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## **Xinyuan Property Management Service (Cayman) Ltd.**

**鑫苑物業服務集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1895)**

### **CONNECTED TRANSACTION IN RELATION TO SETTLEMENT ARRANGEMENTS**

#### **THE SETTLEMENT ARRANGEMENTS**

Pursuant to the Property Management Services Framework Agreement, Xinyuan Science and Technology, an indirect wholly-owned subsidiary of the Company, provided certain management services to the Property Companies and in the course of the provision of such management services, Xinyuan Science and Technology sold certain car parking spaces and storage rooms in the PRC on behalf of the Property Companies and received sales proceeds. For the purposes of settling such sales proceeds with the Property Companies, Xinyuan Science and Technology and the Property Companies entered into the Settlement Agreements, pursuant to which Xinyuan Science and Technology paid to the Property Companies a total amount of RMB7,153,800, representing the net sales proceeds of the car parking spaces and storage rooms received by Xinyuan Science and Technology.

#### **LISTING RULES IMPLICATIONS**

As each of the Property Companies is an indirect wholly-owned subsidiary of Xinyuan Real Estate, the controlling shareholder of the Company indirectly holding 52.86% of the issued share capital of the Company, each of the Property Companies is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Settlement Agreements constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. Since the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the sales proceeds payable under the Settlement Agreements, on an aggregated basis, exceeds 0.1% but is less than 5%, the Settlement Agreements are subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules.

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A summary of the principal terms of the Settlement Agreements is set out below.

### **1. Settlement Agreement I**

#### *Date*

4 January 2024

#### *Parties*

1. Xinyuan Science and Technology
2. Henan Xinyuan

#### *Subject matter*

On 4 January 2024, Xinyuan Science and Technology paid Henan Xinyuan a total of RMB2,280,000, representing the sales proceeds in respect of 38 basement storage rooms in the Xinyuan Jingyuan Community (鑫苑景園小區) located at Erqi District, Zhengzhou City, the PRC, sold by Xinyuan Science and Technology on behalf of Henan Xinyuan.

## **2. Settlement Agreement II**

### ***Date***

4 January 2024

### ***Parties***

1. Xinyuan Science and Technology
2. Henan Xinyuan

### ***Subject matter***

On 4 January 2024, Xinyuan Science and Technology paid Henan Xinyuan a total of RMB480,000, representing the sales proceeds in respect of five car parking spaces in the Xinyuan International City Garden Community (鑫苑國際城市花園小區) located at Erqi District, Zhengzhou City, the PRC, sold by Xinyuan Science and Technology on behalf of Henan Xinyuan.

## **3. Settlement Agreement III**

### ***Date***

4 January 2024

### ***Parties***

1. Xinyuan Science and Technology
2. Henan Xinyuan

### ***Subject matter***

On 4 January 2024, Xinyuan Science and Technology paid Henan Xinyuan a total of RMB290,000, representing the sales proceeds in respect of two car parking spaces and two storage rooms in the Xinyuan Modern City Community (鑫苑現代城小區) located at Erqi District, Zhengzhou City, the PRC, sold by Xinyuan Science and Technology on behalf of Henan Xinyuan.

#### **4. Settlement Agreement IV**

*Date*

4 January 2024

*Parties*

1. Xinyuan Science and Technology
2. Xuzhou Xinyuan

*Subject matter*

On 4 January 2024, Xinyuan Science and Technology paid Xuzhou Xinyuan a total of RMB29,800, representing the sales proceeds in respect of one storage room in the Xinyuan Jingcheng Community (鑫苑景城小區) located at Quanshan District, Xuzhou City, the PRC, sold by Xinyuan Science and Technology on behalf of Xuzhou Xinyuan.

#### **5. Settlement Agreement V**

*Date*

4 January 2024

*Parties*

1. Xinyuan Science and Technology
2. Suzhou Xinyuan

*Subject matter*

On 4 January 2024, Xinyuan Science and Technology paid Suzhou Xinyuan a total of RMB4,074,000, representing the sales proceeds in respect of 56 car parking spaces in the Xinyuan International City Garden (鑫苑國際城市花園) located at Huqiu District, Suzhou City, the PRC and the Xinyuan Jingyuan Community (鑫苑景園小區) located at Gusu District, Suzhou City, the PRC, sold by Xinyuan Science and Technology on behalf of Suzhou Xinyuan.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SETTLEMENT AGREEMENTS**

The Settlement Agreements were entered into for the purpose of settling the sales proceeds received by Xinyuan Science and Technology from its sales of car parking spaces and storage rooms in the PRC on behalf of the Property Companies. Such sales agency services were provided by Xinyuan Science and Technology during the course of and incidental to the Group's provision of management services to the Properties Companies under the Property Management Services Framework Agreement, and were carried out in the ordinary course of the Group's business. The sales proceeds paid by Xinyuan Science and Technology to the Property Companies under the Settlement Agreements represented the proceeds received by Xinyuan Science and Technology for the sales of the car parking spaces and storage rooms. The sales proceeds were received by Xinyuan Science and Technology in the course of its provision of management services and accounted as revenue of the Group. As the car parking spaces and storage rooms sold belonged to the Property Companies, it was agreed that the net proceeds would be remitted back to the Property Companies.

The Directors (including the independent non-executive Directors) considered that the Settlement Agreements were entered into in the ordinary and usual course of business of the Group, and the terms of which are normal commercial terms and are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As each of the Property Companies is an indirect wholly-owned subsidiary of Xinyuan Real Estate, the controlling shareholder of the Company indirectly holding 52.86% of the issued share capital of the Company, each of the Property Companies is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Settlement Agreements constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. Since the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the sales proceeds payable under the Settlement Agreements, on an aggregated basis, exceeds 0.1% but is less than 5%, the Settlement Agreements are subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules.

Since Mr. LI Yifan, an independent non-executive Director, is also an independent non-executive director of Xinyuan (China) (the direct holding company of Henan Xinyuan), he had abstained from voting on the Board resolutions approving the Settlement Agreements. Save as disclosed above, none of the Directors had a material interest in the Settlement Agreements and no Director was required under the Listing Rules to abstain from voting on the relevant Board resolutions.

## **INFORMATION ON THE GROUP**

As one of the comprehensive property management services providers in the PRC, the Group offers a wide range of services covering pre-delivery and post-delivery phases to property developers, property owners and property occupants for their enjoyment of community life, which can be categorised in three main business lines, namely, (i) property management services; (ii) value-added services; and (iii) pre-delivery and consulting services.

## **INFORMATION ON PARTIES TO THE SETTLEMENT AGREEMENTS**

Xinyuan Science and Technology is a company established in the PRC with limited liability and an indirect wholly owned subsidiary of the Company, principally engaged in the provision of services covering the pre-delivery and post-delivery phases to property developers, property owners and property occupants for their enjoyment of community life.

Each of the Property Companies is a company established in the PRC with limited liability and principally engaged in real estate development and operation. As at the date of this announcement, each of the Property Companies is an indirect wholly-owned subsidiary of Xinyuan Real Estate. Xinyuan Real Estate is a company incorporated with limited liability in the Cayman Islands and the shares of which are listed on the New York Stock Exchange (stock code: XIN). It is principally engaged in real estate development.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended since 9:00 a.m. on 16 November 2022 and will remain suspended, pending fulfilment of the resumption guidance issued by the Stock Exchange.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

## **DEFINITIONS**

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Xinyuan Property Management Service (Cayman) Ltd. (鑫苑物業服務集團有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1895)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Henan Xinyuan”	河南鑫苑置業有限公司 (Henan Xinyuan Real Estate Co., Ltd.*), a limited liability company established in the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Property Companies”	collectively, Suzhou Xinyuan, Xuzhou Xinyuan and Henan Xinyuan
“Property Management Services Framework Agreement”	the property management services framework agreement dated 9 November 2021 entered into between the Company (for itself and on behalf of its subsidiaries and associates) and Xinyuan Real Estate (for itself and on behalf of its subsidiaries and associates) in relation to the provision of property management services by the Group and/or its associates to Xinyuan Real Estate and its subsidiaries other than members of the Group, details of which are set out in the Company’s announcement dated 9 November 2021
“RMB”	Renminbi, the lawful currency of the PRC
“Settlement Agreement I”	the settlement agreement dated 4 January 2024 made between Xinyuan Science and Technology and Henan Xinyuan in respect of the settlement of sales proceeds
“Settlement Agreement II”	the settlement agreement dated 4 January 2024 made between Xinyuan Science and Technology and Henan Xinyuan in respect of the settlement of sales proceeds

“Settlement Agreement III”	the settlement agreement dated 4 January 2024 made between Xinyuan Science and Technology and Henan Xinyuan in respect of the settlement of sales proceeds
“Settlement Agreement IV”	the settlement agreement dated 4 January 2024 made between Xinyuan Science and Technology and Xuzhou Xinyuan in respect of the settlement of sales proceeds
“Settlement Agreement V”	the settlement agreement dated 4 January 2024 made between Xinyuan Science and Technology and Suzhou Xinyuan in respect of the settlement of sales proceeds
“Settlement Agreements”	collectively, the Settlement Agreement I, the Settlement Agreement II, the Settlement Agreement III, the Settlement Agreement IV and the Settlement Agreement V
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suzhou Xinyuan”	蘇州鑫苑置業發展有限公司 (Suzhou Xinyuan Real Estate Development Co., Ltd.*), a limited liability company established in the PRC
“Xinyuan (China)”	鑫苑 (中國) 置業有限公司 (Xinyuan (China) Real Estate Co., Ltd*), a limited liability company established in the PRC
“Xinyuan Real Estate”	Xinyuan Real Estate Co., Ltd. (鑫苑地產控股有限公司), a company incorporated with limited liability in the Cayman Islands on 26 March 2007, the shares of which are listed on the New York Stock Exchange (Stock Code: XIN), and a controlling shareholder of the Company
“Xinyuan Science and Technology”	鑫苑科技服務集團有限公司 (Xinyuan Science and Technology Service Group Co., Ltd.*), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Xuzhou Xinyuan”	徐州鑫苑置業有限公司 (Xuzhou Xinyuan Real Estate Co., Ltd.*), a limited liability company established in the PRC

“%”

per cent.

By order of the Board  
**Xinyuan Property Management Service (Cayman) Ltd.**  
**SHEN Yuan-Ching**  
*Chairman, Executive Director and Chief Executive Officer*

Hong Kong, 4 January 2024

*As at the date of this announcement, the Board comprises Mr. SHEN Yuan-Ching, Mr. FENG Bo and Mr. WANG Yong as executive directors; Mr. TIAN Wenzhi as non-executive director; and Mr. LI Yifan, Mr. LAN Ye, and Mr. LING Chenkai as independent non-executive directors.*

\* *English translations in this announcement, where indicated, are included for identification purposes only*