First Service Holding Limited
第一服务控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2107)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

HIGHLIGHTS

— Revenue for the six months ended 30 June 2026 amounted to RMB648.5 million, representing a decrease of approximately 5.2% as compared to RMB684.1 million for the same period in 2025.

— Gross profit for the six months ended 30 June 2026 amounted to RMB153.2 million, representing a decrease of approximately 11.1% as compared to RMB172.2 million for the same period in 2025.

— Gross profit margin for the six months ended 30 June 2026 was 23.6%, representing a period-over-period decrease of 1.6 percentage points. Among which, gross profit margin of property management services was 23.0%, gross profit margin of value-added services was 26.4%, and gross profit margin of green living solutions was 24.6%.

— Profit for the six months ended 30 June 2026 amounted to RMB27.3 million, representing a decrease of approximately 30.9% as compared to a net profit of RMB39.6 million for the same period in 2025. The core operating profit (excluding the effect of impairment loss on trade receivables) for the six months ended 30 June 2026 was RMB67.1 million, representing a period-over-period decrease of approximately 19.6%.

The board (the "**Board**") of directors (the "**Directors**") of First Service Holding Limited (第一服务控股有限公司) (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026, together with comparative figures for the six months ended 30 June 2025.

In this announcement, "we", "us", "our" and "First Service Holding" refer to the Company and where the context otherwise requires, the Group.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 — unaudited
*(Expressed in Renminbi ("**RMB**"))*

		Six months ended 30 June	
	Note	**2026**	2025
		RMB'000	*RMB'000*
Revenue	*3*	**648,483**	684,112
Cost of sales		**(495,326)**	(511,864)
Gross profit		**153,157**	172,248
Other net income	*4*	**8,744**	10,857
Selling expenses		**(5,750)**	(10,317)
Administrative expenses		**(74,371)**	(77,894)
Impairment loss on trade receivables		**(39,780)**	(43,865)
Finance costs	*5(a)*	**(9,400)**	(2,524)
Profits less losses of associates		**(285)**	(369)
Share of losses of joint ventures		**(56)**	–
Profit before taxation	*5*	**32,259**	48,136
Income tax	*6*	**(4,910)**	(8,543)
Profit for the period		**27,349**	39,593

	Note	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Other comprehensive income for the period (after tax and reclassification adjustments)			
Item that will not be reclassified to profit or loss:			
Equity investment at fair value through other comprehensive income ("**FVOCI**") — net movement in fair value reserves (non-recycling)		**(296)**	(600)
Item that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		**(2,649)**	(684)
Other comprehensive income for the period		**(2,945)**	(1,284)
Total comprehensive income for the period		**24,404**	38,309
Profit attributable to:			
Equity shareholders of the Company		**20,954**	28,240
Non-controlling interests		**6,395**	11,353
Profit for the period		**27,349**	39,593
Total comprehensive income attributable to:			
Equity shareholders of the Company		**18,009**	26,956
Non-controlling interests		**6,395**	11,353
Total comprehensive income for the period		**24,404**	38,309
Earnings per share	*7*		
Basic *(RMB)*		**0.0221**	0.0231
Diluted *(RMB)*		**0.0156**	0.0170

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 — unaudited
(Expressed in RMB)

	Note	**At 30 June 2026** *RMB'000*	At 31 December 2025 *RMB'000*
Non-current assets			
Investment properties		**10,780**	13,866
Property and equipment		**24,716**	30,762
Right-of-use assets	*13*	**12,402**	13,027
Intangible assets		**27,940**	30,542
Goodwill		**91,603**	91,603
Interest in joint ventures		**–**	25
Interest in associates		**3,175**	3,430
Other financial assets		**1,696**	2,090
Other non-current assets		**–**	3,000
Financial assets measured at fair value through profit or loss ("**FVPL**")	*9(a)*	**17,327**	17,327
Other financial assets measured at amortised cost		**10,069**	–
Deferred tax assets		**88,630**	81,615
		288,338	287,287
Current assets			
Inventories		**1,276**	1,216
Trade and other receivables	*8*	**589,526**	564,743
Other current assets		**6,533**	226
Financial assets measured at FVPL	*9(a)*	**273,190**	267,465
Restricted cash	*10*	**17,394**	19,758
Cash and cash equivalents	*10*	**413,366**	437,172
		1,301,285	1,290,580

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current liabilities			
Trade and other payables	*11*	**436,541**	431,084
Contract liabilities		**299,343**	320,874
Bank loan		**200**	480
Lease liabilities		**379**	372
Other financial liabilities	*9(b)*	**221,380**	212,060
Current taxation		**9,937**	7,300
		967,780	972,170
Net current assets		**333,505**	318,410
Total assets less current liabilities		**621,843**	605,697
Non-current liabilities			
Lease liabilities		**1,887**	1,975
Deferred tax liabilities		**3,984**	5,210
		5,871	7,185
NET ASSETS		**615,972**	598,512
CAPITAL AND RESERVES			
Share capital	*12(b)*	**2**	2
Reserves		**552,724**	537,385
Total equity attributable to equity shareholders of the Company		**552,726**	537,387
Non-controlling interests		**63,246**	61,125
TOTAL EQUITY		**615,972**	598,512

NOTES TO UNAUDITED INTERIM RESULTS

(Expressed in RMB unless otherwise indicated)

1 BASIS OF PREPARATION

These unaudited interim results of First Service Holding Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), including compliance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting* issued by the International Accounting Standards Board ("**IASB**").

The Company was incorporated in the Cayman Islands on 20 January 2020 as an exempted company with limited liability under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Main Board of the Stock Exchange on 22 October 2020.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards as issued by the IASB.

The interim financial report is unaudited, but has been reviewed by the audit committee of the Company and approved for issue by the board of directors ("**Board**") of the Company on 26 August 2026. The interim financial report has also been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* issued by the Hong Kong Institute of Certified Public Accountants.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: Disclosures — Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. The adoption of the amendments does not have a material impact on the Group's consolidated financial statements for the periods presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are property management services, services in the area of green living solutions and value-added services. Further details regarding the Group's principal activities are disclosed in Note 3(b).

For the six months ended 30 June 2026 and 2025, the Group's customer base is diversified and none of them contributed 10% or more of the Group's revenue during the reporting period.

(a) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

For property management services and energy operation services under the service line of green living solutions, the Group recognises revenue on a monthly basis in the amount to which the Group has a right to invoice and that corresponds directly with the value of performance completed. The Group has elected the practical expedient for not to disclose the remaining performance obligations for this type of contracts. The majority of the property management service contracts and energy operation services under the service line of green living solutions do not have a fixed term.

For sale of goods under the service line of green living solutions, there is no significant unsatisfied performance obligation at the end of the reporting period.

For other services, they are rendered in short period of time and there is no significant unsatisfied performance obligation at the end of the reporting period.

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments.

- First Property Management: this segment provides property management services, energy operation services under the service line of green living solutions and value-added services.

- First Living: this segment provides system installation services, sale of goods, and energy operation services under the service line of green living solutions.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible and intangible assets, current assets, interests in associates and joint ventures, investments in financial assets and deferred tax assets. Segment liabilities include trade creditors and accruals and contract liabilities attributable to the revenue generating activities of the individual segment and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Assistance provided by one segment to the other, including sharing of assets and technical know-how, is not measure.

The measure used for reporting segment profit is profit before tax.

Disaggregation of revenue from contracts with customers by timing of revenue recognition, disaggregation of revenue from contracts with customers by major products and service lines, as well as information about reportable segments as provided to the Group's most senior executive management for resource allocation and performance assessment for the six months ended 30 June 2026 and 2025, are set out below.

	First Property Management		**First Living**		**Total**	
For the six months ended 30 June	**2026**	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Disaggregated by timing of revenue recognition						
Revenue recognised over time	**634,296**	668,182	**16,839**	16,653	**651,135**	684,835
Revenue recognised at point in time	**4,006**	4,737	**–**	1,506	**4,006**	6,243
Reportable segment revenue	**638,302**	672,919	**16,839**	18,159	**655,141**	691,078

For the six months ended 30 June	First Property Management		First Living		Total	
	2026	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Disaggregated by major products or service lines						
— Property management services	**493,792**	504,266	**–**	–	**493,792**	504,266
— Green living solutions	**61,708**	62,620	**16,839**	18,159	**78,547**	80,779
— Value-added services	**82,802**	106,033	**–**	–	**82,802**	106,033
Reportable segment revenue	**638,302**	672,919	**16,839**	18,159	**655,141**	691,078
Reportable segment profit	**29,356**	44,893	**3,226**	1,626	**32,582**	46,519
Interest income	**325**	433	**2**	3	**327**	436
Interest expense	**44**	60	**192**	261	**236**	321
Depreciation and amortisation for the period	**6,040**	5,972	**253**	307	**6,293**	6,279
Impairment losses on trade receivables	**41,301**	44,052	**(1,521)**	(187)	**39,780**	43,865
As at 30 June/ 31 December						
Reportable segment assets	**1,271,466**	1,263,375	**73,864**	68,637	**1,345,330**	1,332,012
Reportable segment liabilities	**735,439**	747,684	**82,660**	80,202	**818,099**	827,886

(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**655,141**	691,078
Elimination of inter-segment revenue	**(6,658)**	(6,966)
Consolidated revenue	**648,483**	684,112

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Reportable segment profit		
Reportable segment profit	**32,582**	46,519
Unallocated head office and corporate net (expense)/ income before taxation	**(323)**	1,617
Consolidated profit before taxation	**32,259**	48,136

	At 30 June	At 31 December
	2026	2025
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**1,345,330**	1,332,012
Unallocated head office and corporate assets	**627,616**	634,399
Elimination of inter-segment balances	**(383,323)**	(388,544)
Consolidated total assets	**1,589,623**	1,577,867

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Liabilities		
Reportable segment liabilities	**818,099**	827,886
Unallocated head office and corporate liabilities	**221,220**	211,909
Elimination of inter-segment balances	**(65,668)**	(60,440)
Consolidated total liabilities	**973,651**	979,355

4 OTHER NET INCOME

	Note	Six months ended 30 June 2026 *RMB'000*	2025 *RMB'000*
Interest income		**598**	2,812
Government grants	*(i)*	**4,670**	4,790
Net realised gains on financial assets measured at FVPL		**75**	340
Fair value loss of investment properties		**(3,086)**	(271)
Net valuation gains on financial assets measured at FVPL		**9,568**	4,150
Rental income		**564**	808
Net losses on disposal of other current assets		**(1,882)**	–
Net losses on disposal of property and equipment		**(408)**	(341)
Net losses on disposal of right-of-use assets		**(342)**	(241)
Claims and fines		**(1,635)**	(911)
Others		**622**	(279)
		8,744	10,857

Note:

(i) The government grants represent subsidies from various PRC authorities. There are no unfulfilled conditions or future obligations attached to these subsidies.

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest on lease liabilities	**44**	51
Interest on bank loans	**6**	–
Interest on other payables	**30**	35
Changes in value of other financial liabilities	**9,320**	2,438
	9,400	2,524

(b) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Amortisation cost of intangible assets	**2,602**	2,647
Depreciation charge		
— owned property and equipment	**3,384**	3,347
— right-of-use assets	**307**	285
	3,691	3,632
Cost of inventories	**626**	3,611
Operating lease expenses relating to short-term leases	**702**	640

6 INCOME TAX

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current tax — PRC Corporate Income Tax		
Provision for the period	**13,054**	16,881
Deferred tax		
Origination and reversal of temporary differences	**(8,144)**	(8,338)
	4,910	8,543

Pursuant to the tax rules and regulations of the Cayman Islands and the British Virgin Islands ("**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

The income tax rate applicable to the Group's subsidiary incorporated in Hong Kong for the income subject to Hong Kong Profits Tax during the reporting period is 16.5%. No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax during the reporting period (six months ended 30 June 2025: Nil).

The Group's PRC subsidiaries are subject to PRC Corporate Income Tax at 25%.

Certain subsidiaries have been approved as High and New Technology Enterprise ("**HNTE**") and entitled to a preferential income tax rate of 15% during the reporting period. The HNTE certificate needs to be renewed every three years.

Certain subsidiaries are qualified as Small Low-profit Enterprises. The entitled subsidiaries are subject to a preferential income tax rate of 5% during the reporting period.

(b) Pillar Two income tax

The Group operates in the Chinese Mainland and has an investment holding company in Hong Kong, which has enacted new tax laws to implement the Global Anti-Base Erosion Model Rules published by the Organisation for Economic Co-operation and Development. The directors of the Company concluded Pillar Two income taxes do not have a significant impact on the Group.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2026 is based on the profit attributable to equity shareholders of the Company of RMB20,954,000 (six months ended 30 June 2025: RMB22,148,000) and the weighted average number of 948,668,000 ordinary shares (six months ended 30 June 2025: 959,831,000 ordinary shares) in issue during the interim period, calculated as follows:

(i) Profit attributable to ordinary equity shareholders of the Company

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit attributable to ordinary equity shareholders	**20,954**	28,240
Effect of consideration shares issued *(Note 9(b)(ii))*	**–**	(6,092)
Profit attributable to ordinary equity shareholders (basic)	**20,954**	22,148

(ii) Weighted average number of ordinary shares

	Six months ended 30 June	
	2026	2025
	No. of '000 shares	*No. of '000 shares*
Issued ordinary shares at 1 January	**1,264,000**	1,264,000
Effect of shares held by the employee share trusts	**(51,332)**	(40,169)
Effect of written put option of consideration shares issued *(Note 9(b)(ii))*	**(264,000)**	(264,000)
Weighted average number of ordinary shares at 30 June	**948,668**	959,831

(b) Diluted earnings per share

The calculation of diluted earnings per share for the six months ended 30 June 2026 is based on the adjusted profit attributable to ordinary equity shareholders of the Company of RMB30,274,000 (six months ended 30 June 2025: RMB24,586,000) and the weighted average number of ordinary shares of 1,942,751,000 shares (six months ended 30 June 2025: 1,442,009,000 ordinary shares), calculated as follows:

(i) Profit attributable to ordinary equity shareholders of the Company (diluted)

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit attributable to ordinary equity shareholders (basic)	**20,954**	22,148
After tax effect of changes in value of other financial liabilities issued *(Note 5(a))*	**9,320**	2,438
Profit attributable to ordinary equity shareholders (diluted)	**30,274**	24,586

(ii) Weighted average number of ordinary shares (diluted)

	Six months ended 30 June	
	2026	2025
	No. of '000 shares	*No. of '000 shares*
Weighted average number of ordinary shares at 30 June (basic)	**948,668**	959,831
Bonus element in written put option of consideration shares issued	**994,083**	482,178
Weighted average number of ordinary shares at 30 June (diluted)	**1,942,751**	1,442,009

8 TRADE AND OTHER RECEIVABLES

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade receivables from third parties	**712,663**	647,170
Less: expected credit losses ("**ECL**") allowance	**(314,181)**	(274,886)
	398,482	372,284
Trade receivables from related parties	**162,658**	166,241
Less: ECL allowance	**(141,735)**	(144,949)
	20,923	21,292
Total trade receivables	**419,405**	393,576
Prepayments	**29,002**	38,963
Payments on behalf of property owners	**43,826**	42,746
Deposits	**15,555**	14,428
Value-added tax prepaid	**9,665**	9,702
	98,048	105,839
Other receivables	**72,318**	65,573
Less: ECL allowance for other receivables	**(245)**	(245)
Other receivables	**72,073**	65,328
	589,526	564,743

Trade receivables are primarily related to revenue generated from property management and services in the area of green living solutions.

As of the end of each reporting period, the ageing analysis of trade receivables based on the date of revenue recognition which is the same as the due date, and net of ECL allowance for trade receivables is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 year	**288,015**	274,576
1 to 2 years	**77,803**	67,446
2 to 3 years	**24,499**	24,885
3 to 4 years	**9,751**	11,167
4 to 5 years	**9,292**	9,001
Over 5 years	**10,045**	6,501
	419,405	393,576

9 FINANCIAL ASSETS MEASURED AT FVPL AND OTHER FINANCIAL LIABILITIES

(a) Financial assets measured at FVPL

	Note	**At 30 June 2026** *RMB'000*	At 31 December 2025 *RMB'000*
Non-current assets			
Equity instruments measured at FVPL	*(i)*	**17,327**	17,327
Current assets			
Wealth management products		**51,810**	55,405
Equity instruments measured at FVPL	*(ii)*	**221,380**	212,060
		273,190	267,465
		290,517	284,792

(b) Other financial liabilities

	Note	**At 30 June 2026** *RMB'000*	At 31 December 2025 *RMB'000*
Other financial liabilities	*(ii)*	**221,380**	212,060

Notes:

(i) On 23 December 2024, First Property Service (Beijing) Co., Ltd. ("**First Property**"), an indirect wholly-owned subsidiary of the Company, and Beijing Tengyun Century Enterprise Management Consulting Partnership (Limited Partnership) (北京騰雲世紀企業管理諮詢合夥企業(有限合夥)) ("**Beijing Tengyun**"), a company ultimately owned as to 35.93% by a shareholder, indirectly holding approximately 12.53% of the entire issued share capital of the Company, entered into an investment agreement, pursuant to which, First Property agreed to make capital injection amounted to RMB16,500,000 into Beijing Tengyun for the purpose of enabling Beijing Tengyun to make a corresponding investment to hold 16.8% interest in Wuhu Dezhixin Project Investment Partnership Enterprise (Limited Partnership) (蕪湖德致信項目投資合夥企業(有限合夥)) ("**Target Partnership**") as a limited partner. The capital injection shall be used solely for the purpose of making investment into the Target Partnership for the purpose of acquiring certain investment properties from a company controlled by Mr. Zhang Lei.

Upon completion of the capital injection, the Company indirectly held 6.15% interest in the Target Partnership which is accounted for as financial assets measured at FVPL.

(ii) On 21 November 2022, the Company as the purchaser, and Platinum Wish Limited (鉑願有限公司) and View Max Limited (景至有限公司) (collectively, as the "**Vendors**") entered into the share transfer agreement (the "**Agreement**"), pursuant to which the Company would acquire 8% equity interest of Century Golden Resources Services Group Co., Ltd. (世紀金源服務集團有限公司) (the "**Target Company**"), which represents 8% of the issued share capital of the Target Company (the "**Sale Shares**"), at a total consideration of RMB163,045,449.60 (equivalent to approximately HK$179,520,000). The consideration would be satisfied by the issue and allotment of a total of 264,000,000 ordinary shares of the Company as consideration shares (the "**Consideration Shares**") at the issue price of HK$0.68 per consideration share to the Vendors. The transaction was completed in 2024 (the "**Completion**").

Pursuant to the Agreement, the Vendors have been granted at nil consideration a call option pursuant to which the Vendors have the right to exercise the call option within three years after the Completion (the "**Option Period**") by requiring the Company to sell all the Sale Shares to the Vendors, the consideration of which shall be settled by way of transferring all the Consideration Shares to the Company for cancellation.

Pursuant to the Agreement, the Company has been granted at nil consideration a put option pursuant to which the Company has the right to exercise the put option within three years after the Completion by requiring the Vendors to acquire all the Sale Shares from the Company, the consideration of which shall be settled by way of transferring all the Consideration Shares to the Company for cancellation.

Upon the Completion, the investments in the Sale Shares are accounted for as financial assets measured at FVPL. The put option granted to and the call option written by the Company are a compound financial instrument and are not separated presented in the consolidated financial statements. The Company's obligation to purchase the Consideration Shares for investments in the Sales Shares gives rise to a financial liability for the present value of the redemption determined by reference to the fair value of the Sales Shares at the end of the reporting period.

On 5 September 2025, the Company and the Vendors entered into deeds of the waiver of dividends, pursuant to which the Company would waive all dividends declared by the Target Company and the Vendors would waive all dividends declared by the Company, in respect of the Option Period. Accordingly, the Vendors' entitled dividend for 2023 and 2024 of the Company amounting to RMB16,214,000 were waived and recognised as capital contribution from non-controlling interests during the year ended 31 December 2025, which were non-cash transactions. The Target Company did not declare dividends during the reporting period.

10 CASH AND CASH EQUIVALENTS

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash on hand		**186**	43
Cash at bank		**430,574**	456,887
Less: restricted cash	*(i)*	**(17,394)**	(19,758)
		413,366	437,172

Note:

(i) At 30 June 2026, the ending balance of restricted cash primarily represents RMB3,223,000 (31 December 2025: RMB6,118,000) held by employee share trusts for the purchase or subscription of shares as awarded to the eligible persons pursuant to the Share Award Scheme ("**the Scheme**") (see Note 12(c)), and RMB12,537,000 (31 December 2025: RMB12,195,000) collected on behalf of the property owners' associations in Group's property management service business. Pursuant to property management agreements, the Group opens and manages these bank accounts on behalf of the property owners' associations.

11 TRADE AND OTHER PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables	**178,076**	163,098
Amounts due to related parties	**7,050**	7,074
Other taxes and charges payable	**31,287**	30,056
Accrued payroll and other benefits	**27,308**	42,509
Deposits	**58,408**	62,107
Dividends payable	**–**	45
Receipts on behalf of property owners	**95,376**	85,907
Other payables and accruals	**39,036**	40,288
	436,541	431,084

All the trade and other payables (including amounts due to related parties) are expected to be settled within 1 year or are repayable on demand.

As of the end of each reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Within 1 year	**131,004**	113,652
1 to 2 years	**9,782**	15,328
2 to 3 years	**5,955**	7,040
Over 3 years	**31,335**	27,078
	178,076	163,098

12 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

During the six months ended 30 June 2026, no final dividend in respect of the year ended 31 December 2025 (six months ended 30 June 2025: HK$3.40 cents per share) was declared to the equity shareholders of the Company. The aggregate amount of the final dividend declared during the six months ended 30 June 2025 amounted to HK$42,976,000 (equivalent to RMB39,797,000), which had been fully paid on 9 September 2025.

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

(b) Share capital

	At 30 June 2026		At 31 December 2025	
	No. of shares	***RMB***	*No. of shares*	*RMB*
Ordinary shares, issued and fully paid:				
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	**1,264,000,000**	**1,756**	1,264,000,000	1,756

(c) Employee share trusts

On 10 May 2021, the Board resolved to adopt the Scheme, a long-term incentive program to eligible persons, in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group.

Employee share trusts are established for the purposes of awarding shares to eligible persons (including employees and directors of the Company or its subsidiaries, and advisors and agents who provide value-added services to the Company or its subsidiaries) under the Scheme. The employee share trusts are administered by the Board and the trustees and are funded by the Group's cash contributions for buying the Company's shares in the open market and recorded as contributions to employee share trusts, an equity component.

During the six months ended 30 June 2026, the Company had entrusted the trustee to purchase shares on the Stock Exchange as follows:

Month/year	**Number of shares repurchased**	**Highest price paid per share**	**Lowest price paid per share**	**Aggregate price paid**
		HK$	*HK$*	*RMB'000*
April 2026	2,362,500	0.19	0.16	369
May 2026	4,385,000	0.18	0.15	654
June 2026	8,250,000	0.27	0.18	1,647
	14,997,500			2,670

The trustee of the employee share trusts will transfer the shares of the Company to employees upon vesting. As at 30 June 2026, the employee share trusts has held 63,580,000 shares (31 December 2025: 48,582,500 shares), and no share has been granted and vested.

13 RIGHT-OF-USE ASSETS

As at 30 June 2026, right-of-use assets represent operation rights of carparks, and buildings and premises amounted to RMB10,491,000 (31 December 2025: RMB10,919,000) and RMB1,911,000 (31 December 2025: RMB2,108,000) respectively.

CHAIRMAN'S STATEMENT

Dear stakeholders,

On behalf of the Board, I am pleased to present the performance review of the Group for the first half of 2026 and the development outlook for the second half of the year.

PERFORMANCE OVERVIEW

As time progresses, only the pragmatic will advance. In the first half of 2026, the property service industry stood at a historic juncture, marking the beginning of the "15th Five-Year Plan". The "Quality Houses + Considerate Service" initiative has evolved from policy advocacy to standard implementation, "value for money" has become a market consensus, and artificial intelligence is reshaping the operational methods and cost structures of services. The dynamics of competition in the industry have been rewritten, shifting from a contest of scale to a competition based on upholding the essence of service and technological capabilities. Amid this great tide of change, only companies with strong foundations can go the distance.

Facing this profound transformation, First Service Holding has adopted "Returning to the Essence, Consolidating the Core for Innovation" as its annual strategy: with the resolve of "Returning to the Essence", we embed the foundations of service into every detail; and with the drive of "Consolidating the Core for Innovation", we revitalize growth momentum in the era of the stock economy.

In the first half of 2026, the Group achieved revenue of RMB648.5 million and gross profit of RMB153.2 million; excluding the impact of impairment losses, we achieved a core operating profit of RMB67.1 million. During the market's deep adjustment period, we maintained our strategic resolve, maintained stable operations, which further highlighted our developmental resilience.

Returning to the Essence: Quality as the Root, Trust as the Foundation

The essence of service lies in day-to-day perseverance; the power of quality stems from a meticulous pursuit of detail. In the first half of 2026, we pushed forward with the transformation of high-frequency customer touchpoints, making quality improvements both visible and tangible; we organized hundreds of property owner forums and tripartite co-governance meetings, collected issues to formulate dedicated plans, and supervised their closed-loop resolution. We believe that the value of service is ultimately measured by the experience and trust of property owners.

Quality is not a one-time investment, but a replicable organizational capability. We insisted on leading by example and expanding from points to a wider area, organizing on-site observations at benchmark projects such as Nanjing Wanguofu and Taiyuan Wanguocheng. Through a "verification-review-promotion" process, we refined our methods and established standards, elevating high quality from being exceptional to being the common standard, thereby solidifying our foundation to navigate through cycles.

Consolidating the Core for Innovation: Deepening Core Strengths, Pioneering with Innovation

In an era of competition over existing market share, growth no longer comes from aggressive expansion but from in-depth cultivation and synergy. In the first half of 2026, we shifted our market expansion from "passive waiting" to "proactive engagement", creating greater efficiency with a more streamlined organization; the annual contract value of newly signed projects reached RMB94.4 million; the project types involved various formats such as industrial parks, transportation hubs, as well as government and corporate offices, further expanding the boundaries of our service capabilities; the synergy between investment and expansion continued to unfold, with newly signed projects transitioning from system integration to value co-creation.

We are resolutely driving the transformation of our diversified operations towards "profit orientation and high-quality development": our mature businesses have achieved a closed-loop model; our emerging businesses are opening up external markets, and our value-added services are cultivating new and sustainable growth drivers while securing their existing core businesses. We adhere to the principle of "leaving rule-based tasks to AI and human-touch tasks to people". Artificial intelligence has been implemented across multiple service scenarios, and the new "human-machine collaboration" service model is transitioning from pilot stages to broader implementation.

OUTLOOK

In the second half of 2026, we will continue to press forward with determination, employing a definitive strategy to navigate an uncertain environment.

Deepen market penetration, pursuing both quality and efficiency. We will strengthen our resolve to tackle key challenges. On one hand, we will firmly secure our operational fundamentals and solidify our existing service base; on the other hand, we will focus on developing high-quality incremental business, concentrating on premium sectors and strategic clients, leveraging in-depth cultivation to expand our market space and amplifying value through synergy to drive high-quality and sustainable growth in market expansion.

Deepen our focus on quality, delivering an experience of exceptional value. We will return service to its core of caring for people, simultaneously implementing comprehensive business processes and standardization. We will solidify our operational foundation with standardized management and win long-term trust through quality, safeguarding the Company's long-term and stable development.

Deepen innovation, nurturing new growth and strengthening the core. We will continue to deepen the comprehensive empowerment of artificial intelligence, enhancing overall organizational efficiency through digital innovation. We will promote the deep penetration of AI technology into all functional departments, drive the Company's development and upgrading through intelligent transformation, and turn "Embracing AI" from a slogan into a tangible capability.

In addition to creating value that exceeds customer expectations and delivering stable returns to the shareholders of the Company (the "**Shareholders**"), we are committed to injecting new momentum into the high-quality development of the industry through pragmatic actions and a sense of responsibility.

APPRECIATION

The Board would like to express its sincere gratitude to our Shareholders for their trust and confidence, to our valued customers for their support and loyalty, and to all our partners for their collaboration. Special thanks go to all our staff and the management team for embodying the true meaning of service with their professionalism, for building the Company's cornerstone with their integrity, and for implementing the strategic blueprint with their dedication.

As time surges forward, our original aspiration remains as firm as ever. With the resolve of "Returning to the Essence" and the drive of "Consolidating the Core for Innovation", let us act diligently and advance towards the new!

Zhang Peng
Chairman

26 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Revenue

We generate revenue primarily through our three business lines, namely (i) property management services, (ii) value-added services, and (iii) green living solutions. Our revenue decreased by approximately 5.2% from RMB684.1 million for the six months ended 30 June 2025 to RMB648.5 million for the same period in 2026.

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Property management services	**493,670**	**76.1**	503,979	73.7
Value-added services	**82,575**	**12.8**	105,963	15.5
Green living solutions	**72,238**	**11.1**	74,170	10.8
Total	**648,483**	**100.0**	684,112	100.0

Property Management Services

Our property management services consist of cleaning, security, gardening, repair and maintenance services provided to property developers, property owners and residents. Revenue from property management services decreased by approximately 2.0% from RMB504.0 million for the six months ended 30 June 2025 to RMB493.7 million for the same period in 2026. The decrease was mainly attributable to the Group's proactive optimization of its portfolio of projects under management and the orderly exit from certain projects with lower gross profit margins, which led to a decline in revenue, while operating costs did not reduce proportionately in the short term, resulting in a decrease in gross profit.

Value-Added Services

We primarily provide five types of value-added services to non-property owners, property owners and residents, namely (i) sales assistance services, (ii) preliminary planning and design consultancy services, (iii) parking space management services, (iv) home living services, and (v) communal area leasing services.

The following table sets forth our revenue from value-added services by service type for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Value-added services to non-property owners				
Sales assistance services	**3,155**	**3.8**	6,492	6.1
Preliminary planning and design consultancy services	**–**	**–**	232	0.2
Subtotal	**3,155**	**3.8**	6,724	6.3
Community value-added services				
Parking space management services	**38,246**	**46.3**	40,022	37.8
Home living services	**34,783**	**42.2**	50,322	47.5
Communal area leasing services	**6,391**	**7.7**	8,895	8.4
Subtotal	**79,420**	**96.2**	99,239	93.7
Total	**82,575**	**100.0**	105,963	100.0

Revenue from value-added services decreased by approximately 22.1% from RMB106.0 million for the six months ended 30 June 2025 to RMB82.6 million for the same period in 2026. The decrease was primarily due to the decline in revenue from community value-added services, which resulted from the reduction in scale due to the orderly optimization of the project portfolio and the impact of the macroeconomic environment.

Green Living Solutions

We provide green living solutions to property developers, property owners and residents, comprising (i) energy operation services, where we operate energy stations to provide central heating and cooling as an alternative to government-operated centralized heating systems; and (ii) systems installation and product sales, where we design and install energy systems to enhance indoor comfort, and sales of our self-developed AIRDINO systems, which singly combine comprehensive capabilities such as fresh air ventilation, temperature regulation, humidification control and air purification.

The following table sets forth our revenue from green living solutions by service category for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Energy operation services	**72,238**	**100.0**	72,664	98.0
Systems installation and product sales	**–**	**–**	1,506	2.0
Total	**72,238**	**100.0**	74,170	100.0

Revenue from green living solutions decreased by approximately 2.6% from RMB74.2 million for the six months ended 30 June 2025 to RMB72.2 million for the same period in 2026. The decrease was mainly due to the absence of revenue from system installation and product sales during the period due to the impact of the property market conditions, while the energy operation services remained stable overall.

Cost of Sales

Our cost of sales decreased by approximately 3.2% from RMB511.9 million for the six months ended 30 June 2025 to RMB495.3 million for the same period in 2026, such decline was smaller than the decrease in revenue. This was primarily because the labor, outsourcing and basic operation and maintenance costs for property management projects are relatively rigid, while the Group continued to invest in maintaining service quality.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by approximately 11.1% from RMB172.2 million for the six months ended 30 June 2025 to RMB153.2 million for the same period in 2026. Our gross profit margin decreased from 25.2% for the six months ended 30 June 2025 to 23.6% for the same period in 2026.

	For the six months ended 30 June			
	2026		2025	
	Gross profit *RMB'000*	**Gross profit margin** %	Gross profit *RMB'000*	Gross profit margin %
Property management services	**113,566**	**23.0**	122,445	24.3
Value-added services	**21,816**	**26.4**	32,469	30.6
Green living solutions	**17,775**	**24.6**	17,334	23.4
Total	**153,157**	**23.6**	172,248	25.2

Gross profit margin of property management services was approximately 23.0% for the six months ended 30 June 2026, representing a decrease of approximately 1.3 percentage points as compared to the same period last year. The decrease was mainly attributable to the relatively fixed nature of costs relating to property service personnel, outsourcing and basic operation and maintenance, as such costs had not been fully adjusted in the short term following project exits, coupled with the Group's continued necessary investment in service quality.

Gross profit margin of value-added services was approximately 26.4% for the six months ended 30 June 2026, representing a decrease of approximately 4.2 percentage points as compared to the same period last year. The decrease was mainly attributable to the reduction in the scale of revenue from value-added services resulting from the Group's orderly optimization of project portfolio and the impact of the macroeconomic environment, while the related platform and operating costs did not reduce proportionately in the short term.

Gross profit margin of green living solutions was approximately 24.6% for the six months ended 30 June 2026, representing an increase of approximately 1.2 percentage points as compared to the same period last year. The increase was mainly attributable to the deployment of AI smart cloud platform and refined energy management applications, which improved operational efficiency and reduced project energy consumption costs.

Other Net Income

Our other net income decreased by approximately 19.5% from RMB10.9 million for the six months ended 30 June 2025 to RMB8.7 million for the same period in 2026, primarily attributable to the increases in the fair value loss of investment properties and net losses on disposal of other current assets as compared to the same period last year, which was partially offset by an increase in net valuation gains on financial assets measured at FVPL.

Selling Expenses

Our selling expenses decreased by approximately 44.3% from RMB10.3 million for the six months ended 30 June 2025 to RMB5.8 million for the same period in 2026, primarily due to the Group's continued optimization of its market expansion system, strengthening of output management and cost control for business development initiatives, thereby reducing inefficient expenditures while maintaining market expansion capabilities.

Administrative Expenses

Our administrative expenses decreased by approximately 4.5% from RMB77.9 million for the six months ended 30 June 2025 to RMB74.4 million for the same period in 2026, primarily attributable to the Group's continuous promotion of lean operations, enhancement of organizational efficiency, and deepened application of its middle and back-office management systems, which further improved management efficiency and cost management and control capabilities.

Impairment Loss on Trade Receivables

Our impairment loss on trade receivables decreased by approximately 9.3% from RMB43.9 million for the six months ended 30 June 2025 to RMB39.8 million for the same period in 2026, primarily due to the Group's continued strengthening of the full-cycle management of receivables, collection from key customers, and disposal of at-risk projects, which collectively achieved certain positive results.

Income Tax

Our income tax decreased by approximately 42.5% from RMB8.5 million for the six months ended 30 June 2025 to RMB4.9 million for the same period in 2026, primarily attributable to the decrease in profit before taxation.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by approximately 30.9% from RMB39.6 million for the six months ended 30 June 2025 to RMB27.3 million for the six months ended 30 June 2026.

Trade and Other Receivables

As of 30 June 2026, trade and other receivables amounted to RMB589.5 million, representing an increase of approximately 4.4% as compared with RMB564.7 million as of 31 December 2025.

Trade and Other Payables

As of 30 June 2026, trade and other payables amounted to RMB436.5 million, representing an increase of approximately 1.3% as compared with RMB431.1 million as of 31 December 2025.

Goodwill

As of 30 June 2026 and 31 December 2025, our goodwill amounted to RMB91.6 million.

Capital Structure

Our total assets increased from RMB1,577.9 million as of 31 December 2025 to RMB1,589.6 million as of 30 June 2026. Our total liabilities decreased from RMB979.4 million as of 31 December 2025 to RMB973.7 million as of 30 June 2026. Liabilities-to-assets ratio decreased from 62.1% as of 31 December 2025 to 61.3% as of 30 June 2026.

The current ratio, being current assets divided by current liabilities as of the respective date, increased from 1.33 as of 31 December 2025 to 1.34 as of 30 June 2026.

Liquidity, Capital Resources and Gearing Ratio

The Group adopts a stable and prudent approach on its finance and treasury policy, aiming to maintain an optimal financial position and minimal financial risks. The Group regularly reviews its funding requirements to maintain adequate financial resources in order to support its current business operations as well as its future investments and expansion plans. For the six months ended 30 June 2026, we financed our operations primarily through internal resources and the proceeds from the global offering (the "**Global Offering**") of our shares (the "**Shares**") in connection with the listing of our Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). We mainly utilized our cash on payments on staff costs, purchases for services and materials and other working capital needs. Our cash and cash equivalents, which were mainly denominated in Renminbi, decreased by approximately 5.4% from RMB437.2 million as of 31 December 2025 to RMB413.4 million as of 30 June 2026. Taking into account the wealth management products amounting to RMB55.4 million and RMB51.8 million and time deposit amounting to nil and RMB10.1 million held by the Group as of 31 December 2025 and 30 June 2026, respectively, the Group's total available funds decreased by approximately 3.5% from RMB492.6 million as of 31 December 2025 to RMB475.3 million as of 30 June 2026.

Our gearing ratio, being total interest-bearing borrowings (comprising a bank loan and amount due to a company controlled by a family member of our chairman of the Board) divided by total equity, decreased from 0.33% as of 31 December 2025 to 0.28% as of 30 June 2026.

Capital Expenditure

Our capital expenditure increased by approximately 23.4% from RMB2.3 million for the six months ended 30 June 2025 to RMB2.8 million for the same period in 2026. Our capital expenditure was used primarily for the purchase of office and other equipment, software and operation rights.

Indebtedness

Bank Loan

As of 30 June 2026, the Group had a bank loan of RMB0.2 million (as of 31 December 2025: RMB0.5 million) which were interest-bearing at a fixed rate of 2.6% per annum and repayable within one year.

Interim Dividend

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: nil).

Pledge of Assets

As of 30 June 2026, the Group did not pledge any of its assets.

Significant Events After the Reporting Period

There is no material events subsequent to 30 June 2026 and up to the date of this announcement which could have a material impact on the operating and financial performance of the Group.

Foreign Exchange Risk and Hedging

The Group mainly operates in the mainland China with most of the transactions denominated and settled in Renminbi. The Group has not hedged its foreign currency exchange risks, but will closely monitor the exposure and will take measures when necessary to make sure the foreign exchange risks are manageable.

Material Acquisitions and Future Plans for Major Investment

The Group did not conduct any material acquisition and disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2026. In addition, save for the expansion plans as disclosed in the sections headed "Business" and "Future Plans and Use of Proceeds" in the prospectus of the Company dated 12 October 2020 (the "**Prospectus**"), the Company's announcement dated 17 July 2026 and its supplemental announcement dated 12 August 2026 in relation to change in use of proceeds, the Group has no specific plan for major investment or acquisition for major capital assets or other businesses. However, the Group will continue to identify new opportunities for business development.

Company Information

The Company was incorporated in the Cayman Islands on 20 January 2020 as an exempted company with limited liability, and the shares of which were listed on the Main Board of the Stock Exchange on 22 October 2020.

Employees

As of 30 June 2026, we had a total of 3,671 employees, all of whom were based in China.

Our success depends on our ability to attract, retain and motivate qualified personnel. The remuneration package for our employees generally includes salary and discretionary bonuses. We determine employee remuneration based on factors such as qualifications and years of experience. Employees also receive welfare benefits, including medical care, retirement benefits, occupational injury insurance and other miscellaneous items. We make contributions to mandatory social security funds for our employees to provide for retirement, medical, work-related injury, maternity and unemployment benefits.

We believe that the long-term sustainable development of our employees is an important factor to the long-term growth of the Group's performance. We implemented (i) the "Talented Apprentice" (匠才生) recruitment and training scheme to recruit fresh graduates with bachelor's degree and above, so as to provide the Company with long-term core talent pools; (ii) the "Talented Leaders Scheme" (將才計劃) to hunt for and bring in mature business and management talents from external source; (iii) the "Starlight Training Scheme" (星光培訓計劃) to guarantee the provision of systematic training for the promotion of internal staff; (iv) the "Star Rating Scheme" (星級評定計劃) to attract external talents and retain internal outstanding employees by constructing a differentiated salary system; and (v) the "Long March Scheme" (長征計劃) to focus on the long-term growth of our employees, which includes creating a compliant and dedicated environment, focusing on the vitality of core talents, setting up employee care groups and performance counselling groups to care for the employees and conduct performance coaching to convey warmth of the organization and foster service culture, improving the internal talent mobility mechanisms, and designing an appraisal mechanism related to performance and an incentive and accountability system. We also initiated the "Feng He Scheme" (風禾計劃) to attach importance to the self-improvement of senior managements and executives of the Company and lay a solid foundation for the management of the Company, so as to maintain a rapid and healthy development for our Company. Moreover, we have adopted a share option scheme to incentivize qualified employees and a share award scheme to retain eligible persons.

No Material Change

Since the publication of the Company's annual report for the year ended 31 December 2025 on 24 April 2026, there has been no material change to the Group's business.

Use of Proceeds

The Company was listed on the Stock Exchange on 22 October 2020. The net proceeds from the Global Offering amounted to approximately HK$571.2 million, and have been, and are proposed to be, applied in accordance with the intended use of the proceeds as set out in (i) the section headed "Future Plans and Use of Proceeds" of the Prospectus; (ii) the Company's announcement dated 27 December 2023 in relation to the change in use of proceeds (the "**2023 Announcement**"); (iii) the Company's announcement dated 17 July 2026 in relation to the change in use of proceeds (the "**2026 Announcement**"); and (iv) the Company's supplemental announcement dated 12 August 2026 in relation to the change in use of proceeds. The following table sets forth the status of the use of net proceeds from the Global Offering[(1)] as of 30 June 2026 and as at the date of the 2026 Announcement:

Original intended use of net proceeds as disclosed in the 2023 Announcement	Revised intended use of net proceeds	Net proceeds for the original intended use as disclosed in the 2023 Announcement	Net proceeds for the revised intended use	Amount of unutilized net proceeds as of 1 January 2026	Actual use of net proceeds during the six months ended 30 June 2026	Amount of utilized net proceeds as of 30 June 2026	Amount of unutilized net proceeds for the original intended use as of 30 June 2026 and as at the date of the 2026 Announcement	Amount of unutilized net proceeds for the revised intended use as at the date of the 2026 Announcement	Updated timeframe for the unused balance
					(In HK$ million)				
Strategic acquisitions or investments in property management companies and market expansion	Strategic acquisitions or investments in property management companies and market expansion	217.1	251.4	5.7	-	211.4	5.7	40.0	By the end of 2029
Distribute to the Shareholders by way of cash dividend	Distribute to the Shareholders by way of cash dividend	182.8	182.4	0.4	-	182.4	0.4	-	By the end of 2029
Develop our intelligent community and enhance our information technology systems	Develop our intelligent community	57.1	16.0	46.1	-	11.0	46.1	5.0	By the end of 2029

Original intended use of net proceeds as disclosed in the 2023 Announcement	Revised intended use of net proceeds	Net proceeds for the original intended use as disclosed in the 2023 Announcement	Net proceeds for the revised intended use	Amount of unutilized net proceeds as of 1 January 2026	Actual use of net proceeds during the six months ended 30 June 2026	Amount of utilized net proceeds as of 30 June 2026	Amount of unutilized net proceeds for the original intended use as of 30 June 2026 and as at the date of the 2026 Announcement	Amount of unutilized net proceeds for the revised intended use as at the date of the 2026 Announcement	Updated timeframe for the unused balance
					(In HK$ million)				
Upgraded our internal system		16.0	3.2	12.8	–	3.2	12.8	–	
Develop our intelligent community		41.1	12.8	33.3	–	7.8	33.3	5.0	
Implementation of the "five talents" strategy (五才戰略) and other employee expenses	**Implementation of the "five talents" strategy (五才戰略) and other employee expenses**	**57.1**	**35.4**	**27.3**	**0.6**	**30.4**	**26.7**	**5.0**	By the end of 2029
General business operations and working capital	**General business operations and working capital**	**57.1**	**86.0**	**-**	**-**	**57.1**	**-**	**28.9**	By the end of 2029
Total		**571.2**	**571.2**	**79.5**	**0.6**	**492.3**	**78.9**	**78.9**	

Notes:

(1) The figures in the table are approximate figures.

(2) To the extent that the net proceeds from the Global Offering are not immediately required for the above purposes or if the Company is unable to put into effect any part of its plans as intended, the Company may temporarily use such funds to invest in short-term wealth management products so long as it is deemed to be in the best interests of the Company. In such event, the Company will comply with the appropriate disclosure requirements under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). Together with the income to be generated from the investment in wealth management products, the Company will continue to apply the unutilized net proceeds in the manner disclosed in the 2026 Announcement.

ROUNDING

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

OTHER INFORMATION

Compliance with the Corporate Governance Code

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance its corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 to the Listing Rules as its own code of governance. The Company has complied with all the applicable code provisions set out in the CG Code during the six months ended 30 June 2026. The Company will continue to review and monitor its corporate governance practice to ensure compliance with the CG Code.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding Directors' securities transactions. After making specific enquiry to all Directors, the Directors have confirmed that they have fully complied with the required standard set out in the Model Code during the six months ended 30 June 2026.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2026, the Company had entrusted the trustee under the share award scheme adopted by the Company on 10 May 2021 (the "**Share Award Scheme**") to purchase, in aggregate, 14,997,500 Shares on market at the aggregate consideration of approximately RMB2.7 million. No share awards under the Share Award Scheme were granted nor vested during the six months ended 30 June 2026 and 63,580,000 Shares were held by the trustee as of 30 June 2026. The trustee is a professional entity authorized to provide trustee services under Hong Kong law and for the purpose of the Share Award Scheme, it is a third party independent of the Company and/or any of its connected persons and has no connection with the Company and/or any of its connected persons.

Save as disclosed above, during the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sale of treasury Shares, if any) of the Company. As of 30 June 2026 and as of the date of this announcement, the Company did not hold any treasury Shares.

Audit Committee and Review of Financial Statements

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the CG Code. As of the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Ms. Sun Jing (Chairlady), Mr. Cheng Peng and Mr. Yang Xi (with Ms. Sun Jing possessing the appropriate professional qualifications and accounting and related financial management expertise). The main duties of the Audit Committee are to assist the Board in providing an independent review of the completeness, accuracy and fairness of the financial information of the Group, as well as the efficiency and effectiveness of the Group's operations and internal controls.

The Audit Committee has discussed with the management and external auditor the accounting principles and policies adopted by the Group, reviewed the interim results for the six months ended 30 June 2026 and considered that the interim results have been prepared in accordance with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements and have made appropriate disclosures accordingly.

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.firstservice.hk), and the interim report of the Company for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be sent to the Shareholders and published on the above websites in due course.

By order of the Board
First Service Holding Limited
Zhang Peng
Chairman

Hong Kong, 26 August 2026

As at the date of this announcement, our executive Directors are Mr. Liu Peiqing, Ms. Zhu Li and Mr. Wang Song, our non-executive Directors are Mr. Zhang Peng, Mr. Long Han and Mr. Wang Ziming, and our independent non-executive Directors are Ms. Sun Jing, Mr. Cheng Peng and Mr. Yang Xi.

* *For identification purposes only*