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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)

SUPPLEMENTAL ANNOUNCEMENT

**ADOPTION OF SHARE AWARD SCHEME BY
CONTROLLING SHAREHOLDER**

Reference is made to the announcement of First Service Holding Limited dated July 29, 2021 in relation to the adoption of share award scheme by controlling shareholder (the “**Announcement**”). Unless defined otherwise, terms used in this announcement shall have the same meaning as used in the Announcement.

The Company would like to provide further information to its shareholders and potential investors in relation to the Scheme.

The Company has been informed by Cedar that the Award Shares will be satisfied by the existing Shares beneficially owned by Cedar. No new Shares will be issued by the Company as a result of the grant of Award Shares under the Scheme.

As disclosed in the Announcement, Eligible Persons shall be any persons that the Cedar Board considers to have made significant contributions to the business and development of the Group. It is Cedar’s primary intention to grant the Award Shares to the employees and directors of the Group but may also include persons who are not employees or directors of the Group such as persons that provide legal, financial, corporate, managerial, business development or other support to any members of the Group, suppliers, customers of the Group, or any other group or classes of participants who have contributed by way of joint venture, business alliance or other business arrangement to the business, growth and development of the Group (“**Non-employee Eligible Persons**”).

Cedar Board has adopted a wider definition of “Eligible Persons” as it is of the view that the long term growth and development of the Group cannot be achieved by employees and directors of the Group alone but is also dependent on the co-operation and contribution of other participants who have a significant impact on the business development and daily operations of the Group.

The grant of Award Shares to Non-employee Eligible Persons would enable the Cedar Board to reward and incentivise those it considers commercially appropriate such as long term strategic investors and business partners of the Group to align their interests with the interest of Cedar Group and the Group.

Cedar Board will carefully assess a Non-employee Eligible Person's performance, contributions and potential contributions to the Group on a case-by-case basis to ensure that the grant of Award Shares to such Non-employee Eligible Person would be beneficial to the Group. In particular, Cedar Board will consider, among others, whether the Non-employee Eligible Person is regarded as a valuable human resource to the Group based on his or her work experience, professional qualifications, technical know-hows and external business connections, as well as the actual and potential contribution he or she brought and may bring to the business affairs of the Group having regard to the duration, scale and nature of the cooperation or business relationship with the Group.

Cedar Board considers that including a person or a party who is not an employee or a director of the Group as an Eligible Person will offer Cedar Board with sufficient flexibility to attract and incentivise such Selected Person who is not an employee or a director of the Group to contribute to the growth and development of the Group as a whole.

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

Hong Kong, August 4, 2021

As at the date of this announcement, our executive Directors are Mr. Liu Peiqing, Mr. Jia Yan, Mr. Jin Chungang and Ms. Zhu Li, our non-executive Directors are Mr. Zhang Peng and Mr. Long Han, and our independent non-executive Directors are Ms. Sun Jing, Ms. Zhu Caiqing and Mr. Cheng Peng.