英利国际置业
YING LI INTERNATIONAL
REAL ESTATE

YING LI INTERNATIONAL REAL ESTATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199106356W)

RESPONSE TO SGX QUERIES ON SECOND QUARTER AND / OR HALF YEARLY RESULTS

The Board of Directors of Ying Li International Real Estate Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to set out its response to the query raised by the Singapore Exchange Securities Trading Limited ("**SGX**") on 24 August 2016 regarding the Company's Second Quarter and/ or Half Yearly Financial Results for the period ending 30 June 2016 announced on 12 August 2016.

Query

It was disclosed that the RMB 9.7 million (56.5%) increase in "Administrative Expenses" was "mainly due to an increase in upfront and professional fees incurred due to an increase in the number of new loans drawn down and issuance of bonds in 2QFY2016 compared to 2QFY2015". Please quantify and explain the significant "upfront and professional fees" incurred, providing a breakdown where applicable.

Response

The Group had drawn down two new loans and issued a 3-year private bond in 2QFY2016. As part of the loan agreements, the Group had to pay upfront advisory fees to the financial institutions which is a common feature in such agreements. In addition, the Group had incurred legal fees for the preparation of the bond documents. The breakdown of the expenses are as follows:

	RMB (million)
Legal fees for the drafting of bond documents	0.79
Upfront advisory fees paid to financial institutions for the arrangement of loans	10.99
	11.78

By order of the Board
Ying Li International Real Estate Limited

Fang Ming
Executive Chairman and Group CEO
26 August 2016