

## DEBAO PROPERTY DEVELOPMENT LTD.

(Incorporated in Singapore on 16 August 2007)

(Registration Number: 200715053Z)

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

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The Board of Directors (the “**Board**”) of Debao Property Development Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 24 September 2019 (the “**Announcement**”) in relation to the payment of a tax exempt (one-tier) final dividend of 2.00 Singapore cents per ordinary share for the financial year ended 31 December 2017 by the Company (the “**FY2017 Final Dividend**”).

Further to the Announcement, the Company’s original 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 Sdn Bhd (the “**Disposal**”).

The Board now wishes to inform shareholders of the Company (the “**Shareholders**”) that the payment of the FY2017 Final Dividend will be further delayed for the following reasons:

- (a) 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
- (b) to meet with payment schedules. The Company intends to use its current available cash of RMB 20 million to fund the construction costs of the development project, Bay ONE, which amounting to RMB 27.1 million by end of June 2021 (the “**Bay ONE Project**”). This is to ensure there will be no disruption on the targeted sale plan of the Bay ONE Project.

Sales from the Bay ONE Project is expected to increase in the second and third quarter of the financial year ending 31 December 2021. Accordingly, the Company intends 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.

In addition, the Company is implementing cost-cutting measures and taking necessary steps to collect an outstanding debt of RMB 297.6 million (included liquidated damages RMB 128.5 million) from Sheng Yu (BVI) Limited to increase its cashflow.

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

By Order of the Board

Zhong Yuzhao  
Executive Director and Chief Executive Officer  
19 May 2021