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

RESPONSES TO QUERIES REGARDING THE ANNOUNCEMENT OF THE FINANCIAL STATEMENTS FOR THE FULL YEAR ENDED 31 DECEMBER 2022

The Board of Directors (the "**Board**") of Ying Li International Real Estate Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 3 March 2023 regarding the Company's announcement of its financial statements for the full year ended 31 December 2022 ("**FY2022**") and the Company's responses are as follows:

Query 1

"We note that the Group's trade and other receivables comprise of proceeds receivables from disposal of subsidiaries/land amounting to RMB 262.7 million. Please disclose:

(a) the details of the disposal of subsidiaries/land, including the total consideration for the disposal and how much has the Company collected to-date;

(b) whether the counter-parties are related to any directors, key executives, substantial shareholders and their respective associates; and

(c) the Board's assessment of the recoverability of the receivables, and the basis for such assessment."

Company's response to Query 1

(a) Please disclose the details of the disposal of subsidiaries/land, including the total consideration for the disposal and how much has the Company collected to-date;

Please refer to the announcements made by the Company on 28 November 2017, 7 December 2017, 17 December 2017, 11 April 2018 and 27 April 2018, and the Company's past annual reports for the financial years ended 2017 to 2021 (collectively, the "**Previous Announcements**").

As disclosed in the Previous Announcements, the Company entered into a conditional sale and purchase agreement ("**SPA**") with Shengyu (BVI) Limited (the "**Purchaser**") on 7 November 2017 in relation to a transaction for an aggregate cash consideration of RMB3,285,350,000 (the "**Aggregate Consideration**") comprising:

I. the sale by the Company of the entire issued and paid-up share capital in its wholly-owned subsidiary, Shiny Profit Enterprises Limited which is the holding company of the Ying Li International Commercial Centre Project ("**Project**") ("**Disposal**"); and

II. in conjunction with the Disposal, the transfer of a separate parcel of land not connected to the Project to the Purchaser.

As at 31 December 2022, the Company had received partial payment for the Aggregate Consideration from the Purchaser amounting to RMB2,710,000,000. Accordingly, the amount of RMB575,350,000 is still outstanding and the net amount of receivables after the deduction of the expected credit loss provided in the prior financial years is RMB262,710,000.

(b) Please disclose whether the counter-parties are related to any directors, key executives, substantial shareholders and their respective associates; and

The counter-parties are not related to any directors, key executives, substantial shareholders of the Group, and their respective associates.

(c) Please disclose the Board's assessment of the recoverability of the receivables, and the basis for such assessment.

The Board has reviewed the assessment made by the management team of the Group ("**Management**") on the recoverability of the receivables and is of the opinion that the impairment loss allowance for expected credit losses had been assessed in accordance with the requirements of SFRS(I) 9 Financial Instruments and had been adequately provided for as at 31 December 2022. Accordingly, the Board concurred with the Management's view on the recoverability of the Group's remaining receivable amount.

As part of the review, the Board has considered the arbitration proceedings commenced by the Company with the Chongqing Arbitration Commission to recover the receivables. Please refer to the announcement made by the Company on 21 February 2023 for further details.

Query 2

"We note that loan from a subsidiary of controlling shareholder had increased by RMB 104.6 million from RMB 78.9 million for the year ended 31 December 2021 to RMB 183.5 million for the year ended 31 December 2022. Please disclose:

(a) who the lender is and the key terms of the loan, including interest rate and loan tenure; and

(b) whether the Company has complied with Listing Rules 905 and 906 (as the case may be) in relation to the loan."

Company's response to Query 2

(a) Please disclose who the lender is and the key terms of the loan, including interest rate and loan tenure; and

The lender is China Everbright Finance Limited ("**Lender**"), a subsidiary of China Everbright Limited, which is a controlling shareholder of the Company.

Details of the loans granted to the Company by Lender are as follows:

	Loan 1	Loan 2
Nature of Loan	Unsecured loan	Unsecured loan
Loan amount	SGD 16,700,000	USD 13,927,188.66
Interest rate	8.0%	8.0%
Loan tenure	27 July 2022 – 24 July 2023	20 October 2022 – 16 October 2023

(b) Please disclose whether the Company has complied with Listing Rules 905 and 906 (as the case may be) in relation to the loan.

The Company has complied with Listing Rules 905 and 906 of the Listing Manual of the SGX-ST (the "**Listing Manual**") (as the case may be) in relation to the loans. In addition, the aggregate value of all transactions entered into by the Company with the same interested person (being China Everbright Limited, a controlling shareholder of the Company) during FY2022 was less than 3% of the Group's latest audited net tangible assets for the financial year ended 31 December 2021.

Details of the aggregate value of interested person transactions entered into during FY2022 pursuant to Rule 907 of the Listing Manual will be disclosed in the Company's upcoming annual report for FY2022.

Query 3

"We note from the Statement of Cash Flow that the Company recorded proceeds from bond issuance of RMB 40.2 million for the year ended 31 December 2022. Please elaborate on the nature of the transaction."

Company's response to Query 3

In FY2022, the Company issued fixed rate 4.00 per cent. Notes amounting to USD56,000,000 and due in May 2023, for the purpose of refinancing the Company's fixed rate Senior Notes amounting to USD50,000,000 due in June 2022 ("**Previous Notes**").

The recorded proceeds from bond issuance of RMB40.2 million represented the net proceeds of USD6,000,000 (equivalent to approximately RMB40.2 million) after deducting the amount used for refinancing the Previous Notes, and such proceeds will be used by the Company for offshore working capital purpose.

By Order of the Board
Ying Li International Real Estate Limited

Yang Haishan
Non-Executive and Non-Independent Director
7 March 2023