

## 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 fourth quarter ended 31 December 2023 (“**4Q2023**”).

#### **Update on Financial Position and Outlook**

The Group’s revenue decreased by RMB 15.2 million from RMB 154.5 million in the fourth quarter ended 31 December 2022 (“**4Q2022**”) to RMB 139.3 million in 4Q2023, which was mainly due to a decrease in construction works revenue by RMB 20.5 million, offset by an increase in properties sales by RMB 5 million in 4Q2023

The Group’s gross profit decreased by RMB 22.7 million from RMB 61.7 million in 4Q2022 to RMB 39.0 million in 4Q2023 as a result of the decrease in construction works and renovation and repair works in investment properties in 4Q2023.

The Group recorded a net loss of RMB 101.2 million in 4Q2023, compared to a net loss of RMB 98.8 million in 4Q2022.

For more details on the financial position of the Group, please refer to our announcement of the Group’s unaudited financial statements for 4Q2023 released on 29 February 2024.

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

As a result of the Government’s policy to curb speculation, the property in Foshan average selling price has somewhat stabilised. Transaction volumes have increased from 1.11 million sqm in 3Q2023 to 1.24 million sqm in 4Q2023. However, the property market in general is in a difficult phase as evidenced by the problems faced by some large established property development companies.

As at 31 December 2023, the Group has one development project in Malaysia and two (2) development projects in the People’s Republic of China (the “**PRC**”).

#### **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  
29 February 2024