

CIRCULAR DATED 13 APRIL 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this Circular or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Yanlord Land Group Limited (the “**Company**”), you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



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YANLORD

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company registration no. 200601911K)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED SHARE BUYBACK MANDATE

IMPORTANT DATES AND TIME:

- | | | |
|--|---|--|
| Last date and time for lodgement of Proxy Form | : | 27 April 2009 at 2.30 p.m. |
| Date and time of Extraordinary General Meeting | : | 29 April 2009 at 2.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same venue) |
| Place of Extraordinary General Meeting | : | Vanda Ballroom, Marina Mandarin Singapore, Level 5, 6 Raffles Boulevard, Marina Square, Singapore 039594 |

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“Act”	: Companies Act (Chapter 50) of Singapore, as amended or modified from time to time.
“AGM”	: Annual General Meeting of the Company.
“Articles”	: The Articles of Association of the Company, as amended or modified from time to time.
“Average Closing Price”	: has the meaning ascribed to it in Section 2.3 of this Circular.
“CDP”	: The Central Depository (Pte) Limited.
“Circular”	: This circular to Shareholders dated 13 April 2009.
“Code”	: The Singapore Code on Take-overs and Mergers, as amended or modified from time to time.
“Company”	: Yanlord Land Group Limited.
“Controlling Shareholder”	: A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company.
“Directors”	: The directors of the Company as at the Latest Practicable Date.
“EGM”	: The extraordinary general meeting of the Company to be held on 29 April 2009, notice of which is set out on pages 18 and 19 of this Circular.
“Group”	: The Company and its subsidiaries.
“Latest Practicable Date”	: The latest practicable date prior to the printing of this Circular, being 16 March 2009.
“Listing Manual”	: The Listing Manual of the SGX-ST, as amended or modified from time to time.
“Market Day”	: A day on which the SGX-ST is open for trading in securities.
“Market Purchase”	: has the meaning ascribed to it in Section 2.3.3 of this Circular.
“Maximum Price”	: has the meaning ascribed to it in Section 2.3 of this Circular.
“Memorandum”	: The Memorandum of Association of the Company.
“Off-Market Purchase”	: has the meaning ascribed to it in Section 2.3.3 of this Circular.
“SGX-ST”	: Singapore Exchange Securities Trading Limited.

DEFINITIONS

“Share Buyback Mandate”	: The share buyback mandate to enable the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company.
“Shares”	: Ordinary shares in the capital of the Company.
“Shareholders”	: Registered holders for the time being of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register.
“Substantial Shareholders”	: Persons who each hold directly and/or indirectly 5% or more of the total issued share capital of the Company.
Currencies, Units and Others	
“S\$” and “cents”	: Singapore dollars and cents respectively.
“%” or “per cent.”	: Per centum or percentage.

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa, and words importing persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the said Act or any modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day in this Circular shall be a reference to Singapore time.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be the arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company registration no. 200601911K)

Directors:

Zhong Sheng Jian (Chairman and Chief Executive Officer)
Zhong Siliang (Executive Director)
Chan Yiu Ling (Executive Director)
Hong Zhi Hua (Executive Director)
Ronald Seah Lim Siang (Lead Independent Director)
Ng Ser Miang (Independent Director)
Ng Shin Ein (Independent Director)
Ng Jui Ping (Independent Director)

Registered Office:

9 Temasek Boulevard #36-02
Suntec Tower Two
Singapore 038989

13 April 2009

To: The Shareholders of Yanlord Land Group Limited

Dear Sir/Madam

THE PROPOSED SHARE BUYBACK MANDATE

1. INTRODUCTION

The Directors of the Company are proposing to convene an EGM to be held on 29 April 2009 to seek Shareholders' approval for the proposed Share Buyback Mandate of the Company.

The purpose of this Circular is to provide Shareholders with information relating to and the reasons for the proposed Share Buyback Mandate to be tabled at the EGM.

2. THE PROPOSED SHARE BUYBACK MANDATE

2.1 Background

The Company is seeking Shareholders' approval to authorise the Directors to buy back Shares up to the maximum number of Shares set out in Section 2.3.1.

Any purchases or acquisitions of Shares by the Company would have to be made subject to the Memorandum and the Articles, sections 76B to 76G of the Act, the Listing Manual and the Code.

It is also a requirement that a company which wishes to purchase or acquire its own shares should obtain approval of its shareholders to do so at a general meeting. Accordingly, approval is being sought from Shareholders at the EGM for a mandate to be given for the purchase or acquisition by the Company of its issued Shares.

If approved by Shareholders at the EGM, the authority conferred by the Share Buyback Mandate will continue to be in force until the next annual general meeting ("**AGM**") of the Company (whereupon it will lapse, unless renewed at such meeting) or until it is varied or revoked by the Company through a general meeting (if so varied or revoked prior to the next AGM).

2.2 Rationale for the proposed Share Buyback Mandate

The proposed Share Buyback Mandate would give the Company flexibility to purchase the Shares if and when circumstances permit.

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The Share Buyback Mandate provides the Company and its Directors with a simple mechanism to facilitate the return of surplus cash over and above its capital requirements in an expedient and cost-effective manner. The Share Buyback Mandate will also allow the Directors to exercise a certain amount of control over the Company's share capital structure with a view to enhance the earnings per Share of the Company.

If and when circumstances permit, the Directors will decide whether to effect the Shares purchase or acquisition via Market Purchase and/or Off-Market Purchase, after taking into account the relevant factors such as the financial resources available, the prevailing market conditions, and the cost and timing involved. Such purchases or acquisitions will only be made when the Directors are of the view that it will benefit the Company and its Shareholders and that the Directors do not propose to carry out buybacks to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group.

2.3 Terms of the Share Buyback Mandate

2.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The maximum number of Shares which may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is the number of Shares representing not more than 10% of the issued and fully paid-up Shares of the Company as at the date of the EGM at which the proposed Share Buyback Mandate is approved. Any Shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit.

For illustration purposes only, on the basis of 1,831,334,476 issued and fully paid-up Shares as at the Latest Practicable Date, and assuming no further Shares are issued prior to the EGM, not more than 183,133,448 Shares (representing 10% of the total issued and fully paid-up Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Buyback Mandate.

2.3.2 Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM, at which the proposed Share Buyback Mandate is approved, up to:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (b) the date on which share buybacks have been carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders in general meeting,

whichever is earlier.

The Share Buyback Mandate may be renewed at each subsequent AGM or other general meeting of the Company.

2.3.3 Manner of purchase or acquisition of Shares

Purchases or acquisitions of Shares can be effected by the Company by way of:

- (a) on-market purchases (**"Market Purchases"**); transacted on the SGX-ST through the SGX-ST's ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

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- (b) off-market purchases in accordance with an equal access scheme as defined in the Act (“**Off-Market Purchases**”).

The Directors may impose such terms and conditions which are not inconsistent with the Share Buyback Mandate, the Listing Manual, the Act, the Memorandum and the Articles as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of the abovementioned persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same except that the following shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and
 - (c) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company must, as required by the Listing Manual, issue an offer document containing at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share Buyback Mandate;
- (iv) the consequences, if any, of the Shares buybacks by the Company that will arise under the Code or other applicable takeover rules;
- (v) whether the Share buyback, if made, could affect the listing of the equity securities of the Company on the SGX-ST;
- (vi) details of any Share buyback by the Company in the previous 12 months (whether Market Purchase or Off-Market Purchase in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.

2.3.4 Maximum Purchase Price

The purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and

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- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition (the “**Maximum Price**”).

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of the Shares from holders of the Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of purchased or acquired Shares under the Share Buyback Mandate

Any Shares purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition. On the cancellation of a Share, the rights and privileges attached to that Share expire. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

2.5 Treasury shares

Shares purchased or acquired by the Company may be held or dealt with as treasury shares under the Act.

2.5.1 Disposal and cancellation

Where shares are held as treasury shares, the Company may at any time:

- (a) sell the shares (or any of them) for cash;
- (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to an employees’ share scheme;
- (c) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance.

2.5.2 Maximum holdings

The maximum number of treasury shares which may be held by the Company is as follows:

- (a) where the Company has shares of only one class, the aggregate number of shares held as treasury shares must not at any time exceed 10% of the total number of shares of the Company at that time;

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- (b) where the Company's share capital is divided into shares of different classes, the aggregate number of the shares of any class held as treasury shares shall not at any time exceed 10% of the total number of the shares in that class at that time.

In the event that the Company exceeds the stated thresholds, the Company must dispose of or cancel these excess shares within six months or such further period as the Registrar of Companies may allow.

2.5.3 Voting and other rights

The Company cannot exercise any right in respect of the treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid and no other distribution of the Company's assets may be made, to the Company in respect of the treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.6 **Source of funds**

The Act provides that any share buyback may be made out of the Company's capital or profits so long as the Company is solvent. The Company intends to use internal sources of funds, external borrowings and/or issue new equity to finance its purchase or acquisition of the Shares. The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such extent that the liquidity and capital adequacy position of the Group would be materially or adversely affected.

2.7 **Financial impact of the share buyback**

The financial effects on the Group and the Company arising from its purchase or acquisition of Shares which may be made pursuant to the Share Buyback Mandate will depend on, inter alia, whether the Shares purchased or acquired is a Market Purchase or an Off-Market Purchase, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares and whether the Shares purchased or acquired are held as treasury shares or cancelled.

2.7.1 Purchase or acquisition made out of capital and/or profits

Where the consideration paid by the Company for the purchases or acquisitions of Shares is made out of capital, such consideration (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) will not affect the amount available for distribution in the form of cash dividends by the Company.

Where the consideration paid by the Company for the purchases or acquisitions of Shares is made out of profits, such consideration (excluding brokerage, goods and services tax, stamp duties, clearance fees and other related expenses) will correspondingly reduce the amount available for the distribution in the form of cash dividends by the Company.

2.7.2 Number of Shares purchased or acquired

For illustrative purposes only, on the basis of 1,831,334,476 issued and fully paid-up Shares as at the Latest Practicable Date, and assuming no further Shares are issued and no Shares are held by the Company as treasury shares on or prior to the EGM, the exercise in full of the Share Buyback Mandate would result in the purchase or acquisition of 183,133,448 Shares.

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2.7.3 Maximum Price paid for Shares purchased or acquired

For illustrative purposes only, in the case of a Market Purchase by the Company and assuming that the Company purchases or acquires 183,133,448 Shares at the Maximum Price of S\$0.82 per Share (being the price equivalent to 105% of the Average Closing Price of the Share traded on the SGX-ST for the five (5) consecutive Market Days immediately preceding the Latest Practicable Date), the maximum amount of funds required is S\$150,169,427 (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses).

For illustrative purposes only, in the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 183,133,448 Shares at the Maximum Price of S\$0.94 per Share (being the price equivalent to 120% of the Average Closing Price of the Share traded on the SGX-ST for the five (5) consecutive Market Days immediately preceding the Latest Practicable Date), the maximum amount of funds required is S\$172,145,441 (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses).

For illustrative purposes only, on the basis of the assumptions set out above, and based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2008 as if the proposed Share Buyback Mandate and such purchase or acquisition of Shares had been effective on 1 January 2008, the financial effects of the purchase or acquisition of such Shares by the Company are set out as follows:

(a) **Market Purchase made entirely out of capital and held as treasury shares**

	Group		Company	
	Before Share Buyback S\$'000	After Share Buyback S\$'000	Before Share Buyback S\$'000	After Share Buyback S\$'000
As at 31 December 2008				
Shareholders' Equity	1,869,325	1,719,156	1,261,261	1,111,092
Net Asset Value ("NAV")	1,869,325	1,719,156	1,261,261	1,111,092
Current Assets	2,265,901	2,115,732	1,353,020	1,353,020
Current Liabilities	1,219,672	1,219,672	283,516	433,685
Total Borrowings	1,572,519	1,572,519	326,250	326,250
Cash and Cash Equivalents	375,741	225,572	380	380
Treasury Shares ('000)	–	183,133	–	183,133
Number of Shares ('000)	1,831,334	1,648,201	1,831,334	1,648,201
Financial Ratios				
NAV per Share ⁽¹⁾ (cents)	102	104	69	67
Earnings per Share ("EPS") ⁽²⁾ (cents)	12.35	13.73	3.40	3.78
Gearing ⁽³⁾ (times)	0.84	0.91	0.26	0.29
Current Ratio ⁽⁴⁾ (times)	1.86	1.73	4.77	3.12

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(b) Off-Market Purchase made entirely out of capital and held as treasury shares

	Group		Company	
	Before Share Buyback S\$'000	After Share Buyback S\$'000	Before Share Buyback S\$'000	After Share Buyback S\$'000
As at 31 December 2008				
Shareholders' Equity	1,869,325	1,697,180	1,261,261	1,089,116
NAV	1,869,325	1,697,180	1,261,261	1,089,116
Current Assets	2,265,901	2,093,756	1,353,020	1,353,020
Current Liabilities	1,219,672	1,219,672	283,516	455,661
Total Borrowings	1,572,519	1,572,519	326,250	326,250
Cash and Cash Equivalents	375,741	203,596	380	380
Treasury Shares ('000)	–	183,133	–	183,133
Number of Shares ('000)	1,831,334	1,648,201	1,831,334	1,648,201
Financial Ratios				
NAV per Share ⁽¹⁾ (cents)	102	103	69	66
EPS ⁽²⁾ (cents)	12.35	13.73	3.40	3.78
Gearings ⁽³⁾ (times)	0.84	0.93	0.26	0.30
Current Ratio ⁽⁴⁾ (times)	1.86	1.72	4.77	2.97

(c) Market Purchase made entirely out of capital and cancelled

	Group		Company	
	Before Share Buyback S\$'000	After Share Buyback S\$'000	Before Share Buyback S\$'000	After Share Buyback S\$'000
As at 31 December 2008				
Shareholders' Equity	1,869,325	1,719,156	1,261,261	1,111,092
NAV	1,869,325	1,719,156	1,261,261	1,111,092
Current Assets	2,265,901	2,115,732	1,353,020	1,353,020
Current Liabilities	1,219,672	1,219,672	283,516	433,685
Total Borrowings	1,572,519	1,572,519	326,250	326,250
Cash and Cash Equivalents	375,741	225,572	380	380
Number of Shares ('000)	1,831,334	1,648,201	1,831,334	1,648,201
Financial Ratios				
NAV per Share ⁽¹⁾ (cents)	102	104	69	67
EPS ⁽²⁾ (cents)	12.35	13.73	3.40	3.78
Gearing ⁽³⁾ (times)	0.84	0.91	0.26	0.29
Current Ratio ⁽⁴⁾ (times)	1.86	1.73	4.77	3.12

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(d) Off-Market Purchase made entirely out of capital and cancelled

	Group		Company	
	Before Share Buyback S\$'000	After Share Buyback S\$'000	Before Share Buyback S\$'000	After Share Buyback S\$'000
As at 31 December 2008				
Shareholders' Equity	1,869,325	1,697,180	1,261,261	1,089,116
NAV	1,869,325	1,697,180	1,261,261	1,089,116
Current Assets	2,265,901	2,093,756	1,353,020	1,353,020
Current Liabilities	1,219,672	1,219,672	283,516	455,661
Total Borrowings	1,572,519	1,572,519	326,250	326,250
Cash and Cash Equivalents	375,741	203,596	380	380
Number of Shares ('000)	1,831,334	1,648,201	1,831,334	1,648,201

Financial Ratios

NAV per Share ⁽¹⁾ (cents)	102	103	69	66
EPS ⁽²⁾ (cents)	12.35	13.73	3.40	3.78
Gearing ⁽³⁾ (times)	0.84	0.93	0.26	0.30
Current Ratio ⁽⁴⁾ (times)	1.86	1.72	4.77	2.97

Notes:

- (1) NAV per Share equals to NAV divided by the number of Shares (excluding Treasury Shares, if any) outstanding as at 31 December 2008.
- (2) EPS equals to profit attributable to Shareholders divided by the weighted average number of Shares outstanding for the financial year ended 31 December 2008.
- (3) Gearing equals to total borrowings divided by Shareholders' equity.
- (4) Current ratio equals current assets divided by current liabilities.

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, Shareholders are to note that the financial analyses set out above are based on the audited financial statement of the Group and the Company for the financial year ended 31 December 2008 and is not necessarily representative of future financial performance of the Group and the Company. Although the Share Buyback Mandate would authorise the Company to buy back Shares up to 10% of the issued and fully paid-up share capital of the Company, the Company may not necessarily buy back or be able to buy back 10% of the issued and fully paid-up share capital of the Company in full. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

LETTER TO SHAREHOLDERS

The Directors do not propose to exercise the Share Buyback Mandate to an extent that would materially and adversely affect the working capital requirements of the Company. The purchases or acquisitions of Shares will only be effected after considering relevant factors such as the working capital requirements, availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions. The proposed Share Buyback Mandate will only be exercised in the best interests of the Company, for example, to enhance the earnings per Share of the Company.

2.8 Listing Rules

2.8.1 Reporting requirements

The Listing Manual specifies that a listed company shall notify the SGX-ST of any share buyback as follows:

- (a) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchased or acquired any of its shares; and
- (b) in the case of an Off-Market Purchase, by 9.00 a.m. on the second Market Day after the close of acceptance of the offer.

The notification of such share buybacks to the SGX-ST shall be in such form and shall include such details as the SGX-ST may prescribe, such as the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable.

The Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced. Further, in conformity with the best practices on dealing with securities under the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its full-year, or one month immediately preceding the announcement of the Company's interim (half-year) results and the annual (full-year) results respectively.

2.8.2 Listing Manual

The Listing Manual requires the Company to ensure that at least 10% of its Shares are at all times held by the public. The "public", as defined in the Listing Manual, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company or its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, approximately 27% of the issued ordinary shares of the Company is held by the public. Assuming that the Company repurchased the maximum of 10% of its issued and fully paid-up share capital as at the Latest Practicable Date from members of the public, the resultant percentage of the issued Shares held by the public would be approximately 17%.

The Directors will use their best efforts to ensure that the requirements of the Listing Manual are complied with and that the orderly trading of Shares would not be adversely affected should the Company effect buybacks of Shares under this Mandate.

LETTER TO SHAREHOLDERS

2.9 Tax implications

Members who are in doubt as to their respective tax positions or the tax implications of share purchases or acquisitions by the Company or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.10 Take-over Code implications

Appendix 2 of the Take-over Code contains the Share Buyback Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out as follows:

2.10.1 Obligation to make a take-over offer

Pursuant to Appendix 2 of the Code, when a company buys back its shares, any resulting increase in the percentage of voting rights held by a shareholder and persons acting in concert with him will be treated as an acquisition for the purposes of Rule 14 of the Code. If such increase results in the change of effective control, or as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Code.

Under the Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons, inter alia, will be presumed to be acting in concert:

- (a) a company with its parent, subsidiaries, its fellow subsidiaries, any associated companies of the aforesaid companies, any company whose associated companies include any of the aforesaid companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid companies for the purchase of shares carrying voting rights;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and

LETTER TO SHAREHOLDERS

- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act in accordance with his instructions, companies controlled by any of the aforesaid persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid persons or companies for the purchase of voting rights.

For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

2.10.2 Effect of Rule 14 and Appendix 2 of the Code

The effect of Rule 14 of the Code is that, unless exempted, the Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 of the Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months.

A Shareholder, who is not acting in concert with the Directors, will not be required to make a take-over offer under Rule 14 of the Code if, as a result of the Company purchasing its Shares, the voting rights of the Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting on resolution authorising the Share Buyback Mandate at the EGM.

As at the Latest Practicable Date, the Company's issued share capital comprised 1,831,334,476 Shares. As Yanlord Holdings Pte. Ltd., Zhong Sheng Jian, Zhong Siliang and persons presumed to be acting in concert with each other under the Code have an aggregate shareholding interests of more than 50% in the Company, the increase in the shareholding, in the event the Company purchases the maximum number of Shares permissible under the Share Buyback Mandate, will not require a general offer to be made under Rule 14 of the Code.

Save as disclosed above, the Directors have confirmed that they are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholders are, or may be regarded as parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Code would ensue as a result of a share buyback.

The statements in this Circular do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisers and/or the Securities Industry Council and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases or acquisitions by the Company.

2.11 **No share buybacks in the previous 12 months**

The Company has not made any share buybacks in the 12 months preceding the date of this Circular.

LETTER TO SHAREHOLDERS

3. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

	Before Share Buyback (No. of Shares '000)			Before Share Buyback % ⁽⁷⁾	After Share Buyback % ⁽⁸⁾
	Direct Interest	Deemed Interest	Total Interest		
Directors					
Zhong Sheng Jian ⁽¹⁾	1,987	1,277,514	1,279,501	69.8671	77.6302
Zhong Siliang ⁽²⁾	20	—	20	0.0011	0.0012
Chan Yiu Ling ⁽³⁾	20	5	25	0.0014	0.0015
Hong Zhi Hua ⁽⁴⁾	310	—	310	0.0169	0.0188
Ronald Seah Lim Siang	50	—	50	0.0027	0.0030
Ng Ser Miang ⁽⁵⁾	300	—	300	0.0164	0.0182
Ng Shin Ein ⁽⁶⁾	38	—	38	0.0021	0.0023

Substantial Shareholder

Yanlord Holdings Pte. Ltd.	1,277,514	—	1,277,514	69.7586	77.5096
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- (1) Mr Zhong Sheng Jian is deemed to be interested in 1,277,514,000 ordinary shares in the Company held by Yanlord Holdings Pte. Ltd. ("YHPL"). YHPL is a company which is owned by Mr Zhong Sheng Jian (95% shareholding interest and his spouse (5% shareholding interest).
- (2) Mr Zhong Siliang is the nephew of Mr Zhong Sheng Jian. On top of his shareholding, Mr Zhong Siliang further holds 300,000 share options in the Company.
- (3) Ms Chan Yiu Ling further holds 700,000 share options in the Company.
- (4) Mr Hong Zhi Hua further holds 300,000 share options in the Company.
- (5) Mr Ng Ser Miang further holds S\$500,000 Yanlord Land Group Limited convertible notes due 2012.
- (6) Ms Ng Shin Ein further holds S\$250,000 Yanlord Land Group Limited convertible notes due 2012.
- (7) As a percentage of the issued share capital of the Company, comprising 1,831,334,476 Shares.
- (8) As a percentage of the issued share capital of the Company, comprising 1,648,201,028 Shares (assuming that the Company purchases the maximum number of 183,133,448 Shares under the Share Purchase Mandate)

4. DIRECTORS' RECOMMENDATION

Directors are of the view that the proposed Share Buyback Mandate is in the best interests of the Company.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 18 and 19 of this Circular, will be held at the Vanda Ballroom, Marina Mandarin Singapore, Level 5, 6 Raffles Boulevard, Marina Square, Singapore 039594 on 29 April 2009 at 2.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

6. ACTION TO BE TAKEN BY SHAREHOLDERS

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote at the EGM on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach at the registered office of the Company at 9 Temasek Boulevard #36-02, Suntec Tower Two, Singapore 038989 not later than 2.30 p.m. on 27 April 2009. The completion and return of a Proxy Form by a Shareholder will not prevent him from attending and voting in person at the EGM if he so wishes. In such event, the relevant Proxy Form will be deemed to be revoked.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects and there are no other material facts the omission of which would make any statement in this Circular misleading.

Shareholders are advised to read this Circular in its entirety and for any Shareholder who may require advice in the context of his specific investment, to consult his bank manager, stockbroker, solicitor, accountant or other professional adviser.

8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 9 Temasek Boulevard #36-02, Suntec Tower Two, Singapore 038989 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Memorandum and the Articles.
- (b) the Annual Report for financial year ended 31 December 2008.

Yours faithfully
For and on behalf of
The Board of Directors
Yanlord Land Group Limited

NOTICE OF EXTRAORDINARY GENERAL MEETING

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company registration no. 200601911K)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of **YANLORD LAND GROUP LIMITED** (the “**Company**”) will be held at the Vanda Ballroom, Marina Mandarin Singapore, Level 5, 6 Raffles Boulevard, Marina Square, Singapore 039594 on 29 April 2009 at 2.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the following Resolution, which will be proposed as an Ordinary Resolution:

ORDINARY RESOLUTION

THE PROPOSED SHARE BUYBACK MANDATE

THAT:-

- (1) for the purposes of sections 76C and 76E of the Companies Act (Chapter 50, Singapore) (the “**Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or acquire issued ordinary shares fully paid in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:-

- (a) on market purchases on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Market Purchase**”); and/or
- (b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act (“**Off-Market Purchase**”),

and otherwise in accordance with all other laws regulations and rules of the SGX-ST as may for the time being applicable, be and is hereby authorised and generally and unconditionally (the “**Share Buyback Mandate**”);

- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:-

- (a) the date on which the next annual general meeting of the Company is held; or
- (b) the date by which the next annual general meeting of the Company is required by law to be held,

whichever is earlier.

In this Resolution:-

“**Maximum Percentage**” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date);

NOTICE OF EXTRAORDINARY GENERAL MEETING

“Maximum Price” in relation to a Share to be purchased, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:-

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares;

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- (3) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

BY ORDER OF THE BOARD

Tan Shook Yng
Company Secretary
13 April 2009
Singapore

Notes:

- (a) *Every Shareholder of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.*
- (b) *The instrument appointing a proxy must be deposited at the registered office of the Company at 9 Temasek Boulevard #36-02, Suntec Tower Two, Singapore 038989 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting or any postponement or adjournment thereof. Completion and return of the proxy form by a member will not prevent him from attending and voting at the Extraordinary General Meeting if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.*
- (c) *The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instruction appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.*

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YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company registration no. 200601911K)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT

1. For investors who have used their CPF monies to buy YANLORD LAND GROUP LIMITED shares, this Circular to Shareholders dated 13 April 2009 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We, _____ (name)

of _____ (address)

being a member/members of Yanlord Land Group Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting (defined below), as my/our proxy/proxies to vote for me/us on my/our behalf and, if necessary, to demand a poll at the Extraordinary General Meeting (the "**Meeting**") of the Company to be held at the Vanda Ballroom, Marina Mandarin Singapore, Level 5, 6 Raffles Boulevard, Marina Square, Singapore 039594 on 29 April 2009 at 2.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same venue) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolution proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.)

Ordinary Resolution	For	Against
To approve the proposed Share Buyback Mandate.		

Dated this _____ day of _____ 2009

Signature of Shareholder(s)
or, Common Seal of Shareholder

*Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total Number of Shares Held



Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at registered office of the Company at 9 Temasek Boulevard #36-02, Suntec Tower Two, Singapore 038989 not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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