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 Number: 199106356W)

FURTHER INFORMATION IN RELATION TO THE LITIGATION INVOLVING THE COMPANY'S SUBSIDIARY, CHONGQING YINGLI REAL ESTATE DEVELOPMENT CO., LTD.

1. INTRODUCTION

1.1. The Board of Directors (the "**Board**") of Ying Li International Real Estate Limited (the "**Company**") refers to Note A(3)(a) (the "**Note**") of the unaudited financial statements of the Company for the second and third quarter ended 30 June 2019 and 30 September 2019 respectively, released on 14 November 2019 ("**2Q2019 and 3Q2019 Financial Statements**").

1.2. The Company wishes to provide further information in relation to the litigation involving the Company's subsidiary, Chongqing Yingli Real Estate Development Co., Ltd. ("**CQYL Real Estate**"), regarding the "Hainan International Yacht City" construction project ("**Hainan Project**"), as set out in the Note ("**Hainan Litigation Matters**").

2. FURTHER INFORMATION IN RELATION TO HAINAN LITIGATION MATTERS

2.1. Following the close of the mandatory unconditional cash offer by State Alpha Limited for all the issued and paid-up ordinary shares in the capital of the Company ("**Offer**"), there have been changes in the management team of the Company and its subsidiaries (collectively, the "**Group**"). In view of the changes, a new finance team (the "**New Finance Team**") has been put into place to take over the financial and accounting functions of the Group. The New Finance Team was made aware that CQYL Real Estate, under the previous management team, had entered into several agreements with certain PRC companies in relation to the Hainan Project, including share transfer and guarantee agreements ("**Agreements**"). The disputes relating to these Agreements are the subject matters of the Hainan Litigation Matters and currently remain pending.

2.2. Accordingly, the Company has engaged PRC legal counsel to advise on the Hainan Litigation Matters, and has made prior year adjustments and/or provisions, as disclosed in the 2Q2019 and 3Q2019 Financial Statements, to take into account the Hainan Litigation Matters. The Company's legal advisors will also be asked to conduct a comprehensive review of the Hainan Litigation Matters.

3. MEASURES IMPLEMENTED BY THE COMPANY

3.1. Following the changes in the management team of the Company pursuant to the completion of the Offer, CQYL Real Estate has replaced its legal representative and all its directors.

3.2. Moving forward, the Company also intends to improve the standards of the Group's corporate governance practices and principles.

4. FURTHER DEVELOPMENTS

4.1. The Company will make the relevant update announcements in compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited and update shareholders as and when there are material developments on the Hainan Litigation Matters.

By Order of the Board
Ying Li International Real Estate Limited

Hu Bing
Group Chief Executive Officer and Executive Director
14 November 2019