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**ZACD GROUP LTD.**

**杰地集團有限公司\***

*(a company incorporated in the Republic of Singapore with limited liability)*

**(Stock Code: 8313)**

**VOLUNTARY ANNOUNCEMENT  
BUSINESS UPDATE  
ESTABLISHMENT OF NEW FUND FOR  
BUKIT BATOK EXECUTIVE CONDOMINIUM DEVELOPMENT PROJECT**

This announcement is made by ZACD Group Ltd. (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) on a voluntary basis.

The Company is pleased to announce the proposed Executive Condominium residential development project located at Bukit Batok West Avenue 8, Singapore, (the “**BBEC Project**”) which was successfully tendered by our joint venture partners. The Company through a direct wholly owned subsidiary, ZACD Fund Holdings Pte. Ltd., has set up a new fund (the “**ZACD BBEC Fund**” or the “**Fund**”) for the purpose of equity investment into the BBEC Project together with our joint venture partners. On the finalisation of the joint venture structure, the Fund is expected to own no more than 10% stake in the BBEC Project with the remaining 90 % to be owned by the joint venture partners. The Fund will be a closed-ended real estate private equity fund with a target fund size of up to approximately S\$11.5 million (subject to available bank financing) assuming a 10% stake in the BBEC Project to be held by the Fund. In order to facilitate the initial set up of the Fund, the Company will commit 5% up to a maximum of 10% of the Fund size or approximately S\$575,000 to S\$1.15 million of seed capital into the Fund, subject to eventual fundraising from external investors. ZACD (BBEC) Pte. Ltd. (“**ZACD (BBEC)**”) will be the fund holding entity on behalf of the investors of the ZACD BBEC Fund for the investment into the BBEC Project.

The successful tender was awarded with a final purchase price of S\$266 million subject to the other agreed terms and conditions. The legal completion date has been scheduled in late June 2022.

The BBEC Project, with an estimated 360 Executive Condominium units is located in a well-known and up-coming residential and commercially sought-after residential development area, has a land

area of 12.449.3 sq. m. and is zoned ‘residential’ under the Urban Redevelopment Authority’s 2019 Master Plan. The BBEC Project is attractive as the area does not have a large supply of private housing facilities. Executive Condominiums are extremely attractive to first time buyers and also to “millennials” as the market is currently driven by the demand for more affordable homes – something which Executive Condominiums have been providing for in recent years. In addition, the dwindling supply of and rising demand for Executive Condominium units have meant that prices for these have continued to rise over time, thus increasing the attractiveness of the BBEC Project. The BBEC Project is also one where the tenderer is required to strive for a “Green Mark GoldPlus (Super Low Energy)” rating and this will quite certainly be a strong selling point to buyers keen on placing emphasis on positive climate change and preserving the environment. The vicinity sees near future plans for greater amenities such as food & beverage and commercial businesses at the nearby Le Quest Mall and the upcoming Tengah Estate.

The board of directors of the Company (the “**Board**”) believes that the BBEC Project is an attractive and viable real estate investment opportunity for the Group and which our fund investors will also view with a positive appeal. The Board is of the view that the ZACD BBEC Fund will contribute positively to the investment management services business segment of the Group and in turn create a more diverse offering for the Group’s investment management business. The ZACD BBEC Fund will as such be managed by ZACD Capital Pte. Ltd., a member of the Group.

As disclosed in the prospectus of the Company dated 28 December 2017, our investment management services are subject to various business risks, including but not limited to the investment performance of our real estate projects may be unsatisfactory and may fail to achieve their investment target return, and we may not be able to replenish our bridging reserve fund in the event we are unable to secure sufficient investors’ funds for the projects. In this respect, the Company will monitor closely the progress of the fund raising of the Fund, and the Company will make further announcements as and when appropriate pursuant to the requirements under the GEM Listing Rules.

By Order of the Board  
**ZACD Group Ltd.**  
**Sim Kain Kain**  
*Chairman and Executive Director*

Singapore, 13 June 2022

*As at the date of this announcement, the Board of the Company comprises five (5) executive Directors, namely, Mr. Yeo Choon Guan (Yao Junyuan), Ms. Sim Kain Kain, Mr. Mark Oh Keng Kwan, Mr. Patrick Chin Meng Liong and Ms. Yong Sze Wan, Cheryl; three (3) independent non-executive Directors, namely, Mr. Kong Chi Mo, Dato' Dr. Sim Mong Keang and Mr. Lim Boon Yew; and one (1) non-executive Director, namely Mr. Chew Hong Ngiap, Ken.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will be published on the GEM website at [www.hkgem.com](http://www.hkgem.com) and remain on the "Latest Company Announcements" page for at least seven days from the date of its posting. This announcement will also be published on the Company's website at [www.zacdgroup.com](http://www.zacdgroup.com).*

*In the event of any inconsistency between the Chinese version and the English version of this announcement, the latter shall prevail.*

*\* for identification purposes only*