

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

VOLUNTARY ANNOUNCEMENT

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

The Board is pleased to announce that the Company was informed that Cedar, one of the controlling shareholders of the Company, adopted the Scheme on July 29, 2021.

The Scheme was adopted by Cedar as a means to (i) recognize and acknowledge the contributions or potential contributions made or to be made by the Eligible Persons to the Group; (ii) align the interests of the Selected Persons with those of the Company, and strive for the future development and expansion of the Group; and (iii) attract capable persons to join the Group.

Pursuant to the Scheme, the Cedar Board may, from time to time and at its sole discretion, choose Selected Persons to participate in the Scheme, determine the number of Award Shares to be awarded to each Selected Person, and impose any additional conditions for each Selected Person to accept such Award Shares. A Grant Letter, setting out the number of Award Shares to be granted, the applicable consideration payable by such selected person and any additional conditions for acceptance of the Award Shares, will be issued to each Selected Person.

The Scheme is not adopted by the Company and does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. It is a discretionary award scheme of Cedar.

ADOPTION OF THE SCHEME

The Board is pleased to announce that the Company was informed that Cedar has adopted the Scheme on July 29, 2021. The purposes and the principal terms of the Scheme are set out below.

Purposes

The purposes of the Scheme were to (i) recognize and acknowledge the contributions or potential contributions made or to be made by the Eligible Persons to the Group; (ii) align the interests of the Selected Persons with those of the Company, and strive for the future development and expansion of the Group; and (iii) attract capable persons to join the Group.

Term

Subject to any early termination of the Scheme by Cedar, the Scheme shall be valid and effective for ten (10) years commencing on the date of adoption of the Scheme by Cedar.

Administration

The Cedar Board shall be responsible for administering the Scheme in accordance with the Scheme Rules. The Cedar Board has also appointed the Administrator to assist in the administration of the Scheme, including but not limited to assist the relevant Participants in the transfer of the Award Shares.

Eligible Persons

Eligible Persons shall be any persons that the Cedar Board considers to have made significant contributions to the business and development of the Group and shall include but without limitation any employee and director of the Group or the Cedar Group. Pursuant to the Scheme, the Cedar Board may, from time to time and at its sole discretion, choose Selected Persons to participate in the Scheme, determine the number of Award Shares to be awarded to each Selected Person, and impose any additional conditions for each Selected Person to accept such Award Shares.

Lock-up Periods

The Award Shares to be held by each Participant may be subject to Lock-up Periods as may be determined by Cedar Board and set out in the Grant Letter.

Operations

A Grant Letter, setting out the number of Award Shares to be granted, the applicable consideration payable by such selected person and any additional conditions for acceptance of the Award Shares, will be issued to each Selected Person. The consideration per Award Share will be the higher of: (i) the closing price of each Share on the date of the Grant Letter; and (ii) the average closing price of each Share for the last five (5) consecutive trading days prior to the date of the Grant Letter.

A Selected Person may accept an offer of the grant of the Award Shares in such manner as set out in the Grant Letter. Upon acceptance, the Selected Person becomes a Participant in the Scheme. Cedar shall transfer the Award Shares to a Participant after the Participant signs and returns the Grant Letter.

Rights attached to Award Shares

(1) Voting Rights

A Participant shall be entitled to exercise the voting rights in respect of any Award Shares held by such Participant.

(2) Entitlement to cash distributions and Related Distributions

A Participant shall be entitled to the benefits of any cash dividend or distribution derived from any Award Shares held by such Participant and paid to the Participant by the Company.

For any Award Shares subject to a Lock-up Period, a Participant shall deposit or procure to deposit all Related Distributions derived therefrom in the securities account in which such Award Shares are deposited. The Participant may withdraw such Related Distribution only after the relevant Award Shares cease to be subject to any applicable Lock-up Period.

(3) Rights attached to Shares

Subject to any applicable Lock-up Period as may be determined by the Cedar Board and to be set out in the Grant Letter, any Shares transferred to a Participant in respect of any Share will be subject to all the provisions of the Articles and will rank pari passu with the fully paid Shares in issue on the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members.

(4) No Assignment

The Award Shares granted pursuant to the Scheme are personal to each Participant. For so long as any Award Shares are subject to a Lock-up Period, Participants are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering or creating any interest in favor of any other person over or in relation to any such Award Shares or any interest or benefits therein.

LISTING RULES IMPLICATIONS

The Scheme is not adopted by the Company and does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. It is a discretionary award scheme of Cedar.

DEFINITIONS

“Administrator”	subsidiaries of Futu Holdings Limited
“Articles”	the articles of association of the Company, as amended from time to time
“Award Shares”	in relation to a Participant or Selected Person, means such Shares awarded to the Participant or to be awarded to the Selected Person under the relevant Grant Letter
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Cedar”	Cedar Group Management Limited (雪松集团管理有限公司), a BVI business company incorporated in the BVI with limited liability on December 19, 2019, which is wholly-owned by Mr. Zhang Lei, one of the controlling shareholders of the Company
“Cedar Board”	the board of directors of Cedar
“Cedar Group”	Cedar and its subsidiaries
“Company”	First Service Holding Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

“Director(s)”	Director(s) of the Company
“Eligible Person(s)”	person(s) eligible to receive Award Shares under the Scheme which includes but without limitation any employee and director of the Group or the Cedar Group
“Grant Letter”	the letter pursuant to which Award Shares are granted to a Selected Person
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	The Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited
“Lock-up Period”	the period in which the Participant is prohibited from selling, transferring, assigning, charging, mortgaging, encumbering or creating any interest in favour of any other person over or in relation to any such Award Shares, or any interest or benefits therein, under the terms of the Scheme
“Participant(s)”	a Selected Person who accepts the offer of the grant of Award Shares in accordance with the terms of the Scheme
“Related Distribution”	non-cash distribution(s) derived from the Award Shares referable to the Participants during any Lock-up Period applicable to such Award Shares, which shall include distributions such as scrip dividend, bonus Shares or bonus warrants pursuant to this Scheme, but exclude nil paid rights, non-cash and non-scrip distributions or proceeds of sale of the same
“Scheme”	the share award scheme of Cedar approved and adopted by Cedar on July 29, 2021
“Scheme Rules”	the rules of the Scheme as amended from time to time
“Selected Person(s)”	Eligible Persons selected by the Cedar Board to be granted Award Shares under the Scheme
“Share(s)”	ordinary shares in the capital of the Company with nominal value of US\$0.0000002 each

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“subsidiary”

has the meaning ascribed thereto under the Listing Rules

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

Hong Kong, July 29, 2021

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