

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 OF FINAL DIVIDEND OF 2.00 SINGAPORE CENTS PER ORDINARY SHARE (ONE-TIER TAX EXEMPT) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

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 3 November 2021 in relation to the announcement of payment of a tax exempt (one-tier) final dividend of 2.00 Singapore cents per ordinary share for the financial year ended 31 December 2021 (the "**FY2021 Final Dividend**") by the Company dated 24 September 2019 and the update announcement made by the Company on 19 May 2021 (the "**Update Announcement**").

SGX-ST's Query

Sales from the Bay ONE Project was expected to increase in the second and third quarter of the financial year ending 31 December 2021. Accordingly, the Company intended to make payment of the FY2017 Final Dividend from the proceeds of the abovementioned sale by the third quarter of the financial year ending 30 September 2021.

*Please immediately announce via SGXNet **by today, 3 November 2021**, a detailed status update of the payment of the FY2017 Final Dividend. If there is any further delay, explain in detail the reasons and the Company's payment plan, including a specific timeline with date of payment of the FY2017 Final Dividend.*

Company's Response

As disclosed in our Update Announcement, the intention was 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 Sdb Bhd (the "**Disposal**") by 30 September 2021.

The payment of the FY2017 Final Dividend will be further delayed to 31 December 2021 for the following reasons:

- (1) the Disposal has not been completed. The Company is currently in negotiations with potential buyers and expects to complete the Disposal by the end of the financial year ending 31 December 2021; and
- (2) to meet with payment schedules. The Company intends to use its current available cash to fund the construction costs of the development project, Bay ONE (the "**Bay ONE Project**"). This is to ensure there will be no disruption on the targeted sale plan of the Bay ONE Project.

The indicative timeline for the payment of the FY2017 Final Dividend is as follows:

Indicative Date	Event
10 December 2021 (Friday)	Notice of Record Date Announcement
20 December 2021 (Monday)	Record Date
31 December 2021 (Friday)	Payment of FY2017 Final Dividend

The Company will make timely updates on the payment of the FY2017 Final Dividend accordingly and where necessary.

By Order of the Board

Zhong Yuzhao
Executive Director and Chief Executive Officer
3 November 2021