



YANLORD LAND GROUP LIMITED
(Incorporated with limited liability in the Republic of Singapore)
(Registration Number: 200601911K)

RESPONSE TO QUESTIONS RECEIVED FROM SHAREHOLDERS

Yanlord Land Group Limited (“**Company**” or “**Yanlord**” and together with its subsidiaries, “**Group**”) refers to the Company’s Annual General Meeting scheduled to be held and conducted by electronic means on 28 April 2022 (“**2022 AGM**”) and the following:

- (a) Notice of 2022 AGM dated 6 April 2022 setting out, *inter alia*, the prescribed alternative arrangements in respect of 2022 AGM; in particular, the invitation for shareholders of the Company to submit questions related to the resolutions to be proposed at the 2022 AGM in advance to the Company; and
- (b) Annual Report of the Company for the financial year ended 31 December 2021 (“**FY2021**”) (“**2021 Annual Report**”).

The Company is pleased to set out below its responses to the questions received from the shareholders of the Company in relation to the 2022 AGM and/or 2021 Annual Report. Any further clarifications sought or follow-up questions by shareholders subsequent to this announcement may be addressed at the 2022 AGM.

No.	Shareholders’ Questions	Company’s Response
1	There is no information on the China investment property portfolio land lease period while there is information on the Singapore property portfolio. Why is this so? It is useful to know the land lease period in China as usually land lease in China is shorter than Singapore.	Shareholders may refer to pages 54 to 63 of 2021 Annual Report under the heading “Development Schedule Summary” for information on the development properties of the Group, which include information on land lease period of the properties held for investment, in both Singapore and the People’s Republic of China (“ PRC ”), as follows: <ul style="list-style-type: none">(i) in respect of completed development properties, properties marked with and referred to under footnote ⁽¹⁾ on page 57, consist of properties held for investment with unexpired terms of lease between 22-860 years as at 31 December 2021; and(ii) in respect of properties under development, properties marked with and referred to under footnote ⁽⁶⁾ on page 61, consist of properties held for investment with unexpired terms of lease between 34-36 years as at 31 December 2021.
2	Please explain why, despite record number of properties delivered and revenue increasing by 45.6%, profit attributable to shareholders improved only slightly by 2.5% in FY2021.	While the Group reported an increase of approximately RMB10.915 billion in its revenue for FY2021 to approximately RMB34.833 billion mainly attributable to the increase in total gross floor areas (“ GFA ”) delivered to the customers in FY2021 compared to the financial year ended 31 December 2020 (“ FY2020 ”), its gross profit margin decreased by 10.8 percentage points to 25.6% in FY2021 from 36.4% in FY2020 primarily due to the change in the composition of product-mix delivered in FY2021. In addition to the lower other operating income and other gains and fair value gain on investment properties reported in FY2021, profit attributable to owners of the Company for FY2021 increased slightly by 2.5% to RMB2.656 billion compared to FY2020.

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3.	What is the number and corresponding value of residential units in PRC that is expected to be handed over in the financial year ending 31 December 2022 ("FY2022")?	<p>The Company is not in a position to disclose forecast numbers. As at 31 December 2021, the Group together with its joint ventures and associates recorded an accumulated property contracted pre-sales of approximately RMB98.219 billion, representing a total GFA of approximately 2.9 million square metres ("sqm"), which are pending recognition in the first half of FY2022 and beyond.</p> <p>In addition, for the three months ended 31 March 2022, the Group together with its joint ventures and associates' total contracted pre-sales from residential and commercial units, and car parks was approximately RMB16.211 billion on contracted GFA of 321,696 sqm.</p> <p>Shareholders may refer to the Company's updates on the unaudited key operating figures of the Group together with its joint ventures and associates, which are announced on a monthly basis through Singapore Exchange's website, as well as published on Yanlord's website.</p>
4.	Is the Company's operations in PRC significantly affected by the worsening COVID-19 situation there in the past month?	<p>While mobility and work disruptions due to the restrictions and/or lockdowns imposed by the authorities in certain cities of the PRC, where the Group has presence, have led to much inconveniences to the operations, the Group's business in the PRC has not been significantly affected.</p> <p>In compliance with the restrictions and measures imposed by the PRC authorities, physical operations of offices of Yanlord in Shanghai are currently being suspended where remote work arrangement has been put in place for property development teams to continuing carry out their duties. Construction sites are closed with construction workers being quarantined in dormitories in the sites under "close system management - 闭环管理" as required by the local authorities, where the health (including regular COVID-19 testing) and daily needs of workers are being taken care of so as to ensure that construction works can be resumed immediately once the relevant control measures are lifted. Yanlord's property management teams stand on their posts in person with appropriate control measures in place to provide daily management services to residents of Yanlord's developments. On 1 April 2022, the Group has launched the enhanced and upgraded "Yanlord Cloud Sales Center - 仁恒云看房", a web-based sales center and property viewing portal for all of its developments in the PRC. Sales marketing teams have since been using the web-based property viewing portal in preparation of upcoming launches and liaising with potential customers virtually.</p> <p>Should the COVID-19 situation worsen and further restrictions are to be imposed by the PRC authorities and depending on the severity of the situation and duration of restrictions, it is expected that the delivery schedule of the Group's property developments may be delayed.</p> <p>Yanlord has projects located in 20 cities of the PRC, and management team of each city has been closely monitoring the construction progress, pre-sales launch schedule and delivery status of projects in respective cities, with up-to-date plans being made (or appropriate actions being taken) according to the prevailing circumstances, for instance, to increase the number of working shifts and accelerate the pace of construction of projects</p>

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		<p>to catch up with the lost time once the construction site is resumed.</p> <p>The Company reckon there are challenges ahead in view of possible disruptions in supply chain and market sentiments due to the COVID-19 situation and will manage its business cautiously.</p>
5.	Is the Company exploring any restructuring initiative to narrow the significant and persistent discount of its share price to net asset value ("NAV") per share?	<p>Yanlord has been adopting a prudent approach in its business strategy, and has been maintaining its healthy financial and liquidity position. The Company has consistently declared and paid dividend to shareholders over the past years. The total asset of the Group was RMB154.448 billion as at 31 December 2021.</p> <p>NAV per share of the Company as at 31 December 2021 was RMB17.75 (SGD3.80 per share) and the shares have been trading at a range of SGD1.08 to SGD1.44 per share, at over 62-72% discount to NAV over the past 52 weeks.</p> <p>As share prices are driven by marketplaces, the Company has no intention to intervene but rather the Company will remain focus on enhancing its overall performance, profitability as well as financial management. The Company will continue to explore opportunities to enhance and create shareholders' value, amongst others, to ensure the fundamentals of its shares remain strong and sustainable.</p>

Yanlord Land Group Limited
 Zhong Sheng Jian
 Chairman and Chief Executive Officer

22 April 2022