

## **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 2021 (“**3Q2021**”).

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

The Group’s revenue decreased by RMB 36.41 million from RMB 260.18 million in the third quarter ended 30 September 2020 (“**3Q2020**”) to RMB 223.77 million in 3Q2021, which was mainly due to a decrease in property sale revenue offset by an increase in construction revenue.

The Group’s gross profit decreased by RMB 27.42 million from RMB 126.2 million in 3Q2020 to RMB 98.75 million in 3Q2021 as a result of the product mix.

The Group’s net loss decreased by RMB 64.99 million from RMB 87.12 million in 3Q2020 to RMB 22.13 million in 3Q2021.

For more details on the financial position of the Group, please refer to our announcement of the Group’s unaudited financial statements for 3Q2021 released on 11 November 2021.

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

As a result of the Government’s policy to curb speculation, the property average selling price in Foshan has stabilised. Transaction volumes have decreased from 3.3 million sqm in 2Q2021 to 2.3 million sqm in 3Q2021.

As at 30 September 2021, the Group has one (1) development project in Malaysia and two (2) development projects in the People’s Republic of China. 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  
12 November 2021