

CIRCULAR DATED 13 April 2010

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Ying Li International Real Estate Limited (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should at once hand this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. The approval-in-principle granted by the SGX-ST is not an indication of the merits of the Company, its subsidiaries, the Shares (as defined herein), the Ying Li Employee Share Option Scheme (as defined herein) and the Ying Li Performance Share Plan (as defined herein).



YING LI INTERNATIONAL REAL ESTATE LIMITED

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO:

- (1) THE PROPOSED ADOPTION OF THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (2) THE PROPOSED GRANT OF OPTIONS AT A DISCOUNT UNDER THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (3) THE PROPOSED ADOPTION OF THE YING LI PERFORMANCE SHARE PLAN;**
- (4) THE PROPOSED PARTICIPATION OF MR. FANG MING, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (5) THE PROPOSED PARTICIPATION OF MR. FANG MING, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN;**
- (6) THE PROPOSED PARTICIPATION OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (7) THE PROPOSED PARTICIPATION OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN;**
- (8) THE PROPOSED PARTICIPATION OF MR. XIE XIN, AN ASSOCIATE OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME; AND**
- (9) THE PROPOSED PARTICIPATION OF MR. XIE XIN, AN ASSOCIATE OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN.**

Important Dates and Times:

- Last date and time for lodgment of Proxy Form : 26 April 2010 at 9.30 a.m.
- Date and time of Extraordinary General Meeting : 28 April 2010 at 9.30 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.00 a.m. on the same day and at the same place)
- Place of Extraordinary General Meeting : NTUC Centre
No. 1 Marina Boulevard
Room 701, Level 7
Singapore 018989

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DEFINITIONS

The following definitions apply throughout in this Circular except where the context otherwise requires:

- “Articles”* : The Articles of Association of the Company
- “Associate”* : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Auditors”* : The auditors of the Company for the time being
- “Award”* : A contingent award of Shares granted pursuant to the rules of the Plan
- “Award Date”* : In relation to an Award, the date on which the Award is granted pursuant to the rules of the Plan
- “Board”* : The board of directors of the Company
- “CDP”* : The Central Depository (Pte) Limited
- “Circular”* : This circular to Shareholders dated 13 April 2010
- “Committee”* : A committee comprising Directors as may be duly authorised and appointed by the Board to administer the Scheme and the Plan
- “Companies Act”* : The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- “Company” or “Ying Li”* : Ying Li International Real Estate Limited
- “Controlling Shareholder”* : A person who:
- (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or
 - (b) in fact exercises control over the Company

DEFINITIONS

<i>"Date of Grant"</i>	:	The date on which an Option is granted to a Participant pursuant to the rules of the Scheme
<i>"Director(s)"</i>	:	The director(s) of the Company
<i>"EGM"</i>	:	The extraordinary general meeting of the Company to be convened and held at NTUC Centre, No. 1 Marina Boulevard, Room 701, Level 7, Singapore 018989 on 28 April 2010 at 9.30 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.00 a.m. on the same day and at the same place), notice of which is set out on page N-1 of this Circular
<i>"EPS"</i>	:	Earnings Per Share
<i>"Exercise Price"</i>	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option, as determined in accordance with the rules of the Scheme
<i>"FY"</i>	:	Financial year ended 31 December
<i>"Group"</i>	:	The Company and its subsidiaries
<i>"Group Employee"</i>	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme and/or the Plan in accordance with the rules thereof
<i>"Group Executive Director"</i>	:	A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function
<i>"IFRS"</i>	:	International Financial Reporting Standards
<i>"Latest Practicable Date"</i>	:	The latest practicable date prior to the printing of this Circular, being 22 March 2010
<i>"Leap Forward"</i>	:	Leap Forward Holdings Limited
<i>"Listing Manual"</i>	:	The Listing Manual of the SGX-ST, as may be amended, modified or supplemented from time to time
<i>"Market Day"</i>	:	A day on which the SGX-ST is open for trading in securities
<i>"Market Price"</i>	:	The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST for a period of five consecutive Market Days immediately prior to the relevant Offer Date of the Option, provided always that in the case of a Market Day on which the Shares of the Company are not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
<i>"Memorandum"</i>	:	Memorandum of association of the Company, as amended, modified or supplemented from time to time
<i>"Newest Luck"</i>	:	Newest Luck Holdings Limited

DEFINITIONS

“NTA”	:	Net tangible assets
“Offer Date”	:	The date on which an Award or an offer to grant an Option is made
“Option”	:	The right to subscribe for Shares granted pursuant to the rules of the Scheme
“Participant”	:	A Group Employee or Group Executive Director, who has been granted an Option and/or an Award, as the case may be
“Performance Period”	:	The performance period during which the Performance Targets shall be satisfied
“Performance Target”	:	The performance target prescribed by the Committee to be fulfilled by a Participant for any particular period under the Plan
“Plan” or “Ying Li Performance Share Plan”	:	The proposed Ying Li Performance Share Plan to be adopted by the Company
“Remuneration Committee”	:	The remuneration committee of the Company, comprising such Directors of the Company as may be nominated by the Board from time to time
“Scheme” or “Ying Li Employee Share Option Scheme”	:	The proposed Ying Li Employee Share Option Scheme to be adopted by the Company
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Shareholders of the Company from time to time
“Share(s)”	:	Ordinary share(s) in the capital of the Company
“Substantial Shareholder”	:	A Shareholder who has an interest in not less than 5% of the issued Shares
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
“Treasury Shares”	:	The Shares held in treasury by the Company
“\$” and “cents”	:	Dollars and cents respectively of the currency of Singapore
“%” or “per cent.”	:	Per centum or percentage

The terms “*Depositor*”, “*Depository Agent*” and “*Depository Register*” shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA or the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

DEFINITIONS

Any reference to a time of day shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

YING LI INTERNATIONAL REAL ESTATE LIMITED

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

Directors:

Mr. Fang Ming (Chairman and Chief Executive Officer)
Mr. Xie Xin (Executive Director and Senior Vice President)
Ms. Xu Li (Executive Director and Senior Vice President)
Mr. He Zhao Ju @ Danny Ho (Non-Executive Director)
Mr. Christopher Chong Meng Tak (Co-Lead Independent Director)
Mr. Lui Seng Fatt (Co-Lead Independent Director)
Mr. Xiao Zu Xiu (Independent Director)

Registered Office:

6 Temasek Boulevard
#24-04 Suntec Tower Four
Singapore 038986

13 April 2010

To: The Shareholders of the Company

Dear Sir/Madam,

- (1) **THE PROPOSED ADOPTION OF THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (2) **THE PROPOSED GRANT OF OPTIONS AT A DISCOUNT UNDER THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (3) **THE PROPOSED ADOPTION OF THE YING LI PERFORMANCE SHARE PLAN;**
- (4) **THE PROPOSED PARTICIPATION OF MR. FANG MING, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (5) **THE PROPOSED PARTICIPATION OF MR. FANG MING, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN;**
- (6) **THE PROPOSED PARTICIPATION OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME;**
- (7) **THE PROPOSED PARTICIPATION OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN;**
- (8) **THE PROPOSED PARTICIPATION OF MR. XIE XIN, AN ASSOCIATE OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME; AND**
- (9) **THE PROPOSED PARTICIPATION OF MR. XIE XIN, AN ASSOCIATE OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN.**

1. INTRODUCTION

1.1 Extraordinary General Meeting

The Board is proposing to convene an EGM to seek Shareholders' approval in respect of the following matters:

- (a) the proposed adoption of the Scheme;

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- (b) the proposed grant of Options at a discount under the Scheme;
- (c) the proposed adoption of the Plan;
- (d) the proposed participation of Mr. Fang Ming, a Controlling Shareholder, in the Scheme and the Plan;
- (e) the proposed participation of Ms. Xu Li, a Controlling Shareholder, in the Scheme and the Plan; and
- (f) the proposed participation of Mr. Xie Xin, an Associate of Ms. Xu Li, a Controlling Shareholder, in the Scheme and the Plan.

1.2 Purpose of this Circular

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information relating to the aforesaid proposals and to seek Shareholders' approval in relation thereto at the EGM to be held at NTUC Centre, No. 1 Marina Boulevard, Room 701, Level 7, Singapore 018989 on 28 April 2010 at 9.30 a.m (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.00 a.m. on the same day and at the same place). The Notice of the EGM is set out on page N-1 of this Circular.

2. THE YING LI EMPLOYEE SHARE OPTION SCHEME

The Company is proposing to implement a new employee share option scheme to be named the "Ying Li Employee Share Option Scheme".

2.1 Rules of the Scheme

The rules of the Scheme in its entirety are set out in Appendix A to this Circular, and a summary of the rules is set out below.

2.2 Rationale for the Scheme

Please see Section 5 of this Circular for the rationale for the Scheme.

2.3 Eligibility of Participants

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Scheme:

- (a) Group Employees; and
- (b) Group Executive Directors,

provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the Scheme, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of Shareholders in general meeting by a separate resolution.

2.4 Entitlement of Participants

An Option represents the right of a Participant to subscribe for Shares in consideration for the Exercise Price upon the exercise of the Option.

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Subject to limitations under the rules of the Scheme, the number of Shares over which an Option may be granted to each Participant shall be determined by the Committee in its absolute discretion, taking into account factors such as his rank, past performance, length of service, contribution to the success and development of the Group, his potential for future development and prevailing market and economic conditions.

2.5 Size and Duration of the Scheme

In compliance with the requirements of the Listing Manual, the aggregate number of Shares over which Options may be granted on any date under the Scheme, when added to the number of Shares issued and/or issuable in respect of:

- (a) all Options granted under the Scheme;
- (b) all Awards granted under the Plan; and
- (c) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 5% of the total issued Shares of the Company (excluding Treasury Shares) on the day preceding that date.

Futhermore, the aggregate number of Shares over which Options may be granted under the Scheme to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the Scheme, and the number of Shares over which an Option may be granted under the Scheme to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Scheme.

The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the Scheme is adopted by Shareholders in general meeting, provided that the Scheme may continue beyond the aforesaid period of time with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

2.6 Exercise Price of Options

Subject to adjustments under the rules of the Scheme, the Exercise Price for the Shares in respect of which an Option is exercisable shall be fixed by the Committee in its absolute discretion at:

- (a) the Market Price; or
- (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price and is approved by Shareholders in general meeting in a separate resolution.

In determining whether to give a discount and the quantum of such discount in respect of the Exercise Price, the Committee may take into account factors such as the performance of the Group, years of service and individual performance of the Participant, his contribution to the success and development of the Group, and prevailing market and economic conditions.

2.7 Grant of Options at a Discounted Price

Under the Scheme, the Exercise Price of Options granted will be determined by the Committee. The Committee has the discretion to grant Options at a discounted Exercise Price. In the event that Options are granted at a discount, the discount shall not exceed 20% of the Market Price.

The ability to offer Options at a discount to the Market Price of the Shares will give the Company flexibility in structuring the Options granted, and ensures that the Company maintains the competitiveness of its compensation strategy. The Company may utilise the Options as a means to reward Participants for their outstanding performance and to motivate them to continue to excel,

LETTER TO SHAREHOLDERS

as well as attract new talent for the Company. Being able to grant Options at a discount allows the Company to acknowledge a Participant's contributions where such means is more meaningful than paying a cash bonus, as these Options operate as a form of cashless reward from the Company with a greater potential for capital appreciation than Options granted at the Market Price. This serves as an additional method available to the Company for compensating employees rather than through salaries, salary increments and cash bonuses as it enables the Company to introduce an effective manner of motivating Participants to maximise their performance, which will in turn create better value for the Shareholders.

Further, because Options granted with a discount under the Scheme are subject to a longer vesting period (two years) than those granted at the Market Price (one year), holders of such Options are encouraged to have a long term view of the Company, thereby promoting staff and employee retention and reinforcing their commitment to the Company.

The Company believes that the maximum 20% discount to the Market Price of the Shares is sufficient to allow for flexibility in the Scheme, while minimising the potential dilutive effect to the Shareholders arising from the Scheme.

2.8 Exercise Period of Options

An Option granted with the Exercise Price set at the Market Price shall be exercisable at any time by the Participant after the first anniversary of the Date of Grant, provided that the Option shall be exercised before the 10th anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which the unexercised Option shall immediately lapse and become null and void.

An Option granted with the Exercise Price set at a discount to the Market Price shall be exercisable at any time by the Participant after the second anniversary of the Date of Grant, provided that the Option shall be exercised before the 10th anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which the unexercised Option shall immediately lapse and become null and void.

2.9 Operation of the Scheme

Subject to prevailing legislation and guidelines issued by the SGX-ST, the Company will deliver Shares to Participants in relation to the exercise of an Option, either by way of an issue of new Shares, deemed to be fully paid upon their issuance and allotment, or the delivery of Treasury Shares.

In determining whether to issue new Shares or deliver Treasury Shares, the Company will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.

Existing Shares procured by the Company for transfer on the exercise of an Option shall be subject to all the provisions of the Memorandum and Articles, shall rank in full for all entitlements, excluding dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which falls on or before the relevant exercise date, and shall in all other respects rank *pari passu* with other existing Shares then in issue. For the purposes of this paragraph, "record date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

3. THE PROPOSED YING LI PERFORMANCE SHARE PLAN

The Company is proposing to implement a new performance share plan to be named the "Ying Li Performance Share Plan".

3.1 Rules of the Plan

The rules of the Plan in its entirety are set out in Appendix B to this Circular, and a summary of the rules is set out below.

LETTER TO SHAREHOLDERS

3.2 Rationale of the Plan

Please see Section 5 of this Circular for the rationale for the Plan.

3.3 Eligibility of Participants

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Plan:

- (a) Group Employees; and
- (b) Group Executive Directors,

provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the Plan, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Award to any of them may only be effected with the specific prior approval of Shareholders in general meeting by a separate resolution.

3.4 Entitlement of Participants

An Award represents the right of a Participant to receive fully paid Shares free of charge upon the Participant achieving the Performance Target.

Subject to limitations under the rules of the Plan, the number of Shares which are the subject of an Award to be granted to each Participant shall be determined by the Committee in its absolute discretion, taking into consideration, where applicable, factors such as his rank, past performance, length of service, contribution to the success and development of the Group, potential for future development and prevailing market and economic conditions.

An Award may only be vested, and consequently any Shares comprised in such Award may only be issued, upon the Committee being satisfied at its absolute discretion that the Participant has achieved the Performance Target. The Committee may prescribe for a vesting schedule pursuant to which an Award shall vest at the end of each Performance Period, provided the Performance Target for the period has been achieved.

Awards are personal to the Participant to whom it is given and shall not be transferred (other than to a Participant's personal representative on the death of the former), charged, assigned, pledged or otherwise disposed of, unless with the prior approval of the Committee.

3.5 Size and Duration of the Plan

In compliance with the requirements of the Listing Manual, the aggregate number of Shares for which an Award may be granted on any date under the Plan, when added to the number of Shares issued and/or issuable in respect of:

- (a) all Awards granted under the Plan;
- (b) all Options granted under the Scheme; and
- (c) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 5% of the total issued Shares of the Company (excluding Treasury Shares) on the day preceding that date.

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Furthermore, the aggregate number of Shares for which Awards may be granted under the Plan to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the Plan, and the number of Shares for which an Award may be granted under the Plan to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Plan.

The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the Plan is adopted by Shareholders in general meeting, provided that the Plan may continue beyond the aforesaid period of time with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

3.6 Operation of the Plan

Subject to prevailing legislation and guidelines issued by the SGX-ST, the Company will deliver Shares to Participants upon vesting of their Awards, either by way of an issue of new Shares, deemed to be fully paid upon their issuance and allotment, or the delivery of Treasury Shares.

In determining whether to issue new Shares or deliver Treasury Shares, the Company will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.

Existing Shares procured by the Company for transfer on the release of an Award shall be subject to all the provisions of the Memorandum and Articles, shall rank in full for all entitlements, excluding dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which falls on or before the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Shares then in issue. For the purposes of this paragraph, "record date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

4. ROLE AND COMPOSITION OF THE COMMITTEE

The Remuneration Committee, whose primary function is to assist the Directors in reviewing remuneration matters, is the designated body responsible for administering the Scheme and the Plan.

In compliance with the requirements of the Listing Manual, a Participant of the Plan and the Scheme, who is a member of the Remuneration Committee, shall not be involved in its deliberations in respect of Options and/or Awards to be granted to or held by that member of the Remuneration Committee.

5. RATIONALE FOR THE SCHEME AND THE PLAN

By implementing the Scheme and the Plan, the Company hopes to inculcate in all Participants a stronger and more lasting sense of identification with the Group. The Scheme and the Plan will also operate to attract, retain and provide incentives to Participants to encourage greater dedication and loyalty by enabling the Company to give recognition for past contributions and services as well as motivating Participants generally to contribute towards the Group's long-term prosperity.

The purpose of adopting more than one share plan is to give the Company greater flexibility to align the interests of employees, especially key executives, with those of Shareholders. It is also intended that the Scheme and the Plan will complement each other in the Company's continuing efforts to reward, retain and motivate employees to achieve superior performance. The Scheme and the Plan will further strengthen the Company's competitiveness in attracting and retaining employees, especially employees who have the requisite knowledge, technical skills and experience whom the Company believes could contribute to the development and growth of the Group. The Company believes that with the Scheme and the Plan in place, they will strengthen and enhance the

LETTER TO SHAREHOLDERS

Company's ability in attracting and retaining suitable talents. Options may be granted, for example, as a supplement to the remuneration packages for employees under the Scheme, or in addition thereto, Awards may be granted to Participants under the Plan.

Unlike Options granted under the Scheme, the Plan contemplates the award of fully-paid Shares to Participants after Performance Targets have been met. As such, while the Scheme is targeted at employees of the Group in general, the Plan is targeted at key employees who are in the best position to drive the growth of the Company through superior performance. The Company believes that with the Plan in place, it will be more effective than merely having pure cash bonuses in place to motivate Participants to work towards determined goals.

The Plan helps to fulfil the Company's primary long-term objective of motivating deserving and eligible Participants to optimise their performance standards and efficiency and to maintain a high level of performance and contribution. The Plan also further motivates employees that the Company regards as integral to the Group to strive for superior performance and to deliver long-term shareholder value, to serve as a motivational tool to recruit and retain talented senior executives and reward for Group and individual performance, as well as enhance the Group's overall compensation packages to attract and retain high performing talent.

The assessment criteria for granting Options under the Scheme are more general (e.g. length of service and general performance of the Group) and do not relate to specific performance targets imposed by the Company. In contrast, the Plan gives the Company flexibility in rewarding its executives as it gives the Company the flexibility to impose specific or medium-term performance targets or to impose time-based service conditions, or a combination of both. For instance, the Company may grant Awards under the Plan after the Performance Targets have been achieved.

Alternatively, the Company may grant Awards under the Plan after the satisfactory completion of time-based service conditions, that is, after the Participants have served the Group for a specified number of years or after a further period of service beyond the completion date of the Performance Targets. The Company may also impose an extended vesting period beyond the completion date of the Performance Targets in order to encourage Participants to continue serving the Group. A performance-based award may be granted under the Plan, for example, with a Performance Target based on the successful completion of a project, or on the Company meeting certain specified corporate target(s), and may incorporate a further vesting period to encourage the Participant to continue serving the Group for a further period of time following completion of the project.

The proportion of Shares granted under the Plan will be determined at the discretion of the Committee, who will take into account factors such as the Participant's capability, scope of responsibility, skill and vulnerability to leaving the employment of the Group. In deciding the number of Shares to be granted to a Participant, the Committee will also consider the compensation and/or benefits to be given to the Participant under the Scheme and such other share-based incentive schemes of the Company, if any. The Committee may also set specific criteria and Performance Targets for each of the Company's business units, taking into account factors such as (i) the Company's and the Group's business goals and directions for each financial year; (ii) the Participant's actual job scope and duties; and (iii) the prevailing economic conditions.

In contrast, the Scheme is meant to be more of a "loyalty" driven time-based incentive program. The Scheme will be available to all Group Employees and Group Executive Directors and as such will function as a generic share-based incentive scheme. The Scheme will thus be complementary to the Plan. In any event, the number of Shares to be issued under the Plan and the Scheme will be subject to the limit of 5% of the Company's total issued share capital.

As at the Latest Practicable Date, the Company does not hold any Treasury Shares.

LETTER TO SHAREHOLDERS

6. THE PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE YING LI EMPLOYEE SHARE OPTION SCHEME AND THE YING LI PERFORMANCE SHARE PLAN

6.1 Rationale and Justification for Participation

The key objectives of the proposed Scheme and Plan are to motivate key executives (including Directors and Group Employees) to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Company. The Company believes that the proposed Scheme and Plan may be more effective than cash bonuses in motivating employees to work towards pre-determined targets and to put in their best efforts whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with multinational companies.

To this end, key executives, including the Controlling Shareholders and their Associates, shall be treated equally as they are important to the development and success of the Group. As such, regardless of whether they are Controlling Shareholders or Associates, the Company's view is that all deserving and eligible participants should be equally entitled to take part in and benefit from the Company's fair and equitable system of remuneration.

The terms of the proposed Scheme and the Plan do not differentiate between the Controlling Shareholders and their Associates from other key executives in determining the eligibility of such persons to be granted Options or Awards. They should not unduly favour Controlling Shareholders and their Associates. Likewise, Controlling Shareholders and their Associates should not be excluded from participating in the proposed proposed Scheme and Plan solely for the reason that they are Controlling Shareholders or their Associates. In addition, to deny participation by the Controlling Shareholders and their Associates may serve to demotivate them and undermine the objectives of the proposed Scheme and Plan.

The Controlling Shareholders and the Associate as set out in Section 7 of this Circular are part of the key management of the Group, which is responsible for the management and for driving the growth of the Group. The Company believes that the Controlling Shareholders and the Associate have made and will continue to make invaluable contributions to the Group. While the Company is of the view that the existing remuneration of the Controlling Shareholders and the Associate as set out in Section 7 of this Circular is not insufficient, the Company is proposing that approval be given for their participation in the Scheme and the Plan so as to spur them on to further optimise their performance standards and efficiency and to reward them for their significant contributions to the Group.

In terms of the basis for determining the quantum of grant to each Controlling Shareholder and/or Associate, factors which will be taken into account include the designation, capability, experience, scope of responsibility and years of service of the Participant as well as his overall past and potential contributions to the growth and development of the Group.

The remuneration of the Controlling Shareholders and the Associate named in Section 7 of this Circular is in line with non-related employees of the same rank.

6.2 Safeguards

As a safeguard against abuse, all members of the Board (and not just members of the Committee) who are neither Controlling Shareholders nor their Associates will be involved in deliberations in respect of Options and/or Awards to be granted to or held by Controlling Shareholders and their Associates and the terms and conditions, including the Performance Targets and vesting periods attached to such Options and/or Awards. Examples of Performance Targets to be set for Controlling Shareholders and their Associates include targets based on criteria such as the Group's profitability, returns on Shareholders' funds, expansion of the Group's business, management skills and succession planning.

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Specific approval of the independent Shareholders is required for the grant of Options and/or Awards to Controlling Shareholders and their Associates as well as the actual number of and terms of such Options and/or Awards. In seeking such independent Shareholders' approval, clear justification as to their participation, the number of new Shares and the terms of Options and/or Awards to be granted to the Controlling Shareholders and their Associates will need to be provided.

The Company is of the view that there are sufficient safeguards against abuse resulting from the participation of the Controlling Shareholders and their Associates in the proposed Scheme and Plan.

7. PARTICIPATION BY MR. FANG MING AND MS. XU LI, WHO ARE CONTROLLING SHAREHOLDERS, AND MR. XIE XIN, AN ASSOCIATE OF MS. XU LI

7.1 Rationale

As at the Latest Practicable Date, the Controlling Shareholders who are eligible to participate in the Scheme and the Plan are Mr. Fang Ming, the Chairman and Chief Executive Officer of the Company, and Ms. Xu Li, the Company's Executive Director and Senior Vice President. Mr. Xie Xin, an Executive Director and Senior Vice President of the Company, is also eligible to participate in the Scheme and the Plan. Mr. Xie Xin is an Associate of Ms. Xu Li.

The Company is of the view that all deserving and eligible Participants who have contributed to the success and development of the Group should be equally entitled to take part and benefit from the Company's fair and equitable system of remuneration, regardless of whether they are Controlling Shareholders or Associates. As such, the terms of the Scheme and the Plan do not differentiate between Controlling Shareholders and their Associates from other employees in determining their eligibility.

Nevertheless, as a safeguard against abuse, where Options and Awards are proposed to be granted to Controlling Shareholders or their Associates, all members of the Board (and not just members of the Committee) who are neither Controlling Shareholders nor their Associates shall be involved in the deliberations of the same.

7.2 Mr. Fang Ming

Mr. Fang Ming has more than 16 years of experience in the property development industry. He has been the Chairman and Chief Executive Officer of the Company since a reverse takeover undertaken in 2008, and has been responsible for overseeing of the Group's business. As the Chairman and Chief Executive Officer, he is responsible for the corporate direction and strategies of the Group, as well as overall management of its business.

Under Mr. Fang Ming's effective management and leadership, the Group's business has expanded steadily in the property sector. The Company recognises that the continued contributions and participation of Mr. Fang Ming in the general management and strategic expansion of the Group remain vital in ensuring the continued success and development of the Group.

For the reasons set out above, the Company is proposing the participation of Mr. Fang Ming in the Scheme and the Plan.

The Company will seek specific approval from independent Shareholders in connection with the grant of Options and/or Awards to Mr. Fang Ming.

Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Mr. Fang Ming and his Associates shall abstain from voting in respect of the Scheme and the Plan at the EGM.

Please refer to Section 9 of this Circular for details on Mr. Fang Ming's shareholding interests in the Company.

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7.3 Ms. Xu Li

As an Executive Director and Senior Vice President, Ms. Xu Li is an advisor to Mr. Fang Ming, the Chairman and Chief Executive Officer of the Company. Since her appointment in September 2008, she is also responsible for the internal financial affairs and accounting functions of the Group. Ms. Xu Li's leadership coupled with her entrepreneurial drive have been instrumental in the development and expansion of the Group. The continued contributions and participation of Ms. Xu Li in the general management and strategic expansion of the Group remain vital in ensuring the continued growth and expansion of the Group's business. The Company recognises that Ms. Xu Li will continue to play an integral role in driving the strategic development and success of the Group.

For the reasons set out above, the Company is proposing the participation of Ms. Xu Li in the Scheme and the Plan.

The Company will seek specific approval from independent Shareholders in connection with the grant of Options and/or Awards to Ms. Xu Li.

Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Ms. Xu Li and her Associates shall abstain from voting in respect of the Scheme and the Plan at the EGM.

Please refer to Section 9 of this Circular for details on Ms. Xu Li's shareholding interests in the Company.

7.4 Mr. Xie Xin

Mr. Xie Xin is an Executive Director and Senior Vice President of the Company, an appointment he has held since September 2008. Mr. Xie Xin is also an advisor to Mr. Fang Ming, the Chairman and Chief Executive Officer of the Company. Since the commencement of Mr. Xie Xin's employment with the Group, he has been actively involved in the Group's strategic acquisitions and alliances, capital investments and corporate finance advisory work. The Company considers Mr. Xie Xin's contribution towards the Group's continued growth and development to be invaluable.

For the reasons set out above, the Company is proposing the participation of Mr. Xie Xin in the Scheme and the Plan.

The Company will seek specific approval from independent Shareholders in connection with the grant of Options and/or Awards to Mr. Xie Xin.

Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Mr. Xie Xin and his Associates shall abstain from voting in respect of the Scheme and the Plan at the EGM.

Please refer to Section 9 of this Circular for details on Mr. Xie Xin's shareholding interests in the Company.

8. FINANCIAL EFFECTS OF THE SCHEME AND THE PLAN

Details of the costs to the Company of granting Awards pursuant to the Plan and Options under the Scheme would be as follows:

8.1 Potential Costs of Options and Awards

The grant of Options under the Scheme and/or Awards under the Plan will result in an increase in the Company's issued share capital to the extent that new Shares are issued to the Participants pursuant to the exercise of the Options and/or the grant of the Awards. This will in turn depend on, *inter alia*, the number of Shares comprised in the Options and Awards to be issued. As such, there would be no impact on the Company's number of issued shares if the relevant Options are not exercised or the relevant Awards are not vested.

Based on the IFRS, no cash outlays would be expended by the Company at the time Options and Awards are issued by it (as compared with cash bonuses). However, the Company would recognise an expense in the financial statements based on the fair value of the Option or the Award at the grant date.

LETTER TO SHAREHOLDERS

IFRS 2 is effective for the financial statements of the Company for the financial year beginning 1 January 2005. Participants will receive Shares in settlement of the Options and Awards, and the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards and Options would be recognised as a charge to the income statement over the vesting period of an Award or Option and a corresponding credit to reserve account. For Options granted, the total amount of the charge over the vesting period is generally measured based on the fair value of each Option granted. This is normally estimated by applying the option pricing model at the date of grant. As for Awards, the total amount of charge over the vesting period is based on the market price at the date of grant adjusted to take into the account the terms and conditions upon which the Awards were granted. Before the end of the vesting period, at each accounting year end, the estimate of the number of Options and Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made. This accounting treatment has been referred to as the “modified grant date method”, because the number of Shares included in the determination of the expense relating to employee services is adjusted to reflect the actual number of Shares that eventually vest but no adjustment is made to changes in the fair value of the Shares since the date of grant.

The amount charged to the income statement would be the same whether the Company settles the Awards or Options using New Shares or existing Shares (“equity settlement”). In the case of Awards, the amount of the charge to the income statement also depends on whether or not the Performance Target attached to an Award is a “market condition”, that is a condition which is related to the market price of the Shares. If the Performance Target is not a market condition, the fair value of the Shares granted at the date of grant is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, if the Awards do not ultimately vest due to a failure to meet the Performance Target, the amount charged to the income statement would be reversed at the end of the vesting period.

8.2 Share Capital

The Scheme and the Plan will result in an increase in the Company’s issued share capital when new Shares are issued to Participants pursuant to the exercise of Options and grant of Awards. This increase will in turn depend on, *inter alia*, the number of Shares comprised in the Options and the Awards, and the prevailing market price of the Shares on the SGX-ST. However, there will be no change to the Company’s issued share capital where Options (when exercised) and Awards are satisfied by Treasury Shares held by the Company.

8.3 Earnings per Share

The Scheme and the Plan will have a dilutive effect on the Company’s consolidated EPS following the increase in the Company’s issued share capital to the extent that new Shares are issued pursuant to the Scheme and the Plan.

8.4 Net Tangible Assets

The issue of new Shares upon the exercise of the Options under the Scheme will increase the consolidated NTA of the Company by the aggregate Exercise Price of the new Shares. On a per Share basis, the effect on the NTA of the Company is accretive if the Exercise Price is above the NTA per Share but dilutive otherwise.

As described above, the grant of Awards under the Plan is likely to result in a charge in the Company’s profit and loss account over the period from the date of the grant of the Awards to the vesting date of the Awards. The amount of the charge will be computed in accordance with the grant date method under IFRS 2. If new Shares are issued to Participants, there would be no effect on the NTA of the Company.

LETTER TO SHAREHOLDERS

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares, are as follows:

	Direct interest		Deemed interest	
	No. of Shares	%	No. of Shares	%
Directors				
Fang Ming	20,250,000	0.94	825,438,201 ²	38.18%
Xu Li ¹	–	–	825,438,201 ²	38.18%
Xie Xin ¹	–	–	825,438,201	38.18%
He Zhao Ju @ Danny Ho	–	–	–	–
Christopher Chong Meng Tak	–	–	–	–
Lui Seng Fatt	–	–	–	–
Xiao Zu Xiu	–	–	–	–
Substantial Shareholders (other than Directors)				
Newest Luck	825,438,201	38.18%	–	–
Leap Forward	409,530,634	18.94%	–	–
The Trustee of Columbia University in The City of New York ³	–	–	409,530,634	18.94%
Zana Capital Pte Ltd ⁴	–	–	409,530,634	18.94%
Zana China Fund L.P. ⁵	–	–	409,530,634	18.94%
Chan Hock Eng ⁶	–	–	409,530,634	18.94%
Ng Koon Siong ⁶	–	–	409,530,634	18.94%

Notes:

- Mr. Xie Xin is the husband of Ms. Xu Li. Accordingly, Mr. Xie Xin is deemed interested in the Shares held by Ms. Xu Li.
- Mr. Fang Ming and Ms. Xu Li hold 80% and 20% of the issued share capital of Newest Luck respectively. Accordingly, Mr. Fang Ming and Ms. Xu Li are deemed interested in the Shares held by Newest Luck.
- The Trustee of Columbia University in The City of New York is deemed interested in the Shares held by Leap Forward by virtue of Section 7 of the Companies Act, as it holds 28.4% of the issued share capital of Leap Forward.
- Zana Capital Pte Ltd is deemed interested in the Shares held by Leap Forward by virtue of Section 7 of the Companies Act, as it is a fund manager of Zana China Fund L.P. and manages its funds on a discretionary basis.
- Zana China Fund L.P. is deemed interested in the Shares held by Leap Forward by virtue of Section 7 of the Companies Act.
- Mr. Chan Hock Eng and Mr. Ng Koon Siong each holds 20.73% of the issued share capital of Zana Capital Pte Ltd, and are therefore deemed interested in the Shares held by Leap Forward by virtue of their shareholdings in Zana Capital Pte Ltd.

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Scheme and the Plan (other than through their respective shareholdings in the Company).

10. DIRECTORS' RECOMMENDATION

All of the Group Executive Directors are eligible to participate in, and are therefore interested in, the Scheme and the Plan. Accordingly, the Group Executive Directors have abstained from making any recommendation to Shareholders in respect of the Scheme and the Plan. The Directors who are independent for the purposes of the resolutions proposed in this Circular (namely Mr. He Zhao Ju @ Danny Ho, Mr. Christopher Chong Meng Tak, Mr. Lui Seng Fatt and Mr. Xiao Zu Xiu), having considered, among others, the terms and rationale of the Scheme, the terms and rationale of the Plan, as well as the rationale for the participation by the Controlling Shareholders and their Associates in the Scheme and the Plan, are of the view that the proposals as set out in this Circular are in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the same.

LETTER TO SHAREHOLDERS

11. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, will be held at NTUC Centre, No. 1 Marina Boulevard, Room 701, Level 7, Singapore 018989 on 28 April 2010 at 9.30 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modification the ordinary resolutions set out in the Notice of EGM.

12. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach at the registered office of the Company's Share Registrar at B.A.C.S Private Limited at 63 Cantonment Road, Singapore 089758, not less than 48 hours before the time fixed for the EGM. Appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless Shares are entered against his name on the Depository Register at least 48 hours before the time fixed for the EGM.

13. ABSTENTION FROM VOTING

Shareholders who are entitled to participate in the Scheme and the Plan, including eligible Directors who are also Shareholders, should abstain from voting at the EGM on any resolutions relating to the Scheme and the Plan, and should decline appointment as proxies for voting at the EGM in respect of the aforesaid resolutions, unless specific instructions have been given in the proxy form on how the votes are to be cast for each of the aforesaid resolutions.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects as at the date hereof and that there are no material facts the omission of which would make any statement in this Circular misleading.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected by Shareholders at the registered office of the Company at 6 Temasek Boulevard, #24-04 Suntec Tower Four, Singapore 038986 during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of the Company;
- (b) the annual report of the Company for FY2009;
- (c) the rules of the proposed Plan; and
- (d) the rules of the proposed Scheme.

Yours faithfully,

For and on behalf of the Board of Directors of
Ying Li International Real Estate Limited

Fang Ming
Chairman and Chief Executive Officer

APPENDIX A

RULES OF THE YING LI EMPLOYEE SHARE OPTION SCHEME

1. NAME OF THE SCHEME

This employee share option scheme shall be called the “Ying Li Employee Share Option Scheme”.

2. DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Articles” : The Articles of Association of the Company, as amended, supplemented or modified from time to time
- “Associate” : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
- “Auditors” : The auditors of the Company for the time being
- “Award” : A contingent award of Shares granted pursuant to the rules of the Plan
- “Board” : The board of Directors of the Company for the time being
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : A committee comprising directors of the Company and such other persons (if any) as may be duly authorised and appointed by the Board to administer the Scheme
- “Company” or “Ying Li” : Ying Li International Real Estate Limited
- “Companies Act” : The Companies Act, Chapter 50 of Singapore, as amended, supplemented or modified from time to time
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company

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- “Controlling Shareholder”* : A person who:
- (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or
 - (b) in fact exercises control over the Company
- “Date of Grant”* : The date on which an Option is granted to a Participant pursuant to the rules of the Scheme
- “Director”* : A person holding office as a director for the time being of the Company
- “Exercise Price”* : The price at which a Participant shall subscribe for each Share upon the exercise of an Option, as determined in accordance with Rule 9, or such adjusted price as may be applicable pursuant to Rule 10
- “Financial Year”* : Each period, at the end of which the accounts of the Company are prepared and audited, for the purpose of laying the same before an annual general meeting of the Company
- “Grantee”* : The person to whom an offer of an Option is made
- “Group”* : The Company and its subsidiaries
- “Group Employee”* : Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme in accordance with the rules thereof
- “Group Executive Director”* : A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function
- “Group Non-Executive Director”* : A director of the Company and/or its subsidiaries, as the case may be, other than a Group Executive Director
- “Listing Manual”* : The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
- “Listing Rules”* : The rules constituted in the Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
- “Market Day”* : A day on which the SGX-ST is open for trading in securities
- “Market Price”* : The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST for a period of five consecutive Market Days immediately prior to the relevant Offer Date, provided always that in the case of a Market Day on which the Shares of the Company are not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices

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<i>“Memorandum”</i>	:	Memorandum of association of the Company, as amended, supplemented or modified from time to time
<i>“Offer Date”</i>	:	The date on which an offer to grant an Option is made
<i>“Option”</i>	:	The right to subscribe for Shares granted pursuant to the rules of the Scheme
<i>“Option Period”</i>	:	The period for the exercise of an Option being:- (a) in the case of an Option granted with the Exercise Price set at the Market Price, a period commencing after the first anniversary of the Date of Grant of that Option and expiring on the 10th anniversary of such Date of Grant, subject as provided in Rules 11 and 15 and any other conditions as may be determined by the Committee from time to time; and (b) in the case of an Option granted with the Exercise Price set at a discount to the Market Price, a period commencing after the second anniversary of the Date of Grant that Option and expiring on the 10th anniversary of such Date of Grant, subject as provided in Rules 11 and 15 and any other conditions as may be determined by the Committee
<i>“Participant”</i>	:	A person who is selected by the Committee to participate in the Scheme in accordance with the rules thereof
<i>“Plan”</i>	:	The Ying Li Performance Share Plan
<i>“Record Date”</i>	:	The date as at the close of business on which Shareholders of the Company must be registered in order to participate in any dividends, rights, allotments or other distributions (as the case may be)
<i>“Rules”</i>	:	The rules of the Scheme, as the same may be amended from time to time
<i>“Scheme”</i>	:	The Ying Li Employee Share Option Scheme, as amended, modified or supplemented from time to time
<i>“SGX-ST”</i>	:	The Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	Shareholders of the Company from time to time
<i>“Share(s)”</i>	:	Ordinary share(s) in the capital of the Company
<i>“Substantial Shareholder”</i>	:	A Shareholder who has an interest in not less than 5% of the issued Shares
<i>“S\$” and “cents”</i>	:	Dollars and cents respectively of the currency of Singapore

2.2 The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them respectively by Section 130A of the Companies Act.

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- 2.3 Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall include corporations.
- 2.4 Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Scheme shall, where applicable, have the same meaning assigned to it under the Companies Act.
- 2.5 Any reference in the Scheme to a time of day shall be a reference to Singapore time.

3. OBJECTIVES OF THE SCHEME

The objectives of the Scheme are as follows:

- (a) to motivate Participants to optimise performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key employees whose contributions are important to the long term growth and prosperity of the Group;
- (c) to instill loyalty and a stronger sense of identification by the Participants with the long-term prosperity of the Group;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of the Participants with the interests of the Shareholders.

4. ELIGIBILITY OF PARTICIPANTS

- 4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Scheme:

- (a) Group Employees; and
- (b) Group Executive Directors,

provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

- 4.2 Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the Scheme, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders or Associate any Options (including the rationale for any discount to the Market Price, if so proposed).
- 4.3 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme implemented by any other company within the Group.
- 4.4 Subject to the Companies Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted from time to time (if applicable), the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Committee.

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5. MAXIMUM ENTITLEMENT

Subject to Rule 4 and Rule 6, the number of Shares over which Options may be granted to a Grantee for subscription under the Scheme shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as the Grantee's rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Grantee and the prevailing market and economic conditions.

6. SIZE OF THE SCHEME

6.1 The aggregate number of Shares over which Options may be granted on any date under the Scheme, when added to the number of Shares issued and/or issuable in respect of:

- (a) all Options granted under the Scheme;
- (b) all Awards granted under the Plan; and
- (c) all Shares, options or awards granted under any other share option or share scheme of the Company then in force;

shall not exceed 5% of the total issued Shares of the Company (excluding treasury shares) on the day preceding that date.

6.2 The aggregate number of Shares over which Options may be granted under the Scheme to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the Scheme, and the number of Shares over which an Option may be granted under the Scheme to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Scheme.

7. OFFER DATE

7.1 The Committee may, save as provided in Rule 4, Rule 5 and Rule 6, offer to grant Options to such Grantees as it may select in its absolute discretion at any time during the period when the Scheme is in force, except that, for so long as the Shares are listed and quoted on the SGX-ST, no Options shall be granted during the period of 30 days immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, offers to grant Options may only be made on or after the second Market Day on which such announcement is released.

7.2 An offer to grant an Option to a Grantee shall be made by way of a letter (the "**Letter of Offer**") in the form or substantially in the form set out in Schedule 1, subject to such amendments as the Committee may determine from time to time.

8. ACCEPTANCE OF OFFER

8.1 An Option offered to a Grantee pursuant to Rule 7 may only be accepted by the Grantee within 30 days after the relevant Offer Date and not later than 5.00 p.m. on the 30th day from such Offer Date by (a) completing, signing and returning to the Company the Acceptance Form in or substantially in the form set out in Schedule 2, subject to such modifications as the Committee may from time to time determine accompanied by the payment of S\$1.00 as consideration (the "**Consideration**") or such other amounts and such other documentation as the Committee may require; and (b) if, at the date on which the Committee, for and on behalf of the Company, receives from the Grantee the Acceptance Form and the Consideration in respect of the Option as aforesaid, he remains eligible to participate in the Scheme in accordance with these Rules.

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- 8.2 The Grantee may accept or refuse the whole or part of the offer. If only part of the offer is accepted, the Grantee shall accept the offer in multiples of 1,000 Shares. The Committee shall within 15 Market Days of receipt of the Acceptance Form and the Consideration, acknowledge receipt of the same.
- 8.3 If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, such offer shall, upon the expiry of the 30 day period referred to in Rule 8.1, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.
- 8.4 The Company shall be entitled to reject any purported acceptance of a grant of an Option made pursuant to this Rule 8 or Exercise Notice given pursuant to Rule 12 which does not comply strictly with the terms of the Scheme.
- 8.5 Options are personal to the Grantees to whom they are granted and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Grantee's duly appointed personal representative as provided in Rule 11.6 in the event of the death of such Grantee.
- 8.6 In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in Rule 8.1 within the 30 day period referred to therein; or
 - (b) the Participant dies prior to his acceptance of the Option; or
 - (c) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
 - (d) the Grantee, being a Group Employee, ceases to be in the employment of the Group or ceases to be a Director, in each case, for any reason whatsoever prior to his acceptance of the Option; or
 - (e) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

9. EXERCISE PRICE

- 9.1 Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at:
- (a) the Market Price; or
 - (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee at its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price (or such other percentage or amount prescribed or permitted by the SGX-ST) and approved by the Shareholders at a general meeting in a separate resolution in respect of that Option.
- 9.2 In making any determination under Rule 9.1(b) on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:-

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- (a) the performance of the Company and its subsidiaries, as the case may be, taking into account financial parameters such as net profit after tax, return on equity and earnings growth;
- (b) the years of service and individual performance of the eligible Group Employee;
- (c) the contribution of the eligible Group Employee to the success and development of the Company and/or the Group; and
- (d) the prevailing market and economic conditions.

10. VARIATION OF CAPITAL

10.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue or reduction (including any reduction arising by reason of the Company purchasing or acquiring its issued Shares), subdivision, consolidation or distribution, or issues for cash or for shares or otherwise howsoever), shall take place, then:-

- (a) the Exercise Price in respect of the Shares comprised in any Option(s) to the extent unexercised;
- (b) the class and/or number of Shares comprised in any Option(s) to the extent unexercised and the rights attached thereto;
- (c) the maximum entitlement in any one Financial Year; and/or
- (d) the class and/or number of Shares in respect of which additional Options may be granted to Participants;

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the date of the exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting as experts and not as arbitrators), that in their opinion, such adjustment (or absence of adjustment) is fair and reasonable.

10.2 Notwithstanding the provisions of Rule 10.1 above:

- (a) no such adjustment shall be made:
 - (i) if as a result, the Participant receives a benefit that a Shareholder does not receive;
 - (ii) if as a result, such adjustment will result in the number of Shares comprised in an Option, together with new Shares to be issued or issuable under the Scheme or the Plan, to exceed 5% of the total number of issued Shares of the Company (excluding treasury shares) for the time being; and
 - (iii) unless the Committee after considering all relevant circumstances considers it equitable to do so; and
- (b) any adjustment (except in relation to a capitalization issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

10.3 Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:-

- (a) issue of securities as consideration for an acquisition of any assets by the Company, or a private placement of securities of the Company;

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- (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Listing Rules, undertaken by the Company on the SGX-ST, during the period when a share purchase mandate granted by the Shareholders (including any renewal of such mandate) is in force;.
 - (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including directors or employees of the Company or any of its subsidiaries pursuant to purchase or option schemes approved by Shareholders in general meeting, including the Scheme and the Plan;
 - (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any case in consideration or part consideration for the acquisition of any other securities, assets or business; and
 - (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.
- 10.4 The restriction on the number of Shares to be offered to any Grantee under Rule 6 above, shall not apply to the number of additional Shares or Options over additional Shares issued by virtue of any adjustment to the number of Shares and/or Options pursuant to this Rule 10.
- 10.5 Upon any adjustment required to be made, the Company shall notify each Participant (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in the Option(s) so far as unexercised and the maximum entitlement in any one Financial Year. Any adjustment shall take effect upon such written notification being given.

11. OPTION PERIOD

- 11.1 Options granted with the Exercise Price set at the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof) at any time, by a Participant after the first anniversary of the Date of Grant of that Option, provided always that Options shall be exercised before the 10th anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.
- 11.2 Options granted with the Exercise Price set at a discount to the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof) at any time, by a Participant after the second anniversary of the Date of Grant of that Option, provided always that the Options shall be exercised before the 10th anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.
- 11.3 An Option shall, to the extent unexercised, immediately lapse and become null and void and shall have no claim against the Company:
- (a) subject to Rules 11.4, 11.5 and 11.6, upon the Participant ceasing to be a Group Employee or a Director for any reason whatsoever; or
 - (b) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option; or
 - (c) in the event of events resulting in termination for cause including but not limited to gross negligence, willful misconduct, insubordination or incompetence on the part of the Participant, as determined by the Committee in its absolute discretion.

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For the purpose of Rule 11.3(a), the Participant shall be deemed to have ceased being so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, no Option shall lapse pursuant to Rule 11.3(a) in the event of any transfer of employment of a Participant within the Group or upon the cessation of employment of a Group Executive Director who shall continue to serve as a Group Non-Executive Director.

11.4 Where a Participant who is a Group Executive Director, ceases to be a Director for any reason whatsoever, he shall, notwithstanding Rule 11 and Rule 12, be entitled to exercise in full all unexercised Options from the date he ceases to be a Group Executive Director until the end of the relevant Option Period.

11.5 If a Participant ceases to be in the employment of the Group by reason of:

- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before that age with the consent of the Committee;
- (e) the subsidiary, by which he is principally employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such subsidiary, being transferred otherwise than to another company within the Group; or
- (f) for any other reason approved in writing by the Committee,

he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.6 If a Participant dies and at the date of his death holds any unexercised Option(s), such Option(s) may, at the absolute discretion of the Committee, be exercisable by the duly appointed legal personal representatives of the Participant from the date of his death to the end of the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.7 The Committee may, by notification, provide for further restrictions on the period during which Options may be exercised (whether granted with the Exercise Price set at a discount to Market Price or not) whether by providing a schedule for the vesting of Shares comprised in the relevant Options or otherwise.

12. EXERCISE OF OPTIONS, ALLOTMENT AND LISTING OF SHARES

12.1 An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), by a Participant giving notice in writing to the Company in or substantially in the form set out in Schedule 3 (the "**Exercise Notice**"), subject to such amendments as the Committee may from time to time determine. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any), any other applicable administrative or handling fees or charges by the SGX-ST, CDP or agent, and any other documentation the Committee may require. All payment shall be made by cheque, cashier's order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

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12.2 Subject to:-

- (a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
- (b) compliance with the Rules of the Scheme and the Memorandum and Articles of the Company,

the Company shall, as soon as practicable after the exercise of an Option by a Participant but in any event within 10 Market Days (or such other period as may be permitted by the Listing Manual of the SGX-ST) after the date of the exercise of the said Option in accordance with Rule 12.1, allot and issue the Shares in respect of which such Option has been exercised by the Participant and within five Market Days from the date of such allotment, despatch the relevant share certificates to the Participant or, if the Shares are listed and quoted on the SGX-ST, to CDP for the credit of the securities account or securities sub-account of that Participant by ordinary post or such other mode of delivery as the Committee may deem fit.

- 12.3 The Company shall, if necessary, as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Participant pursuant to any adjustments made in accordance with Rule 10.
- 12.4 Shares which are all allotted on the exercise of an Option by a Participant shall be issued, as the Participant may elect, in his name or, if the Shares are listed and quoted on the SGX-ST, in the name of CDP to the credit of the securities account of the Participant maintained with CDP or the Participant's securities sub-account with a CDP Depository Agent.
- 12.5 Shares allotted and issued upon the exercise of an Option shall be subject to all provisions of the Companies Act and the Memorandum and Articles of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Shares, including those rights which arise from a liquidation of the Company) and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividend, right, allotment or other distribution, the Record Date for which is prior to the date such Option is exercised.
- 12.6 Except as set out in Rule 12.2 and subject to Rule 10, an Option does not confer on a Participant any right to participate in any new issue of Shares.
- 12.7 The Company shall keep available sufficient unissued Shares to satisfy the full exercise of all Options for the time being remaining capable of being exercised.
- 12.8 Shares allotted and issued upon the exercise of an Option shall not be sold within two years.

13. MODIFICATIONS AND ALTERATIONS TO THE SCHEME

- 13.1 Any or all of the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee except that:
 - (a) any modification or alteration which shall alter adversely the rights attached to any Options granted prior to such modification or alteration and which in the opinion of the Committee, materially alter the rights attaching to any Option(s) granted prior to such modification or alteration may only be made with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters of the total number of all the Shares which would fall to be issued and allotted upon exercise in full of all outstanding Options;

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- (b) any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of Shareholders at a general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the SGX-ST (if required) or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would alter adversely the rights attaching to any Option shall be final and conclusive.

- 13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST if necessary) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13.3 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.

14. DURATION OF THE SCHEME

- 14.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted by Shareholders at a general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the Scheme may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.
- 14.2 The Scheme may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 14.3 The termination, discontinuance or expiry of the Scheme shall be without prejudice to the rights accrued to Options which have been granted and accepted as provided in Rule 8, whether such Options have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING UP OF THE COMPANY

- 15.1 In the event of a take-over offer being made for the Company, Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and/or 11.2) holding Options as yet unexercised shall, notwithstanding Rule 11 and 12 but subject to Rule 15.5, be entitled to exercise such Options in full or in part during the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which the offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
 - (a) the expiry of six months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Committee and (if so required) the SGX-ST, such expiry date is extended to a later date (being a date falling not later than the date of expiry of the Option Period relating thereto); or
 - (b) the date of the expiry of the Option Period relating thereto;

whereupon any Option(s) then remaining unexercised shall immediately lapse and become null and void.

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under any relevant regulatory provisions or legislation and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, all Options shall remain exercisable by the Participants until such specified date

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or the expiry of the respective Option Periods relating thereto, whichever is earlier. Any Option(s) not so exercised by the said specified date shall lapse and become null and void provided that the rights of acquisition or obligation to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall, subject to Rule 11, remain exercisable until the expiry of the Option Period. For the avoidance of doubt, the provisions of this Rule 15.1 shall not come into operation in the event that a take-over offer which is conditional does not or is not declared unconditional.

- 15.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 or 11.2) shall notwithstanding Rule 11 but subject to Rule 15.5, be entitled to exercise any Option then held by them during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon any unexercised Option(s) shall lapse and become null and void, Provided Always that the date of exercise of any Option(s) shall be before the expiry of the relevant Option Period.
- 15.3 If an order or an effective resolution is passed for the winding up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.
- 15.4 In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Participants (together with a notice of the existence of the provisions of this Rule 15.4) and thereupon, each Participant (or his legal personal representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Participant credited as fully paid.
- 15.5 If in connection with the making of a general offer referred to in Rule 15.1 above or the scheme referred to in Rule 15.2 above or the winding up referred to in Rule 15.4 above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 15.
- 15.6 If the events stipulated in this Rule 15 should occur, to the extent that an Option is not exercised within the respective periods referred to herein in this Rule 15, it shall lapse and become null and void.

16. ADMINISTRATION OF THE SCHEME

- 16.1 The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred upon it by the Board.
- 16.2 The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.

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16.3 Any decision of the Committee, made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes and uncertainty as to the interpretation of the Scheme or any rule, regulation, or procedure thereunder or as to any rights under this Scheme).

16.4 As a safeguard against abuse, pursuant to the Listing Manual, a Participant who is a member of the Committee shall not be involved in its deliberation in respect of Options (if any) to be granted to him. Further, where Options are proposed to be granted to or held by Group Executive Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Committee) who are not Group Executive Directors, Controlling Shareholders or Associates of Controlling Shareholders, will be involved in deliberation on the same.

17. NOTICES

17.1 Any notice given by a Participant to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Participant in writing.

17.2 Any notice or documents required to be given by the Company to a Participant or any correspondences to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be sent to the Participant by hand or sent to him at his home address stated in the records of the Company or the last known address of the Participant, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

The Scheme or any Option shall not form part of any contract of employment between the Company or any subsidiary (as the case may be) and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Scheme or any right which he may have to participate in it or any Option which he may hold and the Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

19. TAXES

All taxes (including income tax) arising from the exercise of any Option granted to any Participant under the Scheme shall be borne by that Participant.

20. COSTS AND EXPENSES OF THE SCHEME

20.1 Each Participant shall be responsible for all fees of CDP (if any) relating to or in connection with the issue and allotment of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP or the Participant's securities sub-account with a CDP Depository Agent or CPF investment amount with a CDP agent bank and all taxes referred to in Rule 19 which shall be payable by the relevant Participant.

20.2 Save for the taxes referred to in Rule 19 and such costs and expenses expressly provided in the Scheme to be payable by the Participants, all fees, costs, and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of the Shares pursuant to the exercise of any Option shall be borne by the Company.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages, (including any interest arising thereof), whatsoever and howsoever arising in respect of any matter

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under or in connection with the Scheme including but not limited to the Company's delay or failure in allotting and issuing the Shares or in applying for or procuring the listing of and quotation for the Shares allotted pursuant to the exercise of any Option on the SGX-ST or, if applicable, any other stock exchanges on which the Shares are quoted or listed.

22. CONDITION OF OPTION

Every Option shall be subject to the condition that no Shares shall be issued pursuant to the exercise of an Option if such issue would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares thereto.

23. DISCLOSURE IN ANNUAL REPORTS

The Company shall, for so long as the Scheme continues in operation, make the following disclosure in its annual report:

- (a) the names of the members of the Committee administering the Scheme;
- (b) the information required in the table below for the following Participants (which for avoidance of doubt, shall include Participants who have exercised all their Options in any particular Financial Year):
 - (i) Participants who are Directors of the Company;
 - (ii) Participants who are Controlling Shareholders and their Associates; and
 - (iii) Participants, other than those in (b)(i) and (ii) above, who receive 5% or more of the total number of Options available under the Scheme;

Name of Participant	Options granted during the Financial Year under review (including terms)	Aggregate Options granted since commencement of Scheme to end of Financial Year under review	Aggregate Options exercised since commencement of Scheme to end of Financial Year under review	Aggregate Options outstanding as at the end of Financial Year under review

- (c)
 - (i) the names of and number and terms of Options granted to each director or employee of the parent company and its subsidiaries who receives 5% or more of the total number of Options available to all directors and employees of the parent company and its subsidiaries under the Scheme, during the Financial Year under review; and
 - (ii) the aggregate number of Options granted to the directors and employees of the parent company and its subsidiaries for the Financial Year under review, and since the commencement of the Scheme to the end of the Financial Year under review;
- (d) the number and proportion of Options granted at a discount during the Financial Year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and
- (e) any other information required to be so disclosed pursuant to the Listing Manual and all other applicable laws and requirements,

Provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

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24. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

25. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme.

26. GOVERNING LAW

The Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Participants, by accepting the offer of the grant of Options in accordance with the Scheme, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

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Schedule 1

YING LI EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER

Serial No : _____

Date : _____

To: [Name]
[Designation]
[Address]

Private and Confidential

Dear Sir/Madam,

1. We have the pleasure of informing you that, pursuant to the Ying Li Employee Share Option Scheme (the “**Scheme**”), you have been nominated to participate in the Scheme by the Committee (the “**Committee**”) appointed by the Board of Directors of Ying Li International Real Estate Limited (the “**Company**”) to administer the Scheme. Terms as defined in the Scheme shall have the same meaning when used in this letter.
2. Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you an option (the “**Option**”), to subscribe for and be allotted _____ Shares at the price of S\$ _____ for each Share.
3. The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the prior approval of the Committee.
4. The Option shall be subject to the terms of the Scheme, a copy of which is available for inspection at the business address of the Company.
5. If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form with a sum of S\$1.00 not later than 5.00 p.m. on _____ , failing which this offer will lapse.

Yours faithfully,
For and on behalf of the Company,

Name:

Designation:

APPENDIX A

Schedule 2

YING LI EMPLOYEE SHARE OPTION SCHEME

ACCEPTANCE FORM

Serial No : _____

Date : _____

To: The Committee,
YING LI EMPLOYEE SHARE OPTION SCHEME
YING LI INTERNATIONAL REAL ESTATE LIMITED
6 Temasek Boulevard,
#24-04 Suntec Tower Four,
Singapore 038986

Closing Date for Acceptance of Offer	:	_____
Number of Shares Offered	:	_____
Exercise Price for each Share: S\$:	_____
Total Amount Payable: S\$:	_____

I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the Option to subscribe for _____ Shares at S\$ _____ for each Share. I enclose cash for S\$1.00 in payment for the purchase of the Option/I authorise my employer to deduct the sum of S\$1.00 from my salary in payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option.

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of Shares in the Company or options to subscribe for such Shares.

I agree to keep all information pertaining to the grant of the Option to me confidential.

I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

APPENDIX A

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

Note:

*** Delete accordingly**

APPENDIX A

Schedule 3

**YING LI EMPLOYEE SHARE OPTION SCHEME
FORM OF EXERCISE OF OPTION**

Total number of ordinary shares (the “ Shares ”) offered at S\$ _____ for each Share (the “ Exercise Price ”) under the Scheme on _____ (Date of Grant)	:	
Number of Shares previously allotted thereunder	:	
Outstanding balance of Shares to be allotted thereunder	:	
Number of Shares now to be subscribed	:	

To: The Committee,
YING LI EMPLOYEE SHARE OPTION SCHEME
YING LI INTERNATIONAL REAL ESTATE LIMITED
6 Temasek Boulevard,
#24-04 Suntec Tower Four,
Singapore 038986

1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, I hereby exercise the Option to subscribe for _____ Shares in Ying Li International Real Estate Limited (the “**Company**”) at S\$ _____ for each Share.
2. I enclose a *cheque/cashier’s order/banker’s draft/postal order no. _____ for S\$ _____ by way of subscription for the total number of the said Shares.
3. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the Ying Li Employee Share Option Scheme and the Memorandum and Articles of Association of the Company.
4. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.
5. I request the Company to allot and issue the Shares in the name of The Central Depository (Pte) Limited (“**CDP**”) for credit of my *Securities Account with CDP/Sub-Account with the Depository Agent/CPF investment account with my Agent Bank specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP in respect thereof.

APPENDIX A

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

*Direct Securities Account No. : _____

Date : _____

OR

*Sub-Account No. : _____

Name of Depository Agent : _____

OR

*CPF Investment : _____

Account No. : _____

Name of Agent Bank : _____

Signature : _____

Date : _____

Note:

* *Delete accordingly*

APPENDIX B

RULES OF THE YING LI PERFORMANCE SHARE PLAN

1. NAME OF THE PLAN

This performance share plan shall be called the “Ying Li Performance Share Plan”.

2. DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Articles” : The Articles of Association of the Company, as amended, supplemental or modified from time to time
- “Associate” : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means
- (b) his immediate family;
- (i) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
- (ii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (iii) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Auditors” : The auditors of the Company for the time being
- “Award” : A contingent award of Shares granted pursuant to the Plan
- “Award Letter” : A letter in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee
- “Board” : The board of Directors of the Company for the time being
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : A committee comprising Directors as may be duly authorised and appointed by the Board to administer the Plan
- “Companies Act” : The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- “Company” or “Ying Li” : Ying Li International Real Estate Limited
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company

APPENDIX B

<i>“Controlling Shareholder”</i>	: A person who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or(b) in fact exercises control over the Company
<i>“Group”</i>	: The Company and its subsidiaries
<i>“Group Employee”</i>	: Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Plan in accordance with the rules thereof
<i>“Group Executive Director”</i>	: A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function
<i>“Listing Manual”</i>	: The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
<i>“Market Day”</i>	: A day on which the SGX-ST is open for trading in securities
<i>“Offer Date”</i>	: The date on which an Award is made.
<i>“Option”</i>	: The right to subscribe for Shares granted pursuant to the rules of the Scheme
<i>“Performance Period”</i>	: The performance period during which the Performance Targets shall be satisfied, if any
<i>“Performance Target”</i>	: The performance target prescribed by the Committee to be fulfilled by a Participant for any particular period under the Plan, if any
<i>“Plan”</i>	: The Ying Li Performance Share Plan
<i>“Participant”</i>	: A person who is selected by the Committee to participate in the Plan in accordance with the rules thereof
<i>“Rules”</i>	: The rules of the Plan, as the same may be amended from time to time
<i>“Scheme”</i>	: The Ying Li Employee Share Option Scheme
<i>“SGX-ST”</i>	: The Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	: Shareholders of the Company from time to time
<i>“Share(s)”</i>	: Ordinary share(s) in the capital of the Company
<i>“Substantial Shareholder”</i>	: A Shareholder who has an interest in not less than 5% of the issued Shares
<i>“Vesting Period”</i>	: The period during which an Award may vest, if any
<i>“%” or “per cent.”</i>	: Percentage or per centum

APPENDIX B

- 2.2 The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them respectively by Section 130A of the Companies Act.
- 2.3 Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall include corporations.
- 2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Plan shall, where applicable, have the same meaning assigned to it under the Companies Act.
- 2.5 Any reference in the Plan to a time of day shall be a reference to Singapore time.

3. OBJECTIVES

The objectives of the Plan are as follows:

- (a) to motivate participants to optimise performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key employees whose contributions are important to the long term growth and prosperity of the Group;
- (c) to instill loyalty and a stronger sense of identification by the participants with the long-term prosperity of the Group;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of the participants with the interests of the Shareholders.

4. ELIGIBILITY OF PARTICIPANTS

- 4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Plan:
- (a) Group Employees; and
 - (b) Group Executive Directors,
- provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.
- 4.2 Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the Plan, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Award to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution.
- 4.3 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme implemented by the Company or any other company within the Group.
- 4.4 Subject to the Companies Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted from time to time (if applicable), the terms of eligibility for participation in the Plan may be amended from time to time at the absolute discretion of the Committee.

APPENDIX B

5. LIMITATIONS UNDER THE PLAN

5.1 The aggregate number of Shares for which an Award may be granted on any date under the Plan, when added to the number of Shares issued and/or issuable in respect of:

- (a) all Awards granted under the Plan;
- (b) all Options granted under the Scheme; and
- (c) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 5% of the total issued Shares of the Company (excluding treasury shares) on the day preceding that date.

5.2 The aggregate number of Shares for which Awards may be granted under the Plan to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the Plan, and the number of Shares for which an Award may be granted under the Plan to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Plan.

5.3 The aggregate number of Shares to be delivered pursuant to Awards granted under the Plan to the directors and employees of the Company's parent company and its subsidiaries shall not exceed 20% of the Shares available under the Plan.

6. DATE OF GRANT

The Committee may grant Awards at any time, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested, and hence any Shares comprised in such Awards may only be delivered, on or after the second Market Day from the date on which the aforesaid announcement is made.

7. GRANT OF AWARDS

7.1 Subject to Rule 4 and Rule 5, the number of Shares which are the subject of each Award to be granted to a Participant under the Plan shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as the Participant's rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Participant and the prevailing market and economic conditions.

7.2 The Committee shall, in its absolute discretion, determine in relation to an Award:

- (a) the number of Shares which are the subject to the Award;
- (b) the Performance Target for the Participant;
- (c) the Performance Period for the Participant;
- (d) the vesting schedule (if any), pursuant to which an Award shall vest at the end of each Performance Period, provided the Performance Target for the period has been achieved; and
- (e) any other condition which the Committee may decide in relation to that Award.

Upon its decision to grant the Award, the Committee shall as soon as practicable send to the Participant an Award Letter confirming such Award and specifying the above.

7.3 Awards are personal to the Participant to whom it is given and shall not be transferred (other than to a Participant's personal representative on the death of the former), charged, assigned, pledged or otherwise disposed of, unless with the prior approval of the Committee.

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8. PERFORMANCE TARGET

Awards may only be vested, and consequently any Shares comprised in such Awards shall only be delivered, upon the Committee being satisfied at its absolute discretion that the Participant has achieved the Performance Target.

9. VESTING OF AWARDS

9.1 Notwithstanding that a Participant may have met his Performance Target, no Awards shall be vested in the event of:

- (a) the decision of the Committee, in its absolute discretion, to revoke or annul such Award;
- (b) the cessation of employment of a Participant;
- (c) the bankruptcy of a Participant;
- (d) the misconduct of a Participant; and
- (e) a take-over, winding-up or reconstruction of the Company.

9.2 In general, upon the cessation of employment of a Participant, an Award then held by such Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.

9.3 If the cessation is due to certain specified reasons (for example, ill health, injury or disability or redundancy or retirement or death), the Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Vesting Period. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable performance conditions and targets have been satisfied.

9.4 Upon the occurrence of any of the events specified in Rule 9.1 (a), (c) and (d), an Award then held by a Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.

9.5 Upon the occurrence of any of the events specified in Rule 9.1(e), the Committee will consider, at its discretion, whether or not to release any Award, and will take into account all circumstances on a case by case basis, including (but not limited to) the contributions made by that Participant.

9.6 Save as provided and for the avoidance of doubt, the Shares under an Award shall nevertheless be released to a Participant for as long as he has fulfilled his Performance Target and notwithstanding a transfer of his employment within any company in the Group or any apportionment of Performance Target within any company within the Group.

9.7 If a Participant has fulfilled his Performance Target but dies before the Shares under an Award are released, the Shares under the Award shall in such circumstances be given to the personal representatives of the Participant.

10. TAKE-OVER AND WINDING UP OF THE COMPANY

10.1 Notwithstanding Rule 9 but subject to Rule 10.5, in the event of a take-over being made for the Shares, a Participant shall be entitled to the Shares under the Awards if he has met the Performance Targets for the corresponding Performance Period. For the avoidance of doubt, the vesting of such Awards will not be affected by the take-over offer.

10.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant who has fulfilled his

APPENDIX B

Performance Target shall be entitled, notwithstanding the provisions under this Rule 10 but subject to Rule 10.5, to any Shares under the Awards so determined by the Committee to be released to him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.

- 10.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that Shares may have not been released to the Participants, shall be deemed or become null and void.
- 10.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Shares under the Awards shall be released to the Participant for so long as, in the absolute determination by the Committee, the Participant has met the Performance Targets prior to the date on which the members' voluntary winding-up is deemed to have commenced or is effective in law.
- 10.5 If in connection with the making of a general offer referred to in Rule 10.1 or the scheme referred to in Rule 10.2 or the winding-up referred to in Rule 10.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or by any other form of benefit, no release of Shares under the Award shall be made in such circumstances.

11. ALLOTMENT AND LISTING OF SHARES

- 11.1 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to the compliance with the terms of the Plan and the Memorandum and Articles of the Company, the Company shall within one month after the vesting of an Award, allot the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit.
- 11.2 The Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.
- 11.3 Shares which are the subject of an Award shall be issued in the name of CDP to the credit of the securities account of that Participant maintained with CDP, the securities sub-account maintained with a Depository Agent or the CPF investment account maintained with a CPF agent bank.
- 11.4 Shares issued and allotted upon the vesting of an Award shall be subject to all the provisions of the Memorandum and Articles of the Company, and shall rank in full for all entitlements, excluding dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls on or before the relevant vesting date of the Award, and shall in all other respects rank *pari passu* with other existing Shares then in issue. "Record Date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.
- 11.5 The Company shall keep available sufficient unissued Shares to satisfy the delivery of the Shares pursuant to vesting of the Awards.

12. VARIATION OF CAPITAL

- 12.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue or reduction (including any reduction arising by reason of the Company purchasing or acquiring its issued Shares), subdivision, consolidation or distribution, or issues for cash or for shares or otherwise howsoever) shall take place, then:
- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
 - (b) the class and/or number of Shares over which future Awards may be granted under the Plan,

APPENDIX B

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate.

12.2 Unless the Committee considers an adjustment to be appropriate:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities; or
- (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force,

shall not normally be regarded as a circumstance requiring adjustment.

12.3 Notwithstanding the provisions of Rule 12.1 above:

- (a) no such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive; and
- (b) any determination by the Committee as to whether to make any adjustment and if so, the manner in which such adjustment should be made, must (except in relation to a capitalisation issue) be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

12.4 Any increase in the issued share capital of the Company as a consequence of the delivery of Shares pursuant to the vesting of Awards from time to time by the Company or through any other share-based incentive schemes implemented by the Company will also not be regarded as a circumstance requiring adjustment.

12.5 Upon any adjustment required to be made pursuant to this Rule 12, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

13. ADMINISTRATION OF THE PLAN

13.1 The Plan shall be administered by the Committee duly authorised and appointed by the Board, in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

13.2 The Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the Plan) for the implementation and administration of the Plan as they think fit including, but not limited to:

- (a) imposing restrictions on the number of Awards that may be vested within each financial year;
- (b) amending Performance Targets if by so doing, it would be a fairer measure of performance for a Participant or for the Plan as a whole.

13.3 Any decision of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final and binding, including but not limited to any decisions pertaining to the number of Shares to be vested, or to disputes as to the interpretation of the Plan or any rule, regulation, procedure thereunder or as to any rights under the Plan).

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14. NOTICES AND ANNUAL REPORT

- 14.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses as may be notified by the Company to him in writing.
- 14.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address according to the records of the Company or at the last known address of the Participant and if sent by post, shall be deemed to have been given on the day following the date of posting.
- 14.3 The following disclosure (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:
- (a) the names of the members of the Committee administering the Plan;
 - (b) the information required in the table below for the following Participants of the Plan:
 - (i) Directors of the Company;
 - (ii) Controlling Shareholders and their Associates; and
 - (iii) Group Employees (other than those in paragraph (b)(i) and (ii) above), who receive 5% or more of the total number of Shares available under the Plan;

Name of Plan Participant	Total number of Shares comprised in Awards under the Plan during the financial year under review (including terms)	Aggregate number of Shares comprised in Awards vested to such Participant since commencement of Plan to the end of the financial year under review	Aggregate number of Shares comprised in Awards issued since commencement of Plan to the end of the financial year under review	Aggregate number of shares comprised in Awards which have not been released as at the end of the financial year under review

- (c)
 - (i) the names of and number and terms of Awards granted to each director or employee of the parent company and its subsidiaries who receives 5% or more of the total number of Shares comprised in Awards available to all directors and employees of the parent company and its subsidiaries under the Plan, during the financial year under review; and
 - (ii) the aggregate number of Shares comprised in Awards vested to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of the Plan to the end of the financial year under review;
- (d) the number and proportion of Shares comprised in Awards granted at a discount during the financial year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and
- (e) any other information required to be so disclosed pursuant to the Listing Manual and all other applicable laws and requirements,

APPENDIX B

Provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

15. MODIFICATIONS AND ALTERATIONS OF THE PLAN

15.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) any modification or alteration which would be to the advantage of the holders of the Awards shall be subject to the prior approval of Shareholders in a general meeting; and
- (b) no modification or alteration shall be made without due compliance with the Listing Manual and such other regulatory authorities as may be necessary.

15.2 The Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the rules or provisions of the Plan in any way to the extent necessary to cause the Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

15.3 Written notice of any modification or alteration made in accordance with this Rule 15 shall be given to all Participants.

16. TERMS OF EMPLOYMENT UNAFFECTED

The Plan or any Award shall not form part of any contract of employment between the Company or any subsidiary (as the case may be) and any Participant and the rights and obligations of any individual under the terms of office or employment with such company within the Group shall not be affected by his participation in the Plan or any right which he may have to participate in it or any Award which he may hold and the Plan or any Award shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

17. DURATION OF THE PLAN

17.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years from the date the Plan is adopted by the Company in general meeting, provided always that the Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

17.2 The termination of the Plan shall not affect any Award(s) which have been made to Participants.

17.3 The Plan may be terminated at any time by the Committee or by resolution of the Company in general meeting subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be vested by the Company thereunder.

18. TAXES

All taxes (including income tax) arising from the grant and/or disposal of Shares pursuant to the Awards granted to any Participant under the Plan shall be borne by that Participant.

19. COSTS AND EXPENSES

19.1 Each Participant shall be responsible for all fees of CDP (if any) relating to or in connection with the issue and allotment of any Shares pursuant to the Awards in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent or CPF investment account with a CPF agent bank and all taxes referred to in Rule 18 which shall be payable by the relevant Participant (collectively, the "CDP Charges").

APPENDIX B

19.2 Save for the taxes referred to in Rule 18 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of Shares pursuant to the Awards shall be borne by the Company.

20. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing the Shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 11.2.

21. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

22. CONDITION OF AWARDS

Every Award shall be subject to the condition that no Shares would be issued pursuant to the vesting of any Award if such issue would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereto.

23. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Plan must abstain from voting on any resolution relating to the Plan.

24. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the Plan, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

NOTICE OF EXTRAORDINARY GENERAL MEETING

YING LI INTERNATIONAL REAL ESTATE LIMITED

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

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the shareholders (the “**Shareholders**”) of Ying Li International Real Estate Limited (the “**Company**”) will be held on 28 April 2010 at 9.30 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) at NTUC Centre, No. 1 Marina Boulevard, Room 701, Level 7, Singapore 018989 for the purposes of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions:

ORDINARY RESOLUTION 1: THE PROPOSED ADOPTION OF THE YING LI EMPLOYEE SHARE OPTION SCHEME

That the employee share option scheme to be named the “Ying Li Employee Share Option Scheme” (the “**Scheme**”), the rules of which have been set out in the circular to Shareholders dated 13 April 2010 (the “**Circular**”), be and is hereby approved and adopted, and the directors of the Company (the “**Directors**”) be and are hereby authorised:

- (i) to establish and administer the Scheme;
- (ii) to modify and/or amend the Scheme from time to time provided that such modifications and/or amendments are effected in accordance with the rules of the Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme; and
- (iii) to grant options (the “**Options**”) in accordance with the rules of the Scheme and to allot and issue or deliver from time to time such number of new Shares (as defined below) or Treasury Shares (as defined below) required pursuant to the exercise of the Options under the Scheme.

In this notice, “**Shares**” means the ordinary shares in the capital of the Company, and “**Treasury Shares**” means the Shares held in treasury by the Company.

ORDINARY RESOLUTION 2: THE PROPOSED GRANT OF OPTIONS AT A DISCOUNT UNDER THE YING LI EMPLOYEE SHARE OPTION SCHEME

That, subject to and contingent upon the passing of Ordinary Resolution 1, the Directors be and are hereby authorised to grant Options in accordance with the rules of the Scheme with exercise prices set at a discount to the Market Price (as defined below), provided that such discount does not exceed the relevant limits set by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

In this notice, “**Market Price**” is defined to be the average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST for a period of five consecutive market days immediately prior to the relevant offer date of the Option, provided always that in the case of a market day on which the Shares of the Company are not traded on the SGX-ST, the last dealt price for Shares on such market day shall be deemed to be the last dealt price of the Shares on the immediately preceding market day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices.

ORDINARY RESOLUTION 3: THE PROPOSED ADOPTION OF THE YING LI PERFORMANCE SHARE PLAN

That the performance share plan to be named the “Ying Li Performance Share Plan” (the “**Plan**”), the rules of which have been set out in the Circular, be and is hereby approved and adopted, and the Directors be and are hereby authorised:

- (i) to establish and administer the Plan;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (ii) to modify and/or amend the Plan from time to time provided that such modifications and/or amendments are effected in accordance with the rules of the Plan and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Plan; and
- (iii) to grant awards (the “**Awards**”) in accordance with the rules of the Plan and to allot and issue or deliver from time to time such number of new Shares or Treasury Shares required pursuant to the vesting of the Awards under the Scheme.

ORDINARY RESOLUTION 4: THE PROPOSED PARTICIPATION OF MR. FANG MING, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1 and 2, approval be and is hereby given for the participation of Mr. Fang Ming, a Controlling Shareholder (as defined below) of the Company, in the Scheme.

In this notice, “**Controlling Shareholder**” means a person who (a) holds directly or indirectly 15% or more of the issued Shares (excluding Treasury Shares) in the Company (the SGX-ST may determine that such a person is not a Controlling Shareholder); or (b) in fact exercises control over the Company.

ORDINARY RESOLUTION 5: THE PROPOSED PARTICIPATION OF MR. FANG MING, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN

That, subject to and contingent upon the passing of Ordinary Resolution 3, approval be and is hereby given for the participation of Mr. Fang Ming, a Controlling Shareholder of the Company, in the Plan.

ORDINARY RESOLUTION 6: THE PROPOSED PARTICIPATION OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI EMPLOYEE SHARE OPTION SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1 and 2, approval be and is hereby given for the participation of Ms. Xu Li, a Controlling Shareholder of the Company, in the Scheme.

ORDINARY RESOLUTION 7: THE PROPOSED PARTICIPATION OF MS. XU LI, A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN

That, subject to and contingent upon the passing of Ordinary Resolution 3, approval be and is hereby given for the participation of Ms. Xu Li, a Controlling Shareholder of the Company, in the Plan.

ORDINARY RESOLUTION 8: THE PROPOSED PARTICIPATION OF MR. XIE XIN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI SHARE OPTION SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1 and 2, approval be and is hereby given for the participation of Mr. Xie Xin, an Associate (as defined below) of a Controlling Shareholder of the Company, in the Scheme.

In this notice:

“**Associate**” means:

- (a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
 - (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

“**Substantial Shareholder**” means a shareholder who has an interest in not less than 5% of the issued Shares in the Company.

ORDINARY RESOLUTION 9: THE PROPOSED PARTICIPATION OF MR. XIE XIN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF YING LI INTERNATIONAL REAL ESTATE LIMITED, IN THE YING LI PERFORMANCE SHARE PLAN

That, subject to and contingent upon the passing of Ordinary Resolution 3, approval be and is hereby given for the participation of Mr. Xie Xin, an Associate of a Controlling Shareholder of the Company, in the Plan.

BY ORDER OF THE BOARD
Ying Li International Real Estate Limited

Lim Boon Ping
Soh Chun Bin
Company Secretaries
13 April 2010

Notes:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. If the appointor is a corporation, the proxy form must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
3. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company's Share Registrar at B.A.C.S Private Limited at 63 Cantonment Road, Singapore 089758, not less than 48 hours before the time appointed for the Extraordinary General Meeting.

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PROXY FORM

YING LI INTERNATIONAL REAL ESTATE LIMITED

(Incorporated in the Republic of Singapore)
(Co. Reg. No.: 199106356W)

IMPORTANT:

1. For investors who have used their CPF monies to buy Ying Li International Real Estate Limited shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ NRIC/Passport No. _____
of _____ (Address)

being a shareholder/ member of **YING LI INTERNATIONAL REAL ESTATE LIMITED** (the "**Company**") hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholding (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholding (%)

or failing whom the Chairman of the Extraordinary General Meeting as *my/our proxy/proxies to vote for *me/us on *my/our behalf and, if necessary, to demand a poll at the Extraordinary General Meeting of the Company to be convened on 28 April 2010 at 9.30 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) at NTUC Centre, No. 1 Marina Boulevard, Room 701, Level 7, Singapore 018989 and at any adjournment thereof. *I/We direct *my/our proxy/ proxies to vote for or against the Ordinary Resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the Extraordinary General Meeting.

	To be used on a show of hands		To be used in the event of a poll	
	For ⁽¹⁾	Against ⁽¹⁾	No. of votes for ⁽²⁾	No. of votes against ⁽²⁾
Ordinary Resolution				
1. To approve the proposed adoption of the Ying Li Employee Share Option Scheme				
2. To approve the grant of options at a discount under the Ying Li Employee Share Option Scheme				
3. To approve the proposed adoption of the Ying Li Performance Share Plan				
4. To approve the proposed participation of Mr. Fang Ming, a controlling shareholder of Ying Li International Real Estate Limited, in the Ying Li Employee Share Option Scheme				
5. To approve the proposed participation of Mr. Fang Ming, a controlling shareholder of Ying Li International Real Estate Limited, in the Ying Li Performance Share Plan				
6. To approve the proposed participation of Ms. Xu Li, a controlling shareholder of Ying Li International Real Estate Limited, in the Ying Li Employee Share Option Scheme				
7. To approve the proposed participation of Ms. Xu Li, a controlling shareholder of Ying Li International Real Estate Limited, in the Ying Li Performance Share Plan				
8. To approve the proposed participation of Mr. Xie Xin, an associate of a controlling shareholder of Ying Li International Real Estate Limited, in the Ying Li Employee Share Option Scheme				
9. To approve the proposed participation of Mr. Xie Xin, an associate of a controlling shareholder of Ying Li International Real Estate Limited, in the Ying Li Performance Share Plan				

Notes:

- (1) Please indicate your vote "For" or "Against" with a tick within the box provided.
- (2) If you wish to exercise all your votes "For" or "Against", please indicate with a tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2010.

Total Number of Shares held	
CDP Register	
Register of Members	

Signature(s) of Member(s)/Common Seal of Corporate Member
***Delete accordingly**



PROXY FORM

IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead by completing and signing the Proxy Form.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held by him. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares held by him. If no number is inserted, this form of proxy will be deemed to relate to all shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company's Share Registrar at B.A.C.S Private Limited at 63 Cantonment Road, Singapore 089758, not less than 48 hours before the time appointed for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for the Meeting, as certified by The Central Depository (Pte) Limited to the Company.