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

WAIVER FROM REQUIREMENT TO COMPLY WITH RULE 1014(2) OF THE LISTING MANUAL IN RELATION TO THE PROPOSED DISPOSAL OF INTERESTS IN YING LI INTERNATIONAL COMMERCIAL CENTRE PROJECT

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*Unless otherwise defined herein, capitalised terms used in this announcement shall have the meanings ascribed to them in the announcement issued by the Company on 28 November 2017 in relation to the proposed disposal of interests in the Ying Li International Commercial Centre Project. ("**Announcement**").*

1. INTRODUCTION

The Board of Directors of the Company refers to the Announcement where the Company had sought a waiver by the SGX-ST of the requirement for the approval of Shareholders to be obtained for the Proposed Disposal ("**Waiver**") and the update announcement issued by the Company on 7 December 2017 in relation to the Proposed Disposal.

The Company wishes to announce it has received a letter from the SGX-ST on 8 December 2017 granting the Company the Waiver, subject to the following:

(a) the Company convening a general meeting ("**Ratification EGM**") to seek shareholders' ratification for the Proposed Disposal as soon as practicable and no later than the date of the next annual general meeting of the Company or 30 April 2018, whichever is earlier;

(b) Mr. Fang Ming and China Everbright Limited, who have shareholding interests in the Company of approximately 36.00% and 22.92% respectively ("**Undertaking Shareholders**") providing a written irrevocable undertaking to the Company to vote in favour of the Proposed Transaction at the Ratification EGM;

(c) the Undertaking Shareholders providing a written irrevocable undertaking to the Company that they will not dispose their equity stake in the Company before and up to the date of the Ratification EGM;

(d) the Company announcing the Waiver, details of the reasons for seeking the Waiver and the conditions as required by Rule 107 of the Listing Manual; and

(e) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company.

2. REASONS FOR SEEKING THE WAIVER

The Company had applied for the Waiver on primarily the following grounds:

(i) the Proposed Disposal will result in a net gain to the Group of approximately RMB 343 million (equivalent to S$70 million) when completed. Under the terms of the SPA, the Purchaser will assume all existing liabilities in Shiny Profit and CQYL Shiny Profit amounting to approximately RMB 898 million in aggregate;

(ii) after careful consideration of the terms of the SPA and the rationale for the Proposed Disposal, the Board has unanimously approved the entry by the Company into the SPA. Additionally, the two largest Shareholders of the Company, Mr. Fang Ming and China Everbright Limited, which have shareholding interests in the Company of approximately 36.00% and 22.92% respectively and collectively hold close to 60% of the voting shares of the Company, had represented to the Company that they would vote in favour of the Proposed Disposal at an extraordinary general meeting of the Company (if convened); and

(iii) the Purchaser is primarily engaged in the real estate business in the PRC and is constantly looking out for new projects to acquire. In light of the fast-moving pace of the Purchaser's business activities and the constantly evolving legal and regulatory landscape of the real estate market in the PRC, it is the intention of the parties that the Proposed Disposal be completed before the close of 2017. Should there be a delay in Completion, there is a risk that the Purchaser may terminate the SPA if there are material adverse changes in the market conditions and the Proposed Disposal may fall through.

3. THE BOARD'S VIEW ON THE PROPOSED DISPOSAL

Having carefully considered the terms of the Proposed Disposal, the rationale for and the benefits of the Proposed Disposal as set out in Paragraph 4 of the Announcement, the Board is of the unanimous view that the Proposed Disposal is in the best interests of the Company.

4. CIRCULAR TO SHAREHOLDERS

The Company has obtained the Undertaking Shareholders' irrevocable undertaking as required by the Waiver and also fulfilled the conditions precedent in the SPA and will proceed to liaise with the Purchaser for the completion of the Proposed Disposal, which is expected to take place before end of this year. The Board will then convene the Ratification EGM to seek the ratification of the Shareholders for the Proposed Disposal and a circular to Shareholders setting out further information on the Proposed Disposal, together with the notice of the Ratification EGM to be convened, will be despatched to Shareholders in due course after the completion of the Proposed Disposal.

BY ORDER OF THE BOARD
Ying Li International Real Estate Limited

Fang Ming
Executive Chairman and Group CEO
17 December 2017