

DEBAO PROPERTY DEVELOPMENT LTD.

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

TRADING SUSPENSION OF COMPANY'S SHARES

The Board of Directors (the "**Board**") of Debao Property Development Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's earlier announcement dated 14 January 2021 in relation to the extension of trading halt.

The Company wishes to inform the shareholders of the Company that the Singapore Exchange Securities Trading Limited (the "**Exchange**") noted that, on 6 January 2021, the Company announced its independent auditor's, Nexia TS Public Accounting Corporation (the "**Auditor**"), disclaimer on the Group's audited FY2019 financial statements which included *inter alia*, its ability to operate as a going concern. The Group incurred a significant net loss of RMB224,636,000 (2018: RMB333,557,000) for the financial year ended 31 December 2019, and was in a net current liabilities position of RMB869,286,000 (2018: net current asset position of RMB437,048,000) as at 31 December 2019. The Group's operations are highly dependent on borrowings and as at 31 December 2019, amounts classified as current amounted to RMB1,438,362,000 (2018: RMB526,466,000).

As the Company's Auditor has disclaimed its opinion on the Company's audited FY2019 Financial Statements including, *inter alia*, the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and the Company is unable to demonstrate to the Exchange and its shareholders that it is able to do so, the Exchange is of the view that the Company must comply with Listing Rule 1303(3).

Accordingly, the Company is requesting for a trading suspension as required under Listing Rule 1303(3).

The Company will make necessary announcements as and when there are any material developments.

By Order of the Board

Zhong Yuzhao
Executive Director and Chief Executive Officer
18 January 2021