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UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2017 ("4Q2017 and FY2017")

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY ("1Q", "2Q", "3Q" & "4Q"), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) *An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.*

Please read the Consolidated Financial Statements in conjunction with the explanatory notes at the end of items 1(a)(i) and 1(b)(i)

Actual Consolidated Statement of Comprehensive Income

	Actual CFS (As defined herein)					
	4Q2017	4Q2016	% Change	FY2017	FY2016	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Revenue	58,197	293,532	(80%)	298,253	349,376	(15%)
Cost of sales	(40,534)	(259,500)	(84%)	(282,683)	(300,782)	(6%)
Gross profit	17,663	34,032	(48%)	15,570	48,594	(68%)
Other income	45,147	(30,166)	(250%)	188,913	7,461	2432%
Selling and distribution expenses	131	(12,955)	(101%)	(6,295)	(23,045)	(73%)
Administrative expenses	75,786	(70,769)	(207%)	45,287	(110,781)	(141%)
Other operating expense	0	(33,735)	(100%)		(33,735)	(100%)
Change in fair value of investment	(7,838)	98,003	(108%)	(7,838)	98,003	(108%)
Finance costs	(130,882)	(102,035)	28%	(180,636)	(152,143)	19%
Profit/(loss) before income tax	7	(117,625)	(101%)	55,001	(165,646)	(133%)
Income tax (expenses) credit	(35,300)	(34,975)	1%	(35,706)	(35,813)	0%
Net profit / (loss) for the period	(35,293)	(152,600)	(77%)	19,295	(201,459)	(110%)
Other comprehensive income (loss)						
Currency translation difference	4,042	7,685	(47%)	11,762	(26,499)	(143%)
Total comprehensive profit / (loss) for the period	(31,251)	(144,915)	(78%)	31,057	(227,908)	(114%)
Loss attributable to:						
Equity holders of the Company	(29,494)	(150,040)	(80%)	33,581	(192,852)	(117%)
Non-controlling interest	(5,799)	(2,560)	127%	(14,286)	(8,607)	66%
	(35,293)	(152,600)	(77%)	19,295	(201,459)	(110%)
Total comprehensive profit/(loss) attributable to:						
Equity holders of the Company	(25,452)	(142,355)	(82%)	45,343	(220,021)	(121%)
Non-controlling interest	(5,799)	(2,560)	127%	(14,286)	(7,888)	66%
	(31,251)	(144,915)	(78%)	31,057	(227,908)	(114%)



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1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).

Proforma Consolidated Statement of Comprehensive Income

	Proforma CFS (As defined herein)					
	4Q2017	4Q2016	% Change	FY2017	FY2016	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Revenue	58,197	293,532	(80%)	298,253	349,376	(15%)
Cost of sales	(41,684)	(258,185)	(84%)	(282,497)	(298,916)	(5%)
Gross profit	16,513	35,347	(53%)	15,756	50,460	(69%)
Other income	45,543	(30,166)	(251%)	188,975	7,461	2433%
Selling and distribution expenses	131	(12,955)	(101%)	(6,295)	(23,045)	(73%)
Administrative expenses	76,012	(70,470)	(208%)	45,513	(110,313)	(141%)
Other operating expense	0	(33,735)	(100%)		(33,735)	(100%)
Change in fair value of investment	(7,838)	98,003	(108%)	(7,838)	98,003	(108%)
Finance costs	(130,882)	(102,035)	28%	(180,636)	(152,143)	19%
Profit/(loss) before income tax	(521)	(116,011)	(100%)	55,475	(163,312)	(134%)
Income tax (expenses) credit	(35,403)	(35,319)	0%	(35,809)	(36,337)	1%
Net profit/(loss) for the period	(35,924)	(151,330)	(76%)	19,666	(199,649)	(110%)
Other comprehensive income (loss)						
Currency translation difference	4,042	62,023	(93%)	11,764	27,169	(57%)
Total comprehensive profit/(loss) for the period	(31,882)	(89,307)	(64%)	31,430	(172,480)	(118%)
Profit/(loss) attributable to:						
Equity holders of the Company	(30,125)	(148,770)	(80%)	33,952	(190,862)	(118%)
Non-controlling interest	(5,799)	(2,560)	127%	(14,286)	(8,607)	66%
	(35,924)	(151,330)	(76%)	19,666	(199,649)	(110%)
Total comprehensive profit/(loss) attributable to:						
Equity holders of the Company	(26,083)	(86,747)	(70%)	45,716	(163,693)	(128%)
Non-controlling interest	(5,799)	(2,560)	127%	(14,286)	(8,607)	66%
	(31,882)	(89,307)	(64%)	31,430	(176,066)	(118%)



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1(a)(i) *An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).*

Explanatory Notes:

As a result of the restructuring exercise of our Company and its subsidiaries (the “**Group**”) (the “**Restructuring Exercise**”) for the purpose of the Company's listing on the SGX-ST (the “**Invitation**”), common control over our operating subsidiaries in the People's Republic of China (“**PRC**”) by our shareholders prior to the Invitation could not be established from the start of 1 January 2006 due to changes in legal ownership of our operating subsidiaries.

Please refer to the section titled “*Restructuring Exercise*” in our Prospectus dated 31 March 2010 (the “**Prospectus**”) for more details on the Restructuring Exercise.

The application of the purchase method under the Singapore Financial Reporting Standards 103 (the “**SFRS 103**”) for the acquisition of the PRC subsidiaries by our Group requires, *inter alia*, the development properties and property held for sale by the respective PRC subsidiary to be recorded at fair value at the respective dates of acquisition by our Group.

As a result, our gross profits and earnings for the fourth quarter and year ended 31 December 2016 (“**4Q2016** and **FY2016**”) and for the fourth quarter and year ended 31 December 2017 (“**4Q2017** and **FY2017**”), as well as future financial periods/years based on the Actual Consolidated Financial Statements (as defined in the Prospectus) would be lower than those that would be prepared under the Proforma Consolidated Financial Statements (as defined in the Prospectus).

Please refer to the risk factor titled “*Our gross profits and earnings for FY2009 and future financial periods/years based on the Actual Consolidated Financial Statements would be lower than those that would be prepared under the Proforma Consolidated Financial Statements mainly due to fair value adjustments to our future cost of property development sales in the Actual Consolidated Financial Statements as a result of application of Singapore Financial Reporting Standards 103 – Business Combinations (“SFRS 103”)*” in our Prospectus for more details.

Accordingly, besides the unaudited consolidated financial statements for 4Q2016, FY2016, 4Q2017 and FY2017 (the “**Actual Consolidated Financial Statements**” or “**Actual CFS**”), our Company had also prepared the proforma consolidated financial statements for 4Q2016, FY2016, 4Q2017 and FY2017 (the “**Proforma Consolidated Financial Statements**” or “**Proforma CFS**”) for illustrative purposes only, based on certain assumptions and after making certain adjustments to show what the financial results of our Group would have been, if it had been in place since 1 January 2006.

Notwithstanding the above, such notional accounting adjustments (the “**Notional Adjustment**”) have no bearing on the operating cash flow or the cash position of our Group.



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1(a)(ii) Profit before income tax is arrived at after charging/ (crediting):-

	Actual Consolidated Statement of Comprehensive Income					
	4Q2017	4Q2016	% Change	FY2017	FY2016	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Depreciation	856	575	49%	3,424	2,697	27%
Amortisation	56	56	0%	224	223	0%
Interest expense	130,882	102,035	28%	180,636	152,143	19%
Interest income	572	(1,779)	(132%)	0	(7,346)	(100%)
Exchange loss (gain)	(4,042)	92,380	(104%)	(11,762)	61,228	(119%)

	Proforma Consolidated Statement of Comprehensive Income					
	4Q2017	4Q2016	% Change	FY2017	FY2016	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Depreciation	856	744	15%	3,424	2,697	27%
Amortisation	56	56	0%	224	223	0%
Interest expense	130,882	102,035	28%	180,636	152,143	19%
Interest income	572	(1,779)	(132%)	0	(7,346)	(100%)
Exchange loss (gain)	(4,042)	92,380	(104%)	(11,764)	61,228	(119%)



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1(b)(i) A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Group				Company	
	Actual CFS		Proforma CFS		Actual CFS	
	31.12.2017 RMB'000	31.12.2016 RMB'000	31.12.2017 RMB'000	31.12.2016 RMB'000	31.12.2017 RMB'000	31.12.2016 RMB'000
ASSETS						
Current assets						
Cash and bank equivalents	46,166	88,448	46,166	88,448	100	38
Restricted cash and cash equivalents	205,031	364,779	205,031	364,779		-
Trade and other receivables	1,002,161	445,131	1,002,161	445,131	391,563	6,992
Amount due from related parties	45,092	20,731	45,092	20,731		-
Due from subsidiaries		-		-	907,307	920,040
Amount due from contract work		949		949		-
Inventories	255	262	255	262		-
Property held for sales	139,800	190,384	131,108	181,507		-
Development properties	1,094,808	978,446	839,059	722,495		-
Prepaid land use right		223		223		-
Asset held for sales	-	2,652,394	-	2,652,394		-
Dividends receivable	-	-	-	-		-
Total current assets	2,533,313	4,741,747	2,268,872	4,476,919	1,298,970	927,070
Non-current Assets						
Prepaid land use right	4,141	4,364	4,141	4,364		-
Property, plant and equipment	21,017	20,959	18,187	18,082		-
Investment properties	2,042,066	2,005,846	2,042,066	2,005,846		-
Joint Venture	-	-	-	-		-
Trade and other receivables	-	10,000	-	10,000		161
Investment in subsidiaries		-		-	1,018	1,815
Other investment	1,300	2,849	1,300	2,849		-
Deferred tax assets	17,509	16,922	17,509	16,922		-
Goodwill	4,192	4,192	4,192	4,192		-
Total non-current assets	2,090,225	2,065,132	2,087,395	2,062,255	1,018	1,815
Total assets	4,623,538	6,806,879	4,356,267	6,539,174	1,299,988	928,885
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Bank and other loans	618,067	1,379,513	618,067	1,379,513		-
Trade and other payables	1,066,364	983,840	1,066,364	983,843	186,494	774
Long term payable-current portion	24,779	23,420	24,779	23,420		-
Amount due to related parties	26,426	17,805	26,426	17,805	17,721	-
Due to subsidiaries		-		-	320,562	326,781
Liability held for sale		1,503,082		1,503,082		-
Tax payables	130,404	83,181	130,404	83,181	37,623	-
Total current liabilities	1,866,040	3,990,841	1,866,040	3,990,844	562,400	327,555
Non-current liabilities						
Bank and other loans	1,016,600	1,050,564	1,016,600	1,050,564		-
Trade and other payables	-	259	-	259		-
Long term payable	152,809	154,725	152,809	154,725		-
Deferred tax liabilities	304,610	340,191	239,042	274,520		-
Total non-current liabilities	1,474,019	1,545,739	1,408,451	1,480,068	-	-
Shareholders' equity	1,283,479	1,270,299	1,081,776	1,068,262	737,588	601,330
Total liabilities and Shareholders' equity	4,623,538	6,806,879	4,356,267	6,539,174	1,299,988	928,885



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1(b)(i) *A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year (continued).*

Explanatory Notes :

The main differences in the balance sheet between the Actual Consolidated Financial Statements and the unaudited Proforma Consolidated Financial Statements relate to (i) the recording of the attributed fair values of certain assets (such as property held for sales, and development properties as well as the associated tax effect on fair value these tangible assets) as at the respective dates of legal completion of the acquisitions of each PRC subsidiary as the book values of these assets in the Actual Consolidated Financial Statements, as compared with the unaudited Proforma Consolidated Financial Statements where the corresponding values of these assets were based on the historical purchase costs of the respective assets by the PRC subsidiaries; and (ii) the impact of the different comprehensive income statements between Actual Consolidated Financial Statements and the unaudited Proforma Consolidated Financial Statements as mentioned in the preceding section. Please refer to item 1(a)(i) Explanatory Notes for more details.

The Group reviewed and assessed the classification of the Group's investment in joint arrangements in accordance with the requirements of FRS 111. The Group concluded that investment in Jin Long Garden, which was classified as a jointly controlled operation under FRS 31 and was previously accounted using the equity method, should be accounted to recognise its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly)(Details please refer to the Company's announcement dated on 2 April 2015).

The restatement do not have any effect on the Group's net assets and profit after tax.

1(b)(ii) *Aggregate amount of group's borrowings and debt securities*

	Group (Actual CFS)	
	31.12.2017	31.12.2016
	RMB'000	RMB'000
Amount repayable in one year on less, or on demand:-		
Secured (a)	618,067	1,377,513
Unsecured (b)	-	2,000
Sub-total (1)	618,067	1,379,513
Amount repayable after one year		
Secured (a)	1,016,600	1,050,564
Sub-total (2)	1,016,600	1,050,564
Total debt (1)+(2)	1,634,667	2,430,077



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1(b)(ii) *Aggregate amount of group's borrowings and debt securities (continued)*

Explanatory Notes:

Bank loans

(a) Bank loans

The following loans are still outstanding:

1. RMB40,000,000 (2016: RMB87,000,000) with an effective interest rate 5.22% (2016: 5% to 5.22%) per annum, is secured by directors of the Group and subsidiaries, restricted cash and cash equivalents and land use rights of the Group (2016: secured by directors of the Group and subsidiaries, restricted cash and cash equivalents and land use rights of the Group) and repayable in 2018 (2016: repayable in 2017);
2. RMB9,950,000 (2016: RMB219,300,000) with an effective interest rate of 4.35% (2016: 4.35% to 6.22%) per annum, is secured by restricted cash (2016: secured directors of the Group and subsidiaries, restricted cash and cash equivalents and investment properties) and repayable in 2018 (2016: repayable in 2017);
3. RMB38,600,000 (2016: RMB266,005,000) with an effective interest rate from 6.86% to 7.35% (2016: 4.94% to 5.67%) per annum, is secured by a director of the Group and subsidiaries, land use rights of the Group, property, plant and equipment and investment properties and repayable in 2032~2035 (2016: repayable in 2017);
4. RMB15,000,000 (2016: RMB Nil) with an effective interest rate of 5.66% per annum, is secured by a director of the Group and subsidiaries, land use rights of the Group and repayable in 2018; and
5. RMB163,691,120 (2016 : RMB140,050,000) with an effective interest rate from 3.0% to 3.3% (2016 : 1.9%) per annum, is secured by restricted cash and cash equivalents and repayable in 2018 (2016 : repayable in 2017).

There following loans were repaid in 2017:

1. RMB38,503,000, with an effective interest rate from 1.65% to 1.69% per annum and secured by restricted cash and cash equivalents;
2. RMB46,401,000 with an effective interest rate from 4.99% to 6.07% per annum and secured by a director of the Group and subsidiaries, restricted cash and cash equivalents and investment properties;
3. RMB27,500,000 with an effective interest rate from 4.44% to 5.27% per annum and secured by restricted cash and cash equivalents and land use rights of the Group;
4. RMB24,500,000 with an effective interest rate from 4.85% to 5.1% per annum and secured by a director of the Group and subsidiary, land use rights of the Group and investment properties;
5. RMB5,000,000 with an effective interest rate of 5% per annum and unsecured; and
6. RMB12,000,000 with an effective interest rate of 4.35% per annum and secured by restricted cash and cash equivalents.



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(b) Other loans

The following other loans are still outstanding:

1. RMB978,000,000 (2016: RMB1,580,500,000) with an effective interest rate from 9.92% to 12.94% (2016: 9.92% to 14%) per annum and is secured by a director of the Group (2016: is secured by a director of the Group and subsidiaries, properties held for sale, development properties, land use rights of the Group and investment properties). The current portion of this loan amounted to RMB Nil (2016: RMB538,000,000) is repayable in 2017, while the non-current portion of this loan amounted to RMB978,000,000 (2016: RMB1,042,500,000);
2. RMB25,009,756 (2016: RMB Nil) with an effective interest rate of 15% per annum, is secured by a director of the Group and repayable in 2018;
3. RMB7,120,000 (2016: RMB Nil) is interest free, unsecured and repayable in 2018;
4. RMB14,514,796 (2016: RMB Nil) is adjusted from discounted outstanding bills with total interest fee RMB2,400,196 (2017: RMB654,918), unsecured and due in 2018;
5. RMB12,486,000 (2016 : RMB12,486,000) is interest free, unsecured and repayable on demand;
6. RMB199,000,000 (2016 : RMB Nil) with an effective interest rate from 30% to 37.2% per annum, unsecured and repayable within the next twelve months; and
7. RMB131,295,000 (2016: RMB169,872,000) are either guaranteed by a subsidiary, secured over properties held for sale, land use rights or investment properties of the Group (2016: are either guaranteed by a subsidiary, secured over land use rights or investment properties), and repayable in 2018.



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1(c) A cashflow statement (for the group), together with a comparative statement for the corresponding period for the immediately preceding financial year.

	Actual CFS			
	4Q2017	4Q2016	FY2017	FY2016
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Loss before tax	7	(117,625)	55,001	(165,646)
Adjustments for:	-	-	-	-
Depreciation and amortisation	912	631	3,648	2,920
(Gain)/Loss on disposal Fixed asset	-	(479)	-	(479)
Interest expense	130,882	102,035	180,636	152,143
Interest income	572	(1,807)	-	(7,374)
Impairment & Provision	-	25,346	-	25,346
Change of fair value of investment properties	(36,220)	(98,003)	(36,220)	(98,003)
Unrealised exchange loss	4,042	91,685	11,762	60,533
Operating loss before working capital changes	100,195	1,783	214,827	(30,560)
Trade and other receivables	(462,931)	(93,138)	(375,916)	(104,924)
Development properties	(13,129)	49,940	19,080	(561,983)
Property held for sales	(18,666)	213,894	(15,740)	220,213
Amounts due from related parties	-	(16,838)	-	(16,838)
Amount due from customers for contract work	(73,489)	-	(72,540)	-
Inventories	(3)	-	7	-
Trade and other payables	83,954	(175,103)	(10,771)	171,407
Amounts due to related parties	-	7,005	-	4,842
Net cash (used in) from operations	(384,069)	(12,457)	(241,053)	(317,843)
Interest paid	(130,882)	(122,025)	(180,636)	(242,471)
Interest received	(572)	2,864	-	8,431
Income taxes paid	295	(6,957)	(2,936)	(17,878)
Net cash (used in) from operating activities	(515,228)	(138,575)	(424,625)	(569,761)
Cash flows from investing activities				
Purchases of properties, plant and equipment	(908)	497	(3,706)	(571)
Addition in investment property	-	(68,572)	-	(69,044)
Advance to joint venture	-	25,618	-	17,462
Repayment from joint venture	-	-	-	-
Proceeds on disposal of investment property	-	22,942	-	30,022
Proceeds on (acquire) / disposal Subsidiary	496,473	(33,905)	965,432	(33,905)
Disposal of other investment	(1,300)	(1,549)	1,549	(1,549)
Net cash from (used in) investing activities	494,265	(54,969)	963,275	(57,585)
Cash flows from financing activities				
Amounts due from related parties	-	1,478	-	-
Fixed deposit	(201)	(129)	159,748	36,972
Dividend paid	-	-	-	-
Proceeds from bank and other loans	-	(195,402)	-	502,469
Repayment of bank and other loans	37,510	340,709	(740,680)	-
Net cash from financing activities	37,309	146,656	(580,932)	539,441
Net (decrease) increase in cash and cash equivalents	16,346	(46,888)	(42,282)	(87,905)
Cash and cash equivalents at the beginning of the periods	29,820	138,896	88,448	177,424
Effects of exchange rate changes on the balance of cash held in foreign currency	-	(3,561)	-	(1,072)
Cash and cash equivalents at the end of the periods	46,166	88,448	46,166	88,448



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1(c) A cashflow statement (for the group), together with a comparative statement for the corresponding period for the immediately preceding financial year (continued).

	Proforma CFS			
	4Q2017	4Q2016	FY2017	FY2016
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Loss before tax	(520)	(117,821)	55,476	(165,122)
Adjustments for:	-	-	-	-
Depreciation and amortisation	912	800	3,648	2,920
(Gain)/Loss on disposal of Fixed Asset	-	(705)	-	(705)
Interest expense	130,882	102,035	180,636	152,143
Interest income	572	(1,807)	-	(7,374)
Impairment & Provision	-	25,346	-	25,346
Change of fair value of investment properties	(36,220)	(98,003)	(36,220)	(98,003)
Unrealised exchange loss	4,042	91,685	11,764	60,533
Operating loss before working capital changes	99,668	1,530	215,304	(30,262)
Trade and other receivables	(462,404)	(93,138)	(376,393)	(104,924)
Development properties	(13,129)	450,791	19,080	(161,429)
Property held for sales	(18,666)	(188,695)	(15,740)	(182,630)
Amounts due from related parties	-	(16,838)	-	(16,838)
Amount due from customers for contract work	(73,489)	-	(72,540)	-
Inventories	(3)	-	7	-
Trade and other payables	83,954	(173,111)	(10,771)	173,399
Amounts due to related parties	-	7,005	-	4,842
Net cash (used in) from operations	(384,069)	(12,455)	(241,053)	(317,841)
Interest paid	(130,882)	(122,025)	(180,636)	(242,471)
Interest received	(572)	2,864	-	8,431
Income taxes paid	295	(6,957)	(2,936)	(17,878)
Net cash (used in) from operating activities	(515,228)	(138,573)	(424,625)	(569,759)
Cash flows from investing activities				
Purchases of properties, plant and equipment	(908)	497	(3,706)	(571)
Addition in investment property	-	(68,572)	-	(69,044)
Advance to joint venture	-	25,618	-	17,462
Repayment from joint venture	-	-	-	-
Proceeds on disposal of investment property	-	22,942	-	30,022
Proceeds on acquire Subsidiary	496,473	(33,905)	965,432	(33,905)
Disposal of other investment	(1,300)	(1,549)	1,549	(1,549)
Net cash from (used in) investing activities	494,265	(54,969)	963,275	(57,585)
Cash flows from financing activities				
Amounts due from related parties	-	1,478	-	-
Fixed deposit	(201)	(129)	159,748	36,972
Dividend paid	-	-	-	-
Proceeds from bank and other loans	-	(195,402)	-	502,469
Repayment of bank and other loans	37,510	340,709	(740,680)	-
Net cash from financing activities	37,309	146,656	(580,932)	539,441
Net (decrease) increase in cash and cash equivalents	16,346	(46,886)	(42,282)	(87,903)
Cash and cash equivalents at the beginning of the periods	29,820	138,896	88,448	177,424
Effects of exchange rate changes on the balance of cash held in foreign currency	-	(3,561)	-	(1,072)
Cash and cash equivalents at the end of the periods	46,166	88,448	46,166	88,448



DEBAO PROPERTY
DEVELOPMENT LTD.
德宝房地产开发有限公司



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Explanatory Notes:

Notwithstanding the fair value adjustments to the cost of property development sales of our existing development properties during our Restructuring Exercise, such fair value adjustments does not affect the operating cash flows from existing development properties.



DEBAO PROPERTY
DEVELOPMENT LTD.

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group - Actual CFS								
	Issued Capital RMB'000	Retained Earnings RMB'000	Translation Reserve RMB'000	Statutory Reserve RMB'000	Capital Reserve RMB'000	Revaluation Reserve RMB'000	Attributable to equity holders of the Company RMB'000	Non-Controlling Interests RMB'000	Total RMB'000
Balance as at 1 January 2016	909,831	422,395	27,016	23,887	86,724	17,788	1,487,641	10,566	1,498,207
Total comprehensive profit/(loss) for the period		(192,852)	(27,168)				(220,020)	(7,888)	(232,200)
Balance as at 31 December 2016	909,831	229,543	(152)	23,887	86,724	17,788	1,267,621	2,678	1,270,299
Balance as at 1 January 2017	909,831	229,543	(152)	23,887	86,724	17,788	1,267,621	2,678	1,270,299
Total comprehensive (loss) profit for the period		33,581	11,762		2		45,345	(14,377)	30,968
Disposal of the subsidiary						(17,788)	(17,788)		(17,788)
Balance as at 31 December 2017	909,831	263,124	11,610	23,887	86,726	0	1,295,178	(11,699)	1,283,479

	Group - Proforma CFS									
	Issued Capital RMB'000	Retained Earnings RMB'000	Translation Reserve RMB'000	Proforma Reserve RMB'000	Statutory Reserve RMB'000	Capital Reserve RMB'000	Revaluation Reserve RMB'000	Attributable to equity holders of the Company RMB'000	Non-Controlling Interests RMB'000	Total RMB'000
Balance as at 1 January 2016	909,831	355,310	27,016	(148,414)	31,442	86,724	21,707	1,283,616	10,566	1,294,182
Total comprehensive profit/(loss) for the period		(190,862)	(27,169)					(218,032)	(7,888)	(225,920)
Balance as at 31 December 2016	909,831	164,448	(154)	(148,414)	31,442	86,724	21,707	1,065,584	2,678	1,068,262
Balance as at 1 January 2017	909,831	355,310	27,016	(148,414)	31,442	86,724	21,707	1,283,616	10,566	1,294,182
Total comprehensive (loss) profit for the period		33,952	11,764					45,766	(14,414)	31,302
Disposal of the subsidiary							(17,788)	(17,788)		(17,788)
Balance as at 31 December 2017	909,831	198,400	11,610	(148,414)	31,442	86,724	3,919	1,093,512	(11,736)	1,081,776



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).

	Company			
	Share capital RMB'000	Accumulated losses RMB'000	Translation reserve RMB'000	Total RMB'000
Balance as at 1 January 2016	909,831	(286,847)	(37,600)	585,384
Total comprehensive loss for the period	-	(10,974)	26,854	15,880
Dividend distribution				
Balance as at 31 December 2016	909,831	(297,821)	(10,746)	601,264
Balance as at 1 January 2017	909,831	(297,821)	(10,746)	601,264
Total comprehensive loss for the period		127,629	8,695	136,324
Balance as at 31 December 2017	909,831	(170,192)	(2,051)	737,588

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Nil.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

There are no treasury shares as at 31 December 2016 and 31 December 2017 respectively.

Number of ordinary shares and share capital of the Company as at the balance sheet dates:

	31.12.2017		31.12.2016	
	No of shares	S\$'000	No of shares	S\$'000
Issued and fully paid	74,999,688	143,750	74,999,688	143,750

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Nil.



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2. *Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.*

The figures have neither been audited nor reviewed by the Company's auditors.

3. *Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).*

Not applicable.

4. *Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied (continued).*

The Group has applied the same accounting policies and methods of computation in its unaudited financial statements for 4Q2017 and FY2017 as those of the audited financial statements for the year ended 31 December 2016, as well as all the applicable Financial Reporting Standards ("FRS") which became effective for financial years beginning on or after 1 January 2017. The adoption of all new and revised FRSs has no material effect on the 4Q2017 and FY2017 unaudited financial statements.

5. *If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.*

Nil.

6. *Earnings per ordinary share (EPS) of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.*

RMB fens	Actual CFS			
	4Q2017	4Q2016	FY2017	FY2016
Profit (Loss) Per Share				
Basic (a)	(39.33)	(200.05)	44.77	(257.14)

RMB fens	Proforma CFS			
	4Q2017	4Q2016	FY2017	FY2016
Profit (Loss) Per Share				
Basic (a)	(40.17)	(198.36)	45.27	(254.48)

- (a) Basic earnings per share has been computed based on the ordinary shares capital of 74,999,688 shares ie: number of ordinary shares issued and paid-up, please refer to item 1(d)(iii).

7. *Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.*

RMB	Group				Company	
	Actual CFS		Proforma CFS		Actual CFS	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Net asset value per ordinary share based on issued share capital at end of financial year*	17.11	16.94	14.42	14.24	9.83	8.02

- * Net asset value per share has been computed based on the ordinary share capital of 74,999,688 shares ie: number of ordinary shares issued and paid-up, refer to item 1(d)(iii).



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8. A review of performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factor that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Key differences in the comprehensive income statement and balance sheet items of our Actual Consolidated Financial statements and our Proforma Consolidated Financial statements for 4Q2017 and FY2017

	31.12.2017		Difference
	Actual*	Proforma**	***
	RMB'000	RMB'000	RMB'000
<u>Balance sheet items</u>			
Property held for sales	139,800	131,108	8,692
Development properties	1,094,808	839,059	255,749
Property, plant and equipment	21,017	18,366	2,651
Deferred tax liabilities	304,610	239,042	65,568
Shareholders' equity	1,283,479	1,081,776	201,703

	4Q2017		Difference	FY2017		Difference
	Actual*	Proforma**	***	Actual*	Proforma**	***
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>Comprehensive income statements items</u>						
Cost of sales	(40,534)	(41,684)	1,150	(282,683)	(282,497)	(186)
Administrative expenses	75,786	76,012	(226)	45,287	45,513	(226)
Income tax expense	(35,300)	(35,403)	103	(35,706)	(35,809)	103
Loss for the period	(35,293)	(35,924)	631	19,295	19,666	(371)

* Based on the unaudited Actual Consolidated Financial Statements.

** Based on the unaudited Proforma Consolidated Financial Statements.

*** Refer to Explanatory Notes 1(a)(i) and 1(b)(i).



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8. *A review of performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (continued):*

Review based on unaudited Actual Consolidated Financial Statements

Income statement

Revenue

Our Group's revenue decreased by RMB51.1 million, or 14.6%, from 349.4 million in FY2016 to RMB298.3 million in FY2017. The decrease was mainly attributed to the decrease in revenue from our property development sales by RMB66.2 million, from RMB334.7 million in FY2016 to RMB207.8 million in FY2017.

The decrease in revenue from the property development sales was mainly due to the decrease of GFA sold and recognised in FY2017 after the disposal of the Foshan Sanshui Project. This decrease in revenue was partially offset by the disposal of an investment property located in Dan Zao Town of Foshan.

This decrease was also partially offset by an increase of property management service income of RMB1.0 million. There was no significant change in revenue contribution from rental income and construction contracts.

Cost of Sales and Gross Profit

Our cost of sales decreased by RMB18.1 million, or 6.0%, from RMB300.8 million in FY2016 to RMB282.7 million in FY2017. This was mainly due to a decrease in sales of GFA.

In FY2017, the cost of property development of our Unaudited Actual Consolidated Financial Statements, was a fair value adjustment which reduced the cost of property development sales by RMB3.7 million. The fair value adjustment to the cost of property development sales was mainly due to the application of SFRS 103 for the acquisition of the PRC subsidiaries by our Group where, *inter alia*, the development properties and property held for sale by the respective PRC subsidiary would need to be recorded at fair value at the respective dates of acquisition, which is higher than the historical costs. Accordingly, this resulted in a corresponding fair value adjustment to the cost of property development sales when the Group recorded sales for its sold properties during FY2017.

In terms of gross profit margin, our overall gross profit margin decreased from 13.9% in FY2016 to 5.2% in FY2017. The decrease in gross profit margin was mainly due to the difference in sale matrix between these two years. 86% of property development sales in FY2017 came from sale of an investment property. As the cost of this investment property presented in market value, thus the gross profit was the valuation differences of the property between FY2017 and FY2016.



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8. *A review of performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (continued):*

In addition, there were no significant variances in the cost contribution from property rental, construction contracts and property management service with the corresponding period of 4Q2017.

Other Income

Other operating income mainly includes disposal gain and loss on subsidiaries, interest income, foreign exchange gain and miscellaneous income, the majority of which is surcharge income from property management services.

Other income increased by RMB181.5 million or approximately 2432% from RMB7.5 million in FY2016 to RMB188.9 million in FY2017. This increase was mainly due to the disposal gain as a result of the disposal of 100% shareholdings in Infinity Real Estate Holdings Pte. Ltd (together with its wholly-owned subsidiary, Foshan Sanshui Nengrun Property Development Co., Ltd.) and Foshan Sanshui Fangao Land Co., Ltd (the “**Subsidiary Disposal**”).

Selling and Distribution Expenses

Selling expenses primarily included staff cost, advertising and promotion expenses, sales commissions, sales offices rental expenses and maintenance costs.

Selling and distribution expenses decreased by RMB16.8 million to RMB6.3 million in FY2017 as compared to RMB23.1 million FY2016. The lower selling and distribution expenses in FY2017 were mainly attributable to lower property sales in FY2017 pending the next batch of properties launch.

Administrative Expenses

Administrative expenses comprise various expenses such as salaries and staff-related expenses of general administrative staff, utilities, depreciation charges for building and office equipment, telecommunication expenses, entertainment expenses, professional fees, travelling expenses, foreign exchange difference and other general office overheads expenses.

Administrative expenses decreased by RMB156.1 million or 141% to + RMB45.3 million in FY2017 as compared to RMB 110.5 million FY2016. As a result of foreign exchange gain from the appreciation of the RMB against US dollar, SG dollar and Ringgit, which amounting to 71.9 million, administrative expenses were +RMB45.3 million, presented as a positive figure.

Finance Costs

Finance costs, net of capitalised interest, recorded an increase of RMB28.5 million to RMB180.6 million in FY2017 and as compared to RMB152.1 million FY2016. The increase in interest was mainly due to the one-off penalty interest expense for advance repayment of loan pursuant to the Subsidiary Disposal.

Amortisation

Amortisation relates to the amortisation of prepaid land use rights for our corporate office since 4Q2009. The amortisation is based on 40 year rights of use of the land.



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8. *A review of performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (continued):*

Depreciation

Depreciation relates to the depreciation charge on our properties, plant and equipment. Depreciation was almost equivalent to last period.

Income Tax (Expenses) Credit

Income tax includes statutory enterprise income tax and land appreciation tax (“LAT”).

Income tax decreased by RMB0.1 million or 0% in FY2017 as compared to FY2016. The decrease in income tax was mainly due to accrual of the withholding tax which matched the Subsidiary disposal in F2017, and this increase was also offset by the decrease in the LAT.

Net Profit / (Loss)

The Group recorded a net loss of RM35.3 million in 4Q2017 but a net profit of RMB19.3 million in FY2017. The Proforma Consolidated Financial Statements, which excludes the notional adjustment, effects a better comparability of the Group's performance, has presented a net loss of RMB35.9 million in 4Q2017 and a net profit of RMB19.7 million in FY2017.



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8. *A review of performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (continued):*

Statement of Financial Position

Current Assets

Current assets comprise mainly development properties, properties held for sale, cash and bank balances, trade and other receivables and restricted cash and cash equivalents. Our current assets for FY2016 and FY2017 amounted to approximately RMB4,741.7 million and RMB2,533.3 million respectively.

The largest components of current assets were trade and other receivables, property held for sales, development properties and asset held for sales, which amounted to approximately RMB 4,266.4 million and RMB2,236.8 million in FY2016 and FY2017 respectively.

Development properties, which include the cost of land, interest capitalised, and related costs, accounted for approximately 22.4% and 43.2% of our current assets for FY2016 and FY2017 respectively. RMB31.5 million or 3.0% increase in development properties was mainly due to the increase in developmental cost for the Group's Malaysia projects and Sihui City Mall project.

Properties held for sales amounted to RMB190.4 million and RMB139.8 million in FY2016 and FY2017 respectively, which include properties of Jiangnan Mingju, Sihui City Mall and Jin Long Garden.

The Group's cash and bank balances as at 31 December 2017 decreased by RMB42.3 million or 47.8% to RMB46.2 million as compared to 31 December 2016, which was primarily attributable to the net cash used in operating activities of RMB424.6 million and the net cash used in financing activities of RMB580.9 million, partially offset by net cash generated from investing activity of RMB963.3 million in FY2017 respectively.

In addition, restricted cash stood at RMB364.7 million and RMB205.0 million in FY2016 and FY2017 respectively.

Trade and other receivables stood at approximately RMB360.3 million and RMB1,002.2 million in FY2016 and FY2017 respectively. The increase of RMB641.9 million in trade and other receivables was mainly due to the increase of other receivables for the Subsidiary Disposal.

Non-current assets

Non-current assets comprised mainly investment properties, joint venture, property, plant and equipment. For FY2016 and FY2017, our non-current assets had an aggregate net book value of approximately RMB2,065.1 million and RMB2,090.2 million respectively.

The investment properties are held to earn rental income and/or for capital appreciation. Our investment properties comprise mainly:

- a) Debao Hotel Complex together with the adjacent land and underground car parks,
- b) Commercial premises located in Debao Garden and Jiangnan Mingju,
- c) Car parks located in Debao Garden,
- d) Tianjin Boulevard buildings and
- e) Sihui City Mall.

The net book value of our investment properties was approximately RMB2,005.8 million and RMB2,042.1 million in FY2016 and FY2017 respectively, which accounted for approximately 97.1% and 97.7% of our non-current assets in FY2016 and FY2017 respectively.



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Prepaid land use right, and property, plant and equipment decreased by RMB0.2 million mainly due to purchase of office equipment and vehicle which was partially offset by amortisation/depreciation charge of RMB3.6 million in FY2017.

Current liabilities

Trade and other payables, which mainly comprised amounts payable to contractors and suppliers and advance receipts from property development sales, stood at approximately RMB1,038.6 million and RMB1,066.4 million in FY2016 and FY2017 respectively. The increase of RMB27.8 million in trade and other payables was mainly due to recognition of payments to the contractors in accordance with the construction progress.

Bank and Other Loans

Please refer to item 1(b)(ii).

Shareholders' equity

Equity is comprised of share capital, translation reserve, non-controlling interest and retained earnings. The non-controlling interest pertains to

- a) 32% shareholding held by the minority interest in a PRC subsidiary, Guangxi Hezhou Deneng Mining Co., Ltd,
- b) 42.2% shareholding held by the minority interest in a PRC subsidiary, Tianjin Hotel Street Co, Ltd,
- c) 38% shareholding held by the minority interest in a Malaysia subsidiary, Profit Consortium Sdn Bhd and
- d) 50% shareholding held by the minority interest in a Malaysia subsidiary, Poly Ritz Green (Malaysia) Sdn. Bhd.

In FY2016 and FY2017, the shareholders' equity amounted to RMB1,270.3 million and RMB1,283.5 million respectively. The increase in equity was mainly due to the profit incurred in the current year.

Cash flow statement

Our Group has a net cash outflow from operating activities of RMB424.6 million in FY2017, which comprised operating cash inflows before movements in working capital of RMB214.8 million, adjusted for net working capital from operations of RMB455.9 million and net of finance cost and interest received as well as income tax paid of RMB180.6 million and RMB2.9 million respectively. The net working capital outflows were mainly due to the increase in trade and other receivable. This increase was mainly due to the receivable amount for Subsidiary Disposal.

Net cash generated from investing activities of RMB963.3 million was mainly pertained to the Subsidiary Disposal in FY2017.

Net cash used in financing activities amounted to RMB580.9 million in FY2017. This was mainly due to repayment of bank loans and other loans.

As a result of the above, the Group recorded a net decrease in cash and cash equivalents of RMB42.3 million in FY2017.



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9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

The results are in line with the general prospect commentary previously disclosed to shareholders in the results announcement for FY2016 and the financial period ended 30 September 2017.

- 10(a). *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

Market Outlook

“The House is just for living but not for investment”, which is the main strategy of the Government in controlling the development of real estate. This indicates the healthy development of the property market.

We have observed that transacted property average selling prices per sqm in Foshan has decreased 0.2% during the current reporting period, from RMB10,107 per sqm(See Note 1 below) in 4Q2016 to RMB10,083 per sqm(See Note 1 below) in 4Q2017. And the average selling price per sqm in Foshan within FY2017 is RMB10,073. Meanwhile, transaction volumes have significantly decreased from 4.9 million sqm in 4Q2016 to 2.9 million sqm(See Note 1 below) in 4Q2017, an decrease of approximately 41.9%.

Project Updates

As at 31 December 2017, the Group has six development projects with a gross floor area (“GFA”) of approximately 1.84 million sqm under development. Four projects are located at Kuala Lumpur in Malaysia as follows:

- 1) Project Imbi
- 2) Project Kuchai Lama
- 3) Project Plaza Rakyat
- 4) Project Cheras Mukota

These are expected to be separately completed in various phases up to 2023 and are currently arranging for financing for these projects.

The remaining two projects are located in PRC as follows:

- 1) Tianjin Boulevard - a redevelopment project (hotel and shopping mall) in Tianjin Heping District, Nanshi Hotels Street (天津市和平区南市旅馆街); and
- 2) Sihui City Mall Phase 2 - a residential and shopping mall development project with a planned GFA of approximately 104,426 sqm.

The Group continuously sources for quality and commercially viable new land reserves both in China and overseas, including retail mall development, redevelopment of industrial land as well as tourism development projects.

Jin Long Garden – South Zone (Phase 2)

The total saleable GFA of Jin Long Garden – South Zone (Phase 2) is approximately 83,700 sqm (revised), of which approximately 83,700 sqm have been launched for pre-sales and approximately 83,500 sqm have secured expressions of interests to purchase in FY2017.



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The accumulated sales/pre-sales (See Note 2 below) status of our projects as at 31 December 2017 are as follows:

Projects	Sales/Pre-sales Value - RMB'000	Sales/Pre-sales GFA - Sq m	Approximate ASP/Sq m – RMB	Estimated Percentage of Completion
Jin Long Garden – South Zone	832,106	83,525	9,962	100%
Jiangnan Minju Phases 5 and 6	992,313	145,711	6,810	100%
Sihui City Mall	354,052	55,279	6,405	99-100%
Total	2,178,471	284,515	7,657	NA

The sales/pre-sales (See Note 2 below) of our projects for FY2017 are as follows:

Projects	Sales/Pre-sales Value - RMB'000	Sales/Pre-sales GFA - Sq m	Approximate ASP/Sq m – RMB	Estimated Percentage of Completion
Jin Long Garden – South Zone	19,652	2,835	6,932	100%
Jiangnan Minju Phases 5 and 6	2,905	412	7,054	100%
Sihui City Mall	11,376	1,655	6,872	99-100%
Total	33,933	4,902	6,922	NA

The sales/pre-sales (See Note 2 below) of our projects for 4Q2017 are as follows:

Projects	Sales/Pre-sales Value - RMB'000	Sales/Pre-sales GFA - Sq m	Approximate ASP/Sq m – RMB	Estimated Percentage of Completion
Jin Long Garden – South Zone	1,854	456	4,063	100%
Jiangnan Minju Phases 5 and 6	851	129	6,579	100%
Sihui City Mall	-	-	NA	99-100%
Total	2,705	586	4,619	

Pursuant to the effect of INT FRS 115, the sales for Jiangnan Minju Phases 5 and 6 in 4Q2017 have been recognised as revenue in the current reporting periods. The accumulated sales for Jin Long Garden – South Zone (Phase 2) (a 55% joint-ventured project) have also been recognised in 4Q2017 when handed over.

The Group remains cautious about the outlook of the property market. Nonetheless, the Group will strategically continue to explore opportunities for investment properties.

Notes

- (1) Source from Bureau of Housing and Urban-Rural Development of Foshan (<http://www.fsjw.gov.cn/zwygk/zdxcsgk/fdcs/sjtl/>)
(2) Sales/pre-sales with certainty on receipt of purchase consideration, including those not ready for handover or key collections



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11. Dividend

(a) Current Financial Period Reported on

Name of Dividend	Proposed Final Dividend
Dividend Type	Cash
Dividend amount per ordinary share	2.00 Singapore cents
Tax Rate	One-tier tax exempt

The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect.

Not Applicable.

13. Interested Person Transactions

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) FY2017	Aggregate value of all interest person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transaction less than S\$100,000) FY2017
Zhong Yu Xin ⁽¹⁾	S\$ 666,217 ⁽²⁾	-

Notes:

(1) Mr Zhong Yu Xin is the brother of our Executive Director, Mr Zhong Yu Zhao.

(2) Lease of Debao Hotel.



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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. *Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.*

Group	Property development	Construction contract	Property investment	Property management	Total
Revenue					
2017	227,154	54,928	-	17,611	299,693
2016	323,739	120,321	16,833	16,261	477,154
Segment result					
2017	226,924	4,739	(20,258)	(2,737)	208,668
2016	(1,244)	6,371	6,962	(1,246)	10,843

15. *In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.*

Please refer to Paragraph 8.

16. *A breakdown of sales*

	Actual		
	2017	2016	Increase/
	RMB'000	RMB'000	(Decrease)
(a) Sales reported for first half year	35,599	28,646	24.3%
(b) Operating loss after tax reported for first half year	147,358	13,190	1,017.2
(c) Sales reported for second half year	264,094	320,730	17.7%
(d) Operating profit after tax reported for second half year	61,310	(214,649)	128.6%

17. *A breakdown of the total annual dividend (in SGD value) for the issuer's latest full year and its previous full year.*

Total Annual Net Dividend

	2017	2016
Ordinary	S\$	S\$
Final and Total	1,499,994	Nil

FY2017's final dividend of 2.00 Singapore cents per share was calculated based on the number of ordinary shares in issue as at 31 December 2017, and is subject to the approval of shareholders at the forthcoming Annual General Meeting.



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18. *Disclosure of persons occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.*

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Yuan Jian Sheng	55	Brother of our Executive Chairman and CEO, Mr Yuan Le Sheng	Vice general manager of our subsidiary, Foshan Nanhai Guihe Construction Engineering Co., Ltd, 2014	Nil

BY ORDER OF THE BOARD

Yuan Le Sheng

Executive Chairman and CEO
1 March 2018



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Confirmation by the Board

We, Yuan Le Sheng and Zhang Mao, being Directors of the Company, do hereby confirm, on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Management and Board of Directors which may render the year ended 31 December 2017 results to be false or misleading in any material respect. And we confirm that the Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Yuan Le Sheng
Executive Chairman and CEO

Zhang Mao
Executive Director

1 March 2018