



FSE Lifestyle Announces 2025/26 Annual Results Solid Performance Despite a Challenging Market with Profit Attributable to Shareholders of HK\$418.2 million

Financial Highlights

		For the year ended 30 June		
		2026 HK\$'M	2025 HK\$'M	% Change
Revenue	:	7,934.3	8,159.9	-2.8%
Gross profit	:	1,038.6	1,053.5	-1.4%
Profit attributable to shareholders of the Company ⁽ⁱ⁾	:	418.2	453.2	-7.7%
Basic earnings per share	:	HK\$0.91	HK\$0.99	-8.1%

The Board recommended the declaration of a final dividend of HK17.6 cents (2025: HK18.5 cents) per ordinary share to the ordinary shareholders of the Company for the year ended 30 June 2026⁽ⁱⁱ⁾.

Note (i) To better illustrate the Group's financial results for both years, if excluding the effects of government grants (2026: Nil; 2025: HK\$1.6M) in the Group's profit attributable to shareholders of the Company (2026: HK\$418.2M; 2025: HK\$453.2M), the Group would record a decrease in adjusted net profit of 7.4% to HK\$418.2M for the year ended 30 June 2026 as compared to its adjusted net profit of HK\$451.6M for the year ended 30 June 2025.

Note (ii) Together with the interim dividend of HK18.9 cents (2025: HK21.1 cents) per ordinary share paid in March 2026, total distribution of ordinary share dividends made by the Company to its ordinary shareholders for the year ended 30 June 2026 will be HK36.5 cents (2025: HK39.6 cents) per share.

For the year ended 30 June 2026, the dividend payout ratio of the Company is 40.1%, calculated based on the Group's adjusted profit for the year ended 30 June 2026 attributable to ordinary shareholders of the Company of HK\$409.7M (i.e. after deducting preferred distribution to the holder of convertible preference shares of HK\$8.5M for the year ended 30 June 2026 from profit attributable to shareholders of the Company of HK\$418.2M).

For the year ended 30 June 2025, the dividend payout ratio of the Company is 40.1%, calculated based on the Group's adjusted profit for the year ended 30 June 2025 attributable to ordinary shareholders of the Company of HK\$444.7M (i.e. after deducting preferred distribution to the holder of convertible preference shares of HK\$8.5M for the year ended 30 June 2025 from profit attributable to shareholders of the Company of HK\$453.2M).

28 September 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 Asset Management, Supporting Services and Electrical and Mechanical ("E&M") Engineering, has today announced its annual results for the year ended 30 June 2026 ("FY2026" or the "Year").

In FY2026, the Group recorded revenue amounting to HK\$7,934.3 million, representing a decrease of HK\$225.6 million or 2.8%, as compared with HK\$8,159.9 million for the year ended 30 June 2025 ("FY2025" or last year), with an overall gross profit margin increased to 13.1% from 12.9% last year, mainly reflecting a lower contribution from the Group's E&M Engineering segment, mitigated by a higher contribution from its Supporting Service segment.

Profit attributable to shareholders for the Year was HK\$418.2 million, representing a decrease of HK\$35.0 million or 7.7% as compared with HK\$453.2 million in FY2025, mainly resulted from a lower contribution from the E&M Engineering segment, partly mitigated by the growth in the Property Asset Management segment and the Supporting Services segment (in particular the systems security, guarding, concierge and event services and technical support and maintenance businesses). To better illustrate the Group's financial results for both years, if excluding the effects of government grants (2026: Nil; 2025: HK\$1.6 million) in the Group's profit attributable to shareholders of the Company (2026: HK\$418.2 million; 2025: HK\$453.2 million), the Group would record a decrease in adjusted net profit for the Year of 7.4% to HK\$418.2 million as compared to its adjusted net profit for last year of HK\$451.6 million.

As at 30 June 2026, the Group had total cash and bank balances of HK\$828.9 million (30 June 2025: HK\$743.9 million), and net gearing ratio of zero (30 June 2025: zero). The Board has recommended the declaration of a final dividend of HK17.6 cents per share for the Year. Including the interim dividend of HK18.9 cents per ordinary share for the six months ended 31 December 2025, the total dividend payout for the Year is HK36.5 cents per ordinary share, representing a payout ratio of 40.1%.

Segmental performance

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

	For the year ended 30 June			
	2026	2025	Change	% Change
	HK\$'M	(restated)* HK\$'M	HK\$'M	
Profit attributable to shareholders including government grants				
Property Asset Management	93.9	90.5	3.4	3.8%
Supporting Services	231.2	228.9	2.3	1.0%
E&M Engineering	111.0	155.0	(44.0)	(28.4%)
Unallocated corporate expenses and finance costs**	(17.9)	(21.2)	3.3	(15.6%)
Total	418.2	453.2	(35.0)	(7.7%)

* Restated for the Group's reclassification of Extra Low Voltage ("ELV") business from the Supporting Services segment (formerly known as the City Essential Services segment) to the E&M Engineering segment (formerly known as the E&M services segment).

** Unallocated corporate expenses and finance costs comprise the Company's corporate expenses of HK\$7.8 million (2025: HK\$7.5 million) and interest expenses of HK\$10.1 million (2025: HK\$13.7 million).

Profit attributable to shareholders excluding government grants

	For the year ended 30 June			
	2026 HK\$'M	2025 HK\$'M	Change HK\$'M	% Change
Profit attributable to shareholders excluding government grants				
Profit attributable to shareholders as reported	418.2	453.2	(35.0)	(7.7%)
Excluding government grants	-	(1.6)	1.6	(100.0%)
Profit attributable to shareholders excluding government grants	418.2	451.6	(33.4)	(7.4%)

Tenders submitted and contracts awarded

	Tenders submitted ⁽ⁱ⁾ Number	Tenders submitted ⁽ⁱ⁾ HK\$'M	Contracts awarded ⁽ⁱ⁾⁽ⁱⁱ⁾ HK\$'M
For the year ended 30 June 2026			
Property Asset Management	65	3,100	198
Supporting Services			
- Hygiene	490	11,656	1,689
- Insurance	27	65	28
- Technical Services	702	5,212	1,033
- Environment	214	1,198	169
- Security & Concierge	95	1,274	389
Supporting Services subtotal	1,528	19,405	3,308
E&M Engineering	307	20,597	3,463
Total	1,900	43,102	6,969

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

	Gross value of contract sum HK\$'M	Outstanding contract sum HK\$'M
For the year ended 30 June 2026		
Property Asset Management	2,297	1,502
Supporting Services		
- Hygiene	5,331	2,585
- Insurance	165	35
- Technical Services	2,643	1,603
- Environment	303	193
- Security & Concierge	1,905	1,013
Supporting Services subtotal	10,347	5,429
E&M Engineering	10,867	8,100
Total	23,511	15,031

Solid Market Positions

Our various businesses continue to play a pioneering role in their respective industries and markets. According to research by Frost & Sullivan released in September 2026 (the "F&S Research"), excluding management companies owned by property developers, our Property Asset Management Group ranks first in the industry in terms of the number of residential units, non-residential property management area and car parks under management. Our cleaning and pest control services rank second in the environmental hygiene services industry, our insurance business leads the market amongst insurance brokers in Hong Kong, and our systems security, guarding and E&M businesses rank second among their peers.

Property Asset Management

- Segment revenue increased by 2.6% or HK\$18.4 million to HK\$719.7 million from HK\$701.3 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 will continue to increase, supported by government policies aimed at boosting residential unit supply over the next decade, especially in the Northern Metropolis.
- As awareness of property owners' rights grows, there is an increasing demand for services from independent property and facility management companies that are not affiliated with developers.
- The growing supply of residential properties in Hong Kong presents opportunities for the Group in the first-hand property sales market. Additionally, the government's new immigrant admission schemes, particularly the Top Talent Pass Scheme ("TTPS"), are expected to stimulate property sales and leasing activity. This, in turn, should support housing demand and the Group's sales and leasing services.
- Our Property Asset Management Group comprises over 5,000 staff members who are adept at adopting new operating methods and combining their expertise with innovative technologies and IoT applications. The Group has deployed technological applications, including Sm@rtUrban, ComEasy and drones, to enhance operational efficiency and service effectiveness.

Supporting Services

- This segment contributed 60.8% (2025: 58.1% (restated)) of the Group's total revenue. The revenue of individual divisions of this segment is as below:

	For the year ended 30 June		
	2026	2025	% Change
	HK\$'M	(restated) HK\$'M	
Hygiene	2,402.9	2,535.9	(5.2%)
Insurance	158.7	141.7	12.0%
Technical Services	1,232.7	1,164.1	5.9%
Environment	249.0	184.9	34.7%
Security & Concierge	782.7	710.7	10.1%
Total	4,826.0	4,737.3	1.9%

- Segment revenue grew by 1.9% or HK\$88.7 million to HK\$4,826.0 million from HK\$4,737.3 (restated) million reflected the higher revenue contributions from (i) more new contracts from regular guarding and ad hoc services; (ii) its technical support and maintenance business' energy-efficient chiller replacement and renovation works for commercial buildings; (iii) the growth in electric vehicle ("EV") charging infrastructure business; and (iv) Beijing Nova acquired in December 2024, partly offset by a decrease in governmental cleaning service contracts.

Outlook

- ♦ As the number of tenders and quotations released to the market increases year on year, cleaning service providers are benefitting from contracts worth billions of Hong Kong dollars across both the private and public sectors. As a major player in the cleaning services market, Waihong strives to retain a high proportion of its existing service contracts while pursuing new opportunities for development.
- ♦ Nova continues to leverage its strengths, including its expertise in construction-related insurance. With new commercial and residential developments and infrastructure projects in the government's pipeline, it expects ample business opportunities in Hong Kong.
- ♦ Hong Kong's ambitious drive towards carbon neutrality by 2050 is creating growing demand for improved building energy efficiency. Our Group's Technical Services division is well positioned to capture opportunities arising from this trend as leading developers step up their investment in structural efficiency upgrades. Recent major contracts include the upgrade of chiller units at the Hong Kong Jockey Club's Sha Tin clubhouses and critical system replacements at Link REIT's shopping malls. These projects demonstrate the division's expertise in supporting the transition to greener, more energy-efficient buildings. The division expects continued demand for chiller replacement projects as Hong Kong advances towards its zero-carbon goals.
- ♦ The Group's Environment division comprises three business lines: Environment Solutions (water and air treatment, laboratory testing & certification), Smart Solutions (EV charging and smart facilities) and Green Solutions (landscape and building materials). The Hong Kong Roadmap on Popularisation of Electric Vehicle, announced by the Government in 2021, targets zero vehicular emissions by 2050. This has fuelled the demand for EV charging infrastructure in car parks, presenting the Group with ample business opportunities.
- ♦ Tourism recovery and mega-events are likely to create additional opportunities for event security. Government-led initiatives to promote tourism and mega-events are expected to generate further demand for event security, crowd management and operational coordination. Initiatives such as The Hong Kong Jockey Club's specialised racing tours and the phased opening of Central Yards may also present potential opportunities for event services.

E&M Engineering

- ♦ Segment revenue decreased by 12.2% or HK\$332.7 million to HK\$2,388.6 million from HK\$2,721.3 (restated) million and mainly reflected lower revenue contributions from a number of E&M Engineering installation projects which were near completion 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 public housing project in Kwu Tung.

Outlook

- ♦ Capital and Construction Expenditure – The Construction Industry Council forecasts the public and private E&M construction spending of over HK\$37 billion and HK\$22 billion, respectively, over the next five years, indicating an increasing demand for professional construction services. Over the coming years, the Group will focus on rendering these services to public and private housing and infrastructure projects.
- ♦ Over 150,000 public and private housing units are expected to become available within the next 10 to 15 years along the Northern Link and through the Siu Ho Wan MTR Depot topside development. The Hong Kong Housing Authority will also announce redevelopment plans for the Ma Tau Wai and Sai Wan estates.
- ♦ Railway Development – The Hong Kong Government is embarking on a number of railway extension projects. To support new town development in the proposed Northern Metropolis, the MTR will progressively tender for two new railways: the Northern Link (NOL) Main Link (Kam Sheng Road Station - Kwu Tung Station) and Spur Line (San Tin - New Huanggang Port), and the Northern Link Eastern Extension and Northeast New Territories Line.

- ♦ Airport Development – The government has also been working with the Airport Authority Hong Kong to transform the “Airport City” vision into reality, turning Lantau into an aerotropolis that will connect the Greater Bay Area with the rest of the world. New projects, including an arts industry ecosystem, AsiaWorld-Expo Phase 2 development, a marina with ancillary facilities, and a fresh food market, are expected to be completed between 2026 and 2031. The projects are expected to promote high-end commercial, tourism and leisure activities.
- ♦ Macau – Macau’s hotels and casinos continue to require renovation and improvement works, with new projects by The Venetian and Wynn Macau Group set to begin in 2026. Following the renewal of the licences of the six major casino operators for 10 years in January 2023, development of Galaxy Macau Phase 4 has been underway, while renovation works are in progress or will soon commence at existing casinos and hotels. These developments, coupled with the city’s shift towards a more diversified tourism economy, are generating additional revenue for the Group.
- ♦ Chinese Mainland – The Group adopts a disciplined operational strategy, focusing on providing E&M services to major property projects for Hong Kong developers and foreign investors. In addition to its main 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.

- End -

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 Asset Management, Supporting Services and E&M Engineering.

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

Property Asset Management

- ♦ 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

Supporting Services

- ♦ Hygiene - Waihong Services Group (“Waihong”)
- ♦ Insurance - Nova Insurance Group (“Nova”)
- ♦ Technical Services - Far East Engineering Services Group and Turning Technical Services Limited
- ♦ Environment - FSE Environmental Solutions Group
- ♦ Security & Concierge - General Security Group and Perfect Event Services Limited

E&M Engineering

- ♦ 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.

Media Enquiry:

Strategic Financial Relations Limited

Mandy Go	Tel : (852) 2864 4812	Email : mandy.go@sprg.com.hk
Vivienne Leung	Tel : (852) 2864 4862	Email : vivienne.leung@sprg.com.hk
Kiki Zhu	Tel : (852) 2114 4901	Email : kiki.zhu@sprg.com.hk
Fax : (852) 2527 1196		