

DEBAO PROPERTY DEVELOPMENT LTD.

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

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") ON THE ANNOUNCEMENT ON 13 MAY 2022 IN RELATION TO UPDATE TO THE FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 2017 AND 14 NOVEMBER 2023 IN RELATION TO ANNOUNCEMENT 3Q2023.

The Board of Directors (the "**Board**") of Debao Property Development Ltd. (the "**Company**") wishes to announce the following in response to the queries raised by the SGX-ST on 5 December 2023 in relation to Update to the Final Dividend for the Financial Year Ended 2017 and 14 November 2023 in relation to Announcement 3Q2023.

SGX-ST's Query 1

The Company mentioned that it "intended to pay the FY2017 Final Dividend of S\$1,499,993.76 from the proceeds of the disposal of 19% of the total issued share capital of Profit Consortium Sdn Bhd (the "Disposal") and the properties sales revenue of the Company's Bay One development project (the "Bay ONE Project") by 31 May 2022" in the update to the first announcement. However, the Company further mentioned in the second announcement that "In October 2022, we have replied SGX queries in relation to the dividend and delisting. The Group is making efforts to accumulate cash of SGD 749,997 to pay the 2017 dividend." Please explain the discrepancy in the 2017 dividend amount stated and confirm on the amount for the Final Dividend for the Financial Year Ended 2017.

Company's Response

The final dividend declared for FY2017 announced on 1 March 2019 is SGD 2.00 cents per ordinary share for the financial year ended 31 December 2017. The Company's issued shares are 74,999,688 and thus the total dividend should be SGD1,499,993.76. However in our internal discussions, the focus was on the actual cash flow needed to be paid to the minority shareholders which was approximately SGD682,945. At the same time, the major shareholder expects to receive SGD67,052 as partial payment for their dividend and thus makeup the sum of SGD749,997. The company inadvertently used the SGD749,997 figure in the results announcement and wishes to apologize for this error in the results announcement dated 14 November 2022, 27 February 2023, 15 May 2023, 14 August 2023 and 14 November 2023.

By Order of the Board

Zhong Yuzhao
Executive Director and Chief Executive Officer
7 December 2023