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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

1. Total revenue for the six months ended 30 June 2025 increased by approximately 11.0% from approximately RMB405.4 million for the six months ended 30 June 2024 to approximately RMB450.0 million.

2. Gross profit for the six months ended 30 June 2025 was approximately RMB155.4 million, representing an increase of approximately 17.5% as compared to approximately RMB132.2 million for the six months ended 30 June 2024.

3. Profit attributable to owners of the Company for the six months ended 30 June 2025 increased by approximately 16.7% to approximately RMB59.4 million, from approximately RMB50.9 million for the six months ended 30 June 2024.

4. The Board recommends payment of an interim dividend of HK2.77 cents per ordinary share in respect of the six months ended 30 June 2025.

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Xinyuan Property Management Service (Cayman) Ltd. (the "**Company**") is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 30 June 2025 together with the comparative figures for the prior year as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	4	**450,016**	405,409
Cost of sales		**(294,573)**	(273,182)
Gross profit		**155,443**	132,227
Other income, gains and losses – net		**(1,039)**	32,753
Administrative expenses		**(42,005)**	(35,133)
Selling and marketing expenses		**(14,918)**	(11,363)
Research and development costs		**(8,698)**	(7,746)
Provision for impairment on financial assets and contract assets (other than related parties)		**(31,555)**	(65,373)
Reversal for impairment on financial assets and contract assets (related parties)		**19,125**	30,414
Interest on lease liabilities		**(858)**	(189)
Changes in fair value of financial assets at fair value through profit or loss ("**FVTPL**")		**–**	258
Other expenses		**(766)**	(1,690)
Share of profits/(losses) of investments in associates		**152**	(14)
Profit before income tax	5	**74,881**	74,144
Income tax expense	6	**(13,954)**	(21,483)
Profit and total comprehensive income for the period		**60,927**	52,661
Attributable to:			
Equity holders of the Company		**59,411**	50,850
Non-controlling interests		**1,516**	1,811
		60,927	52,661
		RMB cents	*RMB cents*
Earnings per share attributable to equity holders of the Company	8		
Basic		**10.29**	8.96
Diluted		**10.29**	8.96

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**As at 30 June 2025 RMB'000 (Unaudited)**	As at 31 December 2024 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		**12,954**	13,335
Goodwill		**3,090**	3,090
Right-of-use assets		**31,225**	38,692
Intangible assets		**36,270**	38,929
Investments in associates		**807**	655
Prepayments to a related party	9	**47,336**	47,336
Investment properties		**70,052**	49,574
Financial asset at fair value through other comprehensive income		**4,000**	4,000
Deferred tax assets		**53,129**	45,273
Total non-current assets		**258,863**	240,884
Current assets			
Inventories		**50,579**	43,710
Payments to related parties	9	**97,634**	99,297
Trade and bills receivables	10	**361,790**	324,826
Contract assets		**48,617**	58,351
Deposits, prepayments and other receivables	9	**239,913**	249,630
Cash and cash equivalents		**192,338**	264,018
Total current assets		**990,871**	1,039,832
Current liabilities			
Trade payables	11	**121,578**	144,963
Other payables and accruals		**232,880**	264,179
Contract liabilities		**131,766**	144,489
Lease liabilities		**13,519**	14,269
Tax payable		**88,276**	84,450
Total current liabilities		**588,019**	652,350
Net current assets		**402,852**	387,482
Total assets less current liabilities		**661,715**	628,366

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current liabilities			
Lease liabilities		**21,322**	32,781
Deferred tax liabilities		**5,550**	6,905
Total non-current liabilities		**26,872**	39,686
Net assets		**634,843**	588,680
Equity			
Share capital		**5**	5
Reserves		**628,629**	583,982
Equity attributable to owners of the Company		**628,634**	583,987
Non-controlling interests		**6,209**	4,693
Total equity		**634,843**	588,680

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated on 13 December 2018 in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office of the Company is located at the offices of P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business is located at Unit B, 17/F., United Centre, 95 Queensway, Admiralty, Hong Kong.

The Company is an investment holding company. During the period, the Company's subsidiaries were involved in the following principal activities:

- Property management services
- Value-added services
- Pre-delivery and consulting services
- Property engineering services

The ultimate holding company of the Company is Xinyuan Real Estate Co., Ltd. (the "**Ultimate Holding Company**" or "**Xinyuan Real Estate**"), a company established in the Cayman Islands and its shares are listed on the New York Stock Exchange.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, and the International Accounting Standard ("**IAS**") 34 Interim Financial Reporting, issued by the International Accounting Standards Board ("**IASB**").

The preparation of the interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual financial statements for the year ended 31 December 2024.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024 which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") issued by IASB, and any public announcements made by the Company during the interim reporting period.

The interim condensed consolidated financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair values. As the Group mainly operates in the People's Republic of China (the "**PRC**"), Renminbi ("**RMB**") is used as the presentation currency of the interim condensed consolidated financial information and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies and method of computation adopted in the preparation of these interim condensed consolidated financial statements were consistent with those adopted in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024 other than changes in accounting policies resulting from adoption of the new or amendments to IFRSs for the first time for the current period's financial information.

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current (the "2020 Amendments")
Amendments to IAS 1	Non-current Liabilities with Covenants (the "2022 Amendments")
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The adoption of these new or amendments to IFRSs has had no significant effect on the Group's interim condensed consolidated financial statements and/or the disclosure set out in the interim condensed consolidated financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

The Group has not adopted any other new or amendments to IFRSs which are issued but not yet effective for the current interim period. The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial adoption. So far the directors of the Company have concluded that the adoption of them is unlikely to have a significant financial effect on the interim condensed consolidated financial statements.

3. OPERATING SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the chief executive of the Company.

During the period, the Group is principally engaged in the provision of property management services, value-added services, pre-delivery and consulting services and property engineering services to customers in the PRC. Management reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the chief operating decision maker of the Company regards that there is only one segment which is used to make strategic decisions.

The major operating entities of the Group are domiciled in the PRC. Accordingly, all the Group's revenue was derived in the PRC during the period. As at 30 June 2025, all the non-current assets were in the PRC.

4. REVENUE

Revenue mainly represents consideration to which the Group expects to be entitled for the property management services, value-added services, pre-delivery and consulting services and property engineering services rendered to customers, net of value added tax and surcharges, and allowances for discounts. An analysis of the Group's revenue by category is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contract with customers within the scope of IFRS 15, types of goods or services		
Property management services	**315,295**	278,610
Value-added services	**102,660**	83,051
Pre-delivery and consulting services	**2,909**	6,991
Property engineering services	**29,152**	36,757
	450,016	405,409

For the six months ended 30 June 2025, revenue from entities controlled by the Ultimate Holding Company accounted for RMB17,258,000.00 and 4% (six months ended 30 June 2024: RMB28,883,000 and 7%) of the Group's total revenue. Other than the entities controlled by the Ultimate Holding Company, the Group had a large number of customers and none of whom contributed 10% or more to the Group's revenue for the period (six months ended 30 June 2024 (unaudited): Same).

The following table shows the revenue recognised in the current reporting period relating to carried-forward contract liabilities:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue recognised that was included in the contract liability balance at the beginning of the reporting period	**144,489**	106,502

Performance obligations

For property management services, pre-delivery and consulting services and property engineering services, the Group recognises revenue in the amount that equals to the right to invoice which corresponds directly with the value to the customer of the Group's performance to date.

The majority of the property management service contracts do not have a fixed term. The terms of the contracts for pre-delivery and consulting services (except for construction services) are generally set to expire when the counterparties notify the Group that the services are no longer required.

The Group has elected the practical expedient in paragraph 121 of IFRS 15 for the value-added services and construction services contracts that regarding the performance obligation that has an original expected duration of one year or less, the Group does not make disclosure in accordance with paragraph 120 of IFRS 15, that is the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and an explanation of when the Group expects to recognise as revenue.

5. PROFIT BEFORE TAX

The Group's profit before income tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of services provided	**294,573**	273,182
Employee benefit expense (including director's and chief executive's remuneration):		
–Wages and salaries	**110,316**	107,101
–Pension scheme contributions	**10,180**	10,030
	120,496	117,131
Depreciation and amortisation:		
Depreciation of property, plant and equipment	**1,817**	1,812
Depreciation of right-of-use assets	**7,821**	2,156
Depreciation of investment properties	**958**	–
Amortisation of intangible assets	**2,241**	2,706
	12,837	6,674
Loss on disposals of property, plant and equipment	**1**	36
Lease payments not included in the measurement of lease liabilities	**201**	8,071
Changes in fair value of financial assets at FVTPL	**–**	(258)
Provision for impairment of financial assets, contract assets and prepayments:		
–Third parties		
Provision for impairment of trade receivables	**35,840**	48,450
Provision for impairment of contract assets	**2,777**	1,772
(Reversal)/provision for impairment of other receivables	**(7,062)**	15,151
	31,555	65,373
– Related parties		
Reversal for impairment of trade receivables	**(8,920)**	(20,620)
Reversal of provision for impairment of contract assets	**(4,802)**	(1,556)
Provision for impairment of prepayments	**–**	681
Reversal of provision for impairment of receivables related to incidents of pledged deposits	**–**	(41,771)
Reversal for impairment of financial assets included in payments	**(1,697)**	(310)
(Reversal)/provision for impairment of other receivables	**(3,706)**	33,162
	(19,125)	(30,414)

Costs of sales dealt with the condensed consolidated financial statements represented cost of services provided by the Group.

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax – PRC	**23,165**	31,408
Deferred income tax – PRC		
Deferred tax asset	**(7,856)**	(13,540)
Deferred tax liabilities	**(1,355)**	3,615
	(9,211)	(9,925)
Total tax charge for the period	**13,954**	21,483

(a) Cayman Islands income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is exempted from Cayman Islands income tax (six months ended 30 June 2024 (unaudited): Same).

(b) British Virgin Islands ("BVI") income tax

Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI (six months ended 30 June 2024 (unaudited): Same).

(c) Hong Kong profits tax

No provision for Hong Kong profits tax was made as the Group did not have any assessable income subject to Hong Kong profits tax for the six months ended 30 June 2025 (six months ended 30 June 2024 (unaudited): Same).

(d) PRC Corporate Income

Under the relevant PRC income tax law, the PRC entities of the Group are subject to corporate income tax at a rate of 25% on their respective taxable income (six months ended 30 June 2024 (unaudited): Same).

Other the PRC entities mentioned above, the other PRC entities of the Group and its subsidiaries are recognised as a small profit enterprise, the portion of annual taxable income amount, which does not exceed RMB1 million, shall be computed at a reduced rate of 25% as taxable income amount, and be subject to enterprise income tax at 20%. And the portion of annual taxable income, which exceeds RMB1 million but does not exceed RMB3 million, shall be computed at a reduced rate of 50% as taxable income amount, and be subject to enterprise income tax at 20%.

7. DIVIDENDS

The Board recommended the payment of an interim dividend of HK2.77 cents per ordinary share, amounting to approximately HK$16,427,000 (equivalent to RMB14,990,000) in aggregate in respect of the six months ended 30 June 2025.

On June 2025, the Board recommended the payment of a final dividend of HK2.73 cents per ordinary share, amounting to approximately HK$16,190,000 (equivalent to RMB14,764,000) in aggregate in respect of the year ended 31 December 2024 and has been paid in July 2025.

8. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

For the six months ended 30 June 2025, the basic earnings per share were calculated by dividing the earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares of 577,268,400 (the weighted average number of ordinary shares for the six months ended 30 June 2024: 567,500,000) in issue during the period. There were no differences between the basic and diluted earnings per share as there were no potential dilutive ordinary shares outstanding during the period.

9. PREPAYMENTS TO A RELATED PARTY, PAYMENTS TO RELATED PARTIES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Non-current		
Prepayments		
– A related party *(Note (i))*	**89,073**	89,073
Less: provision for impairment of prepayments	**(41,737)**	(41,737)
	47,336	47,336
Current		
Payments		
– Related parties *(Note (ii))*	**197,240**	200,600
Less: provision for impairment of payments	**(99,606)**	(101,303)
	97,634	99,297
Prepayments		
– Related parties	**1,992**	12,617
– Third parties	**3,174**	13,726
	5,166	26,343
Deposits		
– Third parties	**25,266**	30,441
Less: provision for impairment of deposit	**(2,212)**	(12,404)
	23,054	18,037
Other receivables		
– Related parties	**60,179**	66,137
– Related parties – receivables related to incidents of pledged deposits *(Note (iii))*	**302,714**	302,714
– Third parties	**19,145**	7,320
	382,038	376,171
Less: provision for impairment of other receivables		
– other receivables on related party	**(9,581)**	(13,287)
– receivables related to incidents of pledged deposits	**(153,884)**	(153,884)
– other receivables on third party	**(6,880)**	(3,750)
	211,693	205,250
	239,913	249,630

Notes:

(i) Balance represented the payment of entire consideration in advance in accordance with the sale and purchase contract entered into with the Ultimate Holding Company in 2018, for the purchase of 342 units of Xinyuan Mingcheng, the property development project located in Henan Province.

As at 30 June 2025, the construction of the properties had been completed but the relevant certificate of handed over was yet to be provided to the Group so that the balance is classified as prepayment as at 30 June 2025.

The directors of the Company considered that there was RMB41,737,000 impairment provision provided as at 30 June 2025 (31 December 2024: RMB41,737,000).

(ii) Balance of RMB186,013,000 (31 December 2024: RMB189,373,000) represented payments to certain subsidiaries of the Ultimate Holding Company for exclusive sales right of car parking spaces. In September 2020, the Group and Ultimate Holding Company entered into the Car Parking Space Exclusive Sales Cooperation Agreement (the "**Agreement**") pursuant to which, Ultimate Holding Company agreed to designate the Group as the exclusive sales partner of a total of 4,066 car parking spaces and the Group agreed to pay the refundable payments in cash of RMB206,783,000, representing the total car parking spaces reserve price as the deposits for being such exclusive sales partner. The Agreement became effective upon the fulfillment of conditions and the approval by shareholders other than the controlling shareholder at an extraordinary general meeting in 2020.

The payments would be refunded to the Group by instalments in accordance with the agreed sales milestones of car parking spaces.

Instalments	**Sales mile stone**	**Amounts to be refunded**
First instalment	40% of total car parking spaces	40% of payments for exclusive sales right
Second instalment	70% of total car parking spaces	30% of payments for exclusive sales right
Third instalment	90% of total car parking spaces	30% of payments for exclusive sales right

On 23 December 2021, the Group and Ultimate Holding Company entered into the supplemental agreement (the "**Supplemental Agreement**") pursuant to which, both parties agreed to postpone the cooperation period to 31 December 2023. Such Supplemental Agreement became effective upon approval by shareholders other than the controlling shareholder at an extraordinary general meeting in 2022.

On 16 May 2022, the Group and the Ultimate Holding Company entered into the second supplemental agreement (the "**Supplemental Agreement II**"), pursuant to which, both parties agreed that, all the amount generated from the sales of designated car parking spaces will be received by the Group on behalf of subsidiaries of the Ultimate Holding Company and such amount will be directly applied as refund of the payments made until the payments are fully refunded. The Ultimate Holding Company will refund the above specified amount (after netting off the payment received on behalf by the Group so far) when the Group achieved the milestone and settle the remaining outstanding payments at the expiration of the Agreement. Such Supplemental Agreement II became effective upon approval by shareholders other than the controlling shareholder at an extraordinary general meeting in 2022.

As of 31 December 2023, the Group has conducted certain sales activities under the aforementioned agreements. However, up to 31 December 2023, the Group did not achieve the first sales milestones, and the sales of designated car parking spaces amounted to RMB6,582,000 during the year and an amount of RMB4,789,000 has been offset against the payments pursuant to the Supplemental Agreement II. During the year ended 31 December 2023, the Group generated the corresponding Pre-delivery and consulting service fee income of RMB1,793,000 which were included in pre-delivery and consulting service fee income. Pursuant to the Agreement, if the Ultimate Holding Company fails to duly refund the payments, interest shall be payable to the Group at the 1-year loan prime rate announced by the People's Bank of China for the same period (from the date on which the Group actually pays the relevant payments up to the date on which the deposit is actually refunded by the Ultimate Holding Company).

On 22 March 2024, the Company and Xinyuan Real Estate entered into an agreement (the "**Offset Agreement**") pursuant to which the parties agreed that all the cash sales proceeds of 2,181 car parking spaces (the "**Car Parking Spaces**") owned by Xinyuan Real Estate and currently managed by the Group or held by the Group for sale on behalf of Xinyuan Real Estate, if sold, will be retained by the Group and applied to settle an equivalent amount of the outstanding refundable payment. For the avoidance of doubt, the Group will not acquire ownership of the Car Parking Spaces under the Offset Agreement. If the sales proceeds are insufficient to settle the entire amount of the outstanding refundable payment, the shortfall will be payable by Xinyuan Real Estate to the Company in cash within ten working days after completion of sales of all Car Parking Spaces.

The directors of the Company assessed the provision for impairment of the payments and RMB93,939,000 was provided as at 30 June 2025 (as at 31 December 2024: RMB95,636,000).

As at 30 June 2025, balance also includes another arrangement with a subsidiary of the Ultimate Holding Company of RMB11,227,000 (31 December 2024: RMB11,227,000). On 22 July 2022, Zhengzhou Shengdao Real Estate Co., Ltd. ("**Zhengzhou Shengdao**", an indirect wholly-owned subsidiary of Ultimate Holding Company) entered into a previous agreement ("**Previous Agreement**"), pursuant to which an independent third party, which is engaged in providing property management, parking space management, and agency services etc., agreed to assist Zhengzhou Shengdao to sell a total of 862 car parking spaces for a period commencing from 22 July 2022 until the sales of all car parking spaces are completed.

On 22 September 2023, Zhengzhou Shengdao, the independent third party and the Group entered into a tripartite agreement, pursuant to which (i) Zhengzhou Shengdao and the independent third party agreed to terminate the Previous Agreement; (ii) Zhengzhou Shengdao agreed to pay the termination fee to the independent third party; and (iii) the Group agreed to cooperate with Zhengzhou Shengdao to sell the remaining 798 unsold car parking spaces ("**Designated Car Park Spaces**") and pay the termination fee of RMB9,417,000 to the independent third party on behalf of Zhengzhou Shengdao.

On 22 September 2023, the Group and Zhengzhou Shengdao entered into an agreement, pursuant to which Zhengzhou Shengdao agreed to designate the Group as the exclusive sales partner of a total of 798 Designated Car Parking Spaces for the co-operation period commencing from 22 September 2023 up to 21 September 2028. Under the agreement, the Group will be responsible for carrying out the work, including the initial sales planning and promotion of the Designated Car Parking Spaces and the provision of required services to the buyers in the course of the sale and purchase of the Designated Car Parking Spaces, including but not limited to assisting the buyers in executing the relevant agreements and delivering the Designated Car Parking Spaces. Pursuant to the agreement, the Group shall pay Zhengzhou Shengdao a refundable earnest money of RMB11,227,000, which is the minimum total sum of the Designated Car Park Spaces, in instalments as the deposit. The first and second installments of the earnest money are RMB9,417,000 and RMB1,810,000, respectively, being the termination fee under the tripartite agreement, which shall be paid to the independent third party and the remaining amount of the earnest money to Zhengzhou Shengdao. The termination fee of RMB9,417,000 consists of the unsold 718 car parking spaces of approximately RMB8,022,000 and 80 car parking spaces originally agreed to be owned by itself of approximately RMB894,174, and the termination compensation of RMB1,000,000 (having deducted by the deposits of RMB500,000) has not been paid to the independent third party.

Pursuant to the agreement, both parties agreed that, all the amount generated from the sales of Designated Car Parking Spaces will be received by the Group on behalf of Zhengzhou Shengdao and such amount will be directly applied as refund of the payments made until the payments are fully refunded. As at 30 June 2025, no car parking spaces were sold out successfully. The directors of the Company assessed the expected impairment loss of the payments and RMB5,667,000 was provided as at 30 June 2025 (31 December 2024: RMB5,667,000).

(iii) Balance mainly represented the previously unauthorised pledged bank deposits for the bank borrowings ("**Pledges**") obtained by the borrowers and deducted by the bankers in relation to the failure of repayment by the borrowers to the bankers. Details of the Pledges were stated in the Company's announcement dated 15 November 2022. During the year ended 30 June 2025, the Ultimate Holding Company has confirmed that these balances were due from them and they will be responsible for settling the balances by the transfer of their certain non-cash assets in satisfaction of the amount due from them.

The directors of the Company assessed the expected credit loss of the receivables related to Pledges and reversed the provision of approximately RMB47,471,000 which was used to offsetting the loss of approximately RMB53,960,000 on partial settlement of other receivables related to Pledges during the year ended 31 December 2024.

The directors of the Company assessed the provision for impairment of the receivables related to the pledge and approximately RMB153,884,000 was provided as at 30 June 2025 (31 December 2024: RMB153,884,000).

10. TRADE AND BILLS RECEIVABLES

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Trade receivables *(Note (a))*		
– Related parties	**214,149**	235,973
– Third parties	**353,883**	267,790
	568,032	503,763
Less: allowance for impairment of trade receivables	**(207,417)**	(180,497)
	360,615	323,266
Bills receivable *(Note (b))*	**1,175**	1,560
	361,790	324,826

Notes:

(a) For trade receivables from property management services, the Group charges property management fees on a monthly or quarterly basis and the payment is generally due upon the issuance of demand notes. No credit period is granted (31 December 2024: Same).

Receivables from value-added services and pre-delivery services are due for payments in accordance with the terms of the relevant services agreements with property developers, which is normally within 30 to 90 days (31 December 2024: 30 to 90 days) from the issue of demand note.

The amounts due from related parties are repayable on credit terms similar to those offered to other major customers of the Group.

(b) The balance represented certain bank acceptance bills. The directors of the Company considered that expected credit loss for these bills is immaterial in view of no history of default and good repayment history of these customers.

An ageing analysis of the trade receivables, based on the invoice date and net of impairment, is as follows:

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Within 1 year	**152,279**	151,493
1 to 2 years	**78,749**	90,305
2 to 3 years	**59,726**	51,196
3 to 4 years	**39,615**	31,832
4 to 5 years	**31,421**	–
Total	**361,790**	324,826

11. TRADE PAYABLES

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Trade payables		
– Related parties	**83,394**	30,066
– Third parties	**38,184**	114,897
	121,578	144,963

The trade payables are non-interest-bearing and have a normal credit term of 30 to 90 days (31 December 2024: 30 to 90 days).

The ageing analysis of trade payables based on the invoice date was as follows:

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Within 1 year	**55,286**	73,593
1 to 2 years	**28,342**	58,553
2 to 3 years	**26,956**	4,269
Over 3 years	**10,994**	8,548
	121,578	144,963

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL PERFORMANCE

Total revenue for the six months ended 30 June 2025 increased by 11.0% to approximately RMB450.0 million from approximately RMB405.4 million for the six months ended 30 June 2024.

Net profit for the six months ended 30 June 2025 was approximately RMB60.9 million, representing an increase of 15.6% as compared to approximately RMB52.7 million for the six months ended 30 June 2024.

BUSINESS REVIEW

Overview

The Group is a comprehensive property management service provider with extensive influence and robust operations. We are committed to offering a pleasant lifestyle as a leading new productivity development service provider within the big property management sector. In the first half of 2025, the Group continued to focus its efforts on driving growth through three key areas: the scale expansion of management services, the ecological development of scenario services, and the value enhancement of scenario technology, in order to enhance management scale and quality, foster integration of diverse businesses and achieve breakthroughs in technological innovation. In the first half of 2025, our general performance saw a stable growth.

In management services, we consolidated our development quality and focused on scaling growth by deepening our "four-pronged growth model"–localized deep cultivation, strategic cooperation, specialized regional expansion and competitive bidding – while upholding project access mechanism, strengthening pre-investment evaluations and proactively optimizing low-efficiency projects. This ensured stable scale growth alongside the quality of market expansion projects. Additionally, through the implementation of series activities such as basic service quality improvement and differentiated project management mechanisms, we further elevated basic service performance. As at 30 June 2025, the Group offered property management services across 71 cities in the PRC. For the first half of the year, newly contracted gross floor area ("**GFA**") was 7.3 million sq.m. and newly managed GFA was 3.07 million sq.m..

In scenario services, centered on the principles of "scenario refinement, technology empowerment and efficiency enhancement", we advanced our five core businesses – leasing and sales services, house beautification services, retail services, purified water services, and doorstep services – by leveraging standardized operations and digital tools to drive synergies across business lines. By integrating resources from platforms such as Xin Butler (鑫管家), Xin Duo Duo (鑫多多), and Xin Home (鑫一家), we achieved business data interoperability and process optimization, deeply embedding property service scenarios with value-added services. As at 30 June 2025, revenue from house beautification services surged 23% year-on-year, revenue from leasing and sales services rose 129% year-on-year, and revenue from purified water services grew 17% year-on-year as compared to the same period in 2024.

The scenario technologies focus on achieving autonomous control, intelligentization, and platform-based upgrades of technological products. Anchored by its three core platforms, "IoT Platform + Smart Agent Platform + Data Platform", the Company drives the development of new quality productive forces in the property management industry. Through the development of the unified employee platform "Xin Butler" (鑫管家), the Company has achieved full-scenario digital coverage of property management services, encompassing "four safeguards and one service". By integrating AI smart agents into service scenarios, it has broken through traditional service models. Xin Butler incorporates the "Xin Duoduo" (鑫多多) community marketplace, precisely empowering diversified business operations. Features such as event management, leasing/sales leads, and product promotions embed value-added services into the employee platform, enabling synergy between property services and commercial activities. In terms of smart agent development, the Company had established a foundational framework for the Smart Agent Platform and validated core scenario technologies. It had achieved key technological breakthroughs, becoming the industry pioneer in launching two major smart agent platforms, "Customer Service Smart Agent" and "Butler Smart Agent". These innovations mark the first large-scale application of AI technology in property management scenarios, while actively exploring avenues for industry-wide empowerment.

The Group has been adhering to Party-building leadership and developed a distinctive intelligent Party-building model. Party organizations have served as strongholds in achieving excellence in organizational development, government-enterprise collaboration, and merit-based recognition. In the first half of 2025, the Group was honored as a "Strengthening Property Management to Build a Better Community" exemplary case from the Ministry of Housing and Urban-Rural Development of Henan and ranked TOP 2 in "Red Property Services Excellence in Henan (2024)" by the China Index Academy (CIA). It hosted 30 visits from government and industry delegations and received 104 media coverages.

In the first half of 2025, the Group's brand influence continued to rise, being awarded multiple prestigious industry accolades, including 2025 China Property Service Satisfaction Top 100 Enterprises – Top 8 from Leju Finance (樂居財經), Top 100 Chinese Property Service Companies – Top 15 from CIA, 2025 China Property Service Enterprise Brand Value Top 100 and 2025 China Property ESG Sustainable Development Leader from CRIC Property Management (克而瑞物管) and China Property Management Research Institution, as well as 2025 China Listed Property Companies Dividend Value Top 5 and 2025 China Property Value-added Service Operation Leading Enterprise from China Property Management Think Tank (中物智庫).

Property Management Services

Commitment to quality development

The Group adheres to a prudent and quality-driven growth strategy. In the first half of 2025, centered on a four-pillar expansion approach – local market penetration, strategic partnerships, regional specialization, and market-oriented bidding, we achieved further breakthroughs in non-residential properties such as industrial parks, commercial complexes, scenic areas, schools, and hospitals, while maintaining our core traditional expansion model of comprehensive engagement for residential types. In the first half of the year, GFA signed was 7.3 million sq.m. in aggregate, of which 3.34 million sq.m. was residential types and 3.96 million sq.m. was non-residential types. The proportion of non-residential types has further increased.

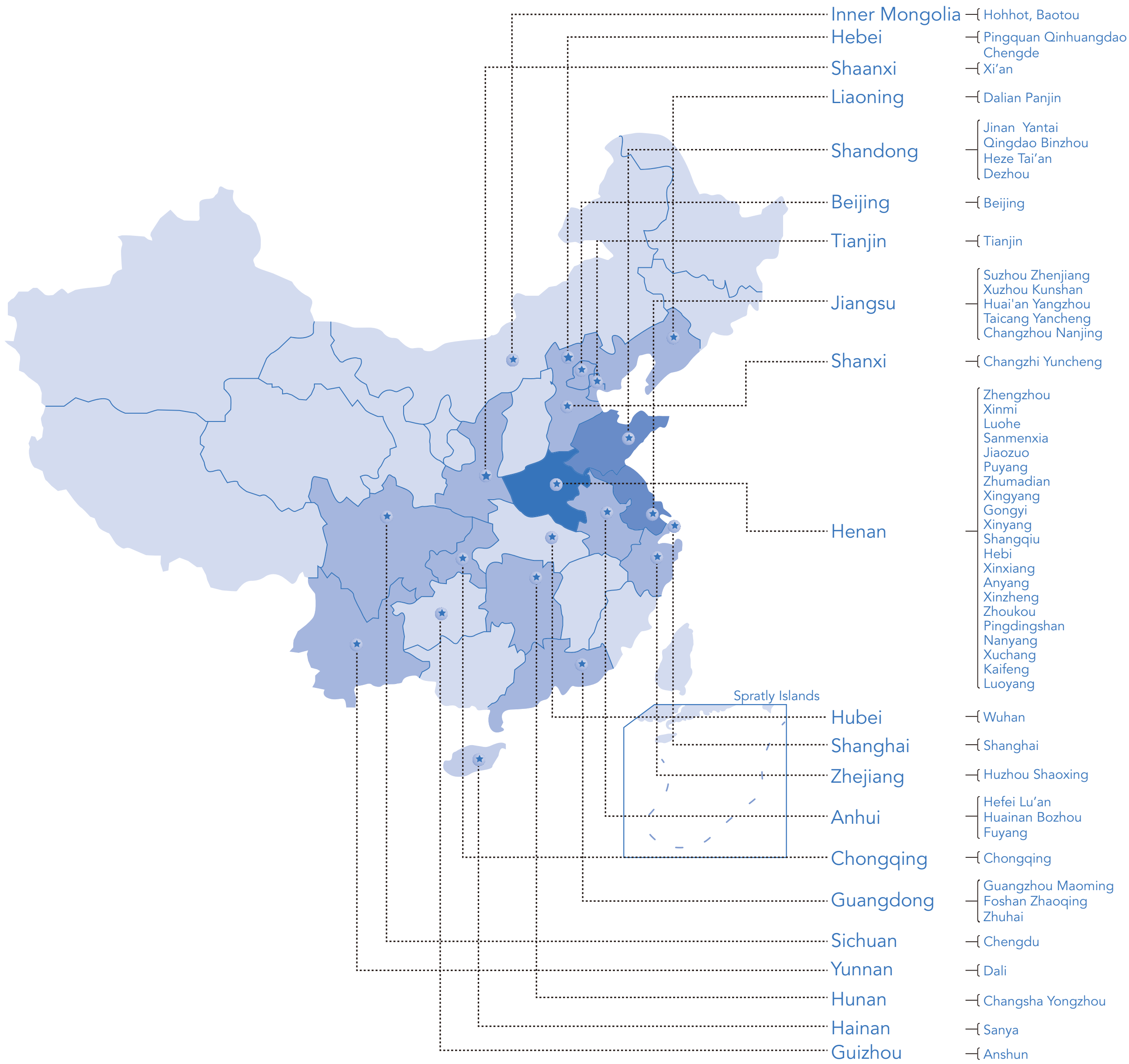
As at 30 June 2025, we provided property management services and value-added services in 71 cities across China. Contracted GFA was approximately 67.4 million sq.m. from a total of 390 contracted properties, while GFA under management amounted to approximately 40.2 million sq.m. from a total of 271 properties under management.

The following table sets out our contracted GFA, GFA under management and number of properties under management as at the dates indicated:

	As at 30 June	
	2025	2024
GFA under contract *('000 sq.m.)*	**67,404**	60,924
No. of contracted properties	**390**	342
GFA under management *('000 sq.m.)*	**40,179**	35,718
No. of properties under management	**271**	240

Our geographical coverage

In the first half of 2025, based on our strategic layout across the five major regions of Central China, Southern China, Western China, Northern China, and Eastern China, we continued to expand our presence across China. As at 30 June 2025, our geographical coverage has expanded to 71 cities across the PRC.



The following table sets out the breakdown of the respective GFA, revenue and percentage of revenue from property management services by geographic location as at the dates indicated:

	As at 30 June					
	2025			2024		
	GFA	**Revenue**	**Percentage**	GFA	Revenue	Percentage
	'000 sq.m.	***'000***	***(%)***	*'000 sq.m.*	*'000*	*(%)*
Central China(1)	**21,164**	**159,947**	**50.7**	20,759	153,441	55.1
Eastern China(2)	**9,287**	**69,870**	**22.2**	6,516	62,234	22.3
Western China(3)	**5,303**	**39,457**	**12.5**	7,117	40,648	14.6
Northern China(4)	**1,603**	**18,462**	**5.9**	776	11,908	4.3
Southern China(5)	**2,822**	**27,559**	**8.7**	550	10,379	3.7
Total	**40,179**	**315,295**	**100.0**	35,718	278,610	100.0

Notes:

(1) Includes cities located in Henan, Hunan and Hubei provinces.

(2) Includes cities located in Jiangsu, Anhui, Shandong and Zhejiang provinces and Shanghai municipality.

(3) Includes cities located in Sichuan, Yunnan and Shaanxi provinces and Chongqing municipality.

(4) Includes cities located in Liaoning and Hebei provinces, Inner Mongolia, Beijing and Tianjin municipalities.

(5) Includes cities located in Hainan and Guangdong provinces.

Robust growth of scale

The Group has always been committed to a strategy of robust and quality growth for scale. In the first half of 2025, we continued to strengthen expansion capability. Through improving the expansion strategy and model, optimizing the expansion path, forging the organizational effectiveness and team capabilities of expansion, we continuously strengthened our investment and expansion capabilities.

Regarding our expansion approach, the enhancement of the coordinated mechanism between the headquarters' investment and development system and the commercial management division enabled the establishment of an integrated control model and supporting systems. Focusing on projects with "high conversion rates, high quality and high urban concentration", the Group enhanced residential property management services while striving to make breakthroughs in non-residential property management services. These efforts have yielded positive outcomes.

As of 30 June 2025, among the Group's GFA under management and contracted GFA, properties developed by third parties accounted for 59% and 68% of the total GFA under management and the total contracted GFA, respectively.

A breakdown of the Group's GFA under management and percentage of revenue from property management services by developer type for the first half of 2025 is as follows:

	For the six months ended 30 June/As at 30 June									
	2025					2024				
	Revenue *(RMB'000)*	**%**	**GFA under management** *(sq.m.'000)*	**%**	**No. of properties under management**	Revenue *(RMB'000)*	%	GFA under management *(sq.m.'000)*	%	No. of properties under management
Xinyuan Real Estate Group	**188,863**	**59.9**	**16,496**	**41.1**	**107**	188,446	67.6	16,175	45.3	104
Independent third parties	**126,432**	**40.1**	**23,683**	**58.9**	**164**	90,164	32.4	19,543	54.7	136
Total	**315,295**	**100.0**	**40,179**	**100.0**	**271**	278,610	100.0	35,718	100.0	240

Notes:

(1) Xinyuan Real Estate Co., Ltd. (the ultimate holding company of the Company) and its subsidiaries are collectively referred to as Xinyuan Real Estate Group. It includes properties solely developed by Xinyuan Real Estate Group.

(2) Refers to properties of independent third parties.

Diversified property management portfolio

We manage both residential and non-residential properties. Currently, our non-residential properties under management span offices, commercial complexes, industrial parks, business parks, schools, and public buildings. While revenue from residential properties accounted for and will continue to account for a large portion of our revenue, we strive to diversify our services to cover properties of different types.

During the first half of 2025, the Group expanded to a diverse range of business types for non-residential properties, including Yuncheng Asia New World Project (運城亞洲新世界項目), Guangzhou Oriental Heavy Machinery & Electrical Project (廣州東方重機電氣項目), Kaifeng Jinda Trade City (開封金達商貿城), Inner Mongolia Baotou Hanhai Semiconductor Industrial Park (內蒙古包頭瀚海半導體產業園), Jiaozuo Jincheng Bonai (焦作金城百納), Sanhesheng (Shandong) Seedling Cultivation & Breeding Project (三合盛(山東)育苗養殖項目), Zhengzhou China Railway Taiheli Project (鄭州中鐵泰和裡項目), Luoyang Tigeri Art Park Project (洛陽太格裡藝術公園項目), etc., thus further optimising the structure of our operating format.

A breakdown of our revenue generated from property management services of developed properties by property type for the six months ended 30 June 2025 and 2024 is as follows:

	For the six months ended 30 June/As at 30 June									
	2025					2024				
	Revenue (RMB'000)	%	GFA under management (sq.m.'000)	%	No. of properties under management	Revenue (RMB'000)	%	GFA under management (sq.m.'000)	%	No. of properties under management
Residential properties	**237,795**	**75.4**	**28,326**	**70.5**	**181**	223,144	80.1	25,562	71.6	163
Non-residential properties	**77,500**	**24.6**	**11,853**	**29.5**	**90**	55,466	19.9	10,156	28.4	77
Total	**315,295**	**100.0**	**40,179**	**100.0**	**271**	278,610	100.0	35,718	100.0	240

Value-added services

During the first half of 2025, the value-added services focused on residential community scenarios and property owners' needs, enhancing residents' living experiences through comprehensive and diversified service offerings. Leveraging an intelligent data platform, we expanded value-added services, including leasing and sales services, house beautification services, retail services, purified water services and doorstep services, achieving digitalized services and online scenario integration. For the six months ended 30 June 2025, revenue from the community value-added services amounted to RMB102.7 million, representing a year-on-year growth of 23.6%.

The leasing and sales business focuses on secondary property leasing and sales, new home agency services, property management services, title deed processing. Through low-cost store operations and precision customer acquisition, the business has established professional service delivery capability, creating a closed-loop ecosystem of "transaction + service" to ensure stable appreciation of property owners' assets. For the six months ended 30 June 2025, revenue from leasing and sales service presented a year-on-year growth of 129%.

House beautification business is dedicated to providing comprehensive property upgrade services, including secondary property remodeling, kitchen renovations, bathroom makeovers, partial improvements, customized cabinetry, smart home upgrades, repair and refurbishment. Through our five core systems, including personalized customization, premium material selection, abundant soft furnishings, standardized construction, and hassle-free after-sales service, we closely align with homeowners' needs to pioneer a new retail model for home decoration and furnishing. For the six months ended 30 June 2025, revenue from house beautification business presented a year-on-year growth of 23%.

The retail business empowers community retail through private-domain channels, fostering a "familiar network economy" and innovating a triangular model of "procurement + operation + delivery": based on self-owned residential communities and leveraging offline community merchants and key community consumers as bridges, we extended to surrounding communities and established external community private-domain groups to achieve business expansion beyond our own communities.

The purified water business, supported by a unique business model and proprietary platform, has achieved full digitalisation of owner reservations and delivery services. With the independently developed Xin Water Machine (鑫水機), the business has not only been promoted and applied internally within the Company but has also begun to expand to other property enterprises in the industry. For the six months ended 30 June 2025, revenue from the purified water business increased by 17% year-on-year.

The doorstep business, leveraging Xinyi Better Life brand, integrates over 30 service providers to deliver comprehensive household services, including routine cleaning, post-renovation cleaning, home appliance cleaning, storage and organisation, and nanny services. It provides customers with safer, more trustworthy and more professional domestic services.

The following table sets out a breakdown of revenue from community value-added services for the six months ended 30 June 2025 and 2024:

	For the six months ended 30 June			
Value-added services	**2025**		2024	
	RMB'000	*%*	*RMB'000*	*%*
Revenue from third party services[1]	**14,108**	**13.8**	10,659	12.8
Space resources management[2]	**53,207**	**51.8**	42,834	51.6
Domestic living services[3]	**35,345**	**34.4**	29,558	35.6
Total	**102,660**	**100.0**	83,051	100.0

Notes:

(1) Profit is derived from paid utilities using the cost-plus method.

(2) We collect a pre-agreed fee for public space resource management.

(3) We provide products and services aimed at generating revenue and profit from our community living services. These include community retailing, house beautification, purified water, leasing and sales, and delivery services, all centred around the living needs of property owners.

Pre-delivery and consulting services

Leveraging on the Group's professional property management experience of 27 years, we offer tailored pre-delivery and consulting services to property developers to help enhance the competitiveness of the property development. Along with the changes in the development landscape of China's real estate sector, we have strengthened the control over risks associated with our business partners in this segment, and the revenue from this business has been continuously declining.

The following table sets out a breakdown of revenue from pre-delivery and consulting services as of 30 June 2025 and 2024:

	For the six months ended 30 June			
Pre-delivery and consulting services	**2025**		2024	
	RMB'000	***%***	*RMB'000*	*%*
Xinyuan Real Estate Group	**918**	**31.6**	3,969	56.8
Third party property developers	**1,991**	**68.4**	3,022	43.2
Total	**2,909**	**100.0**	6,991	100.0

Property engineering services

Property engineering services include the provision of firefighting, intelligent engineering, landscaping engineering and preliminary smart neighbourhood planning engineering and construction services, as well as additional installation of elevators, remaking facade and other renewal and remaking engineering services for stock properties. At the same time, the Group also participated in government old town reconstruction projects and the rejuvenation of old communities.

The following table sets out a breakdown of revenue from property engineering services for the six months ended 30 June 2025 and 2024:

	For the six months ended 30 June			
Property engineering services	**2025**		2024	
	RMB'000	***%***	*RMB'000*	*%*
Xinyuan Real Estate Group	**14,353**	**49.2**	24,844	67.6
Third party property developers	**14,799**	**50.8**	11,913	32.4
Total	**29,152**	**100.0**	36,757	100.0

PROSPECTS

The Group is committed to offering a pleasant lifestyle as a metaverse-augmented service provider within the larger property management sector. In growing our businesses, we will continue to focus on this sector, with data-driven operations enabling the deep integration of technology and business. The use of agent platform will create new scenarios for digitally empowered properties. Our goal remains to drive growth and to upgrade through three key areas: management services, scenario services and scenario technology. We have developed to achieve sustained growth in both operational efficiency and business scale.

I. Management Services

In terms of management services, the Group focuses on high-quality development by consolidating service quality and continuous scaling of operations. We concentrate on larger property management, and will extend from residential properties to non-residential types and public buildings. The expansion from property services to commercial management and asset management services will allow us to continuously broaden the scope of our property services, improve regional concentration, and enhance the scale effects of management.

In terms of scale development, market-oriented growth will remain central. We will continue optimising our development model and innovating diverse modes of cooperation, expanding from growth to stock, and from residential to non-residential, urban and professional services. Our strategy involves a multi-wheel drive model for expansion, while deepening our efforts in areas we are cultivating and strengthening our resource integration advantages in these areas.

Regarding basic service capabilities, we will use data to drive management efficiency, fortifying our service foundation and enhancing the service experience to continually improve our reputation and brand. We will also enrich the scope of our services, improve multi-industry and multi-disciplinary service standards, and strengthen our management and service capabilities with a focus on refinement and differentiation. This will lead to higher operational and management efficiency and help enhance service reputation and residents’ living experiences.

II. Scenario Services

For multi-business operations, we will continue to deepen the strategy of "technology empowerment + scenario expansion + model replication" around the five core businesses to enhance quality and efficiency. We will intensify the integration of technology by leveraging intelligent agents to analyze user behavior and deliver precise leads, while utilizing AI to generate marketing materials and enhance promotional efficiency. Efforts will be made to deeply integrate leasing, sales, and home decoration services with platforms such as Xin Yi Jia (鑫一家) and Xin Duo Duo (鑫多多), enabling traffic monetization and commission sharing. This will help build a smart community ecosystem blending "services + commerce", driving growth in both revenue and profit of multi-business operations.

III. Scenario Technology

In terms of technology business, we will concentrate on developing new quality productive forces for large-scale property management. Guided by our core positioning of "providing technological empowerment to major property firms and supporting multi-business operations for small and medium-sized enterprises", we will strengthen full-stack product and service capabilities for the property industry. Building on this foundation, we will continue to refine and optimize our intelligent agent platform to create a tailored development infrastructure for smart solutions in property management. This effort aims to deepen the integration of technology and business processes, establish an intelligent operational management system powered by digital intelligence, and build a smart property technology ecosystem with self-driven core capabilities.

Guided by the four key dimensions of enhancing quality living, empowering new multi-business operations, integrating multi-platform systems, and elevating service excellence, we will leverage intelligent agents, data mid-ends, and IoT platforms to continuously develop smart products tailored to property management scenarios. This approach aims to build an AI-powered ecosystem for the property sector, driven by our intelligent agent platform, achieve multi-source data integration, and comprehensively strengthen corporate management, operational efficiency and service capabilities.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB450.0 million (corresponding period in 2024: approximately RMB405.4 million), representing an increase of approximately 11.0% as compared to the corresponding period last year.

The Group's revenue was derived from four major business lines, (i) property management services; (ii) value-added services; (iii) pre-delivery and consulting services; and (iv) property engineering services.

	For the six months ended 30 June			
	2025		2024	
	Revenue	**Percentage**	Revenue	Percentage
	RMB'000	***%***	*RMB'000*	*%*
Property management services	**315,295**	**70.1**	278,610	68.7
Value-added services	**102,660**	**22.8**	83,051	20.5
Pre-delivery and consulting services	**2,909**	**0.6**	6,991	1.7
Property engineering services	**29,152**	**6.5**	36,757	9.1
Total	**450,016**	**100.0**	405,409	100.0

Gross profit and gross profit margin

The following table sets forth a breakdown of gross profit and gross profit margin by business lines for the periods indicated:

	For the six months ended 30 June			
Business Lines	**2025**		2024	
	RMB'000	***%***	*RMB'000*	*%*
Property management services	**102,542**	**32.5**	84,211	30.2
Value-added services	**49,239**	**48.0**	39,417	47.5
Pre-delivery and consulting services	**482**	**16.6**	2,514	36.0
Property engineering services	**3,180**	**10.9**	6,085	16.6
Total	**155,443**	**34.5**	132,227	32.6

The Group's gross profit for the six months ended 30 June 2025 amounted to RMB155.4 million, representing an increase of 17.5% over RMB132.2 million in 2024. Gross profit margin increased to 34.5% from approximately 32.6% in 2024.

Gross profit margin of property management services was 32.5%, representing an increase of 2.3 percentage points as compared to 30.2% in 2024. The increase in gross profit margin for property management services was mainly due to the enhancement of economies of scale, improved cost-saving measures, and increased operational efficiency.

Gross profit margin of value-added services was 48.0%, representing an increase of approximately 0.5 percentage point as compared to 47.5% in 2024, mainly due to the improvement of management efficiency and effective cost control.

Gross profit margin for pre-delivery and consulting services was 16.6%, representing a decrease of approximately 19.4 percentage points as compared to 36.0% in 2024, mainly due to reduction in the co-selling of car parking spaces and other assets, which had a relatively high profit margin.

Gross profit margin for property engineering services was approximately 10.9%, representing a decrease of approximately 5.7 percentage points as compared to 16.6% in 2024. The decrease in gross profit margin for property engineering services was mainly due to the increase in construction costs.

Administrative expenses

The Group's administrative expenses for the six months ended 30 June 2025 amounted to RMB42.0 million, representing an increase of 19.7% as compared to RMB35.1 million in the corresponding period of 2024, also representing 9.3% of revenue (2024: representing 8.7% of revenue). The increase was mainly due to the increase in staff costs arising from the business growth.

Other income, gains and losses, net

The Group's other income for the six months ended 30 June 2025 amounted to RMB-1 million, representing a decrease of 103.0% as compared to RMB32.8 million in the corresponding period last year. The decrease was primarily attributable to the decrease in current interest income.

Income tax expense

The Group's income tax expense for the six months ended 30 June 2025 amounted to RMB14.0 million, representing a decrease of RMB7.5 million as compared to RMB21.5 million in the corresponding period last year. The decrease in income tax for the period was mainly attributable to the decrease in deferred income tax liabilities recognized during the period and the decrease in non-deductible expenses.

Profit

For the six months ended 30 June 2025, the Group's net profit for the period was RMB60.9 million, representing an increase of 15.6% as compared to RMB52.7 million in the corresponding period last year, mainly due to business growth arising from the growth in the Group's GFA under management.

Profit attributable to the Company's shareholders for the six months ended 30 June 2025 amounted to RMB59.4 million, representing an increase of RMB8.5 million or 16.7% as compared to RMB50.9 million in the corresponding period last year. Basic earnings per share was RMB10.29 cents (corresponding period in 2024: RMB8.96 cents).

Current assets, reserves and capital structure

The Group maintained a sound financial position during the six months ended 30 June 2025. As at 30 June 2025, current assets amounted to RMB990.9 million, representing a decrease of 4.7% as compared to RMB1,039.8 million as at 31 December 2024.

As at 30 June 2025, the Group's total equity was RMB634.8 million, representing a growth of RMB46.1 million or 7.8% as compared to RMB588.7 million as at 31 December 2024, mainly due to the offset by the profit for the period and the payment of dividends.

Property, plant and equipment

As at 30 June 2025, the Group's net property, plant and equipment amounted to RMB13.0 million, representing a decrease of 2.3% as compared to RMB13.3 million as at 31 December 2024, mainly due to the purchase of office equipment and machinery for the Group's business development, which was partly offset by depreciation for the current period.

Intangible assets

As at 30 June 2025, the carrying value of the Group's other intangible assets was RMB36.3 million, representing a decrease of 6.7% as compared to RMB38.9 million as at 31 December 2024. The Group's intangible assets mainly comprise (i) the Xinyuan Property Integrated Management Platform System; (ii) the Xinyuan Property Call Centre System; (iii) the electronic invoice tax control invoicing system; (iv) FineReport software; (v) cost management system; and (vi) operating rights of property.

Trade receivables

As at 30 June 2025, trade receivables amounted to RMB361.8 million, representing a growth of 11.4% as compared to RMB324.8 million as at 31 December 2024, mainly due to business growth arising from the growth in the Group's GFA under management.

Prepayments and other receivables

Our prepayments and other receivables mainly comprised (i) prepayments; (ii) payments to related parties; (iii) deposits; and (iv) other receivables. As of 30 June 2025, the Group's prepayments and other receivables were approximately RMB384.9 million, representing a decrease of approximately RMB11.4 million as compared to approximately RMB396.3 million as at 31 December 2024. The decrease was mainly due to the reduction in amounts receivable from and prepaid to related parties.

Trade payables

As at 30 June 2025, trade payables amounted to RMB121.6 million, representing a decrease of 16.1% as compared to RMB145.0 million as at 31 December 2024. The decrease was mainly attributable to the outstanding payables for goods during the Period.

Other payables and accruals

The Group's other payables and accruals mainly comprised (i) non-trade payables to related parties; (ii) deposits and temporary receipts from property owners; and (iii) payroll payables and other taxes payable. As of 30 June 2025, the Group's other payables and accruals (other than contract liabilities) amounted to approximately RMB232.9 million, representing a decrease of approximately 11.8% as compared to approximately RMB264.2 million as at 31 December 2024. Such increase was mainly attributable to (i) a decrease in non-trade payables to related parties; and (ii) normal refunds of deposits and temporary receipts from property owners.

Contract liabilities

The Group's contract liabilities mainly resulted from the advance payments received from customers while the underlying services are yet to be provided. As of 30 June 2025, our contract liabilities was approximately RMB131.8 million, representing a decrease of 8.8% as compared to approximately RMB144.5 million as at 31 December 2024, mainly due to the Group's enhanced focus on improving service quality for property owners during the period, which led to a moderation in prepayment activities for property fees.

Borrowings

As of 30 June 2025, the Group had no borrowings or bank loans.

Gearing ratio

Gearing ratio is calculated by dividing total borrowings by total equity, based on the sum of long-term and short-term interest-bearing bank loans and other borrowings as at the corresponding date divided by the total equity on the same date. As at 30 June 2025, gearing ratio was nil.

Pledged assets

As at 30 June 2025, the Group had no pledged assets.

Material acquisition

The Group had no material acquisition of subsidiaries, associates or joint ventures during the six months ended 30 June 2025.

Material disposal

The Group had no material disposal of subsidiaries, associates or joint ventures during the six months ended 30 June 2025.

Significant investment

The Company did not make any material investments during the six months ended 30 June 2025.

Contingent liabilities

As at 30 June 2025, the Group had no significant contingent liabilities.

Exchange rate risk

The Group's principal business is conducted in the PRC and the Group's revenue and expenses are substantially denominated in RMB. Accordingly, save for certain bank balances that were denominated in Hong Kong dollars, the Group was not exposed to material risk directly related to foreign exchange rate fluctuation. Currently, the Group has not entered into any forward contracts to hedge its exchange rate risk, although management will continue to monitor foreign exchange risk and adopt prudent measures to minimise foreign exchange risk.

Employment and remuneration policy

As of 30 June 2025, the Group had approximately 2,139 employees (30 June 2024: approximately 2,104 employees). The Group adopts a remuneration policy similar to its peers in the industry. The remuneration payable to our employees is determined with reference to their duties and the prevailing local market rates. Employees are paid discretionary performance bonuses upon review as reward for their contribution. The Group participates in different social welfare plans for its employees in accordance with applicable statutory requirements in the PRC and existing requirements of the local government.

Use of Proceeds from the Listing

On 11 October 2019, the shares of the Company were successfully listed (the "**Listing**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). After deducting underwriting fees and related expenses, net proceeds from the Listing was approximately RMB197.2 million (the "**Listing Net Proceeds**").

Up to 23 June 2022, the Group utilised approximately RMB79.3 million of the Listing Net Proceeds, with approximately RMB117.9 million of which remained unutilised (the "**Unutilised Listing Net Proceeds**"). Details of the use of the Listing Net Proceeds were as follows:

Use of Listing Net Proceeds	Planned use of Listing Net Proceeds to be used	Actual use of Listing Net Proceeds from the Listing Date to 31 December 2021	Unutilised Listing Net Proceeds up to 31 December 2021	Actual use of Listing Net Proceeds from 1 January 2022 to 23 June 2022	Unutilised Listing Net Proceeds up to 23 June 2022
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*
To expand our property management services, seek strategic acquisition and investment opportunities	118.3	22.2	96.1	0.8	95.3
To expand the types of services offered in our value-added services business line	29.6	22.8	6.8	2.0	4.8
To upgrade and develop our own information technology and smart systems	29.6	6.6	23.0	5.2	17.8
Funding our working capital needs and other general corporate purposes	19.7	19.7	–	–	–
Total	197.2	71.3	125.9	8.0	117.9

Use of Proceeds from the 2020 Placing

Reference is made to the Company's announcements dated 3 July 2020 and 15 July 2020 (collectively, the "**2020 Placing Announcements**"). On 3 July 2020, the Company entered into a placing agreement (the "**Placing Agreement**") with Guotai Junan Securities (Hong Kong) Limited and Valuable Capital Limited (the "**2020 Placing Agents**"), pursuant to which, the 2020 Placing Agents (each on a several but not joint nor joint and several basis) conditionally agreed to procure, as agents of the Company, not less than six (6) placees (the "**2020 Placees**") on a best effort basis for up to an aggregate of 50,000,000 ordinary shares at the placing price of HK$2.60 per placing share on the terms and subject to the conditions set out in the Placing Agreement (the "**2020 Placing**"). The maximum aggregate nominal value of the placing shares under the 2020 Placing was HK$500. The market price of the placing shares was HK$2.86 per share as quoted on the Stock Exchange on 3 July 2020, being the date of the Placing Agreement. The net price of the placing shares was approximately HK$2.54 per share.

The Directors considered that the 2020 Placing would strengthen the Group's financial position, broaden the Company's shareholder base and was in the interests of the Company and the Shareholders as a whole.

Completion of the 2020 Placing took place on 15 July 2020, a total of 50,000,000 placing shares were placed by the 2020 Placing Agents to the 2020 Placees at the placing price of HK$2.60 per placing share.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the 2020 Placees and their respective ultimate beneficial owner(s), as applicable, were parties independent of the Company and not acting in concert with the connected persons of the Company and were not parties acting in concert with each of the other 2020 Placees procured by the 2020 Placing Agents under the Placing Agreement.

The 2020 Placing Net Proceeds amounted to RMB115.0 million (the "**2020 Placing Net Proceeds**"). Up to 23 June 2022, approximately RMB11.5 million of the 2020 Placing Net Proceeds had been utilised by the Group and approximately RMB103.5 million of the 2020 Placing Net Proceeds remained unutilised (the "**Unutilised 2020 Placing Net Proceeds**"). Details of the use of the 2020 Placing Net Proceeds were as follows:

Use of 2020 Placing Net Proceeds	**Planned amount of 2020 Placing Net Proceeds to be used**	**Actual use of 2020 Placing Net Proceeds up to 31 December 2021**	**Unutilised amount of 2020 Placing Net Proceeds up to 31 December 2021**	**Actual use of 2020 Placing Net Proceeds from 1 January 2022 to 23 June 2022**	**Unutilised amount of 2020 Placing Net Proceeds up to 23 June 2022**
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Business development, which mainly relates to (a) diversifying the types of services offered to the customers and (b) upgrading and developing the Group's smart systems	69.0	–	69.0	–	69.0
Strategic investment in businesses or targets that are related to the Group's principal businesses	34.5	–	34.5	–	34.5
General working capital	11.5	11.5	–	–	–
Total	115.0	11.5	103.5	–	103.5

Use of Proceeds from the Subscription

Reference is made to the Company's announcements dated 25 January 2021 and 8 February 2021 (collectively, the "**2021 Placing and Subscription Announcements**"). On 25 January 2021, the Company entered into the placing and subscription agreement (the "**2021 Placing and Subscription Agreement**") with Xinyuan Real Estate, Ltd. (the "**Vendor**") and Guotai Junan Securities (Hong Kong) Limited (the "**2021 Placing Agent**"), pursuant to which (i) the Vendor agreed to appoint the 2021 Placing Agent, and the 2021 Placing Agent agreed to act as an agent of the Vendor to procure not less than six (6) placees, on a best effort basis, to purchase up to 18,000,000 ordinary shares of the Company (the "**Placing Shares**") at the price of HK$2.10 per Placing Share (the "**2021 Placing**"); and (ii) the Vendor agreed to subscribe for, and the Company agreed to allot and issue to the Vendor, up to 18,000,000 new ordinary shares of the Company (the "**Subscription Shares**") at the price of HK$2.06 per Subscription Share (the "**Subscription**"). The maximum aggregate nominal value of the Subscription Shares was HK$180. The market price of the shares of the Company was HK$2.28 per share as quoted on the Stock Exchange on 25 January 2021, being the date of the 2021 Placing and Subscription Agreement.

The 2021 Placing and the Subscription were conducted by the Company as the Directors were of the view that (i) they shall provide a good opportunity to raise additional funds to enable the Group to actively pursue acquisition or investment opportunities and enhance its development in the property management services industry in the PRC; and (ii) they shall also strengthen the financial position and to broaden the shareholder base and capital base of the Group.

Completion of the 2021 Placing took place on 27 January 2021 and completion of the Subscription took place on 8 February 2021. A total of 18,000,000 Placing Shares have been successfully placed by the 2021 Placing Agent to the placees. A total of 18,000,000 Subscription Shares had been allotted and issued to the Vendor pursuant to the general mandate granted to the Directors at the Company's annual general meeting held on 29 May 2020.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the placees of the 2021 Placing were individual, professional or institutional investors that were independent of and not connected with the Company and its connected persons, not a party acting in concert with the Vendor. None of such placees had become a substantial shareholder of the Company immediately after completion of the 2021 Placing.

The net proceeds from the Subscription were approximately HK$31.2 million (the "**Subscription Net Proceeds**"). The net price per 2021 Subscription Shares amounted to approximately HK$2.06. Up to 23 June 2022, (i) approximately RMB7.8 million of the Subscription Net Proceeds had been utilised in the manner in line with that were set out in the 2021 Placing and Subscription Announcements; and (ii) approximately RMB23.4 million of the Subscription Net Proceeds remained unutilised (the "**Unutilised Subscription Net Proceeds**"). Details of the use of the Subscription Net Proceeds were as follows:

Use of Subscription Net Proceeds	**Planned amount of Subscription Net Proceeds to be used**	**Actual use of Subscription Net Proceeds up to 31 December 2021**	**Unutilised amount of Subscription Net Proceeds up to 31 December 2021**	**Actual use of Subscription Net Proceeds from 1 January 2022 to 23 June 2022**	**Unutilised amount of Subscription Net Proceeds up to 23 June 2022**
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Approximately 75% for strategic investment in businesses or targets that are related to property management services	23.4	–	23.4	–	23.4
Approximately 25% for general working capital of the Group	7.8	7.8	–	–	–
Total	31.2	7.8	23.4	–	23.4

Change of Use of Proceeds

Reference is made to the announcement of the Company dated 23 June 2022. On 23 June 2022, the Board resolved to revise the use of the Unutilised Listing Net Proceeds, the Unutilised 2020 Placing Net Proceeds and the Unutilised Subscription Net Proceeds, which in aggregate amounted to approximately RMB244.8 million (the "**Total Unutilised Proceeds**"), in a combined manner as set out in the Company's announcement dated 23 June 2022 (the "**Revised Use of Total Unutilised Proceeds**"). Up to 30 June 2025, the Group utilised approximately RMB156.0 million of the Total Unutilised Proceeds pursuant to the Revised Use of Total Unutilised Proceeds. Details of the use of Total Unutilised Proceeds pursuant to the Revised Use of Total Unutilised Proceeds up to 30 June 2025 were as follows:

Revised use of Total Unutilised Proceeds	Allocated percentage of Total Unutilised Proceeds	Allocated Total Unutilised Proceeds as at 23 June 2022	Allocated Total Unutilised Proceeds as at 1 January 2024	Actual use of Total Unutilised Proceeds from 1 January 2024 to 31 December 2024	Unused amount of Total Unutilised Proceeds up to 31 December 2024	Actual use of Total Unutilised Proceeds from 1 January 2025 to 30 June 2025	Unused amount of Total Unutilised Proceeds up to 30 June 2025	Expected timeline for the use of Total Unutilised Proceeds
	%	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	
To pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances and expand the scale of the Group's property management, value-added services and property engineering businesses, which include acquiring or investing in companies engaged in businesses related to property management, value-added services or property engineering, or forming joint ventures with such companies, and investing in related industrial funds with business collaborative partners	30	73.4	73.4	3.0	70.4	1.9	68.5	30 September 2026

Revised use of Total Unutilised Proceeds	Allocated percentage of Total Unutilised Proceeds	Allocated Total Unutilised Proceeds as at 23 June 2022	Allocated Total Unutilised Proceeds as at 1 January 2024	Actual use of Total Unutilised Proceeds from 1 January 2024 to 31 December 2024	Unused amount of Total Unutilised Proceeds up to 31 December 2024	Actual use of Total Unutilised Proceeds from 1 January 2025 to 30 June 2025	Unused amount of Total Unutilised Proceeds up to 30 June 2025	Expected timeline for the use of Total Unutilised Proceeds
	%	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	
To further develop the Group's value-added services, which include the development of value-added products and services related to service scenarios such as communities, commercial offices and urban management, as well as assets, the upgrading of software and hardware and the development of smart community and commercial facilities operation services, and the development of value-added services related to commercial operations such as office buildings and industrial parks	20	49.0	41.5	26.7	14.8	10.9	3.9	30 September 2026

Revised use of Total Unutilised Proceeds	Allocated percentage of Total Unutilised Proceeds	Allocated Total Unutilised Proceeds as at 23 June 2022	Allocated Total Unutilised Proceeds as at 1 January 2024	Actual use of Total Unutilised Proceeds from 1 January 2024 to 31 December 2024	Unused amount of Total Unutilised Proceeds up to 31 December 2024	Actual use of Total Unutilised Proceeds from 1 January 2025 to 30 June 2025	Unused amount of Total Unutilised Proceeds up to 30 June 2025	Expected timeline for the use of Total Unutilised Proceeds
	%	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	
To upgrade the Group's systems of digitisation and smart management, which include the purchase, upgrade and research and development of software, hardware and related services for building smart terminals and Internet of Things platforms, the construction and development of information sharing platforms and databases, the recruitment and development of professional and technical staff and information management teams, the investment in companies engaged in businesses related to technological industries, and the commencement of research and development for innovative applications related to the Group's business	30	73.4	54.6	29.4	25.2	8.8	16.4	30 September 2026
Working capital and general corporate purpose	20	49.0	–	–	–	–	–	
Total	100	244.8	169.5	59.1	110.4	21.6	88.8	

As at 30 June 2025, the unused portion of the Total Unutilised Proceeds were placed at a licensed bank in the PRC. The expected timeline for using the unused portion of the Total Unutilised Proceeds has been delayed from 30 September 2025 as disclosed in the Company's 2024 annual report to 30 September 2026 due to actual business needs. Other than that, the Directors are not aware of, and do not anticipate any material delay or change in the use of proceeds from the Revised Use of Total Unutilised Proceeds, and will continue to assess the plans in relation to the planned allocation of the unused portion of the Total Unutilised Proceeds. The Directors may modify or amend the relevant plans as necessary in order to address the changing market conditions, and strive for the Group to achieve better business performance.

INTERIM DIVIDEND

The Board recommends the payment of an interim dividend of HK2.77 cents (2024 interim: HK5.52 cents) per share for the six months ended 30 June 2025 to the shareholders of the Company (the "**Shareholder(s)**"). The proposed interim dividend will be payable on 24 September 2025 (Wednesday), to Shareholders whose names appear on the Register of Members of the Company on 15 September 2025 (Monday).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the proposed interim dividend, the Register of Members of the Company will be closed from 12 September 2025 (Friday) to 15 September 2025 (Monday), both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed interim dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 11 September 2025 (Thursday).

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising shareholders' interests.

The Company adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange as its own code of corporate governance. Throughout the period from 1 January 2025 to 30 June 2025, the Company complied with all the code provisions as set out in the CG Code save for the following:

Pursuant to code provision C.2.1 of the CG Code, the role of chairman and the chief executive officer should be segregated and should not be performed by the same individual. Notwithstanding the deviation from the relevant code provision of the CG Code, the Board is of the view that Mr. Shen Yuan-Ching is familiar with the Company's business operation, thus vesting the roles of both the chairman and the chief executive officer in the same person has the benefit of ensuring the execution of the Group's business strategies, improving the efficiency of its operations, and enhancing the effectiveness of the Company's overall strategic planning. Under the supervision of the Board, it ensures that the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuer (the "**Model Code**") contained in Appendix C3 to the Listing Rules.

Specific enquiries have been made to all Directors and all Directors have confirmed that they have complied with the Model Code throughout the period from 1 January 2025 to 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange throughout the period from 1 January 2025 to 30 June 2025 (including sale of treasury shares, as defined under the Listing Rules). As at 30 June 2025, the Company did not hold any treasury shares.

REVIEW OF UNAUDITED FINANCIAL STATEMENTS

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and the unaudited interim results of the Group for the six months ended 30 June 2025 together with the management.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Company at www.xypm.hk and the Stock Exchange at www.hkexnews.hk. The 2025 interim report containing all the information required by the Listing Rules will be dispatched to the Shareholders (upon request) and published on the above websites in due course.

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

Hong Kong, 28 August 2025

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, Mr. LING Chenkai and Ms. ZHAO Xia as independent nonexecutive directors.