

<b>THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION</b>
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**If you are in any doubt** about this circular or as to the action to be taken, you should consult a stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in First Service Holding Limited, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

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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)**

## **CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING**

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

**ALTUS CAPITAL LIMITED**

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A notice convening the EGM of First Service Holding Limited to be held at 3rd Floor, Building 10, Wanguocheng MOMA, No. 1 Xiangheyuan Road, Dongzhimenwai, Dongcheng District, Beijing, PRC on Tuesday, 30 December 2025 at 3:00 p.m. is set out on pages 59 to 60 of this circular. A form of proxy for use at the EGM is enclosed. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.firstservice.hk](http://www.firstservice.hk)).

Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM (i.e. before 3:00 p.m. on Sunday, 28 December 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM (or any adjournment thereof) if they so wish.

11 December 2025

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## DEFINITIONS

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

“30%-controlled companies”	has the meaning ascribed to it under the Listing Rules
“Articles of Association”	the third amended and restated articles of association of the Company adopted on 21 June 2022 (as amended from time to time)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“China” or “PRC”	the People’s Republic of China
“Company”	First Service Holding Limited (第一服务控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“continuing connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 3rd Floor, Building 10, Wanguocheng MOMA, No. 1 Xiangheyuan Road, Dongzhimenwai, Dongcheng District, Beijing, PRC on Tuesday, 30 December 2025 at 3:00 p.m. or any adjournment thereof, notice of which is set out on pages 59 to 60 of this circular
“Existing Master Agreements”	collectively, (1) the First Living Existing Master Energy Operation Services Agreement and (2) the Fujian Yongfeng Existing Master Maintenance Services Agreement

## DEFINITIONS

“First Living”	First MOMA Human Environment Technology (Beijing) Co., Ltd.* (第一摩碼人居環境科技(北京)有限公司), a limited liability company established in the PRC on 3 December 2014, and an indirect non-wholly owned subsidiary of the Company
“First Living Existing Master Energy Operation Services Agreement”	the master energy operation services agreement dated 17 November 2022 entered into between the Company and First Living, details of which are set out in the announcement of the Company dated 17 November 2022
“First Living Group”	First Living and its subsidiaries
“First Living New Energy Operation Services Framework Agreement”	the energy operation services framework agreement dated 20 November 2025 entered into between the Company and First Living, details of which are set out in this circular
“Fujian Yongfeng”	Fujian Yongfeng Jiye Mechanical and Electrical Installation Engineering Co., Ltd.* (福建永豐基業機電安裝工程有限公司), a company incorporated in the PRC with limited liability
“Fujian Yongfeng Existing Master Maintenance Services Agreement”	the master maintenance services agreement dated 12 July 2024 entered into between the Company and Fujian Yongfeng, details of which are set out in the announcement of the Company dated 12 July 2024
“Fujian Yongfeng Group”	Fujian Yongfeng, its subsidiaries and 30%-controlled companies
“Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement”	the elevator system maintenance services framework agreement dated 20 November 2025 entered into between the Company and Fujian Yongfeng, details of which are set out in this circular
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hao Fung”	Hao Fung Investment Limited (皓峰投資有限公司), a BVI business company incorporated in the BVI with limited liability and is wholly owned by Mr. Zhang Peng
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

## DEFINITIONS

“IFA”	Altus Capital Limited, a corporation licensed under the SFO to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, appointed as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders
“Independent Board Committee”	an independent board committee of the Board comprising all independent non-executive Directors, namely Ms. Sun Jing, Mr. Cheng Peng and Mr. Yang Xi
“Independent Shareholder(s)”	Shareholders other than Mr. Zhang Peng, his associates and parties acting in concert (including Hao Fung, Mr. Zhang Lei and his associates), Mr. Huang Tao and his associates, and Mr. Huang Shiyong and his associates
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not the connected persons or associates of the connected persons as defined under the Listing Rules
“Interim Measures of the Price Control of Urban Heat Supply”	the Interim Measures of the Price Control of Urban Heat Supply (《城市供熱價格管理暫行辦法》) promulgated by the National Development and Reform Commission and the Ministry of Construction on 3 June 2007
“Latest Practicable Date”	5 December 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“New Master Agreements”	collectively, (1) the First Living New Energy Operation Services Framework Agreement and (2) the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement

## DEFINITIONS

“Prospectus”	the prospectus of the Company dated 12 October 2020
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	the share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent
“*”	for identification purpose only

References to time and dates in this circular are to Hong Kong time and dates.

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

**LETTER FROM THE BOARD**

**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)**

*Executive Directors:*

Mr. Liu Peiqing (劉培慶)  
Mr. Jin Chungang (金純剛)  
Ms. Zhu Li (朱莉)

*Registered Office:*

PO Box 309  
Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

*Non-executive Directors:*

Mr. Zhang Peng (張鵬)  
(Chairman of the Board)  
Mr. Long Han (龍晗)  
Mr. Wang Ziming (王子鳴)

*Headquarters in China:*

3rd Floor, Building 10  
Wanguocheng MOMA  
No. 1 Xiangheyuan Road, Dongzhimenwai  
Dongcheng District  
Beijing, PRC

*Independent Non-executive Directors:*

Ms. Sun Jing (孫靜)  
Mr. Cheng Peng (程鵬)  
Mr. Yang Xi (楊熙)

*Principal Place of Business in Hong Kong:*

31/F, Tower Two  
Times Square  
1 Matheson Street  
Causeway Bay  
Hong Kong

11 December 2025

*To the Shareholders*

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 20 November 2025 in relation to, among other things, the transactions contemplated under (1) the First Living New Energy Operation Services Framework Agreement, regarding the Group's procurement of energy operation services from members of the First Living Group and the proposed caps in relation thereto; and (2) the Fujian Yongfeng New Elevator System Maintenance Services

## LETTER FROM THE BOARD

Framework Agreement, regarding the Group's purchase of maintenance services, including elevator system maintenance services, from members of the Fujian Yongfeng Group and the proposed caps in relation thereto.

The purpose of this circular is to give you the notice of the EGM and to provide Shareholders with, among other things, (i) details of the transactions contemplated under the First Living New Energy Operation Services Framework Agreement and the proposed caps in relation thereto; (ii) details of the transactions contemplated under the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement and the proposed caps in relation thereto; (iii) a letter from the IFA containing its advice to the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto; (iv) the recommendations of the Independent Board Committee regarding the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto; (v) general information of the Company; and (vi) a notice for convening the EGM.

### THE NEW MASTER AGREEMENTS

The salient terms of each of the New Master Agreements are summarized below:

#### 1. First Living New Energy Operation Services Framework Agreement

Date:	20 November 2025
Parties:	(1) the Company; and (2) First Living.
Term:	From 1 January 2026 or the date on which the Company obtains the approval from the Independent Shareholders at the EGM (whichever is later) to 31 December 2028 (both dates inclusive).
Details of the transactions:	Pursuant to the First Living New Energy Operation Services Framework Agreement, members of the Group will procure energy operation services from members of the First Living Group, where it operates energy stations to provide central heating and central cooling.



## LETTER FROM THE BOARD

From time to time, as required during the term of the First Living New Energy Operation Services Framework Agreement, members of the Group will enter into individual energy operation service agreements with members of the First Living Group, which will set out specific terms and conditions such as particulars of the services, service fees, payment terms and method, quality standard and service period.

Condition precedent:

The First Living New Energy Operation Services Framework Agreement and the performance of energy operation services shall be conditional upon the Group satisfying the requirements of reporting, annual review, announcements, circulars and approval by Independent Shareholders, as well as complying with any other provisions of the Listing Rules relating to connected transactions.

Terms and pricing policies:

The individual agreements to be entered into between members of the Group and members of the First Living Group under the First Living New Energy Operation Services Framework Agreement shall be on normal commercial terms. In particular, the Group will obtain additional two quotations from Independent Third Parties before entering into an individual agreement. The Group will compare the price offered by the relevant members of the First Living Group with those offered by Independent Third Parties and select the most competitive service provider through quotation or open tender taking into account particulars of the services, service fees, payment terms and methods, technical capabilities, quality standards and service period.

## LETTER FROM THE BOARD

The service fees will be determined by the parties in a fair and reasonable manner, having regard to the scale of energy operation services provided by members of the First Living Group, fair market price, government guidance prices and energy station operating costs. In particular, the price of heat supply shall generally be government-guided or be government-determined in principle, which shall be formulated by the competent pricing department under the provincial (district and municipal) government or authorized municipal or county government of the PRC, pursuant to the Interim Measures of the Price Control of Urban Heat Supply, whereas the prices of central cooling shall be determined by the parties based on the energy station operating costs, related taxes and reasonable profit margin. The terms and conditions offered by members of the First Living Group to members of the Group shall be on an arm's length basis and on normal commercial conditions, and shall be compliant with the government guidance prices (if any) and shall not be less favourable than those of the same type of energy operation services offered by two Independent Third Parties to members of the Group.

### Payment terms:

The Group shall pay service fees to the First Living Group for energy operation services. The payment method shall be determined by the terms and conditions of the specific agreements between the First Living Group and/or its affiliated entities and the Group and/or its affiliated entities.

## LETTER FROM THE BOARD

In particular, payment from the Group to the First Living Group will be generally made on a quarterly or semi-annual post-payment basis. For instance, payment for the first quarter shall be made after the conclusion of that quarter. Furthermore, relevant agreements under the aforesaid First Living New Energy Operation Services Framework Agreement will typically stipulate that if the energy operation services provided by the First Living Group fail to meet the agreed standards or constitute a breach of agreement, the Group shall be entitled to exercise remedies such as deferring payment, withholding payment until services meet the required standards, deducting corresponding amounts, or demanding liquidated damages. The payment terms on a quarterly or semi-annual post-payment basis are generally not less favourable than those offered to Independent Third Parties.

As (i) the quarterly or semi-annual post-payment mechanism ensures that payments are made only after the services have been rendered for a defined period, thereby aligning the Group's cash outflows with the receipt of services and providing a natural oversight mechanism over service delivery; and (ii) the explicit contractual rights such as deferring payment, withholding payment until services meet the required standards, deducting corresponding amounts, or demanding liquidated damages in the event of substandard performance or a breach of agreement provide the Group with effective remedies and supervision measures to ensure that the First Living Group fulfills its contractual obligations to the required standard, the Board is of the view that such payment terms are fair and reasonable and in the interests of the Group.

## LETTER FROM THE BOARD

Historical transaction  
amounts:

The historical service fees paid to members of the First Living Group for transactions under the First Living Existing Master Energy Operation Services Agreement for the years ended 31 December 2023 and 2024, and for the nine months ended 30 September 2025 amounted to RMB13.37 million, RMB14.60 million and RMB10.06 million, respectively.

Caps on future transaction  
amounts:

The annual caps for the First Living New Energy Operation Services Framework Agreement for the years ending 31 December 2026, 2027 and 2028 amount to RMB23.0 million, RMB23.0 million and RMB23.0 million, respectively.

In considering the annual caps for the First Living New Energy Operation Services Framework Agreement, the Directors have considered (i) the historical service fees and the annually increasing trend; (ii) the prevailing market rate for similar energy operation services provided at nearby locations; (iii) the estimated service fees based on agreements already entered into; and (iv) the level of energy operation services that is expected to be provided via members of the First Living Group, taking into account the potential increase in demand of energy operation services from members of the First Living Group required by members of the Group include a new smart algorithm-based energy-saving business, from members of the First Living Group required by members of the Group, based on the growth of the Group's contracted GFA and GFA under management, the anticipated increase in non-residential properties requiring energy operation services, seasonal heating demand, and the addition of new types of revenue streams such as the energy-saving business.

## LETTER FROM THE BOARD

In particular, the annual caps for the First Living New Energy Operation Services Framework Agreement for the years ending 31 December 2026, 2027 and 2028 have been calculated based on the following factors:

For the year ended 31 December 2024, the total value of executed agreements for energy operation services of the Group amounted to RMB125.0 million, of which agreements signed with and completed by the First Living Group amounted to RMB14.6 million. Based on historical transaction volume with the First Living Group, the estimated contract amounts for the energy operation services for the years ending 31 December 2026, 2027 and 2028 are approximately RMB17.0 million respectively. Furthermore, based on the operational targets for the years of 2026, 2027 and 2028, an additional amount of approximately RMB5.0 million will be projected for the aforesaid services, alongside an estimated approximately RMB1.0 million for the new smart algorithm-based energy conservation services, resulting in a total estimated annual cap of approximately RMB23.0 million for the aforementioned services for the years ending 31 December of 2026, 2027 and 2028 respectively.

## LETTER FROM THE BOARD

As the annual caps are determined based on (i) historical transaction amount and the annually increasing trend; (ii) the prevailing market rate for similar energy operation services provided at nearby locations; (iii) the potential increase in the volume of the energy operation services and the estimated service fees based on agreements already entered into; (iv) recent business performance and operational targets of the Group; (v) the Group's business development plans such as new smart algorithm-based energy conservation services based on the growth of the Group's contracted GFA and GFA under management, the anticipated increase in non-residential properties requiring energy operation services, seasonal heating demand, and the addition of new types of revenue streams such as the energy saving business; and (vi) a buffer of RMB5.0 million for the additional projects, the Directors (including the independent non-executive Directors) are of the view that the annual caps for the First Living New Energy Operation Services Framework Agreement for the years ending 31 December 2026, 2027 and 2028 are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

Considering that members of the Group is not obliged under the First Living New Energy Operation Services Framework Agreement to procure services from members of the First Living Group or to use up the annual caps thereunder, the Directors (including the independent non-executive Directors) are of the view that the increase in annual caps can provide flexibility for members of the Group to procure energy operation services from members of the First Living Group according to its energy operations and needs.

Others:

The First Living New Energy Operation Services Framework Agreement and the caps in relation thereto are subject to the approval by the Independent Shareholders.

## LETTER FROM THE BOARD

### **2. The Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement**

Date:	20 November 2025
Parties:	(1) the Company; and  (2) Fujian Yongfeng.
Term:	From 1 January 2026 or the date on which the Company obtains the approval from the Independent Shareholders at the EGM (whichever is later) to 31 December 2028 (both dates inclusive).
Details of the transactions:	<p>Pursuant to the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement, members of the Group will purchase maintenance services, including elevator system maintenance services, from members of the Fujian Yongfeng Group.</p> <p>From time to time, as required during the term of the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement, members of the Group will enter into individual maintenance service agreements with members of the Fujian Yongfeng Group, which will set out specific terms and conditions such as particulars of the services, service fees, payment terms and method, quality standard and service period.</p>
Condition precedent:	The Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement and the performance of elevator system maintenance services shall be conditional upon the Group satisfying the requirements of reporting, annual review, announcements, circulars and approval by Independent Shareholders, as well as complying with any other provisions of the Listing Rules relating to connected transactions.

## LETTER FROM THE BOARD

Terms and pricing policies: The individual agreements to be entered into between members of the Group and members of the Fujian Yongfeng Group under the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement shall be on normal commercial terms. The service fees will be determined by the parties in a fair and reasonable manner, with reference to market price for similar services.

In particular, the Group will obtain additional two quotations from Independent Third Parties before entering into an individual agreement. The Group will compare the price offered by the relevant members of the Fujian Yongfeng Group with those offered by Independent Third Parties and select the most competitive service provider through quotation or open tender taking into account particulars of the services, service fees, payment terms and methods, quality standards and service period.

Payment terms: The Group shall pay the service fees for the maintenance engineering services to the Fujian Yongfeng Group, with the payment method to be determined according to the terms of the specific agreements between the Fujian Yongfeng Group and/or its affiliated entities and the Group. The Group shall not delay the payment; otherwise, it may be defined as a breach of contract. Each specific agreement shall specify the payment terms and methods, among other specific provisions, to align with the needs of the Group and the market conditions at the time of concluding the specific agreement. The terms of the specific agreements must strictly adhere to the principles, instructions and conditions set forth in the aforesaid agreement for the provision of maintenance services.



## LETTER FROM THE BOARD

In particular, payment from the Group to the Fujian Yongfeng Group will be generally made on a quarterly post-payment basis. For instance, payment for the first quarter shall be made after the conclusion of that quarter. Furthermore, relevant agreements under the aforesaid Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement will typically stipulate that if the elevator system maintenance services provided by the Fujian Yongfeng Group fail to meet the agreed standards or constitute a breach of agreement, the Group shall be entitled to exercise remedies such as deferring payment, deducting corresponding amounts, or demanding liquidated damages. The payment terms on a quarterly post-payment basis are generally not less favourable than those offered to Independent Third Parties.

As (i) the quarterly post-payment mechanism ensures that payments are made only after the services have been rendered for a defined period, thereby aligning the Group's cash outflows with the receipt of services and providing a natural oversight mechanism over service delivery; and (ii) the explicit contractual rights such as deferring payment, deducting corresponding amounts, or demanding liquidated damages in the event of substandard performance or a breach of contract provide the Group with effective remedies and supervision measures to ensure that the Fujian Yongfeng Group fulfills its contractual obligations to the required standard, the Board is of the view that such payment terms are fair and reasonable and in the interests of the Group.

Historical transaction  
amounts:

From 12 July 2024 to 31 December 2024, and for the nine months ended 30 September 2025, the total historical service fees paid under the Fujian Yongfeng Existing Master Maintenance Services Agreement amounted to RMB1.79 million and RMB2.06 million, respectively.

## LETTER FROM THE BOARD

Caps on future transaction amounts:

The annual caps for the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement for the years ending 31 December 2026, 2027 and 2028 amount to RMB23.0 million, RMB23.0 million and RMB23.0 million, respectively.

In determining the annual caps for the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement, the Directors have considered (i) the historical service fees and the annually increasing trend; (ii) the prevailing market prices for similar maintenance services provided at nearby locations; and (iii) the expected increase in demand for maintenance services by the Group (a) as indicated by the continued increase in transaction amounts of similar maintenance services procured by the Group for the years ended 31 December 2023 and 2024 and (b) with reference to the fact that the Group plans to enhance efforts in business expansion and service improvement in 2026 and 2027. In particular, for elevator system maintenance services, the Directors have considered the estimated service fees based on historical transaction amounts and the annually increasing trend, and the estimated number of elevator systems that would require maintenance services based on the Group's current and expected number of properties under management.

In particular, the annual caps for the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement for the years ending 31 December 2026, 2027 and 2028 have been calculated based on the following factors:

## LETTER FROM THE BOARD

For the year ended 31 December 2024, the total value of executed agreements for the Group's elevator system maintenance services amounted to RMB88.0 million, of which agreements signed with and completed by the Fujian Yongfeng Group amounted to RMB1.8 million. Based on historical transaction volume with the Fujian Yongfeng Group and the increasing trend and collaboration between the parties, the estimated contract amounts for the elevator system maintenance services for the years ending 31 December 2026, 2027 and 2028 are approximately RMB20.0 million, and additional amount of approximately RMB3.0 million will be projected based on the operational targets for the years of 2026, 2027 and 2028, resulting in a total estimated annual cap of RMB23.0 million for the aforementioned services for the years ending 31 December 2026, 2027 and 2028 respectively.

The Company and Fujian Yongfeng entered into the Fujian Yongfeng Existing Master Maintenance Services Agreement in July 2024. As the agreements in relation to the elevator system maintenance services previously signed between the Group and other Independent Third Parties had not yet expired, the Group initiated relatively few bidding processes for entering into new agreements, leaving the Fujian Yongfeng Group with limited opportunities to participate in the bidding process during the historical period. Consequently, the historical transaction amount under the Fujian Yongfeng Existing Master Maintenance Services Agreement remained relatively low. Since the relevant agreements between the Group and other Independent Third Parties will expire between the years of 2026 to 2028, the Group will relaunch the bidding process for the elevator system maintenance services at that time. This will provide the Fujian Yongfeng Group with an opportunity to participate in the new bidding, thereby increasing the collaboration and transaction volume.

## LETTER FROM THE BOARD

As the annual caps are determined based on (a) historical transaction amount and the annually increasing trend; (b) the prevailing market prices for similar maintenance services provided at nearby locations; (c) the potential increase in the volume of the elevator system maintenance services; (d) recent business performance and operational targets of the Group; (e) the Group's projection and business development; and (f) a buffer of RMB3.0 million for the additional projects, the Directors (including the independent non-executive Directors) are of the view that the annual caps for the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement for the years ending 31 December 2026, 2027 and 2028 are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

Considering that members of the Group is not obliged under the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement to procure services from members of the Fujian Yongfeng Group or to use up the annual caps thereunder, the Directors (including the independent non-executive Directors) are of the view that the increase in annual caps provides sufficient headroom for members of the Group's consolidation of existing maintenance agreements and flexibility to procure elevator and other maintenance services from members of the Fujian Yongfeng Group in accordance with its property management needs.

Others:

The Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement and the caps in relation thereto are subject to the approval by the Independent Shareholders.

## LETTER FROM THE BOARD

### *Relationship between the Company and the connected persons*

First Living is a non-wholly owned subsidiary of the Company. It is owned as to (i) 72.1% by the Company; (ii) 5.7% and 2.4% by New Momentum (Beijing) Construction Technology Co., Ltd. (“**New Momentum**”) and Zhihui Hongye Investment (Beijing) Co., Ltd. (“**Zhihui Hongye**”), respectively; and (iii) 3.8% by Mr. Zhang Lei, a substantial Shareholder. As New Momentum and Zhihui Hongye are ultimately owned by Mr. Zhang Lei, First Living is therefore a connected subsidiary under Rule 14A.16(1) of the Listing Rules.

Fujian Yongfeng is ultimately owned as to 63.13% by Mr. Huang Tao (黃濤), a substantial Shareholder, who indirectly holds approximately 12.53% of the entire issued share capital of the Company, and indirectly owned as to 0.25% by Mr. Huang Shiyong (黃世榮), who indirectly holds approximately 8.35% of the entire issued share capital of the Company. Mr. Huang Tao is the brother of Mr. Huang Shiyong. Hence, Fujian Yongfeng, being an associate of Mr. Huang Tao, is a connected person of the Company.

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

The entering into of the New Master Agreements will enable the Group to leverage on its familiarity with the relevant service specifications and quality requirements from the previous transactions in relation to the Existing Master Agreements since the Listing and onwards. Furthermore, the New Master Agreements will continue to allow the Group to procure services needed for its ordinary and usual course of business at market price and terms and with assured stable quality, contributing towards the Group’s efforts in cost control and improving efficiency.

In particular, for the First Living New Energy Operation Services Framework Agreement, the Group will conduct procurement through a tender process. The Group will conduct a comprehensive evaluation of the suppliers based on factors such as services, service fees, payment terms and methods, technical capabilities, quality standards and service period. This ensures that the overall assessment of the First Living Group in terms of price, service content and technical capabilities is not inferior to those of other Independent Third Parties. Further, the First Living Group possesses extensive experience and expertise in energy operation services, which ensures its service quality and enables effective energy conservation and corresponding cost savings in the provision of these services. As an affiliated company of the Group, the First Living Group enables efficient communication with the Group, thereby enhancing the efficiency of the energy operation services between the Group and the First Living Group. The long-standing cooperation between the First Living Group and the Group has fostered mutual familiarity. This allows the First Living Group to excel in areas such as personnel communication, technical service experience and operational familiarity compared to other Independent Third Parties. Additionally, the specific agreements between the Group and the First Living Group under the First Living New Energy Operation Services Framework Agreement generally stipulate a quarterly or semi-annual post-payment model and include

## LETTER FROM THE BOARD

provisions for deferring payment, withholding payment until services meet the required standards, deducting corresponding amounts, demanding liquidated damages and other relevant clauses. Such terms collectively safeguard the Group's interests and allow the Group to effectively monitor the First Living Group's performance, thereby ensuring the quality of the energy operation services.

For the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement, the Group will conduct procurement through a tender process. During the tender process, at least three suppliers (including the Fujian Yongfeng Group) are required to submit quotations and other relevant information. The Group will conduct a comprehensive evaluation of the suppliers based on factors such as services, service fees, payment terms and methods, quality standards and service period. This ensures that the overall assessment of the Fujian Yongfeng Group in terms of price, service content and technical capabilities is not inferior to those of other Independent Third Parties. Further, the Fujian Yongfeng Group possesses extensive experience and technical expertise in elevator system maintenance services, which ensures its service quality and enables corresponding cost savings. As the Group has collaborated with the Fujian Yongfeng Group for over a year, the strong mutual familiarity between the parties allows the Fujian Yongfeng Group to excel in areas such as personnel communication, technical service experience and operational familiarity compared to other Independent Third Parties. Additionally, the specific agreements between the Group and the Fujian Yongfeng Group under the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement generally stipulate a quarterly post-payment model and include provisions for deferring payment, deducting corresponding amounts, demanding liquidated damages and other relevant clauses. Such terms collectively safeguard the Group's interests and allow the Group to effectively monitor the Fujian Yongfeng Group's performance, thereby ensuring the quality of the elevator system maintenance services.

## INFORMATION OF THE PARTIES

### The Company

The Company is principally engaged in providing property management services and green living solutions that cover the full property life-cycle in the PRC.

### First Living

First Living is a limited liability company established under PRC law and an indirect non-wholly owned subsidiary of the Company. As at the Latest Practicable Date, it was owned as to (i) 72.1% by the Company; (ii) 5.7% by New Momentum and 2.4% by Zhihui Hongye; (iii) 3.8% by Mr. Zhang Lei; (iv) 3.8% by Mr. Zhang Peng; (v) 3.5% by Mr. Jia Yan (賈岩) who is an Independent Third Party; (vi) 1.9% by Mr. Shao Binghua (邵兵華) who is an Independent Third Party; (vii) 1.7% by Mr. Pan Fengwei (潘鳳偉) who is an Independent Third Party; and (viii) 5.1% by 24 individuals who are Independent Third Parties and owned less than 1% of shares of First Living respectively. New Momentum and Zhihui Hongye are

## LETTER FROM THE BOARD

ultimately owned by Mr. Zhang Lei. Mr. Zhang Lei is a substantial Shareholder of the Company. First Living is principally engaged in the provision of energy saving related services in the PRC.

### **Fujian Yongfeng**

Fujian Yongfeng is a company incorporated in the PRC with limited liability. As at the Latest Practicable Date, it was wholly owned by Zhiti Lvke (Beijing) Technology Industry Co., Ltd.\* (智梯綠科(北京)科技產業有限公司, “**Zhiti Lvke**”). Zhiti Lvke was owned as to (i) 63.375% by Xizang Wansong Enterprise Management Co., Ltd.\* (西藏萬松企業管理有限公司), which in turn was 99% owned by Xizang Wanqing Investment Management Co., Ltd.\* (西藏萬青投資管理有限公司, “**Xizang Wanqing**”) and 1% owned by Beijing Yajin Enterprise Management Co., Ltd.\* (北京雅金企業管理有限公司, “**Beijing Yajin**”). Xizang Wanqing was wholly owned by Mr. Huang Tao. Beijing Yajin was wholly owned by Century Golden Resources Investment Group Co., Ltd. (世紀金源投資集團有限公司), which in turn was owned as to 60% by Mr. Huang Tao and 40% by Mr. Huang Shiyong; (ii) 24.375% by Meimei Formula Technology Industry (Beijing) Co., Ltd.\* (美好方程式科技產業(北京)有限公司), which in turn was wholly owned by Beijing Yuanjing Technology Co., Ltd.\* (北京元鏡科技有限公司), and in turn was ultimately owned as to 51% by Mr. Deng Zhiyin (鄧志寅), 25% by Mr. Cao Wei (曹偉), and 24% by Mr. Cao Liang (曹亮) who were Independent Third Parties; (iii) 9.75% by Hainan Insight Industrial Investment Partnership Enterprise (Limited Partnership)\* (海南洞見產業投資合夥企業(有限合夥)), which in turn was 50% owned by Mr. Ma Tao (馬濤) as general partner and limited partner, and 50% owned by Mr. He Yong (何勇) as limited partner, and such individuals were Independent Third Parties; and (iv) 2.50% by Suzhou Kangli Technology Industry Investment Co., Ltd.\* (蘇州康力科技產業投資有限公司), which was a wholly-owned subsidiary of Canny Elevator Co., Ltd.\* (康力電梯股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002367). The ultimate beneficial owner of Fujian Yongfeng is Mr. Huang Tao. Mr. Huang Tao is a substantial Shareholder. Fujian Yongfeng is principally engaged in providing elevator installation, modification and maintenance services.

### **INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES**

The Company has adopted internal control procedures with a view to ensuring timely compliance with the Listing Rules supervising and monitoring the continuing connected transactions contemplated under the New Master Agreements and the annual caps related thereto, namely:

- (1) preparing a continuing connected transaction report (the “**CCT Report**”) once every six months on continuing connected transactions which will be submitted internally to such dedicated team within the Group for consideration. The contents of the CCT Report will include (i) the aggregate amount of transactions; and (ii) the status of compliance with the annual caps;



## LETTER FROM THE BOARD

- (2) regularly reminding connected persons that if there is a change in shareholding, which may affect connected transactions of the Company, they must notify the Company in advance to determine whether there are any Listing Rules implications;
- (3) ensuring that the senior management/personnel of relevant member(s) of the Group should report any potential connected transaction or event where the counterparty(ies) or the subject company(ies) of the proposed transaction may in any way relate to any of the substantial shareholders, chief executives or directors (as defined under the Listing Rules) of any member of the Group (including their relatives and related trusts or companies) to the senior management/personnel of the Company in advance in order to ascertain whether there will be any implications under the Listing Rules;
- (4) providing regular special and in-depth training sessions for the directors, senior management/personnel of relevant member(s) of the Group to remind them, to report transactions which may constitute notifiable and/or connected transactions under the Listing Rules to the Group's compliance personnel and seek professional advice if necessary;
- (5) for proposed transaction(s) which may constitute new connected transaction(s) of the Group, consulting legal advisers and the Stock Exchange (where necessary) in a timely manner prior to entering into such transaction(s);
- (6) before entering into each individual agreement, the operation department and management of the Company will examine and compare the proposed pricing terms for each individual agreement entered into pursuant to and during the term of the New Master Agreements with the terms offered to or from other Independent Third Parties, in order to ensure that such pricing terms are determined based on arm's length negotiations between the parties and are fair and reasonable, on normal commercial terms and on terms that are no less favorable to the Group than terms available to or from Independent Third Parties;
- (7) before entering into each individual agreement, the finance department of the Company will (i) review whether the continuing connected transactions have been conducted in accordance with the terms of the New Master Agreements; and (ii) monitor the amounts under the continuing connected transactions contemplated under the New Master Agreements to ensure that the annual caps are not exceeded; and
- (8) if it is expected that the transaction amount of any continuing connected transaction under the New Master Agreements that is or will be incurred in the financial year will reach or exceed the relevant annual cap, the finance department of the Group shall report to the management of the Company and consider the measures to be taken to ensure that the requirements under the Listing Rules are complied with, including obtaining the approval of Independent Shareholders (if required).



## LETTER FROM THE BOARD

In particular, the Company has designated personnel to continuously monitor and implement the following measures to ensure that the relevant services comply with the New Master Agreements and the terms of the New Master Agreements are fair and reasonable. For the First Living New Energy Operation Services Framework Agreement, the specific pricing and relevant terms for the provision of energy operation services by members of the First Living Group to members of the Group shall adhere to the following general principles:

- (i) the specific pricing and relevant terms for the provision of energy operation services by members of the First Living Group to members of the Group shall adhere to the following general principles: the price of energy operation services shall take into account factors including the scale of services provided by members of the First Living Group, the prevailing market price of relevant systems, energy unit prices set by local authorities, operation and staff costs, and a reasonable profit margin, and must be fair and reasonable;
- (ii) the terms and conditions of the energy operation services shall be on normal commercial terms, negotiated and agreed upon by both parties on an arm's length basis, and, with respect to members of the Group, shall be no less favourable than the terms and conditions offered by members of the Group to two Independent Third Parties for similar transactions;
- (iii) if members of the Group require members of the First Living Group to increase the scope of the energy operation services, members of the First Living Group shall use their best endeavours to provide the services requested, and the terms and conditions of such services shall be determined through negotiation between the parties in accordance with the general service principles and calculation standards for energy operation service fees stipulated in the First Living New Energy Operation Services Framework Agreement; and
- (iv) the parties (including the relevant members of the First Living Group and members of the Group) shall, from time to time and as necessary for each specific transaction, enter into individual agreements in accordance with the provisions of the First Living New Energy Operation Services Framework Agreement, ensuring compliance with the principles of such agreement and relevant laws and regulations (including but not limited to the provisions under the Listing Rules). Each individual agreement shall specify the specific services, prices, periods, and other specific provisions to meet the needs of members of the Group and reflect market conditions at the time the individual agreement is entered into. The terms of the individual agreements must strictly adhere to the principles, directives and conditions stipulated in the agreement regarding the provision of energy operation services.

## LETTER FROM THE BOARD

For the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement, the specific pricing and relevant terms for the provision of maintenance engineering services by members of the Fujian Yongfeng Group to members of the Group shall adhere to the following general principles:

- (i) the price of maintenance engineering services shall be determined in a fair and reasonable manner with reference to the market price of similar services. Elevator system maintenance services shall be charged on a lump sum basis, and for each individual agreement, quotations from at least two other third-party service suppliers shall be obtained to determine whether the terms are fair and reasonable; and special maintenance services shall be charged on a lump sum basis after taking into account the nature of the required services, staff, materials, utilities and material costs, and considering the fair market price;
- (ii) the terms and conditions of the maintenance engineering services shall be on normal commercial terms, negotiated and agreed upon by both parties on an arm's length basis, and, with respect to members of the Group, shall be no less favourable than the terms and conditions offered by two Independent Third Parties to members of the Group for similar transactions;
- (iii) if members of the Group require members of the Fujian Yongfeng Group to increase the scope of the maintenance engineering services, members of the Fujian Yongfeng Group shall use their best endeavours to provide the services requested. The terms and conditions of such services shall be determined through negotiation between the parties in accordance with the general service principles and service fee calculation standards stipulated in the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement. The service fees for maintenance engineering services shall be based on the project type of members of the Group, the prevailing market price of relevant services, material prices, staff costs and reasonable profit; and
- (iv) the parties (including the relevant members of the Fujian Yongfeng Group and members of the Group) shall, from time to time and as necessary for each specific transaction, enter into individual agreements in accordance with the provisions of the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement, ensuring compliance with the principles of such agreement and relevant laws and regulations (including but not limited to the provisions under the Listing Rules). Each individual agreement shall specify the specific services, service fees, payment terms and methods, quality standards, service periods, and other specific provisions to meet the needs of members of the Group and reflect market conditions at the time the individual agreement is entered into. The terms of the individual agreements must strictly adhere to the principles, directives and conditions stipulated in the agreement regarding the provision of maintenance engineering services.

## **LETTER FROM THE BOARD**

The Company will also adopt adequate internal control measures to comply with the Listing Rules requirements with respect to the supervision and monitoring of the annual caps of the transactions contemplated under the New Master Agreements.

The Company's external auditor will review the continuing connected transaction under the New Master Agreements annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the annual caps have been exceeded. The independent non-executive Directors will also review the continuing connected transactions under the New Master Agreements annually to check and confirm whether such continuing connected transactions have been conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, on terms that are fair and reasonable and in the interests of the Group and the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such continuing connected transactions are conducted in accordance with the pricing policies.

The Company also has in place risk management procedures before entering into each individual agreement under the New Master Agreements to safeguard the interest of the Group and its shareholders, which include: (a) the operation team of the relevant member of the Group shall prepare a proposal with principal terms of the proposed individual agreement, including the service and service fee involved; and (b) the finance team of the relevant member of the Group shall prepare a summary of the payment status of each of the Group's subsisting projects with the contracting party, which shall be submitted to the management of the relevant member of the Group (comprising team heads of finance team, operation team and general management team) for review and approval. The responsible Director(s) shall then consider the reports prepared by the operation and finance teams and the relevant professional assessments in relation to the proposed individual agreements for final approval.

### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios (other than the profits ratio) as defined under Rule 14.07 of the Listing Rules in respect of the annual caps for the transactions contemplated under the New Master Agreements exceed 5%, such transactions are subject to the reporting, announcement, annual review, circular (including advice from the IFA) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025 (both days inclusive), during which period no transfer of Shares will be registered. The record date is Tuesday, 30 December 2025. To be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates and the duly completed and signed transfer forms must be lodged for registration

## LETTER FROM THE BOARD

with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 22 December 2025.

### THE EGM

The notice of the EGM is set out on pages 59 to 60 of this circular, including the ordinary resolutions to be proposed to seek the Shareholders' consideration and approval for the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto.

A form of proxy for use at the EGM is enclosed with the notice of the EGM. The form of proxy is also available on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.firstservice.hk](http://www.firstservice.hk)). Whether or not you intend to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible, but in any event no later than 48 hours before the time appointed for the EGM or any adjournment thereof (i.e. before 3:00 p.m. on Sunday, 28 December 2025). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM, should you so wish. In such event, the submitted proxy form will be deemed to be revoked.

The Independent Board Committee, comprising Ms. Sun Jing, Mr. Cheng Peng and Mr. Yang Xi, has been formed to advise the Independent Shareholders as to whether the New Master Agreements are entered into in the ordinary and usual course of business of the Group and on normal commercial terms and are in the interests of the Group and the Shareholders as a whole and whether the terms thereof are fair and reasonable and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the IFA, in respect of such matters at the EGM.

As at the Latest Practicable Date, (i) Mr. Zhang Peng directly holds approximately 0.65% of the total number of issued Shares; (ii) Hao Fung, which is wholly owned by Mr. Zhang Peng, holds approximately 13.51% of the total number of issued Shares. Mr. Zhang Peng, together with Mr. Zhang Lei, being parties acting in concert, were interested in 513,929,000 Shares, representing approximately 40.66% of the total number of issued Shares as at the Latest Practicable Date; (iii) Platinum Wish Limited (鉅願有限公司), indirectly held by Mr. Huang Tao, holds approximately 12.53% of the total number of issued Shares; and (iv) View Max Limited (景至有限公司), indirectly held by Mr. Huang Shiying, holds approximately 8.35% of the total number of issued Shares. In accordance with the Listing Rules, Mr. Zhang Peng, his associates and parties acting in concert, including Hao Fung, Mr. Zhang Lei and his associates, will abstain from voting on the ordinary resolution to approve the First Living New Energy Operation Services Framework Agreement and proposed caps in relation thereto at the EGM, while Mr. Huang Tao and his associates and Mr. Huang Shiying and his associates will abstain from voting on the ordinary resolution to approve the Fujian Yongfeng New Elevator

## **LETTER FROM THE BOARD**

System Maintenance Services Framework Agreement and proposed caps in relation thereto at the EGM. Since Mr. Huang Tao and Mr. Huang Shiyong have no relationship with Mr. Zhang Lei and Mr. Zhang Peng, they shall vote separately on the New Master Agreement in which they have no interests involved.

### **VOTING BY POLL**

Save as disclosed above, to the best of the knowledge and information of the Directors, after having made all reasonable enquiries, no Shareholder has a material interest in the resolutions proposed at the EGM. Accordingly, none of the Independent Shareholders is required to abstain from voting on the resolutions.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 13.5 of the Articles of Association, the resolutions to be proposed at the EGM shall be put to a vote on a poll unless the chairman of the meeting, in good faith, allows a vote by show of hands on a resolution which relates purely to a procedural or administrative matter. For the avoidance of doubt, holders of treasury shares, if any, should abstain from voting at the EGM in respect of such treasury shares.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by a duly authorized representative shall be entitled to one vote for each Share held by him. The Shareholders with more than one vote are not required to cast all their votes or vote in the same way.

### **DIRECTORS' VIEWS**

The Directors (including the independent non-executive Directors whose views are given after taking into account the advice from the IFA and set out in the letter from the Independent Board Committee on pages 30 to 31 of this circular but excluding the Directors who have abstained from voting) are of the view that the New Master Agreements are and will be entered into in the ordinary and usual course of business of the Group and are and will be on normal commercial terms and the terms thereof and the caps in relation to thereto are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The independent non-executive Directors will form their views in respect of the New Master Agreements and the proposed caps in relation thereto after receiving advice from the IFA.

### **VOTING BY THE BOARD**

Mr. Zhang Peng is the chairman of the Board and a non-executive Director. Therefore, Mr. Zhang Peng, as a connected Director, is required to abstain from voting on the Board resolution approving the the First Living New Energy Operation Services Framework Agreement.

## LETTER FROM THE BOARD

To demonstrate good corporate governance practice, Mr. Wang Ziming voluntarily abstained from voting on the Board resolution approving the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement since he has been an investment manager of Century Golden Resources Investment Group Co., Ltd. (世紀金源投資集團有限公司), an asset management company based in Beijing, the PRC which is owned by Mr. Huang Tao and Mr. Huang Shiyang as to 60% and 40%, respectively, as at the Latest Practicable Date, since August 2020. Therefore, Mr. Zhang Peng and Mr. Wang Ziming are required to abstain from voting on the relevant Board resolutions for the approval of the New Master Agreements. Mr. Long Han did not attend the Board meeting due to business arrangement and therefore did not vote at the Board meeting approving the New Master Agreements.

Save for the above, to the best of knowledge, information and belief of the Directors after having made all reasonable enquiries, no other Director has a material interest in the New Master Agreements, or is required to abstain from voting on the Board resolutions approving the transactions in relation to the New Master Agreements.

### RECOMMENDATIONS

Altus Capital Limited has been appointed as the IFA to advise the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto. A letter from the IFA is set out on pages 32 to 51 of this circular.

The Independent Board Committee, having taken into account the advice of the IFA, considers that the New Master Agreements have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms, are fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and its Shareholders as a whole, and that the proposed annual caps are fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and its Shareholders as a whole. Accordingly, the Independent Board Committee recommends that Independent Shareholders vote in favor of the ordinary resolutions in respect of the New Master Agreements to be proposed at the EGM to approve the New Master Agreements and the proposed caps in relation thereto, as detailed in the notice of the EGM set out on pages 59 to 60 of this circular. The text of the letter from the Independent Board Committee is set out on pages 30 to 31 of this circular.

The Board (including the independent non-executive Directors whose views have been set out in this circular after taking into consideration the advice of the IFA) is of the view that the New Master Agreements are and will be entered into in the ordinary and usual course of business of the Group and are and will be on normal commercial terms and the terms thereof and the caps in relation thereto are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors consider that the proposed resolutions to approve the New Master Agreements and the proposed caps in relation thereto are in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favor of the resolutions to be proposed at the EGM.

<b>LETTER FROM THE BOARD</b>
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**FURTHER INFORMATION**

Your attention is also drawn to the letter from the Independent Board Committee set out on pages 30 to 31 of this circular, the letter from the IFA to the Independent Board Committee and the Independent Shareholders set out on pages 32 to 51 of this circular, the additional information as set out in the appendix to this circular and the notice of the EGM.

Yours faithfully,  
By order of the Board  
**First Service Holding Limited**  
**Zhang Peng**  
*Chairman*



**LETTER FROM THE INDEPENDENT BOARD COMMITTEE**

**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)**

11 December 2025

*To the Independent Shareholders*

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular dated 11 December 2025 (the “**Circular**”) issued by the Company to its Shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed as the Independent Board Committee to consider and to advise the Independent Shareholders on the terms of the transactions contemplated under the New Master Agreements, and the proposed caps in relation thereto as set out in the Circular as to the fairness and reasonableness and to recommend whether or not the Independent Shareholders should approve the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto as set out in the Circular. Altus Capital Limited has been appointed as the IFA to provide advice and recommendations to the Independent Board Committee and the Independent Shareholders in this regard. Details of the independent advice of the IFA, together with the principal factors and reasons the IFA has taken into consideration, are set out in pages 32 to 51 of the Circular.

We wish to draw your attention to the letter from the Board and the letter from the IFA to the Independent Board Committee and the Independent Shareholders which contains its advice to us in respect of the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto. Your attention is also drawn to the additional information set out in the appendix to the Circular.



## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms of the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto, the advice and recommendations of the IFA and the relevant information contained in the letter from the Board, we are of the view that: (i) the transactions contemplated under the New Master Agreements (including the payment terms therein) are entered into in the ordinary and usual course of business of the Company, on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the proposed annual caps in relation thereto are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) it is in the interests of the Company and the Shareholders to enter into the New Master Agreements.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions at the EGM so as to approve the transactions contemplated under the New Master Agreements and the proposed caps in relation thereto.

Yours faithfully,  
The Independent Board Committee of  
**First Service Holding Limited**

**Sun Jing**  
*Independent Non-executive  
Director*

**Cheng Peng**  
*Independent Non-executive  
Director*

**Yang Xi**  
*Independent Non-executive  
Director*

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

*The following is the text of a letter of advice from Altus Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the New Master Agreements and the transactions contemplated thereunder, which have been prepared for the purpose of incorporation in this circular.*

# ALTUS

Altus Capital Limited  
21 Wing Wo Street  
Central, Hong Kong

11 December 2025

*To the Independent Board Committee and the Independent Shareholders*

### **First Service Holding Limited**

31/F., Tower Two  
Times Square  
1 Matheson Street  
Causeway Bay  
Hong Kong

Dear Sirs and Madams,

## **CONTINUING CONNECTED TRANSACTIONS**

### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the continuing connected transactions contemplated under the First Living New Energy Operation Services Framework Agreement (the “**First Living New Agreement**”) and the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement (the “**Fujian Yongfeng New Agreement**”) (collectively, the “**New Master Agreements**”) and the proposed annual caps in relation thereto. Details are set out in the “Letter from the Board” contained in the circular of the Company (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to the announcement of the Company dated 20 November 2025 in relation to, among other things, the transactions contemplated under the Existing Master Agreements, being the (i) First Living Existing Master Energy Operation Services Agreement (the “**First Living Existing Agreement**”), and (ii) the Fujian Yongfeng Existing Master Maintenance Services Agreement (the “**Fujian Yongfeng Existing Agreement**”), which constitute continuing connected transactions of the Company. Each of the Existing Master

## **LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

Agreements will expire on 31 December 2025, and it is expected that the Group will continue to enter into transactions of a similar nature from time to time. In view of this continuation, on 20 November 2025, the Company entered into the New Master Agreements, namely (i) the aforementioned First Living New Agreement, pursuant to which members of the Group will procure energy operation services from members of the First Living Group, and (ii) the aforementioned Fujian Yongfeng New Agreement, pursuant to which members of the Group shall purchase maintenance services from members of the Fujian Yongfeng Group.

### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios (other than the profits ratio) as defined under Rule 14.07 of the Listing Rules in respect of the annual caps for the transactions contemplated under the New Master Agreements exceed 5%, such transactions are subject to the reporting, announcement, annual review, circular (including advice from the IFA) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **THE INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, comprising all the independent non-executive Directors, namely Ms. Sun Jing, Mr. Cheng Peng and Mr. Yang Xi, has been formed to advise the Independent Shareholders as to (i) whether the New Master Agreements are entered into in the ordinary and usual course of business of the Group and on normal commercial terms and are in the interests of the Group and the Shareholders as a whole, and (ii) whether the terms thereof are fair and reasonable and to advise the Independent Shareholders on how to vote in respect of such matters at the EGM.

### **THE INDEPENDENT FINANCIAL ADVISER**

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders on the terms of the continuing connected transactions contemplated under the New Master Agreements and the proposed caps in relation thereto.

We have not acted as the independent financial adviser or financial adviser in relation to any transactions of the Company in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on transactions contemplated under the New Master Agreements and the proposed caps in relation thereto is at market level and not conditional upon successful passing of the resolution, and that our engagement is on normal commercial terms, we are independent of and not associated with the Company, its controlling shareholder(s) or connected person(s).

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, amongst others, (i) the First Living New Agreement and the Fujian Yongfeng New Agreement; (ii) the annual report of the Company for FY2024 (the “**2024 Annual Report**”); (iii) the interim report of the Company for the period ended 30 June 2025 (the “**2025 Interim Report**”); and (iv) other information as set out in the Circular.

We have also relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company, the Directors and the management of the Company (the “**Management**”). We have assumed that all the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and will continue to be so up to the date of the EGM. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading.

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading.

We consider that we have been provided with, and have reviewed, sufficient information to reach an informed view and provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business, financial conditions and affairs or future prospects of the Group.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

#### 1. Background and financial information

##### *1.1 Principal businesses of the Company, First Living, and Fujian Yongfeng*

###### *The Company*

The Company is principally engaged in providing property management services and green living solutions that cover the full property life-cycle in China.

*First Living*

First Living is a limited liability company established under PRC law and an indirect non-wholly owned subsidiary of the Company. As at the Latest Practicable Date, it is owned as to (i) 72.1% by the Company; (ii) 5.7% by New Momentum and 2.4% by Zhihui Hongye; (iii) 3.8% by Mr. Zhang Lei; (iv) 3.8% by Mr. Zhang Peng; (v) 3.5% by Mr. Jia Yan (賈岩) who is an Independent Third Party; (vi) 1.9% by Mr. Shao Binghua (邵兵華) who is an Independent Third Party; (vii) 1.7% by Mr. Pan Fengwei (潘鳳偉) who is an Independent Third Party; and (viii) 5.1% by 24 individuals who are Independent Third Parties and owned less than 1% of shares of First Living respectively. New Momentum and Zhihui Hongye are ultimately owned by Mr. Zhang Lei. Mr. Zhang Lei is a substantial Shareholder of the Company. First Living is principally engaged in the provision of energy saving related-services in the PRC.

*Fujian Yongfeng*

Fujian Yongfeng is a company incorporated in the PRC with limited liability. As at the Latest Practicable Date, it was wholly owned by Zhiti Lvke (Beijing) Technology Industry Co., Ltd.\* (智梯綠科(北京)科技產業有限公司, “**Zhiti Lvke**”). Zhiti Lvke was owned as to (i) 63.375% by Xizang Wansong Enterprise Management Co., Ltd. (西藏萬松企業管理有限公司), which in turn was 99% owned by Xizang Wanqing Investment Management Co., Ltd.\* (西藏萬青投資管理有限公司, “**Xizang Wanqing**”) and 1% owned by Beijing Yajin Enterprise Management Co., Ltd.\* (北京雅金企業管理有限公司, “**Beijing Yajin**”). Xizang Wanqing was wholly owned by Mr. Huang Tao. Beijing Yajin was wholly owned by Century Golden Resources Investment Group Co., Ltd.\* (世紀金源投資集團有限公司), which in turn was owned as to 60% by Mr. Huang Tao and 40% by Mr. Huang Shiyang; (ii) 24.375% by Meimei Formula Technology Industry (Beijing) Co., Ltd.\* (美好方程式科技產業(北京)有限公司), which in turn was wholly owned by Beijing Yuanjing Technology Co., Ltd.\* (北京元鏡科技有限公司), and in turn was ultimately owned as to 51% by Mr. Deng Zhiyin (鄧志寅), 25% by Mr. Cao Wei (曹偉), and 24% by Mr. Cao Liang (曹亮) who were Independent Third Parties; (iii) 9.75% by Hainan Insight Industrial Investment Partnership Enterprise (Limited Partnership)\* (海南洞見產業投資合夥企業(有限合夥)), which in turn was 50% owned by Mr. Ma Tao (馬濤) as general partner and limited partner, and 50% owned by Mr. He Yong (何勇) as its limited partners, and such individuals were Independent Third Parties; and (iv) 2.50% by Suzhou Kangli Technology Industry Investment Co., Ltd.\* (蘇州康力科技產業投資有限公司), which was a wholly-owned subsidiary of Canny Elevator Co., Ltd.\* (康力電梯股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002367). The ultimate beneficial owner of Fujian Yongfeng is Mr. Huang Tao. Mr. Huang Tao is a substantial Shareholder. Fujian Yongfeng is principally engaged in providing elevator installation, modification and maintenance services.

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### 1.2 Financial information of the Group

Set out below is a summary of the key financial information of the Group for the financial years ended 31 December (“FY”) 2023 and 2024 (“FY2023” and “FY2024”) and the six months ended 30 June 2024 and 2025 (“1H2024” and “1H2025”) as extracted from the 2024 Annual Report and 2025 Interim Report.

#### *Extract of consolidated income statement*

	<b>FY2023</b>	<b>FY2024</b>	<b>1H2024</b>	<b>1H2025</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
	(audited)	(audited)	(unaudited)	(unaudited)
<b>Revenue</b>	<b>1,210,914</b>	<b>1,326,976</b>	<b>658,565</b>	<b>684,112</b>
Property management services	869,547	956,352	469,951	503,979
Green living solutions	205,483	235,751	111,396	105,963
Value-added services	135,884	134,873	77,218	74,170
<b>Gross profit</b>	<b>304,660</b>	<b>309,679</b>	<b>180,866</b>	<b>172,248</b>
<b>Profit for the year</b>	<b>70,147</b>	<b>(6,273)</b>	<b>47,330</b>	<b>39,593</b>

Revenue of the Group increased by approximately 9.6% from RMB1,210.9 million for FY2023 to RMB1,327.0 million for FY2024. For 1H2025, revenue increased by approximately 3.9% from RMB658.6 million to RMB684.1 million as compared to the corresponding period in 2024. This growth was primarily driven by the property management services segment, which recorded a year-on-year increase of approximately 7.2% and comprised approximately 73.7% of revenue as at the latest interim results.

Revenue from value-added services increased during FY2024; however, it decreased by approximately 4.8% year-on-year for 1H2025, mainly due to the impact to home living services from the overall economic environment.

Revenue from green living solutions remained relatively stable, with a slight decrease of approximately 0.7% year-on-year in 2024 and continued stability during 1H2025.

Gross profit of the Group increased slightly by approximately 1.6% from RMB304.8 million for FY2023 to RMB309.7 million for FY2024. Despite this increase, the gross profit margin declined from 25.2% to 23.3%, primarily due to a decrease in the gross profit margin of value-added services by approximately 11% from 44.0% to 32.6%, as a result of expansion in community-related and home living businesses with lower margins. For 1H2025, gross profit further decreased by approximately 4.8% compared to the corresponding period in 2024, with the gross

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

profit margin falling from 27.5% to 25.2%, mainly attributable to increased investment in renovations and a further decline in the margin of public construction projects.

Between FY2023 and FY2024, profit for the year decreased significantly by approximately 108.9% from RMB70.1 million to a loss of RMB6.3 million for FY2024 mainly due to a substantial increase in the non-cash expense item of expected credit loss on trade receivables and contract assets as impairment provisions related to receivables from related-party real estate customers were made. Meanwhile, there was a rise in selling expenses as a result of active business expansion which was slightly mitigated by a roughly 9% decrease in administrative expenses due to further cost reductions and efficiency enhancement measures made by the Company.

Overall, we observed that despite deterioration in profitability due to the aforesaid non-cash expense item, the Group's revenue, especially for property management services, has been growing. This in turn necessitates the Group to continue engaging services of various specialist service providers, including those under the New Master Agreements.

### ***1.3 Outlook and future strategy of the Group***

We noted that the business and revenue of the Group had continued to grow as described above. To this end, the Group will continue to pursue its objective of delivering greener, healthier, and more refined living experiences, guided by the principles of “Technological Living” and “Homelike Service”. It positions itself as an operator of full life-scene industrial homes by integrating green technology to enhance residential environments.

In 2025, the Group is advancing its strategic framework of “Excellent Service, Steady Growth, and New Momentum”, with a clear emphasis on high-quality development and scale expansion of its property management portfolio. Key strategic priorities include: (i) enhancing service standards to improve resident satisfaction; (ii) consolidating market presence and strengthening brand recognition; (iii) diversifying community value-added services through upgraded delivery models; and (iv) promoting the development of community living circles to unlock new sources of growth. We understand that Management is also prioritising innovation by broadening its service ecosystem — integrating property services with wider life services — to drive sustainable growth through pragmatic execution and forward-looking initiatives.

For the second half of 2025, Management remains focused on refining service granularity to achieve measurable improvements in quality. This includes the implementation of construction and renovation plans, the adoption of advanced infrastructure such as seamless access systems, and the expansion of “red property” initiatives through tripartite co-governance frameworks.



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We are of the view that the New Master Agreements which provide the Group flexibility to select suitable service providers in its ordinary course of business can facilitate the Group's aforesaid strategy and future development plans.

### *1.4 Rationale of entering the New Master Agreements*

The Group will be carrying out transactions with the First Living Group and the Fujian Yongfeng Group pursuant to the New Master Agreements, which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As discussed further below, we have reviewed both the Existing Master Agreements and the New Master Agreements and noted that their terms and pricing policies are substantially similar.

The New Master Agreements are essential for the Group to continue its business activities in the ordinary and usual course of business. These agreements enable the Group to procure critical services, such as energy operation services and specialised maintenance services, that support its property management operations and planned expansion.

In terms of procurement of individual agreements entered under the New Master Agreements, a tender process will be conducted with comprehensive evaluation criteria, including service scope, fees, payment terms, technical capabilities, and quality standards. This ensures that the terms offered by the counterparties are not inferior to those of Independent Third Parties. In addition, the agreements include protective provisions such as payment arrangements after work done and performance-linked clauses (e.g., withholding or deducting payments and liquidated damages), safeguarding the Group's interests and ensuring service standards. For further details, please see the sections headed "2. First Living New Agreement" and "3. Fujian Yongfeng New Agreement" below.

Renewing these agreements will enable the Group to leverage on its familiarity with the relevant service specifications and quality requirements built through previous transactions in relation to the Existing Master Agreements since the Listing and onwards. Furthermore, the New Master Agreements will continue to allow the Group to procure services needed for its ordinary and usual course of business at market price and terms and with assured stable quality, contributing towards the Group's efforts in cost control and improving efficiency. As a result, the Group will therefore be able to respond to various requests and tailor its property management services more efficiently and responsively than if they had engaged with new contractors.

Additionally, as discussed in the section headed "1.2 Financial information of the Group", the Group recorded consistent revenue growth across FY2023, FY2024, and 1H2025, primarily driven by an increase in projects and gross floor area under management in its property management services arm. To sustain this core revenue growth, the Group must secure reliable maintenance and energy operation services in line



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with its commitment to green living initiatives and its strategic focus on efficiency. Therefore, it is sensible to continue a working maintenance arrangement in correspondence with the Group's expanding property management services in order to maintain the same levels of quality and operational stability.

Having considered these factors and taking into account the principal activities of the Group as described in the section headed "1.1 Principal businesses of the Company, First Living, and Fujian Yongfeng", we concur with Management's view that entering into these two agreements is in the ordinary and usual course of business of the Group, and that their terms and related annual caps are fair and reasonable and in the interests of the Company and Shareholders as a whole.

## **2. First Living New Agreement**

### ***2.1 Key terms***

Pursuant to the First Living New Agreement, members of the Group will procure energy operation services from members of the First Living Group. This involves the latter operating energy stations to provide central heating and central cooling. We noted that the terms of the First Living New Agreement are substantially similar to those under the First Living Existing Agreement. For more details of the terms, please refer to the section headed "Letter from the Board" of the Circular.

### ***2.2 Pricing policy***

#### *Terms of the pricing policy*

From time to time, as required during the term of the First Living New Agreement, members of the Group will enter into individual energy operation service agreements with members of the First Living Group, which will set out specific terms and conditions such as particulars of the services, service fees, payment terms and method, quality standard and service period.

In assessing the fairness and reasonableness of the pricing policies of the property management services with the First Living Group, we have held discussions with Management and reviewed the major terms, including payment terms and pricing policies, of the agreements in respect of the property management services entered into between (i) the Group and the First Living Group; and (ii) the Group and Independent Third Parties. Such pricing policies are as follows:

- a) The individual agreements to be entered into between members of the Group and members of the First Living Group under the First Living New Agreement shall be on normal commercial terms.

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- b) In particular, the Group will obtain an additional two quotations from Independent Third Parties before entering into an individual agreement. The Group will compare the price offered by the relevant members of the First Living Group with those offered by Independent Third Parties and select the most competitive service provider through quotation or open tender taking into account particulars of the services, service fees, payment terms and methods, technical capabilities, quality standards and service period.
- c) The service fees will be determined by the parties in a fair and reasonable manner, having regard to the scale of energy operation services provided by members of the First Living Group, fair market price, government guidance prices and energy station operating costs.

In particular, the price of heat supply shall generally be government-guided or be government-determined in principle, which shall be formulated by the competent pricing department under the provincial (district and municipal) government or authorised municipal or county government of the PRC, pursuant to the Interim Measures of the Price Control of Urban Heat Supply, whereas the prices of central cooling shall be determined by the parties based on the energy station operating costs, related taxes and reasonable profit margin. The terms and conditions offered by members of the First Living Group to members of the Group shall be on an arm's length basis and on normal commercial conditions, and shall be compliant with the government guidance prices (if any) and shall not be less favourable than those of the same type of energy operation services offered by two Independent Third Parties to members of the Group. This ensures that the agreements proposed by First Living would not be inferior to other market participants in terms of price, service content, and technical capabilities.

### *Review of historical and current agreements*

We have obtained the complete list of transactions between the Group and the First Living Group for the two years ended 31 December 2024 and the nine months ended 30 September 2025 (the “**Historical Period**”) under the First Living Existing Agreement. From this list, we selected at random three transactions from each period and reviewed the corresponding sample walk-through documents, which included individual contracts, invoices, and payment records. A total of nine (9) sets of sample documents were reviewed. Given that the samples were randomly selected from the complete transaction list for each period, we consider the reviewed walk-through documents to be reasonably representative of the overall population and free from selective distortions.

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We compared the major contractual terms of these samples (including scope of work, energy pricing mechanisms, compliance with government guidance prices) against the corresponding terms and pricing policies under the First Living Existing Agreement. Based on discussion with Management, in addition to compliance with government guidance prices, the Group cross-referenced ancillary rates charged by suppliers against prevailing market prices to ensure fairness. Overall, we consider the contractual terms and pricing policies to be in line with the First Living Existing Agreement and consistently adhered to throughout the Historical Period.

Furthermore, and supported by discussions with Management, we noted that the payment arrangements of the samples generally followed a consistently applied billing cycle according to the nature of the services. For longer-term full-service operation contracts, payments for work completed are typically made on a regular basis (e.g. quarterly or monthly) after the conclusion of the relevant period. For shorter-term technical maintenance contracts, payments for work completed were usually made as a lump sum payment. Both types of contracts generally allowed for consistent credit periods of up to 30 working days, which is also aligned with quotations from other independent third-party providers for similar services rendered to the Group. In addition, the samples typically contained provisions granting the Company the right to deduct corresponding fees, impose penalties for breach of agreement, and enforce other related terms if the First Living Group fails to meet service standards or violates contractual obligations.

Given that the terms of the First Living New Agreement will be similar to those relevant terms under the First Living Existing Agreement, and continue to require that terms of the future transactions conducted thereunder should be compliant with government guidance prices (if any) and comparable to those offered by Independent Third Parties for similar services, we are accordingly of the view that the proposed terms (including the pricing policy and mechanism) for the energy operation services under the First Living New Agreement are on normal commercial terms, are fair and reasonable so far as Independent Shareholders are concerned and are in the interests of the Company and Shareholders as a whole.

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### 2.3 Annual caps

#### *Existing annual caps and historical transaction amounts*

The table below sets out the existing annual caps and the historical transaction amounts for the transactions contemplated under the First Living Existing Agreement for the Historical Period.

	<b>FY2023</b>	<b>FY2024</b>	<b>For the nine months ended 30 September 2025</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual caps	19.0	19.0	19.0
Historical transaction amounts	13.4	14.6	10.1
Utilisation rate	70.3%	76.9%	52.9%

The Group utilised approximately 70.3%, 76.9% and 52.9% of the existing annual caps for FY2023, FY2024 and the nine months ended 30 September 2025, respectively. We understand from Management that energy operation services revenue remained stable in FY2023 and FY2024, supported by government-guided heat tariffs and market-based pricing for central cooling. As at 31 December 2024, the total value of executed contracts for energy operation services of the Group amounted to RMB125.0 million, of which contracts signed with and completed by the First Living Group amounted to RMB14.6 million. We also noted that the transaction amount for the nine months ended 30 September 2025, when annualised, will result in similar level of utilisation rate for FY2025 compared with FY2023 and FY2024.

#### *Proposed annual caps*

The table below sets out the existing annual caps and the proposed annual caps for the transactions contemplated under the First Living New Agreement for FY2026, FY2027, and FY2028, respectively.

	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual caps	19.0	19.0	19.0
Proposed annual caps	23.0	23.0	23.0

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As set out in the Letter from the Board, the proposed annual caps for the three years ending 31 December 2026, 2027, and 2028 are RMB23.0 million, RMB23.0 million and RMB23.0 million, respectively. The proposed annual caps of RMB23.0 million per year represent an approximate 21.1% increase compared to the annual cap of RMB19.0 million for FY2025.

We understand from Management that the Company has determined these in consideration of (i) the historical service fees and the annually increasing trend; (ii) the prevailing market rate for similar energy operation services provided at nearby locations; (iii) the estimated service fees based on agreements already entered into; and (iv) the level of energy operation services that is expected to be provided via members of the First Living Group, taking into account the potential increase in demand of energy operation services from members of the First Living Group required by members of the Group including a new smart algorithm-based energy saving business, based on the growth of the Group's contracted GFA and GFA under management, the anticipated increase in non-residential properties requiring energy operation services, seasonal heating demand, and the addition of new types of revenue streams such as the energy-saving business. In view of the above, the Management has therefore proposed to raise the annual caps for the three years ending 31 December 2028.

To assess the fairness and reasonableness of the proposed caps, we undertook the following work:

a) Review of historical and current agreements

As discussed in the section headed "2.2 Pricing policy", we reviewed the full list and breakdown of energy operation transactions between the Group and the First Living Group, and noted that the terms and service fees from the sampled sets of documents under the First Living Existing Agreement were consistent with the amounts in the full list and aligned with the pricing policies disclosed, including those terms offered to the Group by Independent Third Parties.

b) Review of expected agreements

In addition to the above, we further reviewed the list and breakdown of estimated energy operation service agreements the Group is expected to enter into with the First Living Group for the three years ending 31 December 2028, and examined sample draft contracts for three randomly selected transactions per year within that period. The service fees in these samples were consistent with the amounts in the full list and aligned with the pricing policies disclosed, including those terms offered to the Group by Independent Third Parties.

c) Review of estimated agreements and demand

We reviewed the relevant workings of projected future demand and discussed with Management the basis for the calculations of expected transaction amounts. From our review of the calculation worksheets, we noted that when forming these projections the Management considered the growth of the Group's contracted GFA and GFA under management, the government-guided reference unit prices per square meter, the anticipated increase in non-residential properties requiring energy operation services, seasonal heating demand and total energy consumption, and the addition of new types of revenue streams such as the energy-saving business. In order to accommodate for projected growth based on both operational targets and the continued increases in historical transaction amounts for similar services in recent years, Management has allocated an additional RMB5.0 million buffer to the aforesaid business and RMB1.0 million to its new smart algorithm-based energy saving business. These buffers allow provides the Group with sufficient strategic headroom to expand its green living solutions. Based on this review, and taking into account the financial performance of the Group as discussed above in the section headed "1.2 Financial information of the Group", we consider the basis of expected agreements and demand to be fair and reasonable.

In addition to the above, and considering that the Group is not obliged under the First Living New Agreement to procure services from members of the First Living Group or to use up the annual caps thereunder, the increase in annual caps can provide flexibility for the Group to procure energy operation services from members of the First Living Group according to its energy operations and needs.

Having considered the above factors and the trend of historical utilisation throughout the Historical Period, we are of the view that the First Living New Agreement and the caps in relation thereto are fair and reasonable, on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole.

### **3. Fujian Yongfeng New Agreement**

#### ***3.1 Key terms***

Pursuant to the Fujian Yongfeng New Agreement, members of the Group will purchase maintenance services, including elevator system maintenance services, from members of the Fujian Yongfeng Group. We noted that the terms of the Fujian Yongfeng New Agreement are substantially similar to those under the Fujian Yongfeng Existing Agreement. For more details of the terms, please refer to the section headed "Letter from the Board — THE NEW MASTER AGREEMENTS" of the Circular.

### **3.2 Pricing policy**

#### *Terms of the pricing policy*

From time to time, as required during the term of the Fujian Yongfeng New Agreement, members of the Group will enter into individual maintenance service agreements with members of the Fujian Yongfeng Group, which will set out specific terms and conditions such as particulars of the services, service fees, payment terms and method, quality standard and service period. Each specific agreement shall specify the payment terms and methods, among other specific provisions, to align with the needs of the Group and the market conditions at the time of concluding the specific agreement. The terms of the specific agreements must strictly adhere to the principles, instructions and conditions set forth in the aforesaid agreement for the provision of maintenance services.

In assessing the fairness and reasonableness of the pricing policies of the maintenance services with the Fujian Yongfeng Group, we have held discussions with Management and reviewed the major terms, including payment terms and pricing policies, of the agreements in respect of the maintenance services entered into between (i) the Group and the Fujian Yongfeng Group; and (ii) the Group and Independent Third Parties. Such pricing policies are as follows:

- a) The individual agreements to be entered into between members of the Group and members of the Fujian Yongfeng Group under the Fujian Yongfeng New Agreement shall be on normal commercial terms.
- b) The service fees will be determined by the parties in a fair and reasonable manner, with reference to market price for similar services.

In particular, the Group will obtain an additional 2 quotations from Independent Third Parties before entering into an individual agreement. The Group will compare the price offered by the relevant members of the Fujian Yongfeng Group with those offered by Independent Third Parties and select the most competitive service provider through quotation or open tender taking into account particulars of the services, service fees, payment terms and methods, quality standards and service period. This ensures that the agreements proposed by the Fujian Yongfeng Group would not be inferior to other market participants.

#### *Review of historical and current agreements*

We have obtained the full list of transactions between the Group and the Fujian Yongfeng Group during the Historical Period (from 12 July 2024 onwards) under the Fujian Yongfeng Existing Agreement. From this list, we selected at random three transactions from each period and reviewed the corresponding sample walk-through documents, which included individual contracts, invoices, and payment

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records. A total of six (6) sets of sample documents were reviewed. Given that the samples were randomly selected from the complete transaction list for each period, we consider the reviewed walk-through documents to be reasonably representative of the overall population and free from selective distortions.

We compared the major contractual terms of these samples (including scope of work, unit pricing mechanisms, and quotations from Independent Third Parties) against the corresponding terms and pricing policies set out in the Fujian Yongfeng Existing Agreement. Our review found these terms to be broadly comparable to, or within the range of, competing quotations provided by Independent Third Parties for similar services. Overall, we consider the contractual terms and pricing policies to be in line with the Fujian Yongfeng Existing Agreement and consistently adhered to throughout the Historical Period.

Furthermore, and supported by discussions with Management, we noted that the payment arrangements of the samples generally follow a quarterly billing cycle for services rendered and consistently permitted a credit period of up to 15 days. In comparison, quotations from Independent Third Parties also adopted quarterly billing cycles and permitted a credit period of up to 20 days, which is broadly consistent with the samples. In addition, the samples typically contained provisions granting the Company the right to deduct corresponding fees, impose penalties for breach of agreement, and enforce other related terms if the Fujian Yongfeng Group fails to meet service standards or violates contractual obligations.

Given that the terms of the Fujian Yongfeng New Agreement will be similar to those relevant terms under the Fujian Yongfeng Existing Agreement, and continue to require that terms of the future transactions conducted thereunder should be comparable to those offered by Independent Third Parties for similar services, we are accordingly of the view that the proposed terms (including the pricing policy and mechanism) for the maintenance services under the Fujian Yongfeng New Agreement are on normal commercial terms, are fair and reasonable so far as Independent Shareholders are concerned and are in the interests of the Company and Shareholders as a whole.



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### 3.3 Annual caps

#### *Existing annual caps and historical transaction amounts*

The table below sets out the existing annual caps and the historical transaction amounts for the transactions contemplated under the Fujian Yongfeng Existing Agreement for the Historical Period.

	<b>FY2023<sup>(1)</sup></b>	<b>FY2024</b>	<b>For the nine months ended 30 September 2025</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual caps	N/A	8.00	12.00
Historical transaction amounts	N/A	1.79	2.06
Utilisation rate	N/A	22.3%	17.2%

*Note:*

(1) The Fujian Yongfeng Existing Agreement was entered into on 12 July 2024.

These transactions primarily related to elevator system maintenance and other associated services with the Fujian Yongfeng Group. The Group utilised relatively low levels of approximately 22.3% and 17.2% of the existing annual caps for FY2024 and the nine months ended 30 September 2025, respectively as relevant agreements started only in July 2024 and a number of the Group's maintenance service agreements with other service providers had not yet expired and were still in effect, limiting the bidding opportunities where the Fujian Yongfeng Group can participate in and hence number of engagements. As at 31 December 2024, the total value of executed contracts for the Group's elevator system maintenance services amounted to RMB88.0 million, of which contracts signed with and completed by the Fujian Yongfeng Group amounted to RMB1.8 million.

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### *Proposed annual caps*

The table below sets out the existing annual caps and the proposed annual caps for the transactions contemplated under the Fujian Yongfeng New Agreement for FY2026, FY2027, and FY2028, respectively.

	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual caps	N/A	8.00	12.00
Proposed annual caps	N/A	23.00	23.00

As set out in the Letter from the Board, the proposed annual caps for the three years ending 31 December 2026, 2027, and 2028 are RMB23.0 million, RMB23.0 million and RMB23.0 million, respectively. The proposed annual cap of RMB23.0 million per year represent an approximate 91.7% increase compared to the annual cap of RMB12.0 million for FY2025.

We understand from Management that the above-mentioned maintenance service agreements with other service providers are still in effect but may be nearing expiry. Upon expiry of these agreements between the years 2026 and 2028, the Company will initiate bidding processes for elevator system maintenance services at the relevant times. Subject to the terms being offered under the Fujian Yongfeng New Agreement, it may holistically consolidate its maintenance service arrangements to the Fujian Yongfeng Group, thereby increasing collaboration and transaction volume. Accordingly, the proposed annual caps reflect an anticipated increase in transaction coverage under the Fujian Yongfeng New Agreement and have been determined with consideration of relevant operational and financial factors including (i) the historical service fees and the annually increasing trend; (ii) the prevailing market prices for similar maintenance services provided at nearby locations; and (iii) the expected increase in demand for maintenance services by the Group (a) as indicated by the continued increase in transaction amounts of similar maintenance services procured by the Group for the years ended 31 December 2023 and 2024 and (b) with reference to the fact that the Group plans to enhance efforts in business expansion and service improvement in 2026 and 2027.

In particular, for elevator system maintenance services, the Directors have considered the estimated service fees based on historical transaction amounts and the annually increasing trend, and the estimated number of elevator systems that would require maintenance services based on the Group's current and expected number of properties under management. In view of the above, the Management has therefore proposed to raise the annual caps for the three years ending 31 December 2028.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To assess the fairness and reasonableness of the proposed caps, we undertook the following work:

a) Review of historical and current agreements

As discussed in the section headed “3.2 Pricing policy”, we reviewed the full list and breakdown of energy operation transactions between the Group and the Fujian Yongfeng Group, and noted that the terms and service fees from the sampled sets of documents under the Fujian Yongfeng Existing Agreement were consistent with the amounts in the full list and aligned with the pricing policies disclosed, including those terms offered to the Group by Independent Third Parties.

b) Review of estimated agreements

In addition to the above, we further reviewed the list and breakdown of estimated maintenance service agreements that the Group is expected to enter into with the Fujian Yongfeng Group for the three years ending 31 December 2028, and examined sample draft contracts for three randomly selected transactions per year within that period. The service fees in these samples were consistent with the amounts in the full list and reflected prevailing market prices and terms offered by competing quotations offered to the Group by Independent Third Parties.

c) Review of expected agreements and demand

We reviewed the relevant workings of projected future demand and discussed with Management the basis for the calculations of expected transaction amounts. From our review of the calculation worksheets, we noted that when forming these projections the Management considered in, particular, the future consolidation of expiring maintenance service agreements with other service providers as mentioned above. In addition, they have considered the Group’s current and anticipated number of properties under management, the location of the properties under management, the estimated number and type of elevator systems requiring maintenance, and the Group’s overall strategy to enhance service quality and expand its business footprint. In order to accommodate for projected growth based on both operational targets and the continued increases in historical transaction amounts for similar services in recent years, Management has allocated an additional RMB3.0 million buffer for additional projects. Based on this review, the financial performance of the Group as discussed above in the section headed “1.2 Financial information of the Group”, and the review of estimated agreements as discussed in this section, we consider the basis of expected agreements and demand to be fair and reasonable.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In addition to the above, and considering that the Group is not obliged under the Fujian Yongfeng New Agreement to procure services from members of the Fujian Yongfeng Group or to use up the annual caps thereunder, the increase in annual caps provides sufficient headroom for the Group's consolidation of existing maintenance agreements and flexibility to procure elevator and other maintenance services from members of the Fujian Yongfeng Group in accordance with its property management needs.

Having considered the above factors, we are of the view that the Fujian Yongfeng New Agreement and the caps in relation thereto are fair and reasonable, on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole.

#### **4. Internal control procedures**

We have reviewed the Group's internal control procedures relating to the New Master Agreements and the proposed annual caps and noted that the Company has adopted internal control procedures with a view to ensuring timely compliance with the Listing Rules, supervising and monitoring the continuing connected transactions contemplated under the New Master Agreements and the annual caps related thereto. These procedures namely include: (i) preparing an internal continuing connected transaction report once every six months, setting out the aggregate amount of transactions and the status of compliance with the annual caps; (ii) prior to entering into each individual agreement, the operation department and Management will examine and compare the proposed pricing terms with those offered to or from Independent Third Parties to ensure that such terms are fair and reasonable, on normal commercial terms and no less favourable to the Group; (iii) the finance department will review whether the transactions have been conducted in accordance with the terms of the New Master Agreements and monitor the transaction amounts to ensure the annual caps are not exceeded; and (iv) where the transaction amount is expected to reach or exceed the relevant annual cap, the finance department shall report to Management and consider appropriate measures to ensure compliance with the Listing Rules, including obtaining Independent Shareholders' approval if required. In particular, the Company has designated personnel to continuously monitor and implement the following measures to ensure that the relevant services comply with the New Master Agreements and the terms of the New Master Agreements are fair and reasonable. For further details, please refer to the section headed "INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES" in the "Letter from the Board" of the Circular.

As discussed above under the section headed "3.3 Annual caps", we had examined sample walk-through documents for agreements entered under the Existing Master Agreements during the Historical Period, to confirm that pricing terms were applied consistently. In addition, we noted that the Company's process of comparing proposed pricing terms with independent quotations is embedded in its approval workflow. We further noted that the Company's external auditor and independent non-executive Directors conduct annual reviews

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

of continuing connected transactions in accordance with Chapter 14A of the Listing Rules. The 2024 Annual Report confirms that such reviews of the Existing Master Agreements revealed no adverse findings.

Based on the above control chain and our discussions with Management, we are of the view that the internal controls relating to the New Master Agreements are adequate and effective to ensure that the pricing policy and payment terms are fair and reasonable, and on normal commercial terms or better.

### RECOMMENDATION

Having considered the above principal factors, we are of the view that (i) the terms of the New Master Agreements are fair and reasonable; (ii) the New Master Agreements and the transactions contemplated thereunder are conducted on normal commercial terms, in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole, and (iii) the proposed annual caps contemplated under the New Master Agreements are fair and reasonable.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the relevant resolution to be proposed at the EGM to approve the New Master Agreements, the transactions contemplated and the annual caps proposed thereunder.

Yours faithfully,  
For and behalf of  
**Altus Capital Limited**  
**Chang Sean Pey**  
*Responsible Officer*

*Mr. Chang Sean Pey (“**Mr. Chang**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and permitted to undertake work as a sponsor. He is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Mr. Chang has over 30 years of experience in banking, corporate finance advisory and investment management. In particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance advisory transactions.*

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Number of Shares held <sup>(6)</sup>	Approximate percentage of shareholding <sup>(1)</sup>
Zhang Peng <sup>(5)</sup>	Beneficial owner	8,225,000	0.65%
	Interest in controlled corporation <sup>(2)</sup>	170,777,250	13.51%
Liu Peiqing	Interest in controlled corporation <sup>(3)</sup>	12,991,250	1.03%
Long Han	Interest in controlled corporation <sup>(4)</sup>	10,511,250	0.83%
Zhu Li	Beneficial owner	676,155	0.05%
Jin Chungang	Beneficial owner	1,007,282	0.08%

Notes:

- (1) The percentage represents the number of ordinary Shares interested divided by the number of issued Shares as at the Latest Practicable Date (i.e. 1,264,000,000).
- (2) The Shares are registered under the name of Hao Fung, which is wholly owned by Mr. Zhang Peng. Accordingly, Mr. Zhang Peng is deemed to be interested in all the Shares held by Hao Fung.

- (3) The Shares are registered under the name of Liu Pei Qing Management Limited (刘培庆管理有限公司) (“**Liu Pei Qing Management**”), which is wholly owned by Mr. Liu Peiqing. Accordingly, Mr. Liu Peiqing is deemed to be interested in all the Shares held by Liu Pei Qing Management.
- (4) The Shares are registered under the name of Long Han Management Limited (龙晗管理有限公司) (“**Long Han Management**”), which is wholly owned by Mr. Long Han. Accordingly, Mr. Long Han is deemed to be interested in all the Shares held by Long Han Management.
- (5) Mr. Zhang Peng, together with Mr. Zhang Lei, being parties acting in concert, were interested in 513,929,000 Shares, representing approximately 40.66% of the number of issued Shares as at the Latest Practicable Date.
- (6) All interests stated are long positions.

**(b) Interests in associated corporation of the Company**

<b>Name of Director</b>	<b>Name of associated corporation</b>	<b>Nature of interest</b>	<b>Amount of share capital held</b>	<b>Approximate percentage of shareholding<sup>(1)</sup></b>
Zhang Peng	First Living <sup>(1)</sup>	Beneficial owner	RMB1,317,397	3.8%

*Note:*

- (1) First Living is a non-wholly owned subsidiary of the Company and thus an associated corporation of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**(c) Substantial Shareholders' interests and short positions in Shares and underlying Shares**

As at the Latest Practicable Date, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests and short positions in the Shares or underlying Shares which fell to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

<b>Name of Shareholder</b>	<b>Nature of interest</b>	<b>Number of Shares<sup>(8)</sup></b>	<b>Approximate percentage of shareholding<sup>(1)</sup></b>
Zhang Lei <sup>(2)</sup>	Interest in controlled corporation	334,926,750	26.50%
Yu Jinmei <sup>(3)</sup>	Interest of spouse	334,926,750	26.50%
Glorious Group <sup>(2)</sup>	Beneficial owner	334,926,750	26.50%
Printrust Company (Singapore) Limited <sup>(4)(5)</sup>	Trustee	264,000,000	20.89%
Wang Yujuan <sup>(6)</sup>	Interest of spouse	179,002,250	14.16%
Hao Fung <sup>(7)</sup>	Beneficial owner	170,777,250	13.51%
Huang Tao <sup>(8)</sup>	Founder of a discretionary trust who can influence how the trustee exercises his discretion	158,400,000	12.53%
Platinum Wish <sup>(5)</sup>	Beneficial owner	158,400,000	12.53%
Joy Deep Limited <sup>(5)</sup>	Beneficial owner	158,400,000	12.53%
Huang Shiyong <sup>(4)</sup>	Founder of a discretionary trust who can influence how the trustee exercises his discretion	105,600,000	8.35%
View Max <sup>(4)</sup>	Beneficial owner	105,600,000	8.35%



Name of Shareholder	Nature of interest	Number of Shares <sup>(8)</sup>	Approximate percentage of shareholding <sup>(1)</sup>
Joy Riding Limited <sup>(4)</sup>	Beneficial owner	105,600,000	8.35%
Shanghai CDH Yaojia Venture Capital Center (Limited Partnership)	Beneficial owner	86,424,000	6.84%

*Notes:*

- (1) The percentage represents the number of ordinary Shares interested divided by the number of issued Shares as at the Latest Practicable Date (i.e. 1,264,000,000).
- (2) Glorious Group Holdings Limited (世家集团控股有限公司) (“**Glorious Group**”) is wholly owned by Mr. Zhang Lei. Therefore, Mr. Zhang Lei is deemed under the SFO to be interested in 334,926,750 Shares held by Glorious Group as at the Latest Practicable Date.
- (3) Ms. Yu Jinmei, the spouse of Mr. Zhang Lei, is deemed under the SFO to be interested in these 334,926,750 Shares in which Mr. Zhang Lei is deemed to be interested.
- (4) View Max Limited (景至有限公司) (“**View Max**”) holds in 105,600,000 Shares, which is owned by Joy Riding Limited (樂行有限公司) as to 99% and Leisure Light Limited (悠光有限公司) as to 1%, respectively. Joy Riding Limited is held by Leading Trend Family Trust, the founder and settlor of which is Mr. Huang Shiyong (黃世榮). Printrust Company (Singapore) Limited is the trustee of Leading Trend Family Trust. Mr. Huang Shiyong and his family members are beneficiaries of Leading Trend Family Trust. As such, each of Printrust Company (Singapore) Limited, Joy Riding Limited and Mr. Huang Shiyong is deemed to be interested in the 105,600,000 Shares held by View Max.
- (5) Platinum Wish Limited (鉑願有限公司) (“**Platinum Wish**”) holds 158,400,000 Shares, which is owned by Joy Deep Limited (悅深有限公司) as to 99% and Prime Elegance Limited (至雅有限公司) as to 1%, respectively. Joy Deep Limited is held by Sparkle Fortune Family Trust, the founder and settlor of which is Mr. Huang Tao (黃濤). Printrust Company (Singapore) Limited is the trustee of Sparkle Fortune Family Trust. Mr. Huang Tao and his family members are beneficiaries of Sparkle Fortune Family Trust. As such, each of Printrust Company (Singapore) Limited, Joy Deep Limited and Mr. Huang Tao is deemed to be interested in the 158,400,000 Shares held by Platinum Wish.
- (6) Ms. Wang Yujuan, the spouse of Mr. Zhang Peng, is deemed under the SFO to be interested in these 179,002,250 Shares in which Mr. Zhang Peng is deemed to be interested.
- (7) Hao Fung is wholly-owned by Mr. Zhang Peng. Therefore, Mr. Zhang Peng is deemed under the SFO to be interested in these 170,777,250 Shares held by Hao Fung.
- (8) All interests stated are long positions.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

### **3. DIRECTORS' INTERESTS IN COMPETING BUSINESS**

As at the Latest Practicable Date, none of the Directors or their respective close associates had engaged in or had any interest in any business which competes or may compete, either directly or indirectly, with the businesses of the Group.

### **4. DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE**

Reference is made to the Company's 2024 annual report published on 30 April 2025. The material related party transactions of the Company are disclosed in note 32 to the consolidated financial statements, and the connected transactions of the Company are disclosed in the section headed "Connected Transactions".

Further references are made to the announcement of the Company dated 20 November 2025. On 20 November 2025, the Company entered into (1) a property management services framework agreement with Zhonglv Qiyuan (Beijing) Management Consulting Co., Ltd.\* (中綠起源(北京)商業運營管理有限公司); and (2) a new property management services framework agreement with Super Land Holdings Limited. The said agreements shall expire on 31 December 2028.

Save for the transactions disclosed pursuant to the Listing Rules, no Director had either direct or indirect material interest in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party, and there was no transaction, arrangement or contract of significance between the Company or any of its subsidiaries and the Company's controlling Shareholders or any of its subsidiaries, subsisted at the end of, or at any time during the year ended 31 December 2024 and up to the Latest Practicable Date.

No Director had any interest, direct or indirect, in any assets which have been, since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group as at the Latest Practicable Date.

## 5. DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

As at the Latest Practicable Date, none of the Directors had entered into a service contract or letter of appointment which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## 6. QUALIFICATION AND CONSENT OF EXPERT

Altus Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter of advice dated 11 December 2025 for incorporation in this circular, and references to its name included in the form and context in which they appear. The following is the qualifications of the expert who has given an opinion or advice, which is contained in this circular:

Name	Qualifications
Altus Capital Limited	a corporation licensed under the SFO to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities

As at the Latest Practicable Date, Altus Capital Limited did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Altus Capital Limited was not interested, directly or indirectly, in any assets which had since 31 December 2024 being the date to which the latest published audited accounts of the Group were made up, been acquired or disposed of by or leased to, or proposed to be acquired or disposed of by or leased to, any member of the Group.

## 7. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial or trading positions of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

**8. DOCUMENTS ON DISPLAY**

The following documents will be available on (i) the website of the Company ([www.firstservice.hk](http://www.firstservice.hk)) and (ii) the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) during the period of 14 days from the date of this circular:

- (a) the First Living New Energy Operation Services Framework Agreement; and
- (b) the Fujian Yongfeng New Elevator System Maintenance Services Framework Agreement.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

### 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)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the extraordinary general meeting (the “**EGM**”) of First Service Holding Limited (the “**Company**”) will be held at 3rd Floor, Building 10, Wanguocheng MOMA, No. 1 Xiangheyuan Road, Dongzhimenwai, Dongcheng District, Beijing, PRC on Tuesday, 30 December 2025 at 3:00 p.m. for the purpose of considering and, if thought fit, pass the following resolutions as ordinary resolutions:

1. “**THAT** the continuing connected transactions contemplated under the new energy operation services framework agreement entered into between the Company and First MOMA Human Environment Technology (Beijing) Co., Ltd.\* (第一摩碼人居环境科技(北京)有限公司) on 20 November 2025 and the proposed annual caps in relation thereto be and are hereby generally and unconditionally approved, confirmed and ratified and the directors of the Company acting together or by committee, or any director of the Company acting individually, be and is hereby authorized to do all such further acts and things and execute such further documents and take all such steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the terms of such continuing connected transactions.”
2. “**THAT** the continuing connected transactions contemplated under the new elevator system maintenance services framework agreement entered into between the Company and Fujian Yongfeng Jiye Mechanical and Electrical Installation Engineering Co., Ltd.\* (福建永豐基業機電安裝工程有限公司) on 20 November 2025 and the proposed annual caps in relation thereto be and are hereby generally and unconditionally approved, confirmed and ratified and the directors of the Company acting together or by committee, or any director of the Company acting individually, be and is hereby authorized to do all such further acts and things and execute such further documents and take all such steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the terms of such continuing connected transactions.”

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

Hong Kong, 11 December 2025

## NOTICE OF EXTRAORDINARY GENERAL MEETING

*Notes:*

1. For the purpose of determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025 (both days inclusive), during which period no transfer of Shares will be registered. The record date is Tuesday, 30 December 2025. To be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates and the duly completed and signed transfer forms must be lodged for registration with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 22 December 2025.
2. A member of the Company who is entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his/her/its stead. The proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each such proxy is appointed.
3. The form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 48 hours before the time fixed for holding the EGM (i.e. before 3:00 p.m. on Sunday, 28 December 2025) or any adjournment thereof.
4. The above ordinary resolutions will be voted by poll.
5. As at the date of this notice, our executive Directors are Mr. Liu Peiqing, Mr. Jin Chungang and Ms. Zhu Li, 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.
6. References to dates and time in this notice are to Hong Kong dates and time.