

DEBAO PROPERTY DEVELOPMENT LTD.
(Incorporated in Singapore on 16 August 2007)
(Registration Number: 200715053Z)

CLARIFICATION ANNOUNCEMENT ON ANNUAL REPORT ON FY2013

The Board of Directors (the “**Board**”) of Debao Property Development Ltd. (the “**Company**”) refers to the queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 24 April 2014 regarding the Company’s Annual Report for the financial year ended 31 December 2013 (“**FY2013**”) (the “**Annual Report**”) and wishes to respond as follows:

Query 1:

Paragraph 9.3 of the Code of Corporate Governance 2012 (“**Code**”) states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO).

As required under Listing Rule 1207(12), please disclose (i) the remuneration of top 5 key management personnel aggregate (who are not directors or the CEO) and (ii) total remuneration paid to the top five key management personnel or otherwise explain the reason(s) for the deviation from the recommendation.

Response:

The Board wishes to clarify that the Company has only four key management personnel hence it has disclosed the remuneration of these four key management personnel in the Annual Report.

The Board would like to further explain that given the confidentiality and commercial sensitivity attached to remuneration matters, the total remuneration paid to the top four key management personnel would not be disclosed.

Query 2:

Paragraph 9.4 of the Code states that the Company should disclose details of the remuneration of employees who are immediate family members of a director or the Chief Executive Officer (“**CEO**”), and whose remuneration exceeds S\$50,000 during the year. This will be done on a named basis with clear indication of the employee’s relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S\$50,000.

As required by Rule 1207(12) of the Listing Manual, please make disclosures of the related employees remuneration in bands of S\$50,000 as recommended in paragraph 9.4 of the Code or otherwise explain the reason(s) for the deviation from the following Code recommendations.

Response:

The Board would like to disclose the remuneration of the employees who are immediate family members of a director or the CEO in incremental bands of S\$50,000 as follows:

EMPLOYEES RELATED TO A DIRECTOR OR THE CEO OF THE COMPANY	
Below S\$50,000	
1.	Yang Hui Yan ⁽¹⁾
2.	Yuan Jian Sheng
3.	Fang Zai Ming
4.	Zheng Xiong Wei
Between S\$50,000 to S\$100,000	
1.	Zheng Xiong Xian
Above S\$100,000 to S\$150,000	
1.	Not Applicable

Note:

(1) The Company wishes to disclose that Yang Hui Yan has resigned from the Company as of 30 July 2013.

RELATIONSHIP OF THE EMPLOYEES TO A DIRECTOR OR THE CEO OF THE COMPANY	
1.	Yang Hui Yan is the sister-in-law of the Company's Executive Chairman and CEO, Mr Yuan Le Sheng.
2.	Yuan Jian Sheng is the brother of the Company's Executive Chairman and CEO, Mr Yuan Le Sheng.
3.	Fang Zai Ming is the wife of the Company's Executive Director, Mr Zhang Mao.
4.	Zheng Xiong Wei is the brother of the Company's Non-Executive Director, Mdm Zheng Lihua.
5.	Zheng Xiong Xian is the brother of the Company's Non-Executive Director, Mdm Zheng Lihua.

By order of the Board

Yuan Le Sheng
Executive Chairman and CEO

26 April 2014