

DEBAO PROPERTY DEVELOPMENT LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200715053Z)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Debao Property Development Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed on the watch-list under the Financial Entry Criteria with effect from 4 December 2019, pursuant to Rule 1311(2) of the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide an update on the financial situation of the Company and the Group for the first quarter ended 31 March 2021 (“**1Q2021**”).

Update on Financial Position and Outlook

The Group’s revenue increased by RMB 55.94 million from RMB 38.83 million in the first quarter ended 31 March 2020 (“**1Q2020**”) to RMB 94.77 million in 1Q2021, which was mainly due to an increase in property sale of BAY ONE and construction revenue.

The Group’s gross profit increased by RMB 21.39 million from RMB 13.64 million in 1Q2020 to RMB 35.03 million in 1Q2021 as a result of the product mix.

The Group’s net loss decreased by RMB 40.13 million from RMB 52.54 million in 1Q2020 to RMB 12.41 million in 1Q2021.

For more details on the financial position of the Group, please refer to our announcement of the Group’s unaudited financial statements for 1Q2021 released on 14 May 2021.

Update on Future Direction and other Material Development

As a result of the Government’s policy to curb speculation, the property average selling price has stabilised. Transaction volumes are largely in-line with 3.2 million sqm in 1Q2021 as compared to 4.2 million sqm in fourth quarter ended 31 December 2020.

As at 31 March 2021, the Group has two (2) development projects in Malaysia and two (2) development projects in the People’s Republic of China. The development projects are expected to be separately completed in various phases up till 2023.

Update on efforts for satisfying Financial Exit Criteria

The Company will continue to focus on the development and growth of its strategic planning of the business. The Company will also continue to source for other business opportunities to expand and enhance the performance and net asset value of the Company.

The Company is aware of the deadlines given by SGX-ST to meet the Financial Exit Criteria. The Company will, in the meantime, provide shareholders with quarterly updates on its efforts and the progress made in meeting the Financial Exit Criteria. If any material development occurs between the quarterly updates, the Company will make immediate announcement of such development.

By Order of the Board

Zhong Yuzhao
Executive Director and Chief Executive Officer
14 May 2021