



**FSE Lifestyle Announces 2025/26 Interim Results
Solid Performance Despite a Challenging Market with
Profit Attributable to Shareholders of HK\$215.9 million**

Financial Highlights

	For the six months ended 31 December		
	2025 HK\$'M	2024 HK\$'M	% Change
Revenue	: 3,777.1	4,090.0	-7.7%
Gross profit	: 517.3	524.4	-1.4%
Profit attributable to shareholders of the Company ⁽ⁱ⁾	: 215.9	241.6	-10.6%
Basic earnings per share	: HK\$0.47	HK\$0.53	-11.3%

The Board declared the payment of an interim dividend of HK18.9 cents (Six months ended 31 December 2024: HK21.1 cents) per ordinary share to the ordinary shareholders of the Company for the six months ended 31 December 2025⁽ⁱⁱ⁾.

Note (i) To better illustrate the Group's financial results for both periods, if excluding the effects of government grants (2025: Nil; 2024: HK\$1.6M) in the Group's profit attributable to shareholders of the Company (2025: HK\$215.9M; 2024: HK\$241.6M), the Group would record a decrease in adjusted net profit of 10.0% to HK\$215.9M for the six months ended 31 December 2025 as compared to its adjusted net profit of HK\$240.0M for the six months ended 31 December 2024.

Note (ii) For the six months ended 31 December 2025, the dividend payout ratio of the Company is 40.2%, calculated based on the Group's adjusted profit for the six months ended 31 December 2025 attributable to ordinary shareholders of the Company of HK\$211.6M (i.e. after deducting preferred distribution to the holder of convertible preference shares of HK\$4.3M for the six months ended 31 December 2025 from profit attributable to shareholders of the Company of HK\$215.9M).

For the six months ended 31 December 2024, the dividend payout ratio of the Company is 40.0%, calculated based on the Group's adjusted profit for the six months ended 31 December 2024 attributable to ordinary shareholders of the Company of HK\$237.3M (i.e. after deducting preferred distribution to the holder of convertible preference shares of HK\$4.3M for the six months ended 31 December 2024 from profit attributable to shareholders of the Company of HK\$241.6M).

24 February 2026, Hong Kong — **FSE Lifestyle Services Limited** ("FSE Lifestyle" or the "Company", together with its subsidiaries, the "Group") (Stock Code: 331), a leading lifestyle services conglomerate in Hong Kong with three major business segments: property & facility management services, city essential services and electrical and mechanical engineering ("E&M") services, has today announced its interim results for six months ended 31 December 2025 (the "Period").

During the Period, the Group's revenue decreased by HK\$312.9 million or 7.7% to HK\$3,777.1 million from HK\$4,090.0 million for the six months ended 31 December 2024 (the "same period last year"), reflecting lower revenue from the E&M services segment amounting to HK\$390.8 million, mitigated by higher revenue from the city essential services segment and the property & facility management services segment amounting to HK\$74.7 million and HK\$3.2 million respectively. The overall gross profit margin increased to 13.7% from 12.8% for the same period last year, mainly caused by margin improvements at the Group's E&M services and city essential services businesses.

Profit attributable to shareholders for the Period was HK\$215.9 million, representing a decrease of HK\$25.7 million or 10.6% as compared with HK\$241.6 million for the same period last year, mainly resulted from a lower contribution from the E&M services segment and a decrease in government grants, partly offset by the effect of the growth at the city essential services segment (principally the systems security, guarding & event services and the technical support & maintenance businesses) and the property & facility management services segment. To better illustrate the Group's financial results for both periods, if excluding the effects of government grants (2025: Nil; 2024: HK\$1.6 million) in the Group's profit attributable to shareholders of the Company (2025: HK\$215.9 million; 2024: HK\$241.6 million), the Group would record a decrease in adjusted net profit for the Period of 10.0% to HK\$215.9 million as compared to its adjusted net profit for last year of HK\$240.0 million.

As at 31 December 2025, the Group had total cash and bank balances of HK\$763.3 million (30 June 2025: HK\$743.9 million), net gearing ratio was zero (30 June 2025: zero). The Board has declared an interim dividend of HK18.9 cents per ordinary share to the ordinary shareholders of the Company for the six months ended 31 December 2025, representing a payout ratio of 40.2%.

Segmental performance

The following table presents the breakdown of the Group's profit contribution by business segment:

	For the six months ended 31 December			
	2025	2024	Change	% Change
	HK\$'M	(restated) HK\$'M	HK\$'M	
Profit attributable to shareholders including government grants				
Property & facility management services	45.9	45.1	0.8	1.8%
City essential services	118.9	117.8	1.1	0.9%
E&M services	60.1	89.2	(29.1)	(32.6%)
Unallocated corporate expenses and finance costs*	(9.0)	(10.5)	1.5	(14.3%)
Total	215.9	241.6	(25.7)	(10.6%)

* Unallocated corporate expenses and finance costs comprise the Company's corporate expenses of HK\$3.9 million (2024: HK\$3.7 million) and interest expenses of HK\$5.1 million (2024: HK\$6.8 million).

Profit attributable to shareholders excluding government grants

For the six months ended 31 December

	2025 HK\$'M	2024 HK\$'M	Change HK\$'M	% Change
Profit attributable to shareholders excluding government grants				
Profit attributable to shareholders as reported	215.9	241.6	(25.7)	(10.6%)
Excluding government grants	-	(1.6)	1.6	(100.0%)
Profit attributable to shareholders excluding government grants	215.9	240.0	(24.1)	(10.0%)

Tenders submitted and contracts awarded

For the six months ended 31 December 2025	Tender submitted ⁽ⁱ⁾		Contracts awarded ⁽ⁱ⁾⁽ⁱⁱ⁾	
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
Property & facility management services		1,459		88
City essential services				
- Cleaning & pest control services	6,412		699	
- Insurance solutions	28		16	
- Technical support & maintenance services	2,453		563	
- Environmental solutions	766		120	
- Systems security, guarding & event services	631		205	
City essential services subtotal		10,290		1,603
E&M services		32,220		2,206
Total		43,969		3,897

Notes

- (i) With net contract sum not less than HK\$1 million for each contract.
(ii) Combining the submitted tenders from the previous months.

Gross value of contract sum and outstanding contract sum

As at 31 December 2025	Gross value of contract sum		Outstanding contract sum	
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
Property & facility management services		2,246		1,638
City essential services				
- Cleaning & pest control services	6,633		2,703	
- Insurance solutions	167		49	
- Technical support & maintenance services	2,683		1,620	
- Environmental solutions	367		259	
- Systems security, guarding & event services	1,998		895	
City essential services subtotal		11,848		5,526
E&M services		10,911		8,018
Total		25,005		15,182

Solid Market Position

All our businesses are industry or market trailblazers. According to research by Frost & Sullivan released in September 2025, excluding management companies owned by property developers, our Property & Facility Management Group manages the most units in residential estates and car parks, as well as the largest area of non-residential properties. Our Cleaning & Pest Control Services ranked first in the environmental hygiene services industry, our Insurance Solutions business led the market over Hong Kong-based insurance brokers, and our Systems Security, Guarding and E&M businesses placed second among their peers.

Property & facility management services

- Segment revenue increased by 0.9% or HK\$3.2 million to HK\$353.6 million from HK\$350.4 million. Such growth was mainly driven by new contracts for residential buildings.

Outlook

- Demand for professional property management services in Hong Kong is increasing, and this trend is set to continue as government policies boost the supply of residential units over the next decade. Currently, our Property & Facility Management Group only occupies a small share of the market and looks forward to the ample business opportunities in the market for it to further expand.
- With heightened awareness of property owners' rights, demand for services from independent (non-property own developer related) property and facility management companies is growing.
- Increased supply of residential properties in Hong Kong presents opportunities for the Group in the first-hand property sales market. Furthermore, the government's new immigration initiatives – particularly the Top Talent Pass Scheme (“TTPS”) – will promote property sales and leasing, thereby stimulating housing demand and driving the growth of the Group's sales and leasing services.
- Our Property & Facility Management Group employs over 5,000 staff and excels in adopting new operating models, integrating skills with innovative technologies and IoT applications to deliver efficient services for clients seeking effective technological solutions. The Group has implemented technological applications at over 120 sites, including Sm@rtUrban, ComEasy and drone systems.

City essential services

- This segment contributed 63.2% (2024: 56.6% (restated)) of the Group's total revenue. The revenue of individual divisions of this services segment is as below:

For the six months ended 31 December

	2025	2024 (restated)	% Change
	HK\$'M	HK\$'M	
Cleaning & pest control services	1,273.2	1,262.9	0.8%
Insurance solutions	75.7	62.9	20.3%
Technical support & maintenance services	568.1	560.4	1.4%
Environmental solutions	81.2	94.4	(14.0%)
Systems security, guarding & event services	391.3	334.2	17.1%
Total	2,389.5	2,314.8	3.2%

- Segment revenue grew by 3.2% or HK\$74.7 million to HK\$2,389.5 million from HK\$2,314.8 million (restated) reflected the higher revenue contributions from (i) more new contracts from regular guarding and ad-hoc services; (ii) Beijing Nova acquired in December 2024; (iii) new general cleaning service contracts encompassing a wide range of buildings and facilities; and (iv) its technical support & maintenance services business' energy-efficient chiller replacement and renovation works for commercial buildings.

Outlook

- ♦ Numerous private and public sector tenders, with contract value totalling billions of Hong Kong dollars, are expected in the coming years. Leveraging its market leadership, highly experienced professionals, strong integrity and governance practices, and existing service contracts, Waihong is well placed to seize new business opportunities.
- ♦ Having acquired Beijing Nova Insurance Services Limited (“Beijing Nova”) on 27 December 2024, Nova has entered the lucrative Chinese insurance brokerage market, and broadened its geographical footprint, thereby diversifying its revenue stream and reducing its reliance on a single market. The collaboration between Beijing Nova and Nova Hong Kong will also allow both parties to tap new opportunities in the Greater Bay Area and across the country. In 2025, Beijing Nova expanded its Chinese Mainland operation through its new branch in Suzhou, in addition to its headquarters in Beijing and existing branches in Shanghai and Guangzhou.
- ♦ With Hong Kong targeting carbon neutrality before 2050 and rising expectations for better building energy performance, large developers are investing in efficiency upgrades across new and existing buildings. This ongoing demand for retrofit works offers the Group’s technical support & maintenance services division significant and sustainable growth opportunities.
- ♦ The Group’s environmental solutions business comprises three business lines: Environment Solutions (water and air treatment, laboratory testing & certification), Smart Solutions (EV charging, IoT platform and smart facilities) and Green Solutions (landscape and building materials). The Hong Kong Roadmap on Popularisation of Electric Vehicles (“EV”), announced by the government in 2021 and targeting zero vehicular emissions by 2050, has fuelled demand for relevant installations in car parks, presenting the Group with ample business opportunities.
- ♦ Government efforts to promote mega-event tourism will also significantly boost demand for security services. By strategically positioning itself in the event services industry, Perfect Event has delivered strong client satisfaction and notable profit growth.

E&M services

- ♦ Segment revenue decreased by 27.4% or HK\$390.8 million to HK\$1,034.0 million from HK\$1,424.8 million (restated) and mainly reflected lower revenue contributions from a number of E&M engineering installation projects which were near completion in the same period last year including a residential estate in Tuen Mun, the expansion of a government building in Central and Hangzhou Westlake 66 in Chinese Mainland, and delays of certain design and construction projects in Hong Kong, mitigated by the substantial progress for a shopping mall in Kwun Tong.

Outlook

- ♦ Capital and Construction Expenditure – The Construction Industry Council forecasts public and private E&M construction spending above HK\$30 billion and HK\$25 billion, respectively, over the next five years, pointing to an increasing demand for professional construction services. The Group will focus on rendering these services to public and private housing and infrastructure projects in the coming years.
- ♦ The Hong Kong Government, as stated in the Chief Executive’s 2025 Policy Address, will have sufficient land to build 189,000 public housing units (including 30,000 Light Public Housing units at eight sites) over the next five years and 126,000 private housing units over the next decade. It will also accelerate the “Northern Metropolis” development, which includes the supply of over 500,000 housing units within 20 years.
- ♦ To maintain Hong Kong’s position as a premier venue for large-scale international conventions and exhibitions, the Airport Authority has begun the construction of AsiaWorld-Expo Phase 2. The government will also advance the Wan Chai North redevelopment project near the Hong Kong Convention and Exhibition Centre within the next few years.
- ♦ In Macau, Macau’s hotels and casinos continue to demand renovation and improvement works, with new projects by The Venetian and Wynn Macau Group set to begin in 2026. Since the licences of the six major casino operators were renewed for 10 years in January 2023, work has been underway on the Galaxy Macau Phase 4 development, and renovation works are in progress or will soon begin in existing casinos and hotel areas. These developments, coupled with the city’s move toward a broader tourism economy, are generating additional opportunities for the Group.

- ♦ For Chinese Mainland, the Group adopts a disciplined approach, focusing on providing E&M services to major property projects for Hong Kong developers and foreign investors. Beyond its core bases in Beijing and Shanghai, the Group has a presence in other Tier 1 and Tier 2 cities such as Tianjin, Shenyang, Wuhan, Kunming and Hangzhou. The development of the Greater Bay Area, along with the rapidly growing Guangdong Pilot Free Trade Zones in Hengqin, Qianhai and Nansha, is expected to create new business opportunities for the Group.

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About FSE Lifestyle Services Limited

FSE Lifestyle Services Limited (“**FSE Lifestyle**” or the “**Company**”, together with its subsidiaries, the “**Group**”) is a listed company in the Hong Kong Stock Exchange (Stock Code: 0331.HK), whose ultimate holding company is FSE Holdings Limited. We are a leading lifestyle services conglomerate with three major business segments: property & facility management services, city essential services and E&M services.

Our services are being delivered through three key segments, whose companies which are the market leaders in their respective industries:

Property & Facility Management Services

- ♦ Property & Facility Management and Car Park Management - Urban Group
- ♦ Property Management - International Property Management Limited
- ♦ Asset Management Advisory, Property & Facility Management, and Sales & Leasing - Kiu Lok Group and FSE Property Asset Management Group

City Essential Services

- ♦ Cleaning & Pest Control - Waihong Services Group (“Waihong”)
- ♦ Insurance Solutions - Nova Insurance Group (“Nova”)
- ♦ Technical Support & Maintenance - Far East Engineering Services Group and Turning Technical Services Limited
- ♦ Environmental Solutions - FSE Environmental Solutions Group
- ♦ Systems Security, Guarding & Event Services – General Security Group and Perfect Event Services Limited

E&M Services

- ♦ Engineering and Consultancy - FSE Engineering Group, Majestic Engineering Group and Young’s Engineering Group

With their professionalism and expertise, together with the extensive synergies generated among the companies under FSE Lifestyle, we have built up a strong network and offered comprehensive “one-stop-shop” professional services to our clients.

Our clientele includes the HKSAR Government, multinational corporations, owners/developers, theme parks, universities, hotels and hospitals covering both private and public facilities. We devise solutions for our clients providing cost effectiveness and service excellence.

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