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)

CHANGE IN USE OF PROCEEDS

References are made to (i) the prospectus of First Service Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated October 12, 2020 (the "**Prospectus**") in relation to the listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "**Listing**"); (ii) the announcement of the Company dated June 10, 2022 in relation to the change in use of proceeds (the "**2022 Announcement**"); (iii) the announcement of the Company dated December 27, 2023 in relation to the change in use of proceeds (the "**2023 Announcement**"); and (iv) the updates regarding the utilization of proceeds in connection with the Listing set out in the annual report of the Company for the year ended December 31, 2025 published on April 24, 2026 (the "**Annual Report**"). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus.

CHANGE IN USE OF PROCEEDS

The net proceeds from the Global Offering amounted to approximately HK$571.2 million, and have been applied in accordance with the intended use of the proceeds as set out in (i) the section headed "Future Plans and Use of Proceeds" of the Prospectus; and (ii) the 2022 Announcement and the 2023 Announcement. The status of the use of net proceeds from the Global Offering as of December 31, 2025 was set out in the Annual Report.

As of the date of this announcement, the Group has used approximately HK$492.3 million of the net proceeds from the Global Offering. On July 17, 2026, the Board has resolved to change the use of net proceeds as follows:

Original intended use of net proceeds as disclosed in the 2023 Announcement	Revised intended use of net proceeds	Original percentage of net proceeds as disclosed in the 2023 Announcement	Revised percentage of net proceeds	Net proceeds for the original intended use as disclosed in the 2023 Announcement	Net proceeds for the revised intended use	Net proceeds actually utilized for the revised intended use as of the date of this announcement	Unutilized net proceeds as of the date of this announcement	Updated timeframe for the unused balance
		(%)	*(%)*		*(In HK$ million)*			
Strategic acquisitions or investments in property management companies and market expansion	**Strategic acquisitions or investments in property management companies and market expansion**	**38.0**	**44.0**	**217.1**	**251.4**	**211.4**	**40.0**	**By the end of 2029**
Distribute to the Shareholders by way of cash dividend	**Distribute to the Shareholders by way of cash dividend**	**32.0**	**31.9**	**182.8**	**182.4**	**182.4**	**–**	**–**
Develop our intelligent community and enhance our information technology systems	**Develop our intelligent community**	**10.0**	**2.8**	**57.1**	**16.0**	**11.0**	**5.0**	**By the end of 2029**
Upgraded our internal systems		2.8	–	16.0	3.2	3.2	–	
Develop our intelligent community		7.2	2.8	41.1	12.8	7.8	5.0	
Implementation of the "five talents" strategy (五才戰略) and other employee expenses	**Implementation of the "five talents" strategy (五才戰略) and other employee expenses**	**10.0**	**6.2**	**57.1**	**35.4**	**30.4**	**5.0**	**By the end of 2029**
General business operations and working capital	**General business operations and working capital**	**10.0**	**15.1**	**57.1**	**86.0**	**57.1**	**28.9**	**By the end of 2029**
Total		**100.0**	**100.0**	**571.2**	**571.2**	**492.3**	**78.9**	

Note: The figures in the table are approximate figures and are subject to rounding adjustments.

REASONS FOR AND BENEFITS OF CHANGE IN USE OF PROCEEDS

In determining the change in use of proceeds, the Board has conducted a comprehensive review of the Group's current business development priorities, resource allocation needs and prevailing industry conditions.

Since the Listing, notwithstanding a slowdown in economic development and uncertainties in the upstream property development market, the Company has been identifying suitable targets and conducting feasibility studies and due diligence on potential strategic acquisition or investment projects under a prudent approach. To pursue sustained and steady development, the Company continues to monitor market developments and actively seeks strategic acquisition, investment and market expansion opportunities. Accordingly, the Company proposes to reallocate HK$34.3 million of the unutilized net proceeds, to strategic acquisitions or investments in property management companies and market expansion, so as to provide sufficient funding support to sustain such acquisitions, investments and market expansion initiatives upon the emergence of suitable business opportunities.

In addition, in light of the prevailing market conditions and to better position the Group to respond to evolving market dynamics, the Company proposes to reallocate HK$28.9 million of the unutilized net proceeds to general business operations and working capital. Such reallocation will enable the Group to deploy its unutilized financial resources in a more flexible and efficient manner, thereby strengthening its capacity to further develop its existing businesses and elevate the quality of its service offerings.

Furthermore, as disclosed in the 2023 Announcement, the expected timeframe for the utilization of proceeds had been extended from the Listing to the gradual utilization prior to the end of 2026. Taking into account the aforementioned change and the Group's continued implementation of a prudent business strategy, the Board has approved a further extension of the expected timeframe for the utilization of proceeds from the Listing to the gradual utilization prior to the end of 2029, subject to market conditions and in accordance with the use of proceeds following the abovementioned changes.

GENERAL

The Board considers that the change in use of proceeds is expected to better align with the Group's current development strategy and business priorities, and enhance its competitiveness and long-term growth potential. The Board confirms that such change does not constitute any material change to the principal business activities of the Group, nor will it have any material adverse effect on the Group's existing business operations. Accordingly, the Board considers that the above change in use of proceeds is in the best interests of the Company and its Shareholders as a whole.

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

Hong Kong, July 17, 2026

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