

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 fourth quarter ended 31 December 2020 (“**4Q2020**”).

Update on Financial Position and Outlook

The Group’s revenue increased by RMB 72.62 million from RMB 16.79 million in the fourth quarter ended 31 December 2019 (“**4Q2019**”) to RMB 89.41 million in 4Q2020, which was mainly due to an increase in property sale of BAY ONE.

The Group’s gross profit increased by RMB 36.12 million from RMB 8.19 million in 4Q2019 to RMB 44.31 million in 4Q2020 as a result of the sale of properties that have a higher gross profit margin.

The Group’s net loss decreased by RMB 67.42 million from RMB 74.33 million in 4Q2019 to RMB 6.91 million in 4Q2020.

For more details on the financial position of the Group, please refer to our announcement of the Group’s unaudited financial statements for 4Q2020 released on 1 March 2021.

Update on Future Direction and other Material Development

Transaction volumes are largely in-line with 3.6 million sqm in third quarter ended 30 September 2020 as compared to 4.2 million sqm in 4Q2020.

As at 31 December 2020, the Group has two (2) development projects in Malaysia and two (2) development projects in the People’s Republic of China (“**PRC**”). 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
1 March 2021