英利国际置业
YING LI INTERNATIONAL
REAL ESTATE

YING LI INTERNATIONAL REAL ESTATE LIMITED
(Company Registration No. 199106356W)
(the "**Company**")

THE PROPOSED PLACEMENT OF 253,200,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "PLACEMENT SHARES") AT THE ISSUE PRICE OF S$0.61 FOR EACH PLACEMENT SHARE

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1. PLACEMENT OF SHARES

The board of directors of the Company (the "**Directors**") wishes to announce that the Company has entered into a placement agreement dated 18 November 2009 (the "**Placement Agreement**") with J.P. Morgan (S.E.A.) Limited ("**JPM**"), who has been appointed as the Sole Bookrunner, and together with DBS Bank Ltd. (collectively, the **"Joint Placement Agents"**), pursuant to which the Company has agreed to allot and issue, and the Joint Placement Agents have agreed to procure placees to subscribe for, 253,200,000 Placement Shares for the issue price of S$0.61 for each Placement Share, failing which the Joint Placement Agents will subscribe for the balance of the Placement Shares which have not been placed out (the "**Placement**").

For the sole purpose of expediting the delivery of shares of the Company (the "**Shares**") to the placees procured by the Joint Placement Agents, JPM has entered into a share lending agreement dated 18 November 2009 with Leap Forward Holdings Limited ("**LFH**"), pursuant to which LFH has agreed to lend JPM, and JPM has agreed to borrow from LFH, 253,200,000 existing Shares (the "**Borrowed Shares**") held by LFH for delivery to the placees, in settlement of the Placement Shares for which the placees have agreed to subscribe (the "**Share Loan**").

After the delivery of the Borrowed Shares by JPM to the placees, the Company will allot and issue the Placement Shares to LFH at the direction of JPM, for the purpose of returning the Borrowed Shares to LFH. The Placement Shares will be allotted and issued pursuant to the general share issue mandate approved by shareholders of the Company at the annual general meeting held on 28 April 2009.

The Placement Shares will not be placed to any of the restricted persons under Rule 812(1) of the listing manual of the SGX-ST (the "**Listing Manual**"). In addition, LFH will not receive any financial benefit, directly or indirectly, from the Share Loan in compliance with Rule 813 of the Listing Manual.

2. ISSUE PRICE AND RANKING

The issue price of S$0.61 for each Placement Share represents a discount of approximately 15.5% to S$0.7217, which is the volume weighted average price of the Shares for trades done on the SGX-ST on 16 November 2009, being the full market day on which the Shares were traded immediately prior to the execution of the Placement Agreement, up to the time of the trading halt on 17 November 2009.

The Placement Shares will, upon allotment and issue to LFH, and the Borrowed Shares will, upon delivery to the subscribers or placees, rank *pari passu* in all respects with and carry all rights similar to

the existing Shares, save that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the date of issue of the Placement Shares and the transfer of the Borrowed Shares, respectively.

3. FINANCIAL EFFECTS

Upon the allotment and issue of 253,200,000 Placement Shares, the issued and paid-up share capital of the Company (excluding treasury shares) as at the date hereof (the "**Existing Share Capital**") will increase from 1,909,292,429 Shares to 2,162,492,429 Shares. The 253,200,000 Placement Shares represent approximately 13.3% of the Existing Share Capital and approximately 11.7% of the enlarged issued and paid-up share capital of the Company 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, the Placement will increase the Company's net asset value per Share from RMB0.72 to RMB0.99, and will increase its revised net asset value per Share[(1)] from RMB1.81 to RMB1.94.

Based on the unaudited financial statements of the Group for the third quarter ended 30 September 2009 as posted by the Company on SGXNET on 26 October 2009 and the Existing Share Capital, the Placement will increase the Company's net asset value per Share from RMB0.76 to RMB1.01 and will increase its revised net asset value per Share[(1)] from RMB1.78 to RMB1.90.

Notes:

(1) The revised net asset value per Share takes into account the gain from the land revaluation of Chongqing San Ya Wan and land for development amounting to RMB 217.4 million and RMB 1,721.8 million respectively.

4. PURPOSE AND USE OF PROCEEDS

The purpose of the Placement is to raise funds for the development of a commercial building on a land parcel located at the city centre of Chongqing (the "**Da Ping Project**") and for future acquisitions of land and general working capital. Intended to be an integrated development project, the Da Ping Project will comprise residential, hospitality and retail components. The gross proceeds of approximately S$154.5 million raised from the Placement, after deducting costs and expenses of about S$7.5 million relating thereto, will be used in the following estimated proportions:

Intended use of proceeds	**Estimated proportions**
Funding for the Da Ping Project	85%
Future acquisitions of land and general working capital	15%

Pending the deployment of the net proceeds from the Placement, the net 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 interest of the Company.

5. GENERAL INFORMATION

Completion of the Placement is conditional upon, *inter alia*, the representations and warranties set out in the Placement Agreement being true and correct as at the date of completion of the Placement (the "**Completion Date**") and the receipt by JPM of the Borrowed Shares from LFH under the Share Loan not later than two (2) market days prior to the Completion Date.

The Company has agreed in the Placement Agreement that it will not issue, offer, sell, encumber or otherwise dispose of any other Shares or convertible securities in addition to the Placement Shares

during the period commencing from the date thereof to the date ending 180 days after the Completion Date, unless with the prior written consent of the Joint Placement Agents.

The Company has lodged an offer information statement in relation to the Placement today with the Monetary Authority of Singapore (the "**MAS**") pursuant to Section 277 of Securities and Future Act (Cap. 289) of Singapore, and will apply to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the admission to and the listing and quotation of the Placement Shares on the Official List of the SGX-ST. The Company will make the relevant announcement upon the receipt of the approval in-principle from the SGX-ST.

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 in the Company, and in the case of LFH, the arrangements under the Share Loan).

By Order of the Board
Ying Li International Real Estate Limited

Xie Xin
Director
18 November 2009