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杰地集团有限公司*

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

(Stock code: 8313)

MAJOR TRANSACTION GRANT OF PUT OPTION TO AN INVESTOR SUBSCRIBING IN ZACD LV DEVELOPMENT FUND

THE SUBSCRIPTION AGREEMENT

- On 28 December 2022, the Investor, Top Global Limited (“**TGL**”), ZACD LV Development Fund (the “**Sub-Fund**”) and the Manager entered into the Subscription Agreement, pursuant to which TGL has subscribed 14.11% of the Sub-Fund Size in the La Ville Project at a total capital contribution amount of S\$6,349,206.

THE SIDE LETTERS AND GRANT OF PUT OPTION

- The Manager and TGL entered into a side letter (the “**Side Letter 1**”), pursuant to which, (i) the Establishment Fee, Management Fee and Transfer Fee shall be waived in respect of TGL; (ii) Sub-Fund shall maintain an unencumbered beneficial interest of 75% of the La Ville Project during the Sub-Fund Term; (iii) Sub-Fund shall ensure the milestones for distribution of profits are met and (iv) waiver by the Sponsor, ZACD Fund Holdings Pte. Ltd. of its rights entitled to receive 15% of the distributions payable to the Sponsor as the Class B participating shareholder in favour of TGL.
- The Company and TGL entered into a side letter (the “**Side Letter 2**”), pursuant to which, (i) the Company will pay TGL a coupon payment (the “**Coupon Payment**”) at the rate of 8% per annum quarterly in arrears, commencing from the date of the first drawdown from TGL (the “**TGL Drawdown Date**”) and shall continue until the fourth anniversary of the TGL Drawdown Date; (ii) grant a put-option (the “**Put Option**”) exercisable by TGL (a) within one month from the Initial Period; (b) at any time if there has been a breach by ZACD Investments of its obligations and undertakings; and (c) at any time if there has been a breach by Mr. Yeo and Ms. Sim of their obligations under the deed of undertaking and (iii) the Manager shall, and TGL acknowledges and agrees that the Manager shall, distribute TGL’s Distribution Entitlement between TGL and the Company in a pre-agreed order of priority.

DEED OF GUARANTEE AND DEEDS OF UNDERTAKING

- In connection with TGL's subscription to ZACD LV Development Fund, ZACD Investments has entered into the Deed of Guarantee in favour of TGL, Deed of Undertaking by and between TGL and ZACD Investments and Deed of Undertaking by and between TGL, Mr. Yeo and Ms. Sim.

GEM LISTING RULES IMPLICATIONS

- As the subscription of the Participating Shares by TGL will not affect the shareholding and voting interests of the Group in ZACD LV Development Fund as represented by the Management Shares, the Subscription is not a deemed disposal of the Group and accordingly, the Subscription does not itself constitute a notifiable transaction of the Company pursuant to Chapter 19 of the GEM Listing Rules. Further, the Group's principal business activities are provision of investment management services, the raising of funds from TGL to invest in the Sub-Fund is a principal business step and under the ordinary and usual course of business of the Group so as to provide investment management services, derive investment management fees and sharing of profit with the investor as performance fees.
- As one or more of the applicable percentage ratios in respect of the grant of the Put Option exceed 25% but all of them are less than 100%, the grant of the Put Option (the exercise of which is not at the discretion of the Group) constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting, announcement and the Shareholders' approval requirements.
- The written Shareholders' approval of the grant of the Put Option and the transactions contemplated thereunder has been obtained from ZACD Investments, which holds 1,298,600,000 issued Shares of the Company representing 64.93% of the issued Shares of the Company as at the date of this announcement. Pursuant to Rule 19.44 of the GEM Listing Rules, the written Shareholders' approval from ZACD Investments has been accepted in lieu of holding a general meeting for the approval of the grant of the Put Option and the transactions contemplated thereunder.
- A circular containing, among other matters, (i) Subscription Agreements and the side letters; (ii) financial information of the Group; and (iii) other information in accordance with the GEM Listing Rules will be despatched to the Shareholders on or before 19 January 2023.

Reference is made to the Company's voluntary announcement dated 17 December 2021 in relation to the establishment of a new fund for La Ville Project, ZACD LV Development Fund has been set up through ZACD Capital Partners VCC, an indirectly wholly-owned subsidiary of the Company, for the investment into the La Ville Project.

1. THE SUBSCRIPTION AGREEMENT

On 28 December 2022, the Investor, Top Global Limited (“**TGL**”), ZACD LV Development Fund (the “**Sub-Fund**”) and the Manager entered into the Subscription Agreement, pursuant to which TGL has subscribed 14.11% of the Sub-Fund Size in the La Ville Project at a total capital contribution amount of S\$6,349,206.

A brief summary of the Subscription Agreement, the relevant private placement memorandum (“**PPM**”) and the Supplement are set out below:

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|--|---|
| (a) Parties | Top Global Limited, as the Investor; the Fund, the Sub-Fund and the Manager |
| (b) Subscription amount and percentage | TGL agreed to subscribe 14.11% of the Sub-Fund, at a capital contribution amount of S\$6,349,206. |
| (c) Sub-Fund | ZACD LV Development Fund (Registration Number: T20VC0095G-SF003), a sub-fund within ZACD Capital Partners VCC, a variable capital company incorporated as an umbrella VCC under the laws of Singapore. |
| (d) The Fund | ZACD Capital Partners VCC (UEN: T20VC0095G) is a company incorporated as an umbrella Singapore variable capital company (“ VCC ”) on 28 July 2020 and its entire nominal ordinary share capital is indirectly wholly-owned by the Company. |
| (e) The Manager | ZACD Capital Pte. Ltd., a company incorporated under the laws of Singapore with limited liability on 25 October 2011, and a direct wholly-owned subsidiary of the Company and a member of the Group. |
| (f) The Sponsor | ZACD Fund Holdings Pte. Ltd., a company incorporated under the laws of Singapore with limited liability on 15 March 2017, and a direct wholly-owned subsidiary of the Company and a member of the Group. |
| (g) Capital Commitments | Means, with respect to an investor, the capital for the time being committed to the Sub-Fund by the investor or as the case may be, the investor for the subscription of Participating Shares (including such capital which has been drawn down and for such Participating Shares have been issued) or Convertible Loan Interests (as the case may be). |
| (h) Capital Contribution | Means, in respect to each investor, the amount of capital contributed to the Sub-Fund from time to time by that investor, subject to the provisions of the Subscription Agreement. |
| (i) Participating Shares | The non-voting participating non-redeemable (at the option of the holder) shares of such Class or sub-Class in the capital of the Fund in respect of a particular Sub-Fund, issued subject to and in accordance with the provisions of the VCC Act and the Constitution, and having the rights and being subject to |

the restrictions as provided for under the Constitution, the PPM, the relevant supplement and the shareholders agreement (if any) with respect to such share. All references to "Participating Shares" shall be deemed to be Participating Shares of any or all classes or series referable to a Sub-Fund, as the context may require.

- (j) Distribution Distributions by the Sub-Fund to the investors will be made by way of distributions of cash and/or distributions of assets in specie, whether pursuant to redemption of Participating Shares (at the option of the Sub-Fund and not at the option of the investor), declaration of dividends or otherwise.
- (k) Convertible Loan Agreement Means the convertible loan agreement entered into between TGL and the Fund in respect of a Sub-Fund setting out the terms of the Convertible Loan Interests
- (l) Convertible Loan Interests Represent unsecured, convertible loans in such Sub-Fund. Each convertible loan may be converted into such number of Participating Shares in respect of the Capital Commitment by the investor in the relevant Sub-Fund pursuant to the terms of the Convertible Loan Agreement.

On the same day, the Manager and TGL entered into a side letter (the "**Side Letter 1**"), pursuant to which, (i) the Establishment Fee, Management Fee and Transfer Fee shall be waived in respect of TGL; (ii) Sub-Fund shall maintain a shareholding of 75% of the La Ville Project during the Sub-Fund Term; (iii) Sub-Fund shall ensure the milestones for distribution of profits are met and (iv) waiver by the Sponsor, ZACD Fund Holdings Pte. Ltd. of its rights entitled to receive 15% of the distributions payable to the Sponsor as the Class B participating shareholder in favour of TGL.

A brief summary of the Side Letter 1 is set out below:

- (a) Waiver of Fees The Establishment Fee, Management Fee and Transfer Fee shall be waived in respect of TGL. Notwithstanding the preceding sentence, TGL shall be required to make capital contributions in accordance with the PPM for its respective share of Establishment Fee, Management Fee and Transfer Fee without reduction; provided that, in order to give effect to the waiver, following the Sub-Fund's receipt of the relevant fee, the Sub-Fund shall return to TGL an amount (the "**Rebates**") such that, after giving effect to the Rebates, TGL shall not have contributed any Establishment Fee, Management Fee and Transfer Fee (as the case may be).
- (b) Beneficial Interests During the Sub-Fund Term, the Sub-Fund shall maintain an unencumbered beneficial interest of 75% in the La Ville Project ("**Sub-Fund Beneficial Interests**"). Based on the Sub-Fund Beneficial Interests and a Sub-Fund Size of S\$45 million, TGL's beneficial interests in the Sub-Fund on a fully-diluted basis (assuming full conversion or exercise of all convertible securities into Participating Shares) shall represent no less than 14.11% of all the Participating Shares;

and TGL's effective beneficial interest in the La Ville Project shall be no less than 10.58%.

On and from the TGL Drawdown Date to and until the end of the Sub-Fund Term, Sub-Fund shall not vary its beneficial interest in the La Ville Project in a manner such that TGL's effective beneficial interest will be less than 10.05% or more than 11.11%, based on a Sub-Fund Size of not less than S\$42.86 million and not more than S\$47.37 million.

(c) Milestones for Distribution of Profits

Subject to sale of the entire La Ville Project pursuant to the exit strategy, the Manager and the Sub-Fund shall ensure that distributions are made as follows:

Time period	Distributions
Within eighteen (18) months from the receipt of the Temporary Occupation Permit ("TOP") in respect of the La Ville Project	At least 80% of the net distributable proceeds will be distributed to investors
Within thirty (30) months from the receipt of the TOP in respect of the La Ville Project	At least 90% of the net distributable proceeds will be distributed to investors
Within fifty four (54) months from the receipt of the TOP in respect of the La Ville Project	At least 98% of the net distributable proceeds will be distributed to investors, resulting in no more than 2% of the net distributable proceeds remaining for final settlement of accounts.

(d) Sponsor's Waiver

The Sponsor, being the Class B participating shareholder, waives its right to receive 15% of the distributions payable to the Sponsor in respect of TGL's investment in the Sub-Fund in favour of TGL. For the avoidance of doubt, such amount shall be distributed to TGL. The Manager, the Fund and TGL hereby acknowledge the foregoing waiver by the Sponsor in favour of TGL.

On the same day, the Company and TGL entered into a side letter (the "**Side Letter 2**"), pursuant to which, (i) the Company will pay TGL a coupon payment (the "**Coupon Payment**") at the rate of 8% per annum quarterly in arrears, commencing from the date of the first drawdown from TGL (the "**TGL Drawdown Date**") and shall continue until the fourth anniversary of the TGL Drawdown Date; (ii) grant a put-option (the "**Put Option**") exercisable by TGL (a) within one month from the Initial Period; (b) at any time if there has been a breach by ZACD Investments of its obligations and undertakings; and (c) at any time if there has been a breach by Mr. Yeo and Ms. Sim of their obligations under the deed of undertaking and (iii) the Manager shall, and TGL acknowledges and agrees

that the Manager shall, distribute TGL's Distribution Entitlement between TGL and the Company.

A brief summary of the Side Letter 2 is set out below:

- (a) Coupon payment The Company shall pay to TGL a coupon payment (the "**Coupon Payment**") at the rate of 8% per annum on the amount of TGL's Capital Contribution less any fee rebates given to TGL (the "**Net Cash Outlay**"). The Coupon Payments shall be payable quarterly in arrears, commencing from the date of the first drawdown from TGL (the "**TGL Drawdown Date**") and shall continue until the fourth anniversary of the TGL Drawdown Date, notwithstanding any conversion under the Loan Agreement taking place prior to such fourth anniversary of the TGL Drawdown Date.
- (b) Compulsory Redemption, Withdrawal or Transfer Notwithstanding any provision to the contrary in the transaction documents, in the event that the VCC exercises its discretion to redeem, withdraw and/or transfer some or all of TGL's then outstanding Convertible Loan Interest, Participating Shares and/or any interest in the Sub-Fund (as the case may be) under the transaction documents, each of the Manager and the VCC undertakes to TGL that:
- (a) the VCC shall give TGL at least 20 business days' prior written notice
 - (b) the payment of the Net Cash Outlay shall be made within one month after the date of relevant redemption, withdrawal and/or transfer
 - (c) for the avoidance of doubt, regardless of any such redemption, withdrawal and/or transfer:
 - (i) TGL shall be entitled to receive the Coupon Payment, and the Rebates
 - (ii) TGL's rights under the Put Option shall not be varied or derogated; and
 - (iii) TGL shall not be required to repay any amounts received from the VCC, the Sub-Fund, the Company or ZACD Investments pursuant to the transaction documents.

Notwithstanding any provision to the contrary in the transaction documents, each of the Manager and the VCC undertake that no redemption, withdrawal and/or transfer shall be effected by the Manager and/or the VCC, without the prior written consent of TGL, if TGL duly exercised the Put Option.

- (c) Put Option The Company shall grant TGL a put option ("**Put Option**") to require the Company to purchase all of TGL's then outstanding Convertible Loan Interest, Participating Shares and any interest in the Sub-Fund for the Sale Price.

The Put Option shall be exercisable by TGL in writing to the Company:

- (a) within one (1) month from the Initial Period; or

- (b) at any time if there has been a breach by ZACD Investments of its obligations and undertakings under the deed of undertaking; or
- (c) at any time if there has been a breach by Mr. Yeo and Ms. Sim of their obligations and undertakings under the deed of undertaking

The Sale Price shall be payable by the Company within one (1) month of receipt of the Put Option notice.

The parties hereto agree that no fees, costs or expenses under the Constitution or the transaction documents (including any transfer fee under the PPM and the Subscription Agreement), other than legal and other such fees incurred by TGL (which shall be borne by TGL), shall be payable by TGL in connection with its exercise of the Put Option and the transfer of TGL's interest in the Sub-Fund.

(d) Distributions

With respect to distributions to be made to TGL under the Supplement ("**TGL's Distribution Entitlement**"), the Manager shall, and TGL acknowledges and agrees that the Manager shall, distribute TGL's Distribution Entitlement between TGL and the Company in the following order of priority, where the Put Option is not exercised and the potential distributions from the Sub-Fund exceed 32% of the Target Return:

- (i) First, TGL's Distribution Entitlement shall be applied by the Manager to repay to TGL any outstanding portion of the Capital Commitment under the Subscription Agreement, which has not as at the date of such distribution, been repaid to TGL;
- (ii) Second, if there is any balance available for distribution after the payment in sub-paragraph (a) above, such balance shall be applied by the Manager towards paying the Company such amount equivalent to the aggregate of all Coupon Payments paid to TGL; and
- (iii) Finally, if there is any balance available for distribution after the payments in sub-paragraphs (a) and (b) above, such balance shall be distributed equally between TGL and the Company.

In connection with TGL's subscription to the Sub-Fund, ZACD Investments has entered into the Deed of Guarantee in favour of the TGL, Deed of Undertaking by and between TGL and ZACD Investments and Deed of Undertaking by and between TGL, Mr. Yeo and Ms. Sim which was executed by all parties thereto and was dated on 28 December 2022.

(1) Deed of Guarantee

ZACD Investments as the guarantor with TGL pursuant to which ZACD Investments provides this guarantee to TGL the due and punctual performance of (a) each obligation of the Sub-Fund in relation of the repayment of the Net Cash Outlay in accordance with the terms of the transaction documents and the Side Letters and

(b) each obligation of the Company contained in the deed of indemnity and Side Letter 2, in relation to the payment by the Company to TGL of the Coupon Payments and the Sale Price.

(2) Other relevant agreements or deeds

other agreements and/or deeds pertaining to or in connection with the Deed of Guarantee entered into by ZACD Investments including (i) ZACD Investments' Undertaking to TGL that it will hold at least 60% of all the shares of the Company up to and until the date that TGL is repaid in full of the Net Cash Outlay; and (ii) Mr. Yeo and Ms. Sim's Undertakings to TGL that they will hold at least 80% of all the shares of ZACD Investments up to and until the date that TGL is repaid in full of the Net Cash Outlay.

2. INFORMATION OF THE GRANT OF PUT OPTION

Pursuant to the Side Letter 2, the Company has granted TGL a Put Option to require the Company to purchase all of TGL's interest in the Sub-Fund at the Sale Price. Upon the grant of the Put Option to TGL, the consideration of the Put Option amounted to approximately S\$7.4 million where the premium price of approximately S\$1.4 million (as valued by an independent valuer) and the exercise price of S\$6 million as of 18 October 2022.

The exercise of the Put Option is at the discretion of TGL. According to Chapter 19.74 of the GEM Listing Rules, on the grant of the option, the transaction will be classified as if the option had been exercised. The grant of the Put Option constitutes a major transaction under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting, announcement and the Shareholders' approval requirements.

3. INFORMATION ON THE INVESTOR, TOP GLOBAL LIMITED

TGL is an investment holding company, headquartered in Singapore, was previously listed on SGX Mainboard and subsequently privatised in August 2021. Top Global Limited has a diverse real estate business portfolio, ranging from real estate developments, commercial properties, residential properties and hospitality properties to hospitality management and smart solutions in Singapore and Indonesia. Some of the projects developed by TGL include "The Quinn" and "The Maisons" (R Maison and E Maison) in Singapore; "Rancamaya Golf Estate", "Harvest City" and "Royal Tajur" in Indonesia. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, TGL is an Independent Third Party.

4. INFORMATION ON THE FUND, THE SUB-FUND AND THE MANAGER

The Fund, ZACD Capital Partners VCC (UEN: T20VC0095G) is a company incorporated as an umbrella Singapore variable capital company ("**Umbrella VCC**").

As an umbrella VCC, the directors may establish one or more sub-funds and in respect of each sub-fund, the directors may establish one or more classes or series of Participating Shares (including different classes or series relating to the same sub-fund) and such sub-fund and/or class and/or series may have different investment parameters, fee structures, redemption periods and/or other features as the directors may determine in the directors' sole discretion. As an umbrella VCC, the Fund can operate sub-funds with the benefit of statutory segregation under Singapore law of assets and liabilities between each sub-fund. Although not judicially tested in a foreign court, the principal

advantage of an umbrella VCC is that it protects the assets of one sub-fund from the liabilities of other sub-funds under the laws of Singapore.

The Sub-Fund, ZACD LV Development Fund, is a closed-ended fund that is a sub-fund of ZACD Capital Partners VCC.

The Sub-Fund is established for the purpose of targeting the residential re-development located at No. 6C Tanjong Rhu Road, Singapore 436885 and No. 6D Tanjong Rhu Road, Singapore 436886 (the “**La Ville Project**” or the “**Project**”). The site was acquired by a wholly-owned subsidiary of the Sub-Fund, through a collective sale tender conducted by the real estate agency, Jones Lang LaSalle Property Consultants Pte Ltd. The land parcel has an area of 47,012 square feet and a permissible gross plot ratio of 2.1. With a development baseline of about 9,408 square meters, the freehold site is zoned for residential development comprising of approximately 107 residential units.

The Manager is ZACD Capital Pte. Ltd., is an investment and fund management company incorporated in Republic of Singapore with limited liability and a wholly-owned subsidiary of the Company. The Manager holds a capital markets services licence for fund management and is subject to supervision in Singapore by the Monetary Authority of Singapore. The Manager will be primarily responsible for the management of the Sub-Fund, its business and implementing the investment strategy, as well as providing the Sub-Fund with specialised real estate investment fund management services. The Manager has a wealth of experience in identifying, evaluating and investing in real estate, including the development and management of prime real estate properties in Singapore and the rest of the Asia-Pacific region.

5. REASON AND BENEFITS OF SUBSCRIPTION AGREEMENT AND THE GRANT OF THE PUT OPTION

As mentioned in the voluntary announcement dated 17 December 2021, the La Ville Project is strategically located in one of the most coveted areas within district 15 favoured for its excellent city fringe location and proximity to the beach and sporting destinations. It is in close proximity to a wide range of shopping and recreational amenities readily available at Kallang Wave Mall, Parkway Parade and a myriad of eateries along the nearby East Coast Road, Tanjong Katong Road and Old Airport Road Food Centre. The location also provides easy access to The Singapore Indoor Stadium, Gardens by the Bay East, Marina Bay Golf Course and East Coast Park, which would appeal to families as fun filled and leisure destinations as well. The upcoming Katong Park MRT Station of the Thomson East Coast Line is just a short 3-minute (250m) walk away. In addition, reputable educational institutions in the vicinity include Dunman High School, Chung Cheng High School and Kong Hwa Primary School, Canadian and Chatsworth International Schools, which are highly popular amongst the expatriate community.

Based on the common business interest of the Company and the Investor, the Subscription presents an attractive real estate investment and valuable opportunity for the Investor. The Subscription is TGL’s maiden investment in a fund that is managed by the Group and it opens up the possibility of long-term relationship with TGL, which may be of great benefit to the Group. Having TGL on board as a strategic investor will further boost investor confidence and facilitate the capital raising process. The various arrangements with TGL under the Subscription ensure that the parties’ interests are more aligned with any profits after the return of Net Cash Outlay being shared equally between TGL and the Company.

It has become increasingly prevalent for a private fund to grant its strategic investors a side letter to formalise negotiated arrangements with preferential terms such as fee rebates/waiver or other material rights. TGL's Capital Commitment of S\$6,349,206 represents 14.11% of the target fund size, making TGL one of the largest investors of the Sub-Fund.

The Manager has adopted a bespoke fee structure for TGL where the traditional fixed fees such as Establishment Fee, Management Fee and Transfer fee are replaced by a profit-sharing arrangement that depends on the Project's profitability. Pursuant to Side Letter 2, any profit distribution after the return of Net Cash Outlay to TGL and the recoupment of the aggregate coupon payments by the Company will be shared equally by TGL and the Company. In addition, the Company provides an annual coupon payment for four years and grants TGL a put option which offers an alternative exit option at the end of the fourth year. Together with the capital guarantee by ZACD Investments, TGL's downside risk is mitigated. In return, TGL shares any upside capital gain equally with the Company. By sharing both the risk and reward, the Company's interests are more aligned with those of TGL.

Furthermore, the Company's potential reward is commensurate with its level of risk. While the Company is entitled to receive 50% of profits from TGL's investment in the Sub-Fund, its total capital outlay only amounts to 32% of TGL's Net Cash Outlay (8% per annum for four years). This could potentially result in significant returns for the Company if the Project performs well.

The Directors consider that the Subscription Agreement with TGL and the transactions contemplated thereunder (including the grant of the Put Option) is fair and reasonable and in the interests of the Company and Shareholders as a whole.

6. IMPLICATIONS UNDER THE GEM LISTING RULES

As the subscription of the Participating Shares by TGL will not affect the shareholding and voting interests of the Group in ZACD LV Development Fund as represented by the Management Shares, the Subscription is not a deemed disposal of the Group and accordingly, the Subscription does not itself constitute a notifiable transaction of the Company pursuant to Chapter 19 of the GEM Listing Rules. Further, the Group's principal business activities are provision of investment management services, the raising of funds from TGL to invest in the Sub-Fund is a principal business step and under the ordinary and usual course of business of the Group so as to provide investment management services, derive investment management fees and sharing of profit with the investor as performance fees.

As one or more of the applicable percentage ratios in respect of the grant of the Put Option exceed 25% but all of them are less than 100%, the grant of the Put Option (the exercise of which is not at the discretion of the Group) constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting, announcement and the Shareholders' approval requirements.

7. WRITTEN SHAREHOLDERS' APPROVAL

Pursuant to Rule 19.44 of the GEM Listing Rules, Shareholders' approval of the Guarantee may be given by way of written Shareholders' approval in lieu of holding a general meeting if (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Guarantee and the

transactions contemplated thereunder; and (ii) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued Shares of the Company giving the right to attend and vote at that general meeting to approve the grant of the Put Option and the transactions contemplated thereunder.

As at the date of this announcement and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Board is not aware that any Shareholder has a material interest in the grant of the Put Option and the transactions contemplated thereunder and accordingly, no Shareholder would be required to abstain from voting if the Company were to convene a general meeting for the approval of the grant of the Put Option and the transactions contemplated thereunder.

The written Shareholders' approval of the grant of the Put Option and the transactions contemplated thereunder has been obtained from ZACD Investments, which holds 1,298,600,000 issued Shares of the Company representing 64.93% of the issued Shares of the Company as at the date of this announcement. Pursuant to Rule 19.44 of the GEM Listing Rules, the written Shareholders' approval from ZACD Investments has been accepted in lieu of holding a general meeting for the approval of the grant of the Put Option and the transactions contemplated thereunder.

A circular containing, among other matters, (i) Subscription Agreements and the side letters; (ii) financial information of the Group; and (iii) other information in accordance with the GEM Listing Rules will be despatched to the Shareholders on or before 19 January 2023.

DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“AUM”	assets under management, which refers to moneys and assets contracted to, drawn down by, are under either the discretionary or non-discretionary authority granted by the customer to the company and in respect of which the company is carrying out investment management, as well as those that have been subcontracted to another party
“Board”	the board of Directors
“Company”	ZACD Group Ltd., a public company incorporated in Singapore with limited liability, whose issued Shares are listed and traded on GEM (stock code: 8313)
“Constitution”	means the Constitution of the Fund for the time being in force, as may be amended, supplemented, modified or restated from time to time.
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules and, in the context of this announcement, refers to ZACD Investments, Mr. Yeo and Ms. Sim. Mr. Yeo and Ms. Sim are a group of Controlling Shareholders by virtue of their

relationships of being spouses and their decision to restrict their ability to exercise direct control over the Company by holding their interests through a common investment holding company, namely ZACD Investments Pte. Ltd.

“Coupon Payment”	shall pay to TGL at the rate of 8% per annum on the amount of TGL’s Capital Contribution less any fee rebates given to TGL (the “ Net Cash Outlay ”). The Coupon Payments shall be payable quarterly in arrears, commencing from the date of the first drawdown from TGL (the “ TGL Drawdown Date ”) and shall continue until the fourth anniversary of the TGL Drawdown Date, notwithstanding any conversion under the Loan Agreement taking place prior to such fourth anniversary of the TGL Drawdown Date.
“Development SPV(s)”	the investment vehicle(s) owned by the Investment SPV, the key real estate developer partner of the underlying real estate project and other Development SPV investors (if any) under the private equity structures
“Deed of Guarantee”	the deed of guarantee issued, on 28 December 2022, by ZACD Investments as the guarantor in favour of the Investor
“Director(s)”	the Director(s) of the Company
“Establishment Fee”	each investor shall be charged an establishment fee of an amount equal to 3.0% of the amount drawn down
“Exercise Period”	within one (1) month from the Initial Period
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is/are not connected person(s) (within the meaning of the GEM Listing Rules)
“Initial Period”	four-year period, commencing on and from the date of TGL Drawdown Date
“Investment SPV(s)”	the investment vehicle(s) managed by the Group under the private equity structures and the trust structures
“Investor”	Top Global Limited
“La Ville Project”	a freehold residential re-development site located at No. 6C Tanjong Rhu Road, Singapore 436885 and No. 6D Tanjong Rhu Road, Singapore 436886

“Management Fee”	the Sub-Fund will pay the Manager an annual management fee equal to 0.5% per annum of the Capital Contributions for a maximum of five (5) years for managing the Sub-Fund
“Management Share”	the voting non-redeemable non-participating shares in the capital of the Fund designated as " Management Shares "
“Mr. Yeo”	Mr. Yeo Choon Guan (Yao Junyuan), the spouse of Ms. Sim, an executive Director, the chief executive officer and one of the Controlling Shareholders
“Ms. Sim”	Ms. Sim Kain Kain, the spouse of Mr. Yeo, an executive Director, the chairman of the Board and one of the Controlling Shareholders
“Net Cash Outlay”	S\$6,000,000 (being TGL’s Capital Commitment of S\$6,349,206 less the total fee rebates of S\$349,206 to be given to TGL)
“Participating Share”	the non-voting participating non-redeemable (at the option of the holder) shares of such Class or sub-Class in the capital of the Fund in respect of the Sub-Fund
“PPM”	means this amended and restated private placement memorandum dated 1 April 2021 issued in connection with the placing of Participating Shares or Convertible Loan Interests (as the case may be) as amended, substituted, supplemented or restated from time to time
“Principal Amount”	an amount of S\$6,000,000 derived from subscription amount of S\$6,349,206 less rebates of S\$349,206
“Put Option”	the Put Option granted to require the Company to purchase all of TGL’s interest in the Sub-Fund for the Sale Price. The Sale Price shall be payable by the Company within one (1) month of receipt of the Put Option notice
“Rebates”	the Sub-Fund shall return to TGL an amount S\$349,206 (the “ Rebates ”) such that, after giving effect to the Rebates, TGL shall not have contributed any Establishment Fee, Management Fee and Transfer Fee (as the case may be).
“Sale Price”	means the aggregate of: <ul style="list-style-type: none"> (a) any and all amounts advanced by TGL to Sub-Fund less any fee rebates amounting to S\$6,000,000 (“Principal Amount”) but which have not, at the date of the Put Option notice been repaid to TGL; and (b) all Coupon Payments payable in respect of the Initial Period, which have not been paid as at the date of the Put Option notice.
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)

“Side Letter 1”	a side letter between the Manager and Top Global Limited
“Side Letter 2”	a side letter between the Company and Top Global Limited
“Singapore”	the Republic of Singapore
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Sub-Fund”	ZACD LV Development Fund (Registration Number: T20VC0095G-SF003), a sub-fund within ZACD Capital Partners VCC, a variable capital company incorporated as an umbrella VCC under the laws of Singapore.
“Sub-Fund Size”	The aggregate Capital Commitments the Sub-Fund aims to raise from the placing is S\$45 million. The Manager reserves the right to close the Sub-Fund with Capital Commitments in excess of, or below, this amount at its sole discretion.
“Sub-Fund Term”	shall be for a period of five (5) years from the first closing date subject to extension of one (1) year (from the expiry of the initial five (5) year period commencing on the first closing date (the " Sub-Fund Term ")), at the absolute discretion of the Manager.
“Subscription”	the subscription of the Participating Shares at a total subscription amount of S\$6,349,206 pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 28 December 2022 entered into between TGL and the Sub-Fund in relation to the Subscription
“subsidiary(ies)”	has the meaning ascribed thereto under the GEM Listing Rules
“Supplement”	supplement 3 relating to the Sub-Fund dated 12 January 2022
“Target Return”	projected target return on capital from the La Ville Project
“TOP”	Temporary Occupation Permit issued by the Building and Construction Authority of Singapore
“TGL’s Distribution Entitlement”	distributions to be made to TGL under the Supplement
“TGL Drawdown Date”	date of the first drawdown from TGL
“Transfer Fee”	the Manager may charge a transfer fee which shall not be more than 1% of the gross consideration payable for the transfer of any Convertible Loan Interests (excluding GST) or Participating Shares (excluding GST) (as the case may be). The Transfer Fee shall be payable by the transferor to the Manager.

“S\$” the lawful currency of Singapore

“%” per cent

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

Singapore, 28 December 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 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.

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*