YING LI INTERNATIONAL REAL ESTATE LIMITED
(Company Registration Number: 199106356W)
(Incorporated in the Republic of Singapore)

UPDATE ON THE PROPOSED DISPOSAL OF INTERESTS IN YING LI INTERNATIONAL COMMERCIAL CENTRE PROJECT

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1. INTRODUCTION

The Board of Directors (the "**Board**") of Ying Li International Real Estate Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 28 November 2017 in relation to the Proposed Disposal and the Proposed Transfer of Land Use Rights (the "**Announcement**").

Capitalised terms used herein and not otherwise defined shall have the same meanings ascribed to them in the Announcement.

2. FURTHER INFORMATION ON THE PROPOSED TRANSACTION

The Group has maintained close communication with the relevant PRC authority throughout the tender and acquisition process for the Land Parcel. Since the Announcement on 28 November 2017, the Group has approached the relevant PRC authority on the consummation of the Land Parcel acquisition and has received favourable responses. The latest estimated additional cost needed to complete the acquisition is still within the RMB520 million provision currently made for such acquisition.

However, in the remote event that the acquisition of the Land Parcel is unsuccessful, the Aggregate Consideration and terms of payment would be adjusted and the resulting net gain from the Proposed Transaction will also be adjusted, as described below:

(a) the Aggregate Consideration will be reduced by RMB1.25 billion to carve out the value of the Proposed Transfer of Land Use Right provided for in the Aggregate Consideration. In addition, the Company will no longer be required to incur the additional costs of RMB520 million in respect of completing the acquisition of the Land Parcel. Accordingly, should the acquisition of the Land Parcel be unsuccessful, the Company will still record a net gain of RMB128 million from the Proposed Transaction (as compared to a net gain of RMB343 million should the acquisition of the Land Parcel be successfully completed); and

(b) the terms of payment of the Aggregate Consideration will be adjusted as follows:

(i) there will be no changes to the first and second payment tranches;

(ii) the amounts payable under the third to sixth tranches of the Aggregate Consideration will be adjusted as follows:

Tranche	Existing amounts payable (RMB million)	Adjustment amount (RMB million)	Revised amounts payable (RMB million)
Third	530.00	450.00	80.00
Fourth	10.00	10.00	N/A
Fifth	550.00	214.65	335.35
Sixth	575.35	575.35	N/A

(iii) the revised third and fourth tranches of the Aggregate Consideration will be payable by the Purchaser at the following milestones:

(A) RMB 80 million is to be paid no later than the end of 6 months and 20 days after the legal completion of the Proposed Transaction (or such later date as mutually agreed by the parties); and

(B) RMB 335.35 million is to be paid 180 days after the third tranche payment.

3. WAIVER OF THE REQUIREMENT FOR SHAREHOLDERS' APPROVAL

The Company has sought a waiver from the SGX-ST of the requirement for Shareholders' approval to be obtained for the Proposed Transaction. Further announcements will be made by the Company when there are material developments in this regard.

BY ORDER OF THE BOARD
Ying Li International Real Estate Limited

Fang Ming
Executive Chairman and Group CEO
7 December 2017