英利国际置业
YING LI INTERNATIONAL
REAL ESTATE

YING LI INTERNATIONAL REAL ESTATE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199106356W)

PROPOSED PRIVATE PLACEMENT OF UP TO 107,143,000 NEW ORDINARY SHARES (THE "PLACEMENT SHARES") IN THE CAPITAL OF YING LI INTERNATIONAL REAL ESTATE LIMITED (THE "COMPANY") AT S$0.28 FOR EACH PLACEMENT SHARE

The board of directors of the Company (the "**Directors**") wishes to announce that the Company has entered into a placement agreement dated 25 August 2009 (the "**Placement Agreement**") with Oversea-Chinese Banking Corporation Limited (the "**Placement Agent**").

PLACEMENT OF SHARES

Pursuant to the authority granted by the shareholders of the Company to the Board by way of ordinary resolution at the annual general meeting of the Company held on 28 April 2009, the Company is proposing to raise funds by allotting and issuing up to 107,143,000 Placement Shares (the "**Placement**"), at an issue price of S$0.28 (the "**Issue Price**") for each Placement Share, to raise gross proceeds of approximately S$30 million. The Placement will be undertaken by way of a private placement in Singapore pursuant to Section 272B of the Securities and Futures Act (Cap. 289) of Singapore. As such, no prospectus or offer information statement will be lodged by the Company with the Monetary Authority of Singapore in connection with the Placement.

On the terms and subject to the conditions of the Placement Agreement, the Company has appointed the Placement Agent as the sole placement agent in respect of the Placement, and the Company has agreed to allot and issue, and the Placement Agent has agreed to use its best efforts to procure subscriptions for, up to 107,143,000 Placement Shares at the Issue Price for each Placement Share.

The Company shall be making an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the admission and the listing and quotation of the Placement Shares on the Official List of the SGX-ST.

ISSUE PRICE AND RANKING

The Issue Price represents a discount of approximately 19.7% to S$0.3487, which is the volume weighted average price of the shares of the Company (the "**Shares**") for trades done on 21 August 2009 (being the last full market day prior to the execution of the Placement Agreement on which trades in the Shares were done). Pursuant to the Company's request, trading in the Shares was halted on 24 August 2009.

The Placement Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of completion of the Placement.

FINANCIAL EFFECTS

Assuming all the 107,143,000 Placement Shares are allotted and issued by the Company, the issued and paid-up share capital of the Company (not taking into account treasury shares and outstanding convertible securities[(1)]) (the "**Existing Share Capital**") will increase from 1,782,149,429 Shares, as at the date of this announcement, to 1,889,292,429 Shares. Such number of Placement Shares represents approximately 6.0% of the Existing Share Capital as at the date of this announcement and approximately 5.7% of the enlarged issued and paid-up share capital of the Company (not taking into account treasury shares and outstanding convertible securities) after the Placement.

Based on the audited financial statements of the Company and its subsidiaries (the "**Group**") for the financial year ended 31 December 2008 and the Existing Share Capital as at the date of this announcement, the Placement will increase the Company's net asset value per Share from RMB 0.72 to RMB 0.75 and reduce the revised net assets value per Share from RMB 1.81 to RMB 1.78.

Based on the unaudited financial statements of the Group for the second quarter and half year ended 30 June 2009 as announced on 13 August 2009 and the Existing Share Capital as at the date of this announcement, the Placement will increase the Company's net asset value per Share from RMB 0.72 to RMB 0.75 and reduce the revised net assets value per Share from RMB 1.81 to RMB 1.78.

Note:-

(1) As announced by the Company on 26 February 2009, pursuant to a loan and option agreement dated 26 February 2009, the Company has granted an option to the Placement Agent to subscribe for 20,000,000 new Shares at the exercise price of S$0.279 per Share. The Placement Agent also has an option to purchase 15,000,000 Shares from Newest Luck Holdings Limited.

PURPOSE OF PLACEMENT AND USE OF PROCEEDS

The purpose of the Placement is to raise funds for the development of the International Financial Centre, repayment of bank loans and general working capital. The net proceeds of approximately S$28.7 million raised from the Placement (assuming all the Placement Shares were subscribed and after deducting the expenses relating thereto) will be used in the following estimated proportions:

Use of Proceeds	**Percentage Allocation**
Development of International Financial Centre	20% – 60%
Repayment of bank loans	20% – 50%
General working capital	20% – 50%

Pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

GENERAL

The Placement is subject to the satisfaction of certain conditions, more particularly set out in the Placement Agreement, including without limitation, the approval-in-principle being granted by the SGX-ST for the admission and the listing and quotation of the Placement Shares on the Official List of the SGX-ST within 30 days from the date of the Placement Agreement or such other date as may be agreed between the parties, failing which the Placement Agreement shall lapse. The Company will make the appropriate announcement when such approval-in-principle is received.

The Placement Shares will not be placed to any of the persons set out as restricted persons under Rule 812(1) of the Listing Manual of the SGX-ST, save for persons which fall within the exception under Rule 812(3) of the Listing Manual of the SGX-ST.

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any direct or indirect interest in the Placement (other than through their respective shareholdings).

By Order of the Board
Xie Xin
Director
26 August 2009