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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)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by Xinyuan Property Management Service (Cayman) Ltd. (the “**Company**”) pursuant to Rule 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to the announcements of the Company dated 31 March 2021, 28 May 2021, 30 June 2021, 27 July 2021, 31 August 2021, 23 September 2021, 30 September 2021 and 31 December 2021 (the “**Announcements**”). Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

BUSINESS OPERATIONS OF THE GROUP

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

To the best knowledge of the Directors, as at the date of this announcement, the business operations of the Group are continuing as usual in all material respects.

UPDATE ON RESUMPTION PROGRESS

As disclosed in the announcement of the Company dated 28 May 2021, the Stock Exchange has set out the following Resumption Guidance for the Company. In accordance with the Resumption Guidance, the Company shall:

- (i) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

- (ii) demonstrate that there is no reasonable regulatory concern about management integrity and/or the integrity of any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence;
- (iii) conduct an independent forensic investigation into the delay in publication of its audited annual results for the year ended 31 December 2020, assess the impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions;
- (iv) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet obligations under the Listing Rules;
- (v) demonstrate the Company's compliance with Rule 13.24; and
- (vi) inform the market of all material information for the Company's shareholders and investors to appraise the Company's position.

Further, as disclosed in the Company's announcement dated 27 July 2021, the Stock Exchange has set out the following Additional Resumption Guidance for the Company, namely, for the Company to:

- (i) re-comply with Rules 3.10(1) and 3.21 of the Listing Rules, in relation to having a minimum of three INEDs under Rule 3.10(1) and a minimum of three members of the Audit Committee under Rule 3.21.

In respect of Resumption Guidance (i), as stated in the Company's announcement dated 30 September 2021: the Company's 2020 Annual Results were published on 31 August 2021, and its 2020 Annual Report was issued and dispatched on 23 September 2021; the Company's 2021 Interim Results were published on 30 September 2021, and its 2021 Interim Report was issued and dispatched on 22 October 2021. Nothing unusual has come to the attention of the Board and its Audit Committee in relation to the Annual Results, the 2020 Annual Report, the Interim Results, and the 2021 Interim Report which need to be brought to the attention of the Stock Exchange and the shareholders of the Company. As at the date of this announcement, all outstanding financial results required under the Listing Rules have been published, and the Company has complied with Resumption Guidance (i).

In respect of Resumption Guidance (ii) to (v), as stated in the Company's announcement dated 23 September 2021, the independent review (as detailed therein) is completed, with key factual findings set out therein. In addition, as disclosed in the Company's announcement dated 31 December 2021, the internal control review (as detailed therein) is completed, and the key factual findings are set out therein. The Company continues to work diligently and as swiftly as possible, with the assistance of its advisors, to fulfil the Resumption Guidance and will update the shareholders of the Company as and when appropriate.

The Company will meanwhile continue to comply with Resumption Guidance (vi).

In respect of the Additional Resumption Guidance, as disclosed in the Company's announcement dated 27 July 2021, Mr. Fu Shaojun has been appointed as an independent non-executive Director and a member of the Audit Committee with effect from 27 July 2021. Following his appointment, the Company has re-complied with Rules 3.10(1) and 3.21 of the Listing Rules and in compliance with the Additional Resumption Guidance.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Company's shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021 pending compliance with other requirements set out in the Resumption Guidance and will remain suspended until further notice. The Company will make further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By order of the Board
Xinyuan Property Management Service (Cayman) Ltd.
WANG Yanbo
Executive Director and Chief Executive Officer

Hong Kong, 31 December 2021

As at the date of this announcement, the board of the Company comprises Ms. WANG Yanbo and Mr. HUANG Bo as executive Directors; Mr. ZHANG Yong and Ms. YANG Yuyan as non-executive Directors; and Mr. LUO Ji, Mr. LI Yifan and Mr. FU Shaojun as independent non-executive Directors.