nature and complexity of the relevant project, the expected competitiveness of the tender based on the previous experience and the historical profit margin of similar type of existing contract. Finally, proposal for tender is concluded by the project officer or senior operation manager/deputy general manager/assistant general manager after consolidation of all information mentioned above and the proposal will then be reviewed and approved by the general manager of such business or senior operation manager/deputy general manager/assistant general manager in accordance with the Company's approval procedures with limits of authority.
- The Group adopts the same pricing policy and procedures in the determination of the service charge across all of its customers (whether to its connected persons or to independent third party customers) for its landscaping services in order to ensure that the service charge as may be submitted by the Group to such connected persons of the Group will be fair and reasonable and no less favourable to the Group than those offered to the independent third party customers.

As regards the sale of goods under the FSE Environmental Solutions Services to be provided by the Group pursuant to the relevant New Master Services Agreements:

- The sale of goods are mainly in respect of the supply of tiles and building services products including pipes, pumps, accessory valves and fittings, building automation systems, heating, ventilation, air-conditioning parts, fire services products, environmental engineering products covering building services water treatment and odour abatement systems, air quality monitoring machines, construction site wastewater treatment systems, EV charging products and plants, the Group's contract sums will be at a fixed monetary amount primarily based on the Group's purchase costs which include mainly the costs of purchasing of tiles and building service products, and all direct costs including applicable shipping or air freight costs with a reasonable mark-up to or close to the indicative benchmark rate (which rate is from time to time reviewed by the general manager of the building materials trading division of the Group annually or on an as needed basis and available to all relevant staff of the Group who is involved in the determination of the contract sums of the relevant projects to which supply of tiles and building service products are to be provided by the Group) above or reflective of the current market prices of the tiles and/or building service products to be supplied by the Group. The senior corporate development manager /sales manager of the building materials trading division of the Group is responsible for compiling and updating a list of the current market prices of the relevant tiles and/or building service products to be supplied by the Group and monitoring any change from time to time based on market prices information as is available from the markets including market prices or their trend

as may be gathered from other services providers from projects in which the Group has made tenders and the price list provided to the Group by its suppliers at least annually or when there is a change in the price, against which the latest quote from the relevant supplier of a particular of tiles or building service products will be referenced to in the determination of the contract sums so that the contract sums provided by the Group are competitive while remaining profitable to the Group and on terms assessed on the Group's standard terms in general. The reasonable mark-up and the selling price for the relevant Services are approved by the general manager of the building materials trading division of the Group. The Group adopts the same pricing policy and procedures in the determination of the contract sums for the supply of tiles and building service products of the Group to connected persons of the Company as well as to independent third party customers of the Group which the general manager of the building materials division of the Group has to adhere to in the determination of the said contract sums, which are, as said, above or reflective of the market prices of the relevant tiles and/or building service products to be supplied by the Group and is therefore fair and reasonable and no less favourable to the Group than those offered to the independent third party customers.

### ***FSE Facility and Property Management Services***

As regards the FSE Facility and Property Management Services to be provided by the Group pursuant to the relevant New Master Services Agreements:

- The FSE Facility and Property Management Services involve the administration, control, operation and oversight services of property by the owner itself or typically by another party (i.e. property manager), in order to preserve the value of the property and therefore to offer better environment for residents or users.
- Main types of FSE Facility and Property Management Services include property, facilities and venue management, property sales, letting agency services, rental collection services, consultancy services, technical services, housekeeping and cleaning services, security and guarding services, repair and maintenance services, provision of carparking management and other services for building.
- The property management manager explores the possibility of business opportunities by reviewing public tender notices and through invitation from customers to submit tenders or quotations for potential property management project. The property management department is responsible for the preparation of tenders and quotations according to the tender and quotation preparation policies and procedures.
- During such process, the Group estimates the service charge of each service based on estimated cost under each service contract such as (i) the estimated manpower and qualified professional staff required according to the scope of services required by the customer; (ii) material and consumables required; (iii) equipment required plus a profit margin on normal commercial terms based on the prevailing market rate. The proposed profit margin for the FSE Facility and Property Management Services would be determined taking into account factors including the nature and complexity of the relevant project; the expected competitiveness of the tender based on the previous experience; the historical profit margin of similar type of existing contract. Also, there are management service contracts which the Group receives the income by the way at a fixed manager's remuneration charge rate or fixed service charge rate based on the expenditure spent in the owners' property management building accounts on the market

comparable charge rate and normal commercial terms. The Group adopts the same pricing policy and procedures in the determination of the service charge to the connected persons of the Group as well as to independent third party customers of the Group in order to ensure that the service charge as may be submitted by the Group to connected persons of the Group will be fair and reasonable and no less favorable to the Group than those offered to the independent third party customer. The reasonable profit margin and service charge (on normal commercial terms based on the prevailing market rate) for relevant service are approved by the operation of a group manager/assistant director and a director in accordance with the company's approval procedures with limits of authority.

- For tendering contract, where a member of the Group is invited in a tender for a service project with all bidders (including independent third parties in the market), the winning bid of which will usually be the one with the lowest tender amount in accordance with the employer's tender procedures on the condition that the bidder conformed to all the essential requirements (including but not limited to relevant experience, capability and historical relationship) as set out in the tender invitation from the employer.
- For non-tendering contracts, where a member of the Group is invited to provide a fee quotation, the contract sum and terms will be assessed and determined by adopting the same pricing policy and procedure as in the determination of the Group's tender prices and terms.

### ***FSE Insurance Solutions Services***

As regards the FSE Insurance Solutions Services to be provided by the Group pursuant to the relevant New Master Services Agreements:

- The fees payable by the relevant Connected Parties to the Group will be determined by reference to comparable of fee quotations provided by the Group to other independent third party customers, taking into account factors including the nature and type of services to be rendered.
- In most circumstances, the Group serves as an intermediary between the insurers and the end customers and its revenue arises from the commission received from the insurers. The Group is remunerated for its services by the receipt of the brokerage paid by the insurer. It is generally a certain percentage of the premium paid by the end consumer. The brokerage rate received by the Group is in line with the normal level of commission paid in the insurance market. On this basis, the Group does not charge its customers in providing the FSE Insurance Solutions Services. The commission received by the Group from the insurers depends on various factors, including, among others, the amount of premium, the type of the insurance policy and the insurance market practice.
- After understanding the customers' needs, the Group would prepare the quotation slips with proposed insurable terms and conditions and invite insurers to submit quotations. The Group would present the quotations received to the customers with its recommendations. The customers would then make their own choices accordingly. The internal documents (including but not limited clients' proposal, quotation slips, confirmation slips and debit notes) are prepared by the relevant account manager or executive, the documents will then be reviewed by his or her supervisors as per the Group's policy. Reviewing record is documented in the form of a checklist in order to minimize any errors and/or omission incurred. Depending on the premium level and total

insured values, approval from senior staff is needed as per the signing authority matrix of the Group. For scheme products, the terms and pricing are proposed by the department head and approved by the managing director of the relevant business group. For other insurance policy with small premium and/or insured values, the department heads are informed during the procurement process.

- Generally speaking, the amount of insurance premium is determined by the insurer, normally as a certain percentage of the sum insured or a flat premium after consideration of the risk exposure by the underwriters.
- Notwithstanding the above, certain customers of the Group instructs the Group to provide FSE Insurance Solutions Services or consultancy services and the Group would charge such customers for such services based on the scope of services, the complexity of the instructions, the time, manpower required for the Group to provide such services and the strategic consideration of the relevant client's account.
- The Group adopts the same pricing policy and procedures in the determination of the service charge across all of its customers (whether to its connected persons or to independent third party customers) for the FSE Insurance Solutions Services in order to ensure that the service charge as may be submitted by the Group to such connected persons of the Group will be fair and reasonable and no less favourable to the Group than those offered to the independent third party customers.

### ***FSE Security, Guarding and Event Servicing Services***

As regards the FSE Security, Guarding and Event Servicing Services to be provided by the Group pursuant to the relevant New Master Services Agreements:

- The fees payable by the Connected Parties to the Group will be determined by reference to comparable of fee quotations provided by the Group to other independent third party customers, taking into account factors including the nature and type of services to be rendered.
- Where the Group participates in a tender, the Group would conduct a detailed analysis which begins with a thorough study of the tender requirements. Factors that the Group takes into account include the number of staff required for the contract, the qualifications of the staff required for the contract (both academic qualification and experience), the location of the contract, the nature of work and the type of premises (such as whether it is a residential estate, a commercial complex or a public facility). The Group would then analyses such factors and tailor the specific solution applicable for the tender. Once such solutions are prepared, the Group would be able to assess the costs related to such contract.
- In assessing the costs of the contract, the labour cost plays a significant factor given the FSE Security, Guarding and Event Servicing Services are labour intensive. The Group would consider the prevailing statutory minimum wage level and the wages offered by itself or its competitors for similar type of contracts. For certain contracts in certain geographical area or contracts that require higher service standard, additional allowance and wage adjustments would be taken into account in assessing the cost base of the tender. The Group would also consider other costs such as equipment and other overheads.

- The Group would also consider the proposed profit margin for the contracts before the tender submission, which would include factors such as the geographical area of the contract, the contract duration, the nature of work, the complexity of the contract, the expectation of the service level and the historical profit margin for similar type of contracts. The Group would also consider the recent tender prices by its competitors (if available) in order to remain competitive in the market.
- The tender requirements are examined with inputs from operations and marketing staff of the Group. The latter will also prepare a costing worksheet with all costs elements and profit margins as illustrated above. The proposal, including the costing worksheet, will then be approved and signed by a director and general manager/assistant general manager of the relevant business group.
- For non-tendering contracts where the Group's customers invite it to provide fee quotations, the Group will assess the work required and the costs in a similar manner in a tendering process before confirming the service fees and the terms of the contracts.
- The Group adopts the same pricing policy and procedures in the determination of the service charge across all of its customers (whether to its connected persons or to independent third party customers) for its FSE Security, Guarding and Event Servicing Services in order to ensure that the service charge as may be submitted by the Group to such connected persons of the Group will be fair and reasonable and no less favourable to the Group than those offered to the independent third party customers.

### **Services to be provided by members of the Connected Parties**

#### ***CTFE Contracting Services***

As regards the CTFE Contracting Services to be provided to the Group by members of the CTFE Group pursuant to the CTFE Master Services Agreement:

- Comparables of a sufficient number of fee quotations, a minimum of two comparables will be obtained from other independent service providers and assessed (including assessing whether the comparables obtained are appropriate ones after taking into account of financial capability, workload, scope and standard of the CTFE Contracting Services offered which meet the requirements of the Group and the past performance and relevant experience of the independent service providers) and reviewed by the manager of tender department of the Group upon which the fairness and reasonableness of the prices and terms as may be offered by members of CTFE Group can be compared and assessed by the Group in determining if they are fair and reasonable and comparable to those offered by independent third parties, taking into account factors like reputation, quality and reliability of the Connected Party concerned as compared to independent service providers. If a member of the CTFE Group offers the price and terms equal to or better than those offered by the independent service providers and conforms to all the essential requirements (including but not limited to relevant experience, compliance with specifications, capability and historical relationship) of the services to be provided, the Group may award the contract to such member of the CTFE Group.

#### ***CTFE Facility and Property Management Services***

As regards the CTFE Facility and Property Management Services to be provided to the Group

by members of the CTFE Group pursuant to the CTFE Master Services Agreement:

- The fees payable by the Group will be determined by reference to the market prices provided to the administration and support department manager of the Group by quotations obtained from other independent service providers which are on the list of service providers of the Group and hold the property management company licence if applicable and a minimum of two relevant quotations will be obtained if available, taking into account factors including the nature, and type of services to be rendered and the venue or locations and requirements of the event, functions or activities as determined by the general manager of the relevant business group that if a member of the CTFE Group offers the price and terms equal to or better than those offered by the independent service providers and conforms to all the essential requirements (including but not limited to relevant experience, compliance with specifications, capability and historical relationship) of the services to be provided, the Group may award the contract to such member of the CTFE Group.

### ***CTFE Insurance Related Services***

As regards the CTFE Insurance Related Services to be provided to the Group by members of the CTFE Group pursuant to the CTFE Master Services Agreement:

- The premium or fees payable by the Group will be determined by the managing director of the relevant business group by reference to the quotations obtained by department head of the relevant business group from other independent insurers which are on the register of Authorized Insurers of the Insurance Authority and a minimum of two relevant quotations will be obtained and followed by detailed analysis of the pricing, service quality, policy coverage, any unacceptable policy exclusions or conditions, infrastructure (like e-claims or Apps for submission of claims, number of clinics under their network (for medical insurance), financial standing of the insurers (like A rated or above by Standard & Poors)) that if a member of the CTFE Group offers the price and terms equal to or better than those offered by the independent service providers and conforms to all the essential requirements (including but not limited to relevant experience, compliance with specifications, capability and historical relationship) of the services to be provided, the Group may award the contract to such member of the CTFE Group.

### ***NWD IT Support Services***

As regards the NWD IT Support Services to be provided to the Group by members of the NWD Group pursuant to the NWD Master Services Agreement:

- The fees payable by the Group will be determined based on arm's length negotiations between the service provider and the service recipient, taking into account factors including the number of users, types of functions and the replacement costs of the relevant IT systems or software, and where comparables are available for the type of service concerned then two quotations from other independent services providers will be obtained, they would also be taken into account when the service charges are determined that if a member of the NWD Group offers the price and terms equal to or better than those offered by the independent service providers and conforms to all the essential requirements (including but not limited to relevant experience, compliance with specifications, capability and historical relationship) of the services to be provided, the Group may award the contract to such member of the NWD Group.

- Administration and support department manager considers the above factors, and submits the proposal to the assistant general manager — IT and the general manager of the relevant business group for approval.

### ***Rental Services***

As regards the Rental Services to be provided to the Group by members of the NWD Group, the CTFE Group and the Doo's Associates Group pursuant to the NWD Master Services Agreement, the CTFE Master Services Agreement and the Doo's Associates Group Master Services Agreement respectively:

- The rental payable by the Group will be determined by reference to the market rental of the properties, carparking spaces, vehicle and vessels concerned current at or close to the lease commencement date by reference to rentals comparables of similar properties and carparking spaces, in similar locations and where applicable, with comparable facilities, and rentals comparables of vehicle and vessels obtained from independent property agencies or parties which are on the register of Estate Agents Authority.
- The existing rental paid by the Group under each existing lease agreement was determined by reference to the market rental of the property concerned current at or close to the lease commencement date.
- The rental payable by the Group under each new lease agreement, whether or not in relation to property currently leased by the Group from members of the relevant Connected Parties, will be determined by reference to the market rental of the property concerned current at or close to the lease commencement date by reference to a minimum of two rentals comparables of similar properties in similar locations and where applicable, with comparable facilities, obtained from independent property agencies or other parties, including reputable independent professional property valuers, collected, assessed (including assessing whether the comparables collected are appropriate ones) and reviewed by the administration manager of the Group (who has experience in administration and is responsible for the office administrative work including but not limited to the administration of rental arrangement) for approval of the pricing of the Rental Services by the Directors that if a member of the NWD Group, CTFE Group, or Doo's Associates Group offers the rental and terms equal to or better than those offered by the independent owners and conforms to all the essential requirements (including but not limited to locations, user, area, facilities) of the properties to be provided, the Group may enter into agreement with such member of the NWD Group, CTFE Group, or Doo's Associates Group.

### ***NWD Sundry Services***

As regards the NWD Sundry Services to be provided to the Group by members of the NWD Group pursuant to the NWD Master Services Agreement:

- The fees payable by the Group will be determined by reference to at least two comparables if available of the market prices obtained by the group manager/ assistant director of the relevant business group from other independent suppliers, taking into account factors including the nature, locations and type of services to be rendered for approval by the director of the relevant business group that if a member of the NWD Group offers the fee and terms equal to or better than those offered by the independent

service providers and conforms to all the essential requirements (including but not limited to relevant experience, capability and historical relationship) of the services to be provided, the Group may enter into agreement with such member of the NWD Group.

## **INTERNAL CONTROL MEASURES**

The Group has established internal control measures for reporting and monitoring on continuing connected transactions to ensure compliance with Chapter 14A.

According to the Group's prevailing internal accounting policy and procedure manual which covers the identification, approval and execution, registration, reconciliation and checking, reporting and monitoring of the continuing connected transactions, the designated officer of operation department and supporting department who will ensure that the continuing connected transactions are on normal commercial terms and no less favourable to those offered to/by independent third parties, will immediately report to the legal and company secretarial manager and senior finance manager with details of the possible notifiable or connected transactions to be entered by the Group for review and checking in order to determine the appropriate type of disclosure in compliance with Chapter 14A for final confirmation by the Company Secretary. For a transaction that falls within the scope of continuing connected transactions in the ordinary and usual course of business of the Group, the legal and company secretarial manager and senior finance manager will check with the actual monthly continuing connected transaction and ensure the transaction amounts of the potential connected transactions should not exceed the annual caps of the continued connected transaction.

Meanwhile, the internal audit department of the Group will carry out annual assessment of the continuing connected transactions conducted by the Group for each financial year and report to the board of Directors by examining records and documents of the continuing connected transactions to check whether the policy and procedures on the identification, approval and execution, registration, reconciliation and checking, reporting and monitoring of the continuing connected transactions are in order and effective to ensure that the continuing connected transactions were carried out at arm's length and the terms are comparable to those projects of independent third parties.

Furthermore, pursuant to Chapter 14A:

- (1) the independent non-executive Directors of the Company shall, on an annual basis, review the transactions contemplated under the New Master Services Agreements and confirm, among other matters, such transactions have been entered into according to the agreement governing them on terms that are fair and reasonable and in the interest of the Shareholders as a whole; and
- (2) the external auditors of the Group shall, on an annual basis, report on the transactions contemplated under the New Master Services Agreements and confirm, among other matters, whether anything has come to their attention that causes them to believe such transactions were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions.

Set out below are the Group's internal procedures in place which help to ensure that the Definitive Agreements will be entered into in accordance with the terms of the New Master Services Agreements, on normal commercial terms and no less favourable to those offered to/by independent third parties:

- (1) Access to Documentation and Information: Members of the operational teams of the Group have full access to the New Master Services Agreements, the pricing terms and policies of the Group, trends in market prices of the Services to ensure that they are well aware of all these and their changes prior to negotiating and assessing the terms of the Definitive Agreements.
- (2) Strict compliance with the Group's pricing policy and procedures: Members of the operational teams of the Group are required to follow strictly the Group's pricing policy and procedures (and in case of tenders, the Group's internal tendering guidelines and procedures) in respect of the Services when negotiating the terms of the Definitive Agreements and to seek the view and advice of the company secretary of the Company in case of queries.
- (3) Approval Process: The final terms of the Definitive Agreements (or as the case may be, the terms and conditions of the tenders) will have to be reviewed by the company secretary of the Company and approved by at least one authorized Director (not being interested in the relevant Services Transactions) prior to signing (or as the case may be, the making of the tender) to ensure the terms of Definitive Agreements are in compliance with the New Master Services Agreements, on normal commercial terms and no less favourable to those offered to/by independent third parties.
- (4) Compliance Review: Compliance with the Group's internal procedures are reviewed on an annual basis by the internal audit department of the Group to identify if any aspects of the internal procedures require improvement and provide recommendations to the audit committee of the Board of the Company for approval.

## HISTORICAL AGGREGATE TRANSACTION AMOUNTS

The historical aggregate transaction amounts in respect of the Services Transactions for the FY2024, FY2025 and the six months ended 31 December 2025 respectively are set out below.

### Services between the Group and the NWD Group

Categories	Aggregate transaction amount		
	FY2024 (HK\$'000)	FY2025 (HK\$'000)	Six months ended 31 December 2025 (HK\$'000)
FSE Services and the FSE Insurance Solutions Services to NWD Group provided by the Group	1,232,199	621,968	210,617
NWD Services provided by the NWD Group	6,063	3,086	1,482
<b>Total</b>	1,238,262	625,054	212,099

*Note:* The Former Annual Caps for services provided by the Group to the NWD Group are HK\$2,788,167,000 (FY2024), HK\$2,659,098,000 (FY2025) and HK\$3,422,431,000 (FY2026). The Former Annual Caps for services provided by the NWD Group to the Group are HK\$51,140,000 (FY2024), HK\$42,151,000

(FY2025) and HK\$55,009,000 (FY2026). Please refer to the Company's announcement dated 20 November 2023 for further details.

### Services between the Group and the CTFE Group

Categories	Aggregate transaction amount		
	FY2024 (HK\$'000)	FY2025 (HK\$'000)	Six months ended 31 December 2025 (Note 2) (HK\$'000)
FSE Services (not including lift repair and maintenance services under the FSE E&M Services), and the FSE Insurance Solutions Services to Others provided by the Group	962,258	904,126	567,871
CTFE Services provided by the CTFE Group	<u>3,675</u>	<u>850</u>	<u>462</u>
<b>Total</b>	<b><u>965,933</u></b>	<b><u>904,976</u></b>	<b><u>568,333</u></b>

Notes:

- (1) The Former Annual Caps for services provided by the Group to the CTFE Group are HK\$1,397,829,000 (FY2024), HK\$2,909,308,000 (FY2025) and HK\$3,523,867,000 (FY2026). The Former Annual Caps for services provided by the CTFE Group to the Group are HK\$27,113,000 (FY2024), HK\$51,228,000 (FY2025) and HK\$57,702,000 (FY2026). Please refer to the Company's announcement dated 20 November 2023 for further details.
- (2) Chow Tai Fook Jewellery Group Limited (stock code 1929) and its subsidiaries (the "CTFJ Group") became members of the CTFE Group on 5 December 2025, following CTFE's acquisition of a greater than 50% shareholding in Chow Tai Fook Jewellery Group Limited. The historical amounts for this six-month period has included those attributable to the CTFJ Group for the period of 5 December 2025 to 31 December 2025.

### Services between the Group and the Doo's Associates Group

Categories	Aggregate transaction amount		
	FY2024 (HK\$'000)	FY2025 (HK\$'000)	Six months ended 31 December 2025 (HK\$'000)
FSE Services and the FSE Insurance Solutions Services to Others provided by the Group	22,786	10,075	3,924
Doo's Associates Services provided by the Doo's Associates Group	<u>9,526</u>	<u>76,048</u>	<u>8,415</u>
<b>Total</b>	<b><u>32,312</u></b>	<b><u>86,123</u></b>	<b><u>12,339</u></b>

*Note:* The Former Annual Caps for services provided by the Group to the Doo's Associates Group are HK\$280,791,000 (FY2024), HK\$356,559,000 (FY2025) and HK\$422,082,000 (FY2026). The Former Annual Caps for services provided by the Doo's Associates Group to the Group are HK\$33,887,000 (FY2024), HK\$104,619,000 (FY2025) and HK\$18,690,000 (FY2026).

## ANNUAL CAPS

The expected Annual Caps in respect of the Services Transactions contemplated under each of the New Master Services Agreements for the FY2027, FY2028 and FY2029 respectively are stated below. Shareholders and potential investors should note that the Annual Caps should not be construed as an assurance or forecast by the Company of the future revenues of the Group.

### NWD Master Services Agreement

Categories	Annual Caps		
	FY2027 (HK\$'000)	FY2028 (HK\$'000)	FY2029 (HK\$'000)
FSE Services and the FSE Insurance Solutions Services to NWD Group to be provided by the Group ( <i>Note</i> )	1,033,552	1,250,182	1,244,105
NWD Services to be provided by the NWD Group	<u>11,726</u>	<u>12,355</u>	<u>12,896</u>
<b>Total</b>	<b><u>1,045,278</u></b>	<b><u>1,262,537</u></b>	<b><u>1,257,001</u></b>

*Note:* Approximately HK\$600.7 million (FY2027), HK\$822.8 million (FY2028) and HK\$789.7 million (FY2029) of the Annual Caps are from estimated potential projects.

The increase in Annual Caps for the FSE Services and the FSE Insurance Solutions Services to NWD Group as compared with the historical amounts between the Group and the NWD Group is mainly due to:

- (i) existing contracts relating to (a) provision of E&M services, cleaning and general security services for various office buildings and commercial complexes in SKY CITY at Hong Kong International Airport, Central, North Point, Tsim Sha Tsui, Lai Chi Kok and Cheung Sha Wan and a golf club in Sai Kung; (b) provision of E&M services for three commercial development projects in Guangzhou, Shenzhen and Hangzhou in the Chinese Mainland; and (c) provision of property & facility management services, cleaning services and general security services for an industrial building in Kwai Chung that in aggregate contribute HK\$237.8 million (FY2027), HK\$221.3 million (FY2028) and HK\$235.5 million (FY2029); and
- (ii) potential contracts relating to (a) the estimated future demand for the Group's cleaning and system security, guarding and event services for 11 residential properties which is expected to contribute HK\$72.0 million (FY2027), HK\$158.3 million (FY2028) and HK\$186.5 million (FY2029); (b) the estimated future demand for the Group's Property and Facility Management services for two multi-purpose commercial complexes and a hotel development which is expected to contribute HK\$106.4 million (FY2027), HK\$106.4 million (FY2028) and HK\$106.4 million (FY2029); (c) the estimated future demand of the Group's E&M engineering services for certain potential projects of the

NWD Group in Hong Kong for system enhancement works for certain commercial developments in Tsim Sha Tsui, Tung Chung and Central which contribute HK\$93.7 million (FY2027), HK\$126.8 million (FY2028) and HK\$149.9 million (FY2029) to the above Annual Caps; (d) the estimated future demand of the Group's E&M Engineering services for six potential projects of the NWD Group in Wuhan, Beijing, Shanghai, Hangzhou and Shenzhen of the Chinese Mainland which contribute HK\$145.8 million (FY2027), HK\$220.3 million (FY2028) and HK\$149.1 million (FY2029) to the above Annual Caps. The estimated future demand of the Group's services for certain potential projects of the NWD Group's existing department stores in Beijing, Shanghai and Shenyang in the Chinese Mainland for renovation, fitting-out and decoration works which contribute HK\$31.1 million (FY2027), HK\$35.4 million (FY2028) and HK\$25.1 million (FY2029) to the above Annual Caps based on the estimated areas of the department stores.

The Annual Caps for the NWD Services to be provided by members of the NWD Group to member of the Group are largely attributable to the rental services required by the Group.

The Annual Caps for the NWD Services as compared with the historical amounts between the Group and the NWD Group will be increased mainly due to the estimated future demand for NWD Rental Services from the NWD Group for floor spaces for site offices premises, warehouse, storeroom, car parking spaces and other business uses of the Group in Hong Kong and the Chinese Mainland to cope with the business growth of the Group with estimated transaction amount of HK\$8.4 million (FY2027), HK\$8.9 million (FY2028) and HK\$9.3 million (FY2029).

#### CTFE Master Services Agreement

Categories	Annual Caps		
	FY2027 (HK\$'000)	FY2028 (HK\$'000)	FY2029 (HK\$'000)
FSE Services (not including lift repair and maintenance services under the FSE E&M Services) and the FSE Insurance Solutions Services to Others to be provided by the Group ( <i>Note</i> )	3,507,465	3,148,411	3,389,918
CTFE Services to be provided by the CTFE Group	<u>39,205</u>	<u>41,113</u>	<u>44,304</u>
<b>Total</b>	<b><u>3,546,670</u></b>	<b><u>3,189,524</u></b>	<b><u>3,434,222</u></b>

*Note:* Approximately HK\$678.9 million (FY2027), HK\$1,805.0 million (FY2028) and HK\$2,535.9 million (FY2029) of the Annual Caps are from estimated potential projects.

The increase in Annual Caps for the FSE Services (not including lift repair and maintenance services under the FSE E&M Services), and the FSE Insurance Solutions Services to Others as compared with the historical amounts between the Group and the CTFE Group is mainly due to the increase in the FSE E&M engineering services in respect of certain sizable potential and existing development projects in Hong Kong and Macau (with the revenue expected to be contributed by these existing projects and potential projects based on their estimated percentage of completion) which include, among others, the following:

- (i) existing works relating to (a) construction projects for the District Court in Causeway Bay and two public residential housing estates in Kwu Tung North and Kwun Tong with estimated project completion dates in FY2027; (b) construction projects for a public rehousing estate in Ma Tau Kok and two government buildings in Lok Ma Chau Loop and Tin Shui Wai with estimated project completion dates in FY2028; (c) a construction project for a government building in Cheung Sha Wan, a public residential estate in Kowloon Bay and an exhibition and event venue in Tung Chung with estimated project completion date in FY2029, and (d) certain contracts for provision of cleaning services and general security and event services for a convention and exhibition centre in Wanchai and a sport complex in Kai Tak, are of considerable size in Hong Kong undertaken by the CTFE Group of which the Group has been engaged as the service provider and contribute HK\$2,638.4 million (FY2027), HK\$1,275.0 million (FY2028) and HK\$848.5 million (FY2029) to the above Annual Caps; and vast number of other projects in Hong Kong undertaken by the CTFE Group of which the Group has been engaged as the service provider and contribute HK\$190.1 million (FY2027), HK\$68.4 million (FY2028) and HK\$5.5 million (FY2029) to the above Annual Caps. Contracts have been entered for these existing projects; and
- (ii) potential works relating to certain residential, commercial, government building, exhibition and institutional development projects in both the private and public sectors in Hong Kong and Macau that are currently under negotiation and expected to be undertaken by the CTFE Group in the coming three financial years with the transaction amounts estimated by reference to the prospective agreements expected to be entered into by the Group, the projected total contract value and the projected project progress for the respective agreements. The estimated future demand of the Group's services for certain potential projects of the CTFE Group for 14 residential projects in Yuen Long, Tseung Kwan O, Kowloon East, Kowloon Tong, Sai Kung, Tung Chung, Aberdeen and Quarry Bay which contribute HK\$218.5 million (FY2027), HK\$1,048.3 million (FY2028) and HK\$1,525.6 million (FY2029) to the above Annual Caps. The estimated future demand of the Group's services for certain potential projects of the CTFE Group in government building and education campus development project in Kwu Tung and Homantin which contribute HK\$75.0 million (FY2027), HK\$322.5 million (FY2028) and HK\$600.0 million (FY2029) to the above Annual Caps. The estimated future demand of the Group's services for certain potential projects of event and entertainment venues in Macau which contribute HK\$131.8 million (FY2027), HK\$131.8 million (FY2028) and HK\$65.9 million (FY2029) to the above Annual Caps. The estimated future demand of the Group's cleaning services to several kindergartens campuses in Hong Kong which contribute HK\$72.0 million in each of FY2027, FY2028 and FY2029. The estimated future demand of the Group's services for vast number of other potential projects of the CTFE Group in Hong Kong and Macau which contribute HK\$181.6 million (FY2027), HK\$230.4 million (FY2028) and HK\$272.4 million (FY2029) to the above Annual Caps.

The Annual Caps for the CTFE Services as compared with the historical amounts between the Group and the CTFE Group will be increased mainly due to the following reasons:

- (i) the estimated future demand for Contracting Services from the CTFE Group in respect of certain potential sizable upcoming projects, which include, but not limited to, certain public sector development projects in respect of which the Group has to engage sub-contractors in the provision of the Contracting Services with estimated transaction amount of HK\$5.0 million (FY2027), HK\$4.0 million (FY2028) and HK\$4.0 million

(FY2029), and the CTFE Group is one of the reputable service providers among the Group's list of service providers. There may have certain potential public sector development projects in the Northern Metropolis. In view of the significant size of these potential public sector development projects and the expected volume and variety of Contracting Services required for these projects including builder's works in the scope of works of the contracts of underground piping works which have to be performed or otherwise carried out by builders such as excavation, backfilling, suspended manholes and the like, engagement of sub-contractors in the provision of the Contracting Services is required and services providers with reputable, reliable and quality services like the CTFE Group is fundamental. As at the Latest Practicable Date, these upcoming projects were either at the tender stage or prior to the tender stage. Members of the Group are amongst the handful few of qualified contractors for the public sector development projects on the List of Approved Contractors for Public Works which is with extensive experience and engineering design capability and coupled with the promising record of the Group in succeeding in obtaining tenders for the provision of electrical & mechanical engineering service for public sector development projects in the past, the Group has high chance in succeeding in obtaining the tender for the provision of electrical & mechanical engineering services for these public sector development projects and justify the inclusion in the Annual Caps of the estimated contract sums required for Contracting Services to be provided by the CTFE Group under the CTFE Master Services Agreement;

- (ii) the estimated future demand for CTFE Rental Services from the CTFE Group for floor spaces for site offices premises, warehouse, storeroom, car parking spaces and other business uses of the Group in Hong Kong to cope with the business growth of the Group with estimated transaction amount of HK\$1.7 million (FY2027), HK\$1.8 million (FY2028) and HK\$2.0 million (FY2029);
- (iii) the increase in the Group's estimated future demand for CTFE Insurance Medical and Health Care Services from the CTFE Group in respect of the medical and health care services for the employees of the Group to cope with the Group's business growth with estimated transaction amount of HK\$27.9 million (FY2027), HK\$30.7 million (FY2028) and HK\$33.7 million (FY2029).

#### **Doo's Associates Group Master Services Agreement**

<b>Categories</b>	<b>Annual Caps</b>		
	<b>FY2027</b> (HK\$'000)	<b>FY2028</b> (HK\$'000)	<b>FY2029</b> (HK\$'000)
FSE Services and the FSE Insurance Solutions Services to Others to be provided by the Group <i>(Note 1)</i>	118,030	123,209	106,191
Doo's Associates Services to be provided by the Doo's Associates Group <i>(Note 2)</i>	<u>11,260</u>	<u>88,817</u>	<u>14,078</u>
<b>Total</b>	<u>129,290</u>	<u>212,026</u>	<u>120,269</u>

*Notes:*

- (1) Approximately HK\$109.5 million (FY2027), HK\$113.6 million (FY2028) and HK\$95.4 million (FY2029) of the Annual Caps are from estimated potential projects.
- (2) The Annual Caps relating the leasing services to be provided by Doo's Associates Group include the lease expenses to be paid/payable by the Group under short term leases (with lease term not exceeding 12 months) and the total value of the addition of right-of-use assets to be recognized by the Group for long term leases (with lease term more than 12 months) in compliance with HKFRS16.

The increase in Annual Caps for the FSE Services and the FSE Insurance Solutions Services to Others as compared with the historical amounts between the Group and the Doo's Associates Group is mainly due to the estimated future demand of the projects of the Doo's Associates Group particularly for the FSE E&M Services for various potential commercial and hotel development projects in Shanghai of the Chinese Mainland and residential and commercial development projects in Hong Kong (with the revenue expected to be contributed by these potential projects based on their estimated percentage of completion) which may contribute HK\$75.3 million (FY2027), HK\$79.0 million (FY2028) and HK\$61.4 million (FY2029).

The increase in Annual Caps for the Doo's Associates Services as compared with the historical amounts between the Group and the Doo's Associates Group is mainly due to the estimated renewal of 19 existing leases for the office premises, carparks and warehouses currently occupied by the Group in Hong Kong, Macau and Chinese Mainland that will be recognized as the addition of right-of-use assets of HK\$8.1 million (FY2027), HK\$85.1 million (FY2028) and HK\$9.6 million (FY2029). Out of the 19 existing leases, 15 of them shall be expired during FY2028 and the potential leases renewal in FY2028 will result in a higher addition of right-of-use assets in FY2028. Meanwhile, the Group's estimated future demand for the Doo's Associates Rental Services will be increased for potential leases of office premises in the Hong Kong and Chinese Mainland to cope with the business need of the Group. The Group will in aggregate recognize the leasing expenses and the addition of right-of-use assets of HK\$3.2 million (FY2027), HK\$3.7 million (FY2028) and HK\$4.5 million (FY2029) for these potential leases to be entered by the Group.

### **Bases of determination of the Annual Caps**

The Annual Caps in respect of the Services Transactions contemplated under each New Master Services Agreement are determined on the following bases:

- (1) in relation to the **FSE Services** and the **FSE Insurance Solutions Services** to be provided by the Group to members of the relevant Connected Parties:
  - (a) the historical annual or annualised amounts in respect of the relevant FSE Services and the FSE Insurance Solutions Services provided by members of the Group to members of the relevant Connected Parties during the FY2024, FY2025 and the six months ended 31 December 2025;
  - (b) the existing projects in progress (in relation to the FSE Services and the FSE Insurance Solutions Services);
  - (c) the potential projects that may be undertaken by the Group (in relation to the FSE Services and the FSE Insurance Solutions Services); and

- (d) the projected annual or annualised amounts in respect of the relevant FSE Services and the FSE Insurance Solutions Services to be provided by members of the Group to members of the relevant Connected Parties in the next three FY2027, FY2028 and FY2029, having taken into account the following major factors:
- the estimated future demand for the relevant FSE Services and the FSE Insurance Solutions Services by members of the relevant Connected Parties; and the estimated market prices of such services by reference to the current market prices after factoring into the expected increase in service costs in providing the relevant FSE Services and the FSE Insurance Solutions Services taking into account various factors like inflation rate of about 2.5% to 3.5%.
- (2) in relation to the **CTFE Contracting Services** to be provided to the Group by members of the CTFE Group pursuant to the CTFE Master Services Agreement:
- (a) the potential projects (in relation to the FSE E&M Services) that may be undertaken by the Group assuming the Group is able to secure them; and
- (b) the projected annual or annualised amounts in respect of the CTFE Contracting Services to be provided to the Group by members of the CTFE Group, in each case, in the next three FY2027, FY2028 and FY2029, having taken into account the following major factors:
- the business growth and need of the Group; and
  - the estimated market prices of such services by reference to the current market prices after factoring into the expected increase in service costs as well as inflation of about 2.5% to 3.5%.
- (3) in relation to the **CTFE Facility and Property Management Services** to be provided to the Group by members of the CTFE Group pursuant to the CTFE Master Services Agreement:
- the historical annual or annualised amounts in respect of the CTFE Facility and Property Management Services provided to the Group by CTFE Group, in each case, during the FY2024, FY2025 and the six months ended 31 December 2025;
  - the business growth and need of the Group; and
  - the estimated market prices of such services by reference to the current market prices after factoring into the expected increase in service costs as well as inflation of about 2.5% to 3.5%.
- (4) in relation to the **CTFE Insurance Related Services** to be provided to the Group by the CTFE Group pursuant to the CTFE Master Services Agreement:
- the business growth and need of the Group; and
  - the headcount of the Group, medical inflation and claim history.
- (5) in relation to the **NWD IT Support Services** to be provided to the Group by the NWD

Group pursuant to the NWD Master Services Agreement:

- the historical annual or annualised amounts in respect of the NWD IT Support Services provided to the Group by NWD Group during the FY2024, FY2025 and the six months ended 31 December 2025;
  - the business growth and need of the Group; and
  - the estimated market prices of such services by reference to the current market prices after factoring into the expected increase in service costs as well as inflation of about 2.5% to 3.5%.
- (6) in relation to the **Rental Services** to be provided to the Group by members of the NWD Group, the CTFE Group and the Doo's Associates Group pursuant to the NWD Master Services Agreement, the CTFE Master Services Agreement and the Doo's Associates Group Master Services Agreement respectively:
- (a) the historical annual or annualised amounts in respect of the Rental Services provided to the Group by the relevant Connected Party during the FY2024, FY2025 and the six months ended 31 December 2025;
  - (b) the projected annual or annualised amounts in respect of the Rental Services to be provided to the Group by the relevant Connected Party in the next three FY2027, FY2028 and FY2029, having taken into account the following major factors:
    - the business growth and need of the Group; and
    - the estimated market prices of such services by reference to the current market prices after factoring into the expected increase in service costs as well as inflation of about 2.5% to 3.5%;
  - (c) the existing rentals paid by the Group under the existing lease agreements;
  - (d) the expected rentals as may be paid by the Group at the time of entering into the new lease agreements or upon renewal of the existing lease agreements taking into account the current rentals and expected market rentals of similar properties in similar locations and where applicable, with comparable facilities, obtained from independent property agencies or other parties, including reputable independent professional property valuers; and
  - (e) the Group's demand in floor spaces for office and site office premises, warehouse, spare space, carparking spaces, wall signages, lighting boxes and other business uses of the Group to cope with the Group's business growth.
- (7) in relation to the **NWD Sundry Services** to be provided to the Group by the NWD Group pursuant to the NWD Master Services Agreement:
- (a) the historical annual or annualised amounts in respect of the NWD Sundry Services provided to the Group by the NWD Group during the FY2024, FY2025 and the six months ended 31 December 2025; and
  - (b) the projected annual or annualised amounts in respect of the NWD Sundry Services

to be provided to the Group by the NWD Group in the next three FY2027, FY2028 and FY2029, having taken into account the following major factors:

- the business growth and need of the Group; and
- the estimated market prices of such services by reference to the current market prices after factoring into the expected increase in service costs as well as inflation of about 2.5% to 3.5%.

## **REASONS FOR, AND BENEFITS OF, ENTERING INTO THE NEW MASTER SERVICES AGREEMENTS**

The Services Transactions contemplated under the New Master Services Agreements are recurrent in nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group, as well as the relevant members of the Connected Parties.

The New Master Services Agreements serve to streamline the Services Transactions between members of the Group and members of the Connected Parties by providing a single basis upon which the Company could comply with the applicable reporting, announcement and independent shareholders' approval requirements under Chapter 14A and thereby reducing the administrative burden and costs of the Company in complying with these requirements.

The members of the relevant Connected Parties possess profound experience, strong reputations in their respective service areas, and solid financial standing. Over the years, they have proven to be reliable services providers or customers of the Group. The Directors believe that maintaining these strategic business relationships with them will not only realise synergies and economies of scale but also make a sustainable contribution to the Group's long-term growth. The Board sees no disadvantage to the Group in entering into the New Master Services Agreements.

The Directors (excluding the independent non-executive Directors, whose views will be provided after considering the advice of the Independent Financial Adviser) are of the view that the terms of each of the New Master Services Agreements and the proposed Annual Caps for the Services Transactions contemplated thereunder are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

## **CONNECTION BETWEEN THE PARTIES**

As at the date of this announcement:

- Dr. Cheng (the Chairman and non-executive Director), is a connected person of the Company. Dr. Cheng is also the brother of Mrs. Doo (one of the controlling shareholders of the Company), the brother in law of Mr. Doo (the Chairman and executive Director), and the uncle of Mr. Doo William Junior Guilherme (an executive Director). Dr. Cheng is a member of the Cheng family which holds or controls each of the NWD Group, and the CTFE Group. As such, each of the NWD Group and the CTFE Group is treated as a connected person of the Company.
- Mrs. Doo is one of the controlling shareholders of the Company and is a connected person of the Company. Mrs. Doo is also the sister of Dr. Cheng (the Chairman and non-executive Director), the spouse of Mr. Doo (the Chairman and executive Director) and the mother of

Mr. Doo William Junior Guilherme (an executive Director). The Doo's Associates Group are 30%-controlled companies of Mrs. Doo and her "immediate family members" (as defined in the Listing Rules), individually or together, and the subsidiaries of such companies. Members of the Doo's Associates Group are associates of Mrs. Doo and are connected persons of the Company.

## **REQUIREMENTS OF THE LISTING RULES**

As the highest of the applicable Percentage Ratio in respect of the Annual Caps for the NWD Master Services Agreement and the CTFE Master Services Agreement is more than 25%, the NWD Master Services Agreement, the CTFE Master Services Agreement, the Services Transactions contemplated thereunder respectively, and their respective Annual Caps are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A.

As the highest of the applicable Percentage Ratio in respect of the Annual Caps for the Doo's Associates Group Master Services Agreement exceeds 5% and HK\$10,000,000, the Doo's Associates Group Master Services Agreement, the Services Transactions contemplated thereunder and its Annual Caps are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A.

In the event that any Annual Cap is exceeded or any New Master Services Agreement is renewed or materially varied, the Company will re-comply with the applicable reporting, announcement and Independent Shareholders' approval requirements in accordance with the Listing Rules.

An EGM will be convened and held by the Company to consider and, if thought fit, approve each of the EGM Matters. The voting at the EGM will be taken by poll.

At the EGM, any Shareholders with a material interest in all or any of the New Master Services Agreements and the Services Transactions contemplated thereunder are required to abstain from voting on the proposed resolutions to be put forwarded to the Independent Shareholders at the EGM for approving the EGM Matters.

In view of the interests of CTFE, NWD and Mrs. Doo in the CTFE Master Services Agreement, the NWD Master Services Agreement, and the Doo's Associates Group Master Services Agreement, respectively, and the relation between Mrs. Doo and Dr. Cheng as mentioned above, each of CTFE, NWD and Mrs. Doo and their respective associates are required to abstain from voting at the EGM as aforesaid.

As at the date of this announcement, amongst these persons who are required to abstain from voting at the EGM as aforesaid, FSE Holdings, being an associate of Mrs. Doo and one of controlling shareholders of the Company, is holding 75% of the issued Shares. FSE Holdings will therefore abstain from voting at the EGM as aforesaid.

To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, apart from FSE Holdings, no other Shareholders are materially interested in all or any of the EGM Matters who are required to abstain from voting at the EGM as aforesaid.

## **INFORMATION ON THE PARTIES**

### **NWD Group**

NWD 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: 17). As at the date of this announcement and based on publicly available information, CTFE and its subsidiaries are interested in approximately 45.24% of the total issued share capital of NWD.

To the best knowledge of the Directors, the principal businesses of NWD and its subsidiaries include property development, property investment and investment in and/or operation of hotels and other strategic businesses.

### **CTFE**

CTFE is a company incorporated in Hong Kong with limited liability. As at the date of this announcement and based on publicly available information, CTFE is a wholly-owned subsidiary of Chow Tai Fook (Holding) Limited. Chow Tai Fook (Holding) Limited is an approximately 81.03% owned subsidiary of Chow Tai Fook Capital Limited. Chow Tai Fook Capital Limited is owned as to approximately 48.98% by Cheng Yu Tung Family (Holdings) Limited and approximately 46.65% by Cheng Yu Tung Family (Holdings II) Limited.

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

### **Doo's Associates Group**

Doo's Associates Group includes FSE Management which is a company incorporated in Hong Kong with limited liability. As at the date of this announcement and based on publicly available information, the entire issued share capital of FSE Management was held by FSE Holdings, which is in turn beneficially owned as to 88% by Mrs. Doo, 4% by Mr. Lam Wai Hon, Patrick, 7% by Mr. Doo William Junior Guilherme and 1% by Mr. Lee Kwok Bong.

To the best knowledge of the Directors, the principal businesses of the Doo's Associates Group are property investment and development, the provision of property leasing.

### **The Group**

The Company is an investment holding company and the holding company of the Group. The principal businesses of the Group include the provision of the following services:

- property and facility management services: provision of property & facility management services, property agency and related services for buildings, asset management services, car park management services and guarding services;
- city essential services: provision of cleaning & pest control and waste disposal services, recycling and environmental disposal services, insurance solutions, technical support & maintenance services, environmental solutions services (including environmental engineering services, EV charging infrastructure services and landscaping services) and systems security, guarding & event services and trading of environmental, EV charging, building materials and systems security products; and

- E&M services: provision of engineering and consultancy services on installation.

## GENERAL

The Independent Board Committee (comprising Mr. Kwong Che Keung, Gordon, Mr. Hui Chiu Chung, Stephen, Mr. Lee Kwan Hung, Eddie, Ms. Leung Wan Chong Christine and Mr. Martin Nicholas Hadaway, all of them are independent non-executive Directors) has been established to consider the EGM Matters and to advise and provide recommendation to the Independent Shareholders as to whether the EGM Matters are on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Somerley Capital has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on, among other matters, the fairness and reasonableness of the EGM Matters.

A circular containing further details of the EGM Matters and other information required under the Listing Rules, together with a form of proxy, is expected to be despatched to the Shareholders on or about 29 May 2026, as time is required to prepare the necessary information for inclusion in the circular.

## DEFINITIONS

In this announcement, all references to Rules and Chapters are references to Rules and Chapters of the Listing Rules unless otherwise stated.

Unless the context otherwise requires, the following expressions used in this announcement have the following meanings:

<b>“30%-controlled company”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Annual Caps”</b>	with respect to any New Master Services Agreement, the estimated maximum aggregate annual amounts in respect of the Services Transactions contemplated thereunder for each of the FY2027, FY2028 and FY2029
<b>“associate”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Board”</b>	the board of Directors
<b>“Company”</b>	FSE Lifestyle Services Limited (豐盛生活服務有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 331)
<b>“connected person”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Connected Parties”</b>	the NWD Group, the CTFE Group and the Doo’s Associates Group collectively

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“CTFE”	Chow Tai Fook Enterprises Limited (周大福企業有限公司), a company incorporated in Hong Kong with limited liability
“CTFE Group”	CTFE and its subsidiaries from time to time
“Definitive Agreements”	with respect to any New Master Services Agreement, the individual definitive agreements in respect of the Services Transactions which may from time to time be entered into pursuant thereto
“Director”	the director of the Company
“Doo’s Associates Group”	companies, other than members of the Group, which are the 30%-controlled companies of Mrs. Doo and/or her “immediate family members” (as defined in the Listing Rules), individually or together, and the subsidiaries of such companies
“Dr. Cheng”	Dr. Cheng Kar Shun, Henry, the chairman and non-executive Director
“Effective Date”	1 July 2026
“EGM”	an extraordinary general meeting of the Company to be convened and held to consider and approve the EGM Matters
“EGM Matters”	the New Master Services Agreements, the Services Transactions contemplated thereunder and their Annual Caps
“Former Master Services Agreements”	the following former master services agreements collectively: <ul style="list-style-type: none"> <li>(1) the master services agreement dated 28 April 2023 as supplemented by an addendum dated 17 November 2023 (“<b>Former CTFE Master Services Agreement</b>”) both entered into between the Company and CTFE in relation to the provision of (a) the FSE Services (not including lift repair and maintenance services under the FSE E&amp;M Services) and the FSE Insurance Solutions Services to Others by the Group to the CTFE Group; and (b) the CTFE Services by the CTFE Group to the Group;</li> <li>(2) the master services agreement dated 28 April 2023 (“<b>Former Doo’s Associates Group Master Services Agreement</b>”) entered into between the Company and FSE Management in relation to the provision of (a) the FSE Services and the FSE Insurance Solutions Services to Others by the Group to the Doo’s Associates Group; and (b) the Doo’s Associates Services by the Doo’s</li> </ul>

Associates Group to the Group; and

- (3) the master services agreement dated 28 April 2023 (**“Former NWD Master Services Agreement”**) entered into between the Company and NWD in relation to the provision of (a) the FSE Services and the FSE Insurance Solutions Services to NWD Group by the Group to the NWD Group; and (b) the NWD Services by the NWD Group to the Group

<b>“FSE Holdings”</b>	FSE Holdings Limited (豐盛創建控股有限公司), a company incorporated in the Cayman Islands with limited liability and a controlling shareholder of the Company holding 75% of the issued Shares carrying the right to vote at general meetings of the Company as at the date of this announcement
<b>“FSE Insurance Solutions Services”</b>	the FSE Insurance Solutions Services to NWD Group and the FSE Insurance Solutions Services to Others collectively
<b>“FSE Management”</b>	FSE Management Company Limited (豐盛創建管理有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of FSE Holdings
<b>“FY” or “financial year”</b>	financial year of the Company ended or ending 30 June
<b>“Group”</b>	the Company and its subsidiaries from time to time
<b>“Independent Board Committee”</b>	an independent committee of the Board, which comprises five independent non-executive Directors, namely Mr. Kwong Che Keung, Gordon, Mr. Hui Chiu Chung, Stephen, Mr. Lee Kwan Hung, Eddie, Ms. Leung Wan Chong Christine and Mr. Martin Nicholas Hadaway, established to advise the Independent Shareholders on, among other matters, the fairness and reasonableness of the EGM Matters
<b>“Independent Shareholders”</b>	the Shareholders, other than CTFE, FSE Holdings, NWD, Mrs. Doo and their respective associates, who do not have any material interest in the EGM Matters to be considered at the EGM
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Mr. Doo”</b>	Mr. Doo Wai Hoi, William, the spouse of Mrs. Doo
<b>“Mrs. Doo”</b>	Mrs. Doo Cheng Sau Ha, Amy, one of the controlling shareholders of the Company
<b>“New Master Services Agreements”</b>	the following new master services agreements collectively: <ol style="list-style-type: none"><li>(1) the new master services agreement dated 24 April 2026</li></ol>

**“CTFE Master Services Agreement”**) entered into between the Company and CTFE in relation to (a) the provision of the FSE Services (not including lift repair and maintenance services under the FSE E&M Services) and the FSE Insurance Solutions Services to Others by the Group to the CTFE Group; and (b) the CTFE Services by the CTFE Group to the Group;

- (2) the new master services agreement dated 24 April 2026 (**“Doo’s Associates Group Master Services Agreement”**) entered into between the Company and FSE Management in relation to the provision of (a) the FSE Services and the FSE Insurance Solutions Services to Others by the Group to the Doo’s Associates Group; and (b) the Doo’s Associates Services by the Doo’s Associates Group to the Group; and
- (3) the new master services agreement dated 24 April 2026 (**“NWD Master Services Agreement”**) entered into between the Company and NWD in relation to the provision of (a) the FSE Services and the FSE Insurance Solutions Services to NWD Group by the Group to the NWD Group; and (b) the NWD Services by the NWD Group to the Group as a definitive agreement to the NWD Services Group Master Services Agreement

<b>“NWD”</b>	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 17)
<b>“NWD Group”</b>	NWD and its subsidiaries from time to time
<b>“NWD Services Group Master Services Agreement”</b>	the master services agreement dated 24 April 2026 made between Mr. Doo and NWD in relation to the provision of services as contemplated thereunder by the Services Group (Doo’s Associates) to the NWD Group and vice versa
<b>“Percentage Ratios”</b>	the applicable percentage ratios under Rule 14.07
<b>“Rental Services”</b>	the NWD Rental Services, the CTFE Rental Services and the Doo’s Associates Rental Services
<b>“Services”</b>	(1) the following services from the Group:  (A) the following services ( <b>“FSE Services”</b> ): <ul style="list-style-type: none"><li>• provision of cleaning services including general cleaning, waste management and disposal, external wall and window cleaning, pest control and clinical waste management rendered at</li></ul>

commercial buildings, residential buildings, public transportation facilities and other public institutions and facilities, and recycling and environmental services and related services (the “**FSE Cleaning Services**”);

- provision of services as contractors, management contractors and project managers, building and general construction, civil engineering, building exterior and interior design, building repair, renovation, maintenance consultancy and other services, demolition, building and property fitting out and decoration work, construction management and the supply of construction and building equipment and materials, electrical and mechanical engineering works, supply and installation of air-conditioning, heating and ventilation systems, fire services systems, plumbing and drainage systems, lift repair and maintenance services, electrical systems, system design and consultancy, computer aided drafting services and related services (“**FSE E&M Services**”);
- provision of installation and maintenance of water treatment systems, odour abatement systems, construction site wastewater treatment systems, EV charging infrastructure, IoT solutions, consultancy services for energy audit, carbon audit, building environmental assessment, indoor air quality and water quality assessment, laboratory services, and landscape and plant management and maintenance, supply of plants and related services; and sales of tiles, building service products including pipes, pumps, accessory valves and fittings, building automation systems, heating, ventilation, air-conditioning parts, fire services products, environmental engineering products covering building services water treatment and odour abatement systems, air quality monitoring machines, construction site wastewater treatment systems, EV charging products and plants (the “**FSE Environmental Solutions Services**”);
- provision of facility and property management services, letting agency services, consultancy services, property sales, the provision of carparking management and other related services (the “**FSE Facility and Property**”);

**Management Services”);**

- provision of services of security guarding, event servicing, security services, security systems & technology (including installation and maintenance), security consultancy, armoured transit & vaulting security, escort & surveillance security services, supply of security products and related services (the “**FSE Security, Guarding and Event Servicing Services**”);

(B) provision of insurance consultancy and advisory services (the “**FSE Insurance Solutions Services to NWD Group**”); and

(C) provision of insurance brokerage services, insurance consultancy and advisory services, including without limitation to general insurances brokerage services related to property and casualty, construction projects, employee benefits, director and officer’s liability, prospectus liability and cyber risk liabilities and related services (the “**FSE Insurance Solutions Services to Others**”);

(2) the following services from the Connected Parties:

(A) the following services (“**NWD Services**”):

- the maintenance and support of computer software-related matters, such as solving software and hardware conflicts and usability problems and supplying updates and patches for bugs, security holes in the programme and other services as required by in-house IT staff as and when necessary (“**NWD IT Support Services**”);
- rental and licensing of the rights to use of properties, including without limitation, spare spaces, office spaces and carparking spaces, and related services (“**NWD Rental Services**”);
- appointment, coordination, consultancy and other related services (“**NWD Sundry Services**”);

(B) the following services (“**CTFE Services**”):

- provision of services as main contractors, management contractors and project managers, subcontractors, suppliers or agents, building and general construction, civil engineering,

building exterior and interior design, building maintenance and repair, renovation, maintenance consultancy and other services, demolition, piling and foundation, building and property fitting out and decoration work, construction management, hiring, procurement and supply of plant, machinery, equipment and materials, system design and consultancy, computer aided drafting services and related services (the “**CTFE Contracting Services**”);

- provision of convention and exhibition facilities, property management and related functions and services, food and beverage catering services, trading and supply, merchandise sourcing and related services (“**CTFE Facility and Property Management Services**”);
- provision of insurance advisory, insurance underwriting services and policy underwriting services and related services (“**CTFE Insurance Related Services**”);
- leasing or licensing of properties and the rights to use properties, including, without limitation, spare spaces, car parking spaces and related services (“**CTFE Rental Services**”); and

(C) the following services (“**Doo’s Associates Services**”):

- leasing of properties, including without limitation, spare spaces, office spaces and carparking spaces, licences for the use of wall signages, lighting boxes and the use of common areas and related services (“**Doo’s Associates Rental Services**”)

**“Services Group (Doo’s Associates)”**

(1) Mr. Doo and his immediate family members (as defined under the Listing Rules) and (2) any company in the equity capital of which Mr. Doo and/or his immediately family member(s) (individually or together) is/are or will be 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 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 and any other company which is its subsidiary. The Doo’s Associates

	Group and the Group are members of the Services Group (Doo’s Associates)
<b>“Services Transactions”</b>	with respect to any New Master Services Agreement, the provision of the Services as contemplated thereunder (as more particularly set out under the paragraph headed <b>“New Master Services Agreements”</b> of this announcement above)
<b>“Share”</b>	ordinary share of par value HK\$0.10 in the share capital of the Company
<b>“Shareholder”</b>	the holder of any Share
<b>“Somerville Capital” or “Independent Financial Adviser”</b>	Somerville Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the EGM Matters
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“%”</b>	per cent.

By order of the Board  
**FSE Lifestyle Services Limited**  
**Lam Wai Hon, Patrick**  
*Executive Vice-Chairman and Chief Executive Officer*

Hong Kong, 24 April 2026

*As at the date of this announcement, the Board comprises Dr. Cheng Kar Shun, Henry (Chairman) as non-executive director, Mr. Doo Wai Hoi, William (Chairman), Mr. Lam Wai Hon, Patrick (Executive Vice-Chairman and Chief Executive Officer) (also acts as alternate director to Dr. Cheng Kar Shun, Henry), Mr. Doo William Junior Guilherme, Mr. Lee Kwok Bong, Mr. Soon Kweong Wah, Dr. Cheng Chun Fai and Mr. Chan Ju Wai as executive directors, Mr. Kwong Che Keung, Gordon, Mr. Hui Chiu Chung, Stephen, Mr. Lee Kwan Hung, Eddie, Ms. Leung Wan Chong Christine and Mr. Martin Nicholas Hadaway as independent non-executive directors.*