

## DEBAO PROPERTY DEVELOPMENT LTD.

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

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

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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 third quarter ended 30 September 2020 (“**3Q2020**”).

#### Update on Financial Position and Outlook

The Group’s revenue increased by RMB 28.09 million from RMB 27.84 million in the third quarter ended 30 September 2019 (“**3Q2019**”) to RMB 55.93 million in 3Q2020, which was mainly due to an increase in property sale of BAY ONE.

The Group’s gross profit increased by RMB 18.12 million from RMB 18.74 million in 3Q2019 to RMB 36.86 million in 3Q2020 as a result of the sale of properties that have a higher gross profit margin.

The Group’s net loss increased by RMB 0.46 million from RMB 36.86 million in 3Q2019 to RMB 37.32 million in 3Q2020.

For more details on the financial position of the Group, please refer to our announcement of the Group’s unaudited financial statements for 3Q2020 released on 14 November 2020.

#### Update on Future Direction and other Material Development

Transaction volumes decreased slightly to 3.6 million sqm in 3Q2020 (3.7 million sqm in 2Q2020). We do not expect the conditions for our industry to improve as the COVID-19 outbreak continues to affect our operations.

However, the National Day holidays will give rise to a boost to the market. With the potential relaxation of quarantine policy for people travelling from Hong Kong and Macau, there may be an increase in potential buyers in the market.

As at 30 September 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  
14 November 2020