

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

**NOTIFICATION OF INCLUSION ON THE WATCH-LIST DUE TO THE FINANCIAL ENTRY
CRITERIA WITH EFFECT FROM 4 DECEMBER 2019**

The Board of Directors (the "**Board**") of Debao Property Development Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that, based on the recent half-yearly review conducted by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the SGX-ST had on 3 December 2019 notified the Company that it has recorded pre-tax losses for the three (3) most recently completed consecutive financial years (based on audited full year consolidated accounts and restated financial statements for financial year ended 31 December 2017) and has an average daily market capitalisation of less than S\$40 million over the last six (6) months. Accordingly, pursuant to Rule 1311 (1) of the Listing Manual of the SGX-ST (the "**Listing Manual**"), the Company will be placed on the Watch-list with effect from 4 December 2019.

The Company must take active steps to restore its financial health and meet the requirements of Rule 1314(1) of the Listing Manual within 36 months from 4 December 2019, failing which the SGX-ST would delist the Company or suspend trading in the Company's shares with a view to delisting the Company.

Rule 1314(1) of the Listing Manual states that an issuer may apply for its removal from the Watch-list if it records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts) and has an average daily market capitalisation of S\$40 million or more over the last six (6) months.

As required by Rule 1313(2) of the Listing Manual, the Company will have to provide a quarterly update on its efforts and the progress made in meeting the exit criteria of the Watch-list, including where applicable its financial situation, future direction, or other material development that may have a significant impact on its financial position. The Company shall also announce immediately any material development that occurs between the quarterly updates.

The Company wishes to notify all its shareholders and business partners that the Group's business will continue as usual, and trading in its securities will also continue unless a trading halt or suspension is effected.

By Order of the Board

Zhong Yuzhao
Executive Director and Chief Executive Officer

3 December 2019