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杰地集團有限公司 *

(A company incorporated in the Republic of Singapore with limited liability)
(Stock code: 8313)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors of ZACD Group Ltd. (the "**Company**", together with its subsidiaries as the "**Group**") 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 of the Company, 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, the latter shall prevail.

FINANCIAL HIGHLIGHTS

INTERIM RESULTS & FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets, liabilities and equity of the Group for the recent interim results and the last five financial years, as extracted from the published audited financial statements is set out below.

Financial Results	Interim results	Annual results					
	30 June 2026 S\$'000	30 June 2025 S\$'000	2025 S\$'000	2024 S\$'000	2023 S\$'000	2022 S\$'000	2021 S\$'000
Revenue	1,601	1,390	2,697	4,964	9,906	3,983	5,596
Profit/(loss) before tax	592	(703)	(6,656)	(1,089)	2,414	(2,423)	7,515
Profit/(loss) for the period/year	592	(726)	(5,573)	(1,204)	1,737	(2,707)	7,461
Earnings/(loss) per share (<i>Singapore cents</i>)	0.03	(0.04)	(0.28)	(0.06)	0.09	(0.14)	0.37

Financial Position	At 30 June 2026 S\$'000	2025 S\$'000	2024 S\$'000	2023 S\$'000	2022 S\$'000	2021 S\$'000
	At 31 December					
Total assets	28,023	27,276	33,078	31,596	27,454	28,316
Total liabilities	13,245	12,992	12,651	9,109	6,501	4,586
Net current assets	13,544	15,649	21,012	21,736	20,443	23,429
Net assets	14,778	14,284	20,427	22,487	20,953	23,730
Net assets per share (<i>Singapore cents</i>)	0.74	0.71	1.02	1.12	1.05	1.19

INTERIM FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2026

- The Group reported a net profit of S\$0.59 million for the six months ended 30 June 2026 (the “Review Period”), compared to a net loss of S\$0.73 million for the corresponding period in 2025 (the “Previous Period”). This reflects a positive improvement in financial performance of approximately S\$1.32 million, or 180.8%. The improvement in net profit was primarily attributable to an increase in revenue of approximately S\$0.21 million. In response, the Group streamlined its operations during the period, resulting in decrease in staff costs of approximately S\$0.25 million and lower other expenses of approximately S\$0.11 million, reversal of impairment losses on financial assets of approximately S\$1.83 million, mainly relating to bridging advances to funds as well as trade and non-trade receivables from funds and related parties. The above was partially mitigated by an increase in fair value loss on financial derivatives of approximately S\$0.89 million. Other income and gains also decreased by approximately S\$0.14 million, mainly due to the absence of corporate business service income of approximately S\$0.07 million recognised in 2026.
- Revenue for the Group increased by approximately S\$0.21 million or 15.1%, from S\$1.39 million in the Previous Period to approximately S\$1.60 million in the Review Period. This was primarily due to higher project management fees of approximately S\$0.86 million which is in relation to ZACD LV Development and Landmark, partially offset by reduced performance fees of approximately S\$0.08 million from a couple of real estate funds managed by the Group and absence of dividend income from establishment shares of approximately S\$0.15 million pursuant to natural maturity of investment projects as well as one-off project tender fee of approximately S\$0.50 million derived from the developer SPV of Media Circle Fund and Laserblue following its efforts to secure and complete the acquisition of the housing development projects.
- Total staff costs decreased from S\$1.75 million in the Previous Period to S\$1.50 million in the Review Period, representing a reduction of S\$0.25 million or 14.3%. This decrease was mainly due to mainly due to directors and employees’ resignations and stringent cost control measures, as evident by the decrease in headcount from 27 to 16 employees. The Group has also taken steps to streamline operations and manage costs more effectively.
- No dividend was paid or proposed by the Company for the six months ended 30 June 2026, consistent with the same period in 2025.
- Basic and diluted gain per share for the Review Period was approximately 0.03 Singapore cents, compared to a loss of 0.04 Singapore cents in the Previous Period.

INTERIM RESULTS

This is an interim results announcement made by ZACD Group Ltd. (the “**Company**”, together with its subsidiaries as the “**Group**”).

The board of directors (the “**Board**”) of the Company hereby announces the unaudited condensed consolidated results of the Group for the six months ended 30 June 2026 (the “Interim Results”), together with the comparative unaudited figures for the six months ended 30 June 2025:

ZACD Group Ltd. and its Subsidiary Companies**Interim Condensed Consolidated Statement of Profit or Loss
For the six months ended 30 June 2026**

		Six months ended 30 June	
	Note	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Revenue	4	1,601	1,390
Other income and gains	4	65	202
Staff costs		(1,504)	(1,754)
Depreciation expense		(13)	(31)
Amortisation of right-of-use assets		(89)	(126)
Amortisation of capitalised contract costs		(70)	(60)
Reversal of impairment losses/(impairment losses) on financial assets	5	1,831	(14)
Other expenses, net		(601)	(707)
Interest expense	5	(410)	(275)
Fair value (loss)/gain on financial derivative	18	(218)	672
Profit/(Loss) before tax	5	592	(703)
Income tax expense	6	–	(23)
Profit/(Loss) for the period attributable to owners of the Company		592	(726)
Profit/(Loss) per share attributable to owners of the Company	7		
- Basic and diluted (Singapore cents)		0.03	(0.04)

The accompanying accounting policies and explanatory notes form an integral part of the interim condensed consolidated financial statements.

ZACD Group Ltd. and its Subsidiary Companies**Interim Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2026**

	Note	Six months ended 30 June	
		2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Profit/(Loss) for the period		592	(726)
Other comprehensive loss:			
<u>Items that will not be reclassified to profit or loss:</u>			
Fair value changes on investment in equity securities		(43)	(145)
Fair value changes on investment in fund entities		2	(67)
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Exchange differences on translation of foreign operations		(57)	27
Other comprehensive loss for the period		(98)	(185)
Total comprehensive profit/(loss) for the period attributable to owners of the Company		494	(911)

The accompanying accounting policies and explanatory notes form an integral part of the interim condensed consolidated financial statements.

ZACD Group Ltd. and its Subsidiary Companies

**Interim Condensed Consolidated Statement of Financial Position
As at 30 June 2026**

	Note	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	151	204
Right-of-use assets	9	362	449
Investment in equity securities	10	8	51
Investment in fund entities	10	781	879
Prepayments, deposits and other receivables	13	159	165
Total non-current assets		1,461	1,748
Current assets			
Trade receivables	11	3,243	3,287
Amount due from ultimate holding company		183	220
Amounts due from related parties (non-trade)		678	1,752
Prepayments, deposits and other receivables	13	665	668
Capitalised contract costs	12	325	392
Loans and related receivables	14	12,764	15,269
Cash and cash equivalents	15	8,704	3,940
Total current assets		26,562	25,528
Current liabilities			
Other payables and accruals		2,440	1,991
Amounts due to related parties (non-trade)		2,602	2,777
Lease liabilities	17	248	265
Loans payable to related parties	16	4,500	4,477
Income tax payable		258	369
Financial derivative	18	2,970	–
Total current liabilities		13,018	9,879
Net current assets		13,544	15,649
Non-current liabilities			
Other payables and accruals		67	79
Lease liabilities	17	76	198
Deferred tax liabilities		84	84
Financial derivative	18	–	2,752
Total non-current liabilities		227	3,113
Net assets		14,778	14,284
Equity			
Share capital	19	29,866	29,866
Reserves		(15,088)	(15,582)
Total equity		14,778	14,284

The accompanying accounting policies and explanatory notes form an integral part of the interim condensed consolidated financial statements.

ZACD Group Ltd. and its Subsidiary Companies

**Interim Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2026**

Group	Share capital (Note 19) S\$'000	Investment in equity securities revaluation reserve S\$'000	Investment in fund entities revaluation reserve S\$'000	Exchange fluctuation reserve S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total Equity S\$'000
Six months ended 30 June 2026							
At 1 January 2026 (audited)	29,866	51*	(600)*	61*	1,491*	(16,585)*	14,284
Profit for the period	–	–	–	–	–	592	592
Other comprehensive (loss)/income for the period:							
Exchange differences on translation of foreign operations	–	–	–	(57)	–	–	(57)
Fair value changes on investment in equity securities	–	(43)	2	–	–	–	(41)
Total comprehensive (loss)/income for the period	–	(43)	2	(57)	–	592	494
At 30 June 2026 (unaudited)	29,866	8*	(598)*	4*	1,491*	(15,993)*	14,778

* These reserve accounts comprise the consolidated reserves of (S\$15,582,000) and (S\$15,088,000) in the interim condensed consolidated statements of financial position as at 31 December 2025 and 30 June 2026 respectively.

The accompanying accounting policies and explanatory notes form an integral part of the interim condensed consolidated financial statements.

ZACD Group Ltd. and its Subsidiary Companies

Interim condensed consolidated statement of changes in equity (continued)

For the six months ended 30 June 2026

Group	Share capital (Note 19) S\$'000	Investment in equity securities revaluation reserve S\$'000	Investment in fund entities revaluation reserve S\$'000	Exchange fluctuation reserve S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Six months ended 30 June 2025							
At 1 January 2025 (audited)	29,866	203*	(151)*	30*	1,491*	(11,012)*	20,427
Loss for the period	–	–	–	–	–	(726)	(726)
Other comprehensive loss for the period:							
Exchange differences on translation of foreign operations	–	–	–	27	–	–	27
Fair value changes on investment in equity securities	–	(145)	(67)	–	–	–	(212)
Total comprehensive loss for the period	–	(145)	(67)	27	–	(726)	(911)
At 30 June 2025 (unaudited)	29,866	58*	(218)*	57*	1,491*	(11,738)*	19,516

* *These reserve accounts comprise the consolidated reserves of (S\$9,439,000) and (S\$10,350,000) in the interim condensed consolidated statements of financial position as at 31 December 2024 and 30 June 2025 respectively.*

The accompanying accounting policies and explanatory notes form an integral part of the interim condensed consolidated financial statements.

ZACD Group Ltd. and its Subsidiary Companies
**Interim Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2026**

	Six months ended 30 June	
	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Cash flows from operating activities		
Profit/(Loss) before tax	592	(703)
Adjustments for:		
Depreciation of property, plant and equipment	13	31
Amortisation of right-of-use assets	89	126
Amortisation of capitalised contract costs	70	60
(Reversal of impairment losses)/Impairment losses on financial assets	(1,831)	14
Fair value loss/(gain) on financial derivative	218	(672)
Gain on disposal of motor vehicle	—	(6)
Interest income	(41)	(33)
Interest expense	410	275
Operating cash flows before changes in working capital	(480)	(908)
Changes in working capital:		
Decrease in trade receivables	28	203
Decrease in prepayments, deposits and other receivables	9	75
Increase in capitalised contract costs	(3)	—
Increase/(decrease) in trade payables, other payables and accruals	285	(114)
Cash used in operations	(161)	(744)
Income tax paid	(111)	(88)
Net cash flows used in operating activities	(272)	(832)
Cash flows from investing activities		
Decrease/(increase) in amounts due from related parties	1,074	(829)
Decrease in amount due from ultimate holding company	37	—
Purchase of property, plant and equipment	(1)	—
Proceeds from disposal of fixed assets	—	25
Loans granted to related parties	(751)	(1,905)
Repayment from bridging loans and related interest receivables, net	5,126	1,600
Capital repayment from investment in fund entities	200	—
Investment in fund entities	(100)	—
Interest received	2	4
Net cash flows generated from/(used in) investing activities	5,587	(1,105)
Cash flows from financing activities		
Increase in amount due to ultimate holding company	—	2
(Decrease)/Increase in amounts due to related parties	(175)	1,693
Repayment of obligations under finance leases	(5)	—
Repayment of lease liabilities	(149)	(164)
Repayment of bank borrowing	—	(392)
Repayment of loans and related payables	(100)	—
Interest paid	(120)	(246)
Net cash flows (used in)/generated from financing activities	(549)	893
Net increase/(decrease) in cash and cash equivalents	4,766	(1,044)
Cash and cash equivalents at beginning of period	1,560	5,314
Effect of foreign exchange rate changes, net	(2)	28
Cash and cash equivalents at end of period	6,324	4,298

ZACD Group Ltd. and its Subsidiary Companies**Interim Condensed Consolidated Statement of Cash Flows (continued)**
For the six months ended 30 June 2026

Cash and cash equivalents consist of fixed deposits and cash and bank balances, as follows:

	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Cash and bank balances	<u>8,704</u>	<u>4,298</u>
Total cash and bank balances	8,704	–
Restricted cash – cash pledge for bank facility	(2,380)	–
Cash and cash equivalents at end of period	<u>6,324</u>	<u>4,298</u>

The accompanying accounting policies and explanatory notes form an integral part of the interim condensed consolidated financial statements.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

1. Corporate information

The Company is a company limited by shares, which is domiciled and incorporated in the Republic of Singapore (“**Singapore**”). The registered office of the Company, which is also its principal place of business, is located at 300 Beach Road, #34-05 The Concourse, Singapore 199555.

The Company is an investment holding company. During the financial periods, the Company’s subsidiaries were principally engaged in the provision of the following services:

- (i) investment management services, which includes (a) special purpose vehicle (“**SPV**”) investment management and (b) fund management;
- (ii) acquisitions and projects management services;
- (iii) property management and tenancy management services; and
- (iv) financial advisory services.

2. Bases of preparation and changes to the Group’s accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“**IAS 34**”).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2025.

The interim condensed consolidated financial statements are presented in Singapore dollars (“**S\$**”) and all values are rounded to the nearest thousand (“**S\$’000**”) except when otherwise indicated.

Going concern assumption

As at 30 June 2026, the Group has exposure to a project development (“Development SPV”) investment made through ZACD LV Development Fund, including a financial guarantee given to the secured loan facility drawn by ZACD LV Development Pte. Ltd. (“Development SPV”) for its residential redevelopment project. As at the date of these interim condensed consolidated financial statements, the outstanding loan facility of S\$126 million has a maturity date of 31 January 2027. The Group also has a bridging loan receivable of S\$13.5 million (Note 14), trade receivable of S\$2.7 million (Note 11) and amounts due from related parties (non-trade) of S\$81,000 due from ZACD LV Development Fund. Management is of the view that, although the project is delayed, the Property Developer will be able to complete the Project within stipulated deadline.

- i. The lender of the loan facility has indicated its willingness to extend the loan maturity to 30 June 2027 upon successful extension of the Additional Buyer Stamp Duty (“ABSD”) deadline on 31 March 2027 for the La Ville Project granted by the IRAS. Management has submitted an application for the extension of the ABSD timeline, and the application remains under review by IRAS as at the date of these interim condensed consolidated financial statements. Management is optimistic that the Development SPV is on track to meeting future sales target set by the lender.
- ii. Based on the Development SPV’s cashflow projections of 12 months from the date of the interim condensed consolidated financial statements, and having considered the La Ville

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

Project's operating performance, and the probability of extension of loan facility, the Development SPV's would have sufficient cashflows to meet its obligations as and when they fall due.

Therefore, management is of the opinion that the interim condensed consolidated financial statements can be prepared on a going concern basis and that provision for loss on the loan guarantee is minimal at period end.

The interim condensed consolidated financial statements do not include any adjustments that may be necessary should the Group and Company be unable to continue as a going concern.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. These applications do not have a material impact on the Interim Results of the Group.

3. Operating segment information

For management purposes, the Group is organised into business units based on its products and services and has the following reportable segments, as follows:

(a) Investment management

The Group provides investment management services for investors to invest into real estate projects or funds by setting up a single investment vehicle ("**Investment SPV**") or fund holding entity.

(i) SPV investment management

The Group provides investment management services to investors of real estate development projects by establishing and incorporating Investment SPV through which the investors participate in the project by subscribing convertible loans that are issued by the Investment SPV and/or entering into trust deeds with the Group's ultimate holding company under the trust structure. With respect to a major investor, the Group also derives revenue in return for providing a priority right to this investor to participate in the Group's real estate development projects. Post establishment and incorporation of the Investment SPV, the Group continues to provide investment management services to the investors by managing the Investment SPV up to the time of project completion. The Group also holds the Establishment Shares received from investors to remunerate its SPV investment management services provided, through dividend distribution from the relevant Investment SPVs under the convertible loan structure. Under the trust structure, the Group derives performance fees from the profits made by the investors through dividend distribution received by the Group's ultimate holding company on behalf of investors.

(ii) Fund management

The Group renders fund management services by establishing and serving as manager of private real estate funds. Under this arrangement, the Group is responsible for the origination of the investment of the fund, establishment of the investment structure, placement to investors and management of the funds' investment portfolio where it actively sources for real estate deals and manage the investment process for the funds, manages the assets owned by the funds, and sources for avenues for divesting the investments in order to maximise the funds' internal rates of return.

Under the contracts entered into with the private real estate funds, the Group is entitled to fund establishment fee and fund management fees based on a percentage of committed capital and performance fees based on a percentage of return on equity of the fund distributed to the investors, and/or upon divestment of all investments in the fund or termination of the fund, whichever is earlier. The fund management fees are received quarterly or annually and are recognised on a straight-line basis over the contract terms. The fund establishment fees are recognised as and when the Group's rights and entitlement to the fees are established. Performance fees are not recognised until it is highly probable that a significant reversal of the cumulative amount of revenue recognised will not occur upon the resolution of any uncertainty.

3. Operating segment information (continued)

(b) Acquisitions and projects management

Acquisitions and projects management include the Group's services in sourcing, assessing and securing quality real estate assets for real estate developers and services rendered by the Group to real estate developers generally comprise services in the areas of tender consultancy and research, design development consultancy, marketing project management, sales administration and handover and property defects management services, coordination of legal services, as well as finance and corporate services. These services are provided to real estate developers and help to address various needs during each major stage of real estate development projects.

(c) Property management and tenancy management

The Group's property management services primarily include maintenance management services and ancillary services, such as accounting and financial services. Properties managed by the Group comprise residential properties as well as non-residential properties including commercial buildings, office buildings and industrial parks.

The Group's tenancy management services primarily relate to defect management, rental management, lease advisory services, administrative management and tenants care management.

(d) Financial advisory

The Group's financial advisory services primarily relate to corporate finance advisory services and investment advisory services.

Management monitors the operating results of the Group's business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that unallocated other income and gains as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

ZACD Group Ltd. and its Subsidiaries

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

3. Operating segment information (continued)

Six months ended 30 June 2026 (unaudited)	Investment management		Acquisitions and projects management S\$'000	Property management and tenancy management S\$'000	Financial advisory S\$'000	Total S\$'000
	SPV investment management S\$'000	Fund management S\$'000				
Segment revenue						
External customers	56	620	906	19	–	1,601
Segment results	739	499	384	13	(38)	1,597
<i>Reconciliation:</i>						
Other income and gains						65
Fair value loss on financial derivative						(218)
Corporate and unallocated expenses						(852)
Profit before tax						592
Segment assets	2,735	5,444	5,602	1	278	14,060
<i>Reconciliation:</i>						
Corporate and unallocated assets						13,963
Total assets						28,023
Segment liabilities	291	1,957	4,724	9	19	7,000
<i>Reconciliation:</i>						
Corporate and unallocated liabilities						6,245
Total liabilities						13,245

ZACD Group Ltd. and its Subsidiaries

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

3. Operating segment information (continued)

Six months ended 30 June 2026 (unaudited)	<u>Investment management</u>		Acquisitions and projects management S\$'000	Property management and tenancy management S\$'000	Financial advisory S\$'000	Total S\$'000
	SPV investment management S\$'000	Fund management S\$'000				
Other segment information:						
Depreciation and amortisation expenses	23	80	3	–	–	106
Operating segment						
<i>Reconciliation:</i>						
Corporate and unallocated expenses						66
Total depreciation and amortisation of capitalised contract cost						172
Capital expenditure *	–	1	–	–	–	1
<i>Reconciliation:</i>						
Corporate and unallocated capital expenditure						–
Total capital expenditure						1

* Capital expenditure represents additions to property, plant and equipment.

ZACD Group Ltd. and its Subsidiaries

Notes to the interim condensed consolidated financial statements

For the six months ended 30 June 2026

3. Operating segment information (continued)

Six months ended 30 June 2025 (unaudited)	Investment management		Acquisitions and projects management S\$'000	Property management and tenancy management S\$'000	Financial advisory S\$'000	Total S\$'000
	SPV investment management S\$'000	Fund management S\$'000				
Segment revenue						
External customers	174	1,145	53	18	–	1,390
Segment results	(156)	644	(77)	(11)	(49)	351
<i>Reconciliation:</i>						
Other income and gains						202
Fair value gain on financial derivative						672
Corporate and unallocated expenses						(1,928)
Loss before tax						(703)
Segment assets	5,296	6,741	2,669	(13)	289	14,982
<i>Reconciliation:</i>						
Corporate and unallocated assets						17,502
Total assets						32,484
Segment liabilities	3,664	1,928	1,164	102	25	6,883
<i>Reconciliation:</i>						
Corporate and unallocated liabilities						5,745
Total liabilities						12,628

ZACD Group Ltd. and its Subsidiaries

Notes to the interim condensed consolidated financial statements

For the six months ended 30 June 2026

3. Operating segment information (continued)

Six months ended 30 June 2025 (unaudited)	<u>Investment management</u>		Acquisitions and projects management S\$'000	Property management and tenancy management S\$'000	Financial advisory S\$'000	Total S\$'000
	SPV investment management S\$'000	Fund management S\$'000				
Other segment information:						
Depreciation and amortisation expenses	26	80	5	2	–	113
Operating segment						
<i>Reconciliation:</i>						
Corporate and unallocated expenses						104
Total depreciation and amortisation of capitalised contract cost						217

ZACD Group Ltd. and its Subsidiaries**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

3. Operating segment information (continued)**Geographical information****(a) Revenue from external customers**

	Six months ended 30 June	
	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Singapore	1,332	1,099
Malaysia	19	18
Australia	30	53
British Virgin Islands	220	220
	1,601	1,390

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Singapore	513	614
Other countries/jurisdictions	—	39
	513	653

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

ZACD Group Ltd. and its Subsidiaries

Notes to the interim condensed consolidated financial statements

For the six months ended 30 June 2026

4. Revenue, and other income and gains

Revenue represents the aggregate of service fee income earned from the provision of investment management services, acquisitions and projects management services, property management and tenancy management services, and financial advisory services. An analysis of revenue, and other income and gains is as follows:

Six months ended 30 June 2026 (unaudited)	<u>Investment management</u>		Acquisitions and projects management S\$'000	Property management and tenancy management S\$'000	Total revenue S\$'000
	SPV investment management S\$'000	Fund management S\$'000			
Primary geographical markets					
Singapore	56	400	876	–	1,332
Malaysia	–	–	–	19	19
Australia	–	–	30	–	30
British Virgin Islands	–	220	–	–	220
	56	620	906	19	1,601
Timing of services					
At a point in time	34	84	876	–	994
Over time	22	536	30	19	607
	56	620	906	19	1,601

ZACD Group Ltd. and its Subsidiaries

Notes to the interim condensed consolidated financial statements

For the six months ended 30 June 2026

4. Revenue, and other income and gains (continued)

Six months ended 30 June 2025 (unaudited)	Investment management		Acquisitions and projects management S\$'000	Property management and tenancy management S\$'000	Total revenue S\$'000
	SPV investment management S\$'000	Fund management S\$'000			
Primary geographical markets					
Singapore	174	925	—	—	1,099
Malaysia	—	—	—	18	18
Australia	—	—	53	—	53
British Virgin Islands	—	220	—	—	220
	174	1,145	53	18	1,390
Timing of services					
At a point in time	149	757	—	—	906
Over time	25	388	53	18	484
	174	1,145	53	18	1,390

ZACD Group Ltd. and its Subsidiary Companies

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

4. Revenue, and other income and gains (continued)

	Six months ended 30 June	
	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Revenue		
Investment management:		
— SPV investment management fees	56	174
— Fund management fees	620	1,145
	676	1,319
Acquisitions and projects management fees	906	53
Property management and tenancy management fees	19	18
	1,601	1,390
Other income and gains		
Interest income	41	33
Government grants (Note i)	8	8
Corporate business service fees (Note ii)	—	75
Gain on disposal of property, plant and equipment	—	6
Operating lease income	20	8
Foreign exchange differences, net	(4)	—
Others	—	72
	65	202

(i) *Government grants were received by certain subsidiaries and the Company in connection with employment of Singaporean and/or non-Singaporean workers under Wage Credit Scheme, Jobs Support Scheme, Government-Paid Leave Schemes and Special Employment Credit provided by the Singapore Government and employment of Australian workers under JobKeeper Payment Scheme provided by the Australia Government. There were no unfulfilled conditions or contingencies relating to these grants.*

(ii) *Corporate business services rendered to external corporate clients by the Group. Services performed include reviewing and advising on financial reports and finance functions and processes, and making recommendations on areas of improvement to the corporate clients.*

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026****5. Profit/(Loss) before tax**

The Group's profit/(loss) before tax is arrived at after charging:

	Six months ended 30 June	
	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Auditor's remuneration	113	90
Dividend income from the establishment shares included in SPV investment and fund management fees	—	(150)
Professional fees	228	185
Reversal of impairment losses/(impairment losses) on financial assets	1,831	(14)
Rental expense for short-term leases	—	44
Fair value (loss)/gain on financial derivative	(218)	672
Interest expense		
Lease	10	5
Interest expense on put option to an investor, Top Global Limited	240	240
Interest expense on La Ville Fund	24	24
Interest expenses on short-term bridging loan facilities	136	—
Bank borrowings	—	6
	410	275

6. Income tax expense

The Group calculates the period income tax expense using the effective tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Six months ended 30 June	
	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Current income tax	—	23

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

7. Profit/(Loss) per share attributable to owners of the Company

The calculation of basic and diluted profit/(loss) per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Profit/(Loss) for the period		
Profit/(Loss) for the period attributable to owners of the Company (S\$'000)	592	(703)
Number of shares		
Weighted average number of ordinary shares	2,000,000,000	2,000,000,000

8. Dividends

No dividend was paid or proposed by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: S\$Nil).

9. Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired assets with aggregate cost of S\$1,000 (six months ended 30 June 2025: S\$Nil) and disposed assets with net book value of S\$Nil (six months ended 30 June 2025: S\$19,000). Depreciation on property, plant and equipment amounted to S\$13,000 (six months ended 30 June 2025: S\$31,000).

Right-of-use assets

During the six months ended 30 June 2026 and 2025, there was no addition and disposal of right-of-use assets. Amortisation on right-of-use assets amounted to S\$89,000 (six months ended 30 June 2025: S\$126,000).

ZACD Group Ltd. and its Subsidiary Companies

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

10. Investment in equity securities and investment in fund securities

Investment in equity securities

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
At fair value through other comprehensive income		
Unlisted equity shares, at fair value	8	51

During the six months ended 30 June 2026, the fair value change in respect of the Group's investment in equity securities recognised in other comprehensive income amounted to a loss of S\$43,000 (six months ended 30 June 2025: S\$145,000).

The above financial assets were designated as investment in equity securities and have no fixed maturity date or coupon rate.

Investment in equity securities represent the establishment shares or contractual rights over the establishment shares to be awarded by the investors of Investment SPVs that the Group currently acts as a manager, as consideration for services rendered by the Group to the investors (that include independent third parties and the ultimate holding company) in relation to the establishment and incorporation of the Investment SPVs as real estate development investment structures. Through these Investment SPVs, the investors participate in real estate development projects by investing in convertible loans issued by the Investment SPVs.

Although the contractual rights over the establishment shares are earned by the Group upon the subscription of convertible loans in the Investment SPVs by the investors, the shares will only be received by the Group from the investors upon conversion of their convertible loans as and when the underlying real estate development project is substantially completed.

The Group receives dividend distributions from the Investment SPVs for the establishment shares it received from investors and as and when declared by the Investment SPVs. Such dividend distributions are included in the Group's SPV investment management fees (Note 4).

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

10. Investment in equity securities and investment in fund entities (continued)**Investment in fund securities**

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
At fair value through other comprehensive income		
Unlisted equity shares, at fair value	781	879

During the six months ended 30 June 2026, the fair value change in respect of the Group's investment in fund entities recognised in other comprehensive income amounted to a loss of S\$2,000 (six months ended 30 June 2025: S\$67,000).

During the period ended 30 June 2026, the Company invested in ZACD Media Circle Fund constitute 0.6%. During the year ended 31 December 2023, the Company invested in two development funds managed by the Group, ZACD Mount Emily Residential Development Fund ("Mount Emily") and ZACD (BBEC) Pte. Ltd. ("BBEC"). The respective subscription by the Company to the two development funds constitute 9.28% in Mount Emily and 5% in BBEC. During the year ended 31 December 2021, the Company invested in ZACD (Development4) Ltd. with an equity interest of 0.46%.

The above financial assets were designated as investment in fund entities and the maturity date would be dependent on the completion of the underlying project in which the development funds invest in. There is no coupon rate for these investments.

11. Trade receivables

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Trade receivables	3,627	3,684
Less: Allowance for impairment losses	(384)	(397)
	3,243	3,287

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026****11. Trade receivables (continued)**

Set out below is the movement in the allowance for impairment losses of trade receivables:

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
At beginning of reporting period/year	397	214
Impairment loss on trade receivables, net	–	183
Exchange differences	(13)	–
At end of reporting period/year	384	397

The Group's trading terms with its customers are mainly on credit settlement. The credit period is generally 30 days. The Group's dividend receivables are not governed by any credit terms. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancement over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables (net of allowance), other than receivables not yet invoiced and dividend receivables, as at the end of each reporting period, based on the invoice date, is as follows:

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Within 1 month	759	253
1 to 2 months	9	8
2 to 3 months	10	17
Over 3 months	2,465	3,009
	3,243	3,287

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

11. Trade receivables (continued)

The aged analysis of the trade receivables that are neither individually nor collectively considered to be impaired is as follows:

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Neither past due nor impaired	759	253
Less than 1 month past due	9	8
1 to 3 months past due	2,475	3,026
	3,243	3,287

Trade receivables that were neither past due nor impaired relate to a number of diversified customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired relate to a number of customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

As at 30 June 2026 and 31 December 2025, the Group had the following trade receivables from related parties which are repayable on credit terms similar to those offered to major customers of the Group.

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Related parties*	2,967	3,053

* Particulars of trade receivables due from related parties are as follows:

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026****11. Trade receivables (continued)**

	Group	
	2026	2025
	S\$'000	S\$'000
Landmark JV Pte. Ltd.	–	450
ZACD (Development2) Ltd.	4	593
ZACD Mount Emily Residential Development Fund	37	26
Kurnia Rezeki Utama Sdn Bhd	47	27
ZACD LV Development Pte. Ltd.	1,946	1,207
ZACD Laserblue Pte. Ltd.	3	–
ZACD LV Development Fund	772	595
ZACD (Mandai) Ltd.	48	–
ZACD Media Circle Fund	91	84
ZACD (Shunfu) Ltd.	4	3
ZACD (Shunfu2) Ltd.	4	–
ZACD Tampines Industrial Fund	–	3
ZACD (BBEC) Pte. Ltd.	–	63
ZACD (Woodlands12) Pte Ltd	4	2
ZACD Property Pte. Ltd.	7	–
	2,967	3,053

Relationships of the above related companies with the Group are set out in Note 20.

12. Capitalised contract costs

	30 June	31 December
	2026	2025
	S\$'000	S\$'000
	(unaudited)	(audited)
Capitalised incremental costs of obtaining contracts – commission costs paid to agents:		
At beginning of reporting period/year	392	406
Additions	3	112
Amortisation	(70)	(126)
At end of reporting period/year	325	392

ZACD Group Ltd. and its Subsidiary Companies

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

13. Prepayments, deposits and other receivables

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Current:		
Prepayments	164	223
Deposits	100	72
Interest receivable	211	196
Other receivables	190	177
	665	668
Non-current:		
Others	159	165
	824	833
At end of reporting period/year		

14. Loans and related receivables

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Current		
Bridging loans funded to:		
ZACD (Development4) Ltd.	5,085	5,085
ZACD Mount Emily Residential Development Fund	250	2,893
ZACD (Development2) Ltd.	–	1,646
ZACD LV Development Fund	12,808	12,777
Kurnia Rezeki Utama Sdn. Bhd.	599	379
ARO II (Tebrau) Pte. Ltd.	526	526
ZACD Industrial Opportunities Fund	15	15
	19,283	23,321
Interest receivables on loan to:		
ZACD Mount Emily Residential Development Fund	–	239
ZACD (Development2) Ltd	–	85
ZACD LV Development Fund	659	659
Kurnia Rezeki Utama Sdn. Bhd.	57	44
ARO II (Tebrau) Pte. Ltd.	37	24
	753	1,051
Less: Allowance for impairment losses	(7,272)	(9,103)
Loans and related receivables, net	12,764	15,269

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

14. Loans and related receivables (continued)

Set out below is the movement in the allowance for impairment losses of loans and related receivables:

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
At beginning of reporting period/year	9,103	5,085
Allowance for impairment losses	1,301	4,018
Reversal of impairment losses	(3,132)	—
At end of reporting period/year	7,272	9,103

(a) Bridging facility and advances to ZACD (Development4) Ltd.

Reference is made to the voluntary announcement dated 20 September 2019, the inside information and business update announcements dated 23 July 2020, 24 July 2020, 6 August 2020 and 23 August 2021 and the supplemental announcement dated 23 August 2021 of the Company in relation to ZACD Australia Hospitality Fund (the “Fund”) and ZACD (Development4) Ltd. (“ZACD D4”), an indirect wholly-owned special purpose fund vehicle of the Company pursuant to the Transaction with respect to the Australia Hotel Portfolio (the “Announcements”). Unless otherwise defined, capitalised terms used in this report shall have the same meanings as those defined in the Announcements.

The Group previously provided an allowance for impairment loss on the bridging loan to ZACD D4 of S\$12,337,000 pursuant to the Transaction with respect to the Australia Hotel Portfolio as elaborated in the Group's Annual Results for the year ended 31 December 2020. Pursuant to the Deed of Settlement, the Fund had received a substantial portion of the settlement proceeds in September 2021. Accordingly, the impairment loss of S\$7,574,000 was reversed by the Group in 2021. The Group has further provided an allowance for impairment loss on the bridging loan to ZACD D4 of S\$374,000 as at 31 December 2023.

(b) Bridging facility to ZACD Mount Emily Residential Development Fund

On 25 April 2023, the Company entered into a S\$1,550,000 short term bridging facility agreement (the “Facility”) with ZACD Mount Emily Residential Development Fund (the “Borrower”), a sub-fund registered under ZACD Capital Partners VCC. The Borrower is a single-purpose closed-ended real estate private equity fund set up in connection with a residential redevelopment project located at 2, 2A and 2B Mount Emily Road Singapore 228484, 4, 4A and 4B Mount Emily Road Singapore 228486 and 6, 6A and 6B Mount Emily Road Singapore 228487 (collectively the “Mount Emily Properties”). The Company will be the sponsor of the fund by way of indirectly holding the nominal share capital of ZACD Capital Partners VCC, being the corporate entity of the fund. The fund will be managed by ZACD Capital Pte. Ltd. On 15 September 2023, a S\$300,000 was further extended to the fund. On 1 March 2024, there was a S\$400,000 short term bridging facility extended to the fund. In addition, on 12 and 13 March 2024, a S\$1,500,000 short term bridging facility were further extended to the fund. On 22 April 2025, a S\$300,000 short term bridging facility was further extended to the fund. On 28 October 2025, the loan of S\$1,260,000 extended by the Group to the fund, which was placed as a fixed deposit to serve as bank collateral for the Mount Emily project, was fully repaid following the refinancing of the project with a new financier under imposed covenant terms. On 3 December 2025, a S\$103,000 short term bridging facility was extended to the fund.

14. Loans and related receivables (continued)

(b) Bridging facility to ZACD Mount Emily Residential Development Fund (continued)

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for fund operational purpose. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

Each Facility drawdown shall have a tenure commencing on the date of drawdown and continue until such date as the parties may mutually agree in writing but shall not be later than the expiry date of the fund life.

As at 30 June 2026, S\$250,000 (31 December 2025: S\$2,893,000) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum. However, effective 1 January 2026, the Lender has temporarily waived the interest charges.

As at 30 June 2026, the Group has reversed S\$2,882,000 allowance for impairment losses (31 December 2025: allowance made S\$3,132,000), which is assessed based on the profitability of the underlying residential development project.

(c) Bridging facility to ZACD (Development2) Ltd.

On 1 October 2021, the Company entered into a S\$1,600,000 short term bridging facility agreement (the "**Facility**") with ZACD (Development2) Ltd. (the "**Borrower**") with a supplemental on 1 June 2023 to increase the facility to S\$1,750,000. The Borrower is the holding entity of a single-purpose closed-ended real estate private equity fund invested into the residential redevelopment located at 173 Chin Swee Road, Singapore 169878 (the "**Landmark Development**"). The Company is the sponsor of the fund by way of indirectly holding the nominal share capital of the Borrower, being the corporate entity of the fund. The fund is managed by ZACD Capital Pte. Ltd. On 22 October 2024, a S\$250,000 short term bridging facility was extended to the fund. Accordingly, on 8 October 2025 and 21 October 2025, a S\$212,000 and S\$12,000 short term bridging facility were extended to the fund. On 20 November 2025, a S\$212,000 short term bridging facility was further extended to the fund.

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for the purposes of bridging the repayment of short term loans entered into by the Borrower with three third party lenders during 2020. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

Each Facility drawdown shall have a tenure commencing on the date of drawdown and continue until such date as the parties may mutually agree in writing but shall not be later than the expiry date of the fund life.

As at 30 June 2026, S\$1,646,000 (31 December 2025: S\$1,646,000) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

14. Loans and related receivables (continued)

(d) Bridging facility to ZACD LV Development Fund

Reference is made to the announcement dated 17 December 2021 of the Company in relation to the establishment of a new fund for the tender success of a residential re-development site located at 6C and 6D Tanjong Rhu Road, Singapore (the “**La Ville Project**”). Following the successful tender of La Ville Project on 30 November 2021, the Group had made payments with respect to tender deposit and additional deposit pursuant to the tender terms, and stamp duties, totalling S\$11,610,000 as at 31 December 2021 on behalf of ZACD LV Development Pte. Ltd., the Development SPV of the La Ville Project.

On 1 February 2022, the Company entered into a S\$18,000,000 short term bridging facility agreement (the “**Facility**”) with ZACD LV Development Fund (the “**Borrower**”), a sub-fund registered under ZACD Capital Partners VCC. The Borrower is a single-purpose closed-ended real estate private equity fund set up in the beginning of 2023 in connection with the redevelopment of the La Ville Project. The Company will be the sponsor of the fund by way of indirectly holding the nominal share capital of ZACD Capital Partners VCC, being the corporate entity of the fund. The fund is managed by ZACD Capital Pte. Ltd. On 15 January 2024, a S\$2,625,000 short term bridging facility was extended to the fund. Subsequently, on 28 October 2024 and 26 November 2024, a S\$750,000 and S\$1,500,000 were further extended to the fund. On 14 February 2025, a S\$125,000 was extended to the fund. On 22 April 2025 and 28 April 2025, a S\$270,000 and S\$330,000 were extended to the fund. On 27 May 2025, a S\$180,000 was further extended to the fund.

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for purposes of facilitating the Borrower to participate in land parcel sales on La Ville Project and matters related and ancillary thereto. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

Each Facility drawdown shall have a tenure commencing on the date of drawdown and continue until such date as the parties may mutually agree in writing but shall not be later than the expiry date of the fund life.

As at 30 June 2026, S\$12,808,000 (31 December 2025: S\$12,777,000) has been drawdown on the Facility by the Borrower which bears interest at 6% per annum. However, effective 1 January 2026, the Lender has temporarily waived the interest charges.

As at 30 June 2026, the Group has provided an allowance for impairment losses amounting to S\$1,051,000 (31 December 2025: S\$886,000), which is assessed based on the profitability of the underlying residential development project.

14. Loans and related receivables (continued)

(e) Bridging facility to Kurnia Rezeki Utama Sdn Bhd

On 4 July 2023, the Company entered into a S\$205,000 short term bridging facility agreement (the “Facility”) with Kurnia Rezeki Utama Sdn Bhd (the “**Borrower**”). The principal activities of the Borrower is that of property investment and leasing. On 27 October 2023, a S\$174,000 was further extended to the Borrower.

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for purposes of facilitating the Borrower for investment purposes. Any drawdown on the Facility is subject to an interest rate of five percent (5%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

As at 30 June 2026, S\$599,000 (31 December 2025: S\$379,000) has been drawn down on the Facility by the Borrower which bears interest at 5% per annum.

(f) Bridging facility to ARO II (Tebrau) Pte. Ltd.

On 9 May 2024, the Company entered into a S\$130,000 short term bridging facility agreement (the “Facility”) with ARO II (Tebrau) Pte. Ltd, with a supplemental on 24 December 2024 to increase the facility to S\$375,500. The principal activities of the Borrower is that of property investment and leasing. On 20 November 2025, a S\$180,000 short term bridging facility was further extended to the fund.

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for purposes of facilitating the Borrower for investment purposes. Any drawdown on the Facility is subject to an interest rate of five percent (5%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

As at 30 June 2026, S\$526,000 (31 December 2025: S\$526,000) has been drawn down on the Facility by the Borrower which bears interest at 5% per annum.

(g) Bridging facility to ZACD Media Circle Fund

On 29 November 2024, the Company entered into a S\$50,000 short term bridging facility agreement (the “**Facility**”) with ZACD Media Circle Fund (the “**Borrower**”), a sub-fund registered under ZACD Capital Partners VCC, with a supplemental on 30 December 2024 to increase the facility to S\$300,000. The Borrower is a single-purpose closed-ended real estate private equity fund set up in connection with a residential development project located at 99-year leasehold government land sale plot at Media Circle Singapore (collectively the “**Media Circle Project**”). The Company will be the sponsor of the fund by way of indirectly holding the nominal share capital of ZACD Capital Partners VCC, being the corporate entity of the fund. The fund will be managed by ZACD Capital Pte. Ltd. On 11 March 2025, a S\$700,000 short term bridging facility was extended to the fund.

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Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

14. Loans and related receivables (continued)

(g) Bridging facility to ZACD Media Circle Fund (continued)

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for purposes of facilitating the Borrower for investment purposes. Any drawdown on the Facility is subject to an interest rate of five percent (5%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

As at 30 June 2026, the loan and related receivables extended by the Group to the fund has been fully repaid.

(h) ZACD Industrial Opportunities Fund

On 16 December 2025, the Company entered into a S\$15,000 short term bridging facility agreement (the "Facility") with ZACD Industrial Opportunities Fund (the "Borrower"), a sub-fund registered under ZACD Capital Partners VCC.

The Borrower is a single-purpose closed-ended real estate private equity fund set up in connection with an industrial land parcel located at Sengkang West Rod Seleta West Road 3, launched by JTC under the 2025 IGLS Programme. The Company will be the sponsor of the fund by way of indirectly holding the nominal share capital of ZACD Capital Partners VCC, being the corporate entity of the fund. The fund will be managed by ZACD Capital Pte. Ltd.

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for purposes of facilitating the Borrower for investment purposes. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Company may, at its sole and absolute discretion, reject any drawdown request by the Borrower.

As at 30 June 2026, S\$15,000 (31 December 2025: S\$15,000) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum.

15. Cash and cash equivalents

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Cash and cash equivalents	8,704	3,940

As at 30 June 2026, fixed deposits amounting to S\$2,380,000 (31 December 2025: S\$2,380,000) were pledged to a financial institution as collateral for banking facilities to La Ville Project. These deposits are restricted and not available for general use by the Group until the associated banking facility is discharged.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

15. Cash and cash equivalents (continued)

Cash and bank balances denominated in foreign currencies are as follows:

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Hong Kong dollar (HKD)	34	68
Australia dollar (AUD)	52	133

16. Loans payable to related parties

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Current		
Advances/bridging loans funded by:		
ZACD (BBEC) Pte. Ltd	1,000	1,100
ZACD (Mandai) Ltd.	400	400
ZACD (Shunfu) Ltd.	50	50
ZACD (Shunfu2) Ltd.	250	250
ARO II (Bay Road) Trust	2,383	2,383
Interest receivables on loan to:		
ZACD (BBEC) Pte. Ltd	78	47
ZACD (Mandai) Ltd.	29	17
ZACD (Shunfu) Ltd.	12	10
ZACD (Shunfu2) Ltd.	62	55
ARO II (Bay Road) Trust	236	165
	4,500	4,477

(a) Bridging facility and advances by ZACD (BBEC) Pte. Ltd.

On 16 April 2025, the Company entered into a S\$1,100,000 short term bridging facility agreement (the “**Facility**”) with ZACD (BBEC) Pte. Ltd. (the “**Lender**”). The principal activity of the Lender is that of other holding companies. The Lender is an underlying Development SPV in connection with a 99 year leasehold residential development project located at Bukit Batok West Avenue 8, Singapore (the “**BBEC Development**”). The Company, acting as the sponsor of the BBEC Fund by way of indirectly holding the nominal share capital of the corporate entity of the BBEC Fund. The fund will be managed by ZACD Capital Pte. Ltd.

The Lender has agreed to grant the Facility to the Company for purposes of facilitating the Borrower for operational and financial purposes. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Lender may, at its sole and absolute discretion, reject any drawdown request by the Company.

As at 30 June 2026, the outstanding amount under the Facility was S\$1,000,000 (31 December 2025: S\$1,100,000), bearing interest at 6% per annum.

16. Loans payable to related parties (continued)

(b) Bridging facility and advances by ZACD (Mandai) Ltd.

On 16 April 2025, the Company entered into a S\$400,000 short term bridging facility agreement (the “**Facility**”) with ZACD (Mandai) Ltd. (the “**Lender**”). The Lender is a single-purpose closed-ended industrial private equity fund set up in connection with an industrial development project located 7 Mandai Estate, Singapore (the “**Mandai Development**”). The Company, acting as the sponsor of the ZACD (Mandai) Ltd. (the “**Mandai Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the Mandai Fund. The fund will be managed by ZACD Capital Pte. Ltd.

The Lender has agreed to grant the Facility to the Company for purposes of facilitating the Borrower for operational and financial purposes. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Lender may, at its sole and absolute discretion, reject any drawdown request by the Company.

As at 30 June 2026, S\$400,000 (31 December 2025: S\$400,000) has been drawn down on the Facility by the Company which bears interest at 6% per annum.

(c) Bridging facility and advances by ZACD (Shunfu) Ltd.

On 1 January 2025, the Group entered into a short term bridging facility agreement (the “**Facility**”) with ZACD (Shunfu) Ltd. (the “**Lender**”). As part of the arrangement, an amount of S\$94,000 previously classified as amounts due to related parties (non-trade) was novated and accounted for as a bridging loan payable. The Lender is a closed-end real estate private equity fund targeting the residential development located at 99-year leasehold government land sale plot at 314–319 Shunfu Road (collectively the “**Jadescape Project**”). The Company, acting as the sponsor of the ZACD (Shunfu) Ltd. (the “**Shunfu Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the Shunfu Fund. The fund will be managed by ZACD Capital Pte. Ltd.

On 6 May 2025, the Group repaid S\$44,000 of the loan and related payables to the Fund. The Lender has agreed to grant the Facility to the Group for purposes of facilitating the Borrower for operational and financial purposes. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Lender may, at its sole and absolute discretion, reject any drawdown request by the Group.

As at 30 June 2026, the outstanding amount under the Facility was S\$50,000 (31 December 2025: S\$50,000), bearing interest at 6% per annum.

(d) Bridging facility and advances by ZACD (Shunfu2) Ltd.

On 1 January 2025, the Group entered into a short term bridging facility agreement (the “**Facility**”) with ZACD (Shunfu2) Ltd. (the “**Lender**”). As part of the arrangement, an amount of S\$706,000 previously classified as amounts due to related parties (non-trade) was novated and accounted for as a bridging loan payable. The Lender is a closed-end real estate private equity fund targeting the residential development located at 99-year leasehold government land sale plot at 314–319 Shunfu Road (collectively the “**Jadescape Project**”). The Company, acting as the sponsor of the ZACD (Shunfu2) Ltd. (the “**Shunfu2 Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the Shunfu2 Fund. The fund will be managed by ZACD Capital Pte. Ltd.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

16. Loans payable to related parties (continued)

(d) Bridging facility and advances by ZACD (Shunfu2) Ltd. (continued)

On 6 May 2025 and 23 June 2025, the Group repaid S\$256,000 and S\$200,000 respectively of the loan and related payables to the Fund. The Lender has agreed to grant the Facility to the Group for purposes of facilitating the Borrower for operational and financial purposes. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Lender may, at its sole and absolute discretion, reject any drawdown request by the Group.

As at 30 June 2026, the outstanding amount under the Facility was S\$250,000 (31 December 2025: S\$250,000), bearing interest at 6% per annum.

(e) Bridging facility and advances by ARO II (Bay Road) Trust

On 1 January 2025, the Group entered into a short term bridging facility agreement (the “**Facility**”) with ARO II (Bay Road) Trust (the “**Lender**”). As part of the arrangement, an amount of AUD3,100,000 previously classified as amounts due to related parties (non-trade) was novated and accounted for as a bridging loan payable. The Lender is an Australia-domiciled private trust constituted pursuant to a trust deed dated 30 May 2017 (the “**Trust Deed**”). ARO II (Bay Road) Trust Pty Ltd (the “**Trustee**”) is responsible for the management of the Trust, its business and implementing its business strategy, as well as providing the Trust with specialised real estate investment fund management services.

The principal activity of the Trust is owning and investing, directly and indirectly, in real estate assets with a focus on income-producing properties and properties that could be redeveloped into income producing properties. The Trust will be managed by ZACD Income Trust.

The Lender has agreed to grant the Facility to the Group for purposes of facilitating the Borrower for operational and financial purposes. Any drawdown on the Facility is subject to an interest rate of six percent (6%) per annum or such other rate as agreed between the parties taking into account the then prevailing market rate of similar facilities arrangement. The Lender may, at its sole and absolute discretion, reject any drawdown request by the Group.

As at 30 June 2026, the outstanding amount under the Facility was AUD3,100,000 (S\$2,383,000) (31 December 2025: AUD3,100,000; S\$2,383,000), bearing interest at 6% per annum.

17. Lease liabilities

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Leases for office properties		
- Current	248	265
- Non-current	76	198
Total lease liabilities	324	463

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

18. Financial derivative

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Fair value of financial derivative	2,970	2,752

Reference is made to the announcement dated 28 December 2023 where the Company had granted a put option to an investor, Top Global Limited (“TGL”) subscribing in ZACD LV Development Fund where TGL has the option to require the Company to purchase all of TGL’s outstanding loan interest or participating shares in the fund. The put option is exercisable by TGL in the following manner:

- (a) within one month from the fourth anniversary from 4 January 2024; or
- (b) if there has been a breach by ZACD Investments Pte. Ltd. of its obligations and undertakings under the deed of undertaking between ZACD Investments Pte. Ltd. and TGL; or
- (c) if there has been a breach by the Controlling Shareholders of their obligations and undertakings under the deed of undertaking between the Controlling Shareholders and TGL.

During the current financial period, the fair value loss of S\$218,000 (six months ended 30 June 2025: S\$672,000) was recognised in the profit or loss upon reassessment of the fair value of the put option as of period end.

19. Share capital

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Issued and paid up capital:		
2,000,000,000 (2025: 2,000,000,000) ordinary shares	29,866	29,866

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

20. Related party transactions

(a) Related parties

Name of related companies	Relationship with the Company or the Group
Investment SPVs:	
ZACD (CCK) Pte. Ltd. ("CCK")	CCK is a 22.0%-owned associate of the ultimate holding company and was struck off on 26 December 2025.
ZACD (Jurong) Pte. Ltd. ("Jurong")	Jurong is a 30.0% owned associate of the ultimate holding company and was struck off on 3 January 2026.
ZACD (Neew) Pte. Ltd. ("Neew")	Neew is a wholly-owned subsidiary of the ultimate holding company.
ZACD (Neew2) Pte. Ltd. ("Neew2")	Neew2 is a wholly-owned subsidiary of the ultimate holding company.
ZACD (Punggol Central) Pte. Ltd. ("Punggol Central")	Punggol Central is 17.3% owned by the Group and was struck off on 25 October 2025.
ZACD (Tuas Bay) Pte. Ltd. ("Tuas Bay")	Tuas Bay is a wholly-owned subsidiary of the ultimate holding company.
ZACD (Woodlands12) Pte. Ltd. ("Woodlands12")	Woodlands12 is 19.6% owned associate of the ultimate holding company.
ZACD (Woodlands2) Pte. Ltd. ("Woodlands2")	Woodlands2 is a 31.8%-owned associate of the ultimate holding company and was struck off on 25 October 2025.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

20. Related party transactions (continued)

(a) Related parties (continued)

Name of related companies	Relationship with the Company or the Group
Private funds managed by the Group:	
ZACD (BBW6) Ltd. ("BBW6")	BBW6 is managed by the Group and the Controlling Shareholders are key management personnel of BBW6 and application for strike-off was submitted to ACRA on 26 January 2026.
ZACD (Shunfu) Ltd. ("Shunfu")	Shunfu is managed by the Group and one of the Controlling Shareholders is a key management personnel of Shunfu.
ZACD (Shunfu2) Ltd. ("Shunfu2")	Shunfu2 is managed by the Group and one of the Controlling Shareholders is a key management personnel of Shunfu2.
ZACD (Development2) Ltd. ("Development2")	Development2 is managed by the Group and two of the key management personnel of the Group are key management personnel of Development2.
ZACD (Development4) Ltd. ("Development4")	Development4 is managed by the Group and two of the key management personnel of the Group are key management personnel of Development4.
ZACD (Mandai) Ltd. ("Mandai")	Mandai is managed by the Group and two of the key management personnel of the Group are key management personnel of Mandai.
ZACD (MSPIF) Pte. Ltd. ("MSPIF")	MSPIF is managed by the Group and two of the key management personnel of the Group are key management personnel of MSPIF.
ZACD (Tribe) Pte. Ltd. ("Tribe")	Tribe is managed by the Group and two of the key management personnel of the Group are key management personnel of Tribe.
ZACD (BBEC) Pte. Ltd. (f.k.a Bridge Trust Pte. Ltd.)("BBEC")	BBEC is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD BBEC.
ZACD Laserblue Pte. Ltd. ("Laserblue")	Laserblue is managed by the Group and two of the key management personnel of the Group are key management personnel of Laserblue.
ZACD Capital Partners VCC ("ZACD VCC")	ZACD VCC is an umbrella Singapore variable capital company where one of the key management personnel of the Group is a key management personnel of ZACD VCC.
ZACD Mount Emily Residential Development Fund ("ZACD Mount Emily")	ZACD Mount Emily is a registered sub-fund of ZACD VCC, is managed by the Group and one of the key management personnel of the Group is a key management personnel of ZACD VCC.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

20. Related party transactions (continued)

(a) Related parties (continued)

Name of related companies	Relationship with the Company or the Group
ZACD Media Circle Fund (f.k.a ZACD Tampines Industrial Fund (" ZACD Media Circle Fund ")	ZACD Media Circle Fund is a registered sub-fund of ZACD VCC, is managed by the Group and one of the key management personnel of the Group is a key management personnel of ZACD VCC.
ZACD LV Development Fund (" ZACD LV Fund ")	ZACD LV Fund is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.
ZF5	ZF5 is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.
ZACD Industrial Opportunities Fund (" ZACD Industrial ")	ZACD Industrial is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.
ZACD LV Holdings Pte. Ltd. (" LV Holdings ")	LV Holdings is a wholly-owned subsidiary of ZACD LV Fund.
ZACD Property Pte. Ltd. (" ZACD Property ")	ZACD Property is wholly-owned by ZACD Mount Emily and two of the key management personnel of the Group are key management personnel of ZACD Property.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

20. Related party transactions (continued)

Name of related companies	Relationship with the Company or the Group
Development SPVs:	
Landmark JV Pte. Ltd. ("Landmark JV")	Landmark JV is 39.2% owned by Development2. One of the key management personnel of the Group is a key management personnel of Landmark JV.
Mandai 7 JV Pte. Ltd. ("Mandai 7 JV")	Mandai 7 JV is 60.0% owned by Mandai.
Zelitist Pte. Ltd. ("Zelitist")	Zelitist is a 56.0% owned by Development2.
ZACD LV Development Pte. Ltd. ("ZACD LV")	ZACD LV is 75% owned by ZACD LV Holdings.
Common control of the Controlling Shareholders:	
Magnificent Vine Group Holdings Pte. Ltd. ("Magnificent Vine Group")	Magnificent Vine Group is controlled by the Controlling Shareholders who are also the directors of the Company.
Creo Adworld Pte. Ltd. ("Creo Adworld")	Creo Adworld is a wholly-owned subsidiary of Magnificent Vine Group.
Tampines 7 JV Pte. Ltd. ("Tampines")	Tampines is a wholly-owned subsidiary of Magnificent Vine Group.
ZACD CRF (Woodlands) Pte. Ltd. ("CRF")	CRF is a wholly-owned subsidiary of Magnificent Vine Group.
Kurnia Rezeki Utama Sdn. Bhd. ("Kurnia")	Kurnia is a wholly-owned subsidiary of ARO II (Tebrau) Pte. Ltd.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

20. Related party transactions (continued)

Name of related companies	Relationship with the Company or the Group
Common control of the Controlling Shareholders:	
Providence Capital Pte. Ltd. ("Providence")	Providence is a wholly-owned subsidiary of Magnificent Vine Group.
SLP International Property Consultants Pte. Ltd. ("SLP International")	SLP International is controlled by the Controlling Shareholders and one of the Controlling Shareholders is also the director of the Company.
SLP International Investment Pte. Ltd. ("SLP Investment")	SLP Investment is wholly-owned subsidiary of SLP International and one of the Controlling Shareholders is also the director of the Company.

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026****20. Related party transactions (continued)****(b) Related party transactions**

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2026 and 2025:

		Six months ended 30 June	
	Note	2026 S\$'000 (unaudited)	2025 S\$'000 (unaudited)
Investment management — dividend income:	(i)		
ZACD (Punggol Central) Ltd.		—	47
ZACD (Woodlands2) Pte Ltd		—	12
ZACD (CCK) Pte Ltd		—	14
ZACD (Jurong) Pte Ltd		—	77
		—	150
Investment management — performance fees:	(ii)		
ZACD (Shunfu) Ltd.		—	13
ZACD (Shunfu2) Ltd.		—	21
ZACD (Mandai) Ltd.		84	—
ZACD (BBW6) Ltd.		—	133
		84	167
Investment management — fund management fees:	(iii)		
ZACD (Mandai) Ltd.		78	39
ZACD (Development2) Ltd.		—	(194)
ZACD LV Development Pte. Ltd.		45	45
ZACD (BBEC) Pte. Ltd.		21	21
ZACD Mount Emily Residential Development Fund		20	20
ZACD Media Circle Fund		31	260
ZACD Laserblue Pte. Ltd.		54	387
		249	578
Office and transport expenses:	(iv)		
ZACD Investments Pte. Ltd.	(1)	30	30

20. Related party transactions (continued)

(b) Related party transactions (continued)

Notes:

- (i) The dividend income was derived from the establishment shares of the Investment SPVs or from the preference shares of the fund vehicles when the Group's right to receive payment is established.
 - For Investment SPVs, the Group holds the Establishment Shares received from investors to remunerate its SPV investment management services provided, through dividend distribution from the relevant Investment SPVs under the convertible loan structure. Under the trust structure, the Group derives performance fees from the profits made by the investors through dividend distribution received by the Group's ultimate holding company on behalf of investors.
 - For Fund Structure, the Group is entitled to performance fees based on a percentage of return on equity distributed to the investors, and/or upon divestment of all investments in the fund or termination of the fund, whichever is earlier, through dividends on redeemable preference shares issued to the Group.
- (ii) The performance fee income derived from the private real estate funds were related to the Group's right to receive payment when dividends were derived from private real estate funds under the trust structure adopted by the Group.
- (iii) The fund management income included fund establishment fee and fund management fees and was related to the fund management services rendered by the Group. The fees were determined at terms stipulated in the respective service contracts.
- (iv) The office and transport expense was related to administrative services performed and general use of driver and company car provided by the ultimate holding company and was charged at terms mutually agreed between the relevant parties.

The above transactions were conducted on terms and conditions mutually agreed between the relevant parties. The directors of the Company are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.

- (1) The related party transactions fall under the definition of continuing connected transactions and has complied with disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

21. Commitments

Reference is made to the announcement dated 28 December 2022 where the Company had granted a put option to an investor, TGL subscribing in ZACD LV Development Fund (Note 18). On the same day, the Company and TGL entered into an arrangement pursuant to which the Company will pay TGL a coupon payment at the rate of 8% per annum on the amount of TGL's capital contribution to ZACD LV Development Fund less fee rebates given to TGL, payable quarterly in arrears commencing from 4 January 2023 (the "**TGL Drawdown Date**") and shall continue until the fourth anniversary of the TGL Drawdown Date (the "**Coupon Tenure**"). The total coupon payments aggregate to S\$2,400,000.

At the end of the period, other than those disclosed in the report, the Group had no other significant commitments.

22. Financial guarantees

(a) *La Ville Development*

On 27 June 2022, the Company entered into a deed to provide a guarantee in the aggregate of the principal amount of S\$129,086,250 and any interest, commission, fees and expenses accrued thereon, to secure loan facilities in relation to a residential redevelopment project located at 6C and 6D Tanjong Rhu Road, Singapore (the "**La Ville Development**"). This amount represents 75.0% of the total liabilities of the underlying Development SPV under a facility agreement in the underlying Development SPV. In terms of the above, the Company, acting as the sponsor of ZACD LV Development Fund (the "**LV Development Fund**"), a sub-fund registered under ZACD Capital Partners VCC, by way of indirectly holding the nominal share capital of the corporate entity of LV Development Fund, is required by the security agents to provide the guarantee for the loan facilities which will be applied towards the payments of the purchase price, development charge, construction cost and related development costs of the La Ville Development. LV Development Fund is managed by ZACD Capital Pte. Ltd. which acts as its fund manager.

(b) *BBEC Development*

On 15 June 2022, the Company entered into a deed to provide a guarantee in the aggregate of the principal amount of S\$29,980,000 and any interest, commission, fees and expenses accrued thereon, to secure loan facilities in relation to a residential real estate project located at Bukit Batok West Avenue 8, Singapore (the "**BBEC Development**"). This amount represents 10.0% of the total liabilities of the underlying Development SPV under a facility agreement in proportion of the shareholding of ZACD (BBEC) Pte. Ltd. (the "**BBEC Fund**") in the underlying Development SPV. In terms of the above, the Company, acting as the sponsor of the BBEC Fund by way of indirectly holding the nominal share capital of the corporate entity of the BBEC Fund, are required by the security agent to provide the guarantee for the loan facilities which will be applied towards the payments of the purchase price, development premium, construction cost and related development costs of the BBEC Development. BBEC Fund are managed by ZACD Capital Pte. Ltd. which acts as its fund manager.

22. Financial guarantees (continued)

(c) Mount Emily Properties

On 22 June 2021, the Company entered into a deed to provide a guarantee in the aggregate of the principal amount of S\$19,253,107 and any interest, commission, fees and expenses accrued thereon, to secure loan facilities in relation to a residential redevelopment project located at 2, 4 and 6 Mount Emily Road Singapore (the “**Mount Emily Properties**”). This amount represents the total liabilities of the underlying Development SPV under the facilities agreements in the underlying Development SPV. In terms of the above, the Company, acting as the sponsor of ZACD Mount Emily Residential Development Fund (the “**Mount Emily Fund**”), a sub-fund registered under ZACD Capital Partners VCC, by way of indirectly holding the nominal share capital of the corporate entity of Mount Emily Fund, is required by the security agents to provide the guarantee for the loan facilities which will be applied towards the payments of the purchase price, construction cost and related development costs of the Mount Emily Properties. Mount Emily Fund is managed by ZACD Capital Pte. Ltd. which acts as its fund manager. This guarantee was released and discharged on 6 October 2025, following the refinancing arrangement undertaken by the Development SPV. On 29 July 2025, the Company entered into a new deed to provide a corporate guarantee for all monies owing under the loan facilities amounting to S\$18,870,000.

(d) Mandai Development

On 20 March 2020, the Company entered into a deed to provide a guarantee in the aggregate of the principal amount of S\$28,985,400 and any interest, commission, fees and expenses accrued thereon, to secure loan facilities in relation to an industrial development project located at 7 Mandai Estate, Singapore (the “**Mandai Development**”). This amount represents 60.0% of the total liabilities of the underlying Development SPV under a facility agreement in the underlying Development SPV. In terms of the above, the Company, acting as the sponsor of the ZACD (Mandai) Ltd. (the “**Mandai Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the Mandai Fund, is required by the security agent to provide the guarantee for the loan facilities which will be applied towards the payments of the purchase price, development premium, construction cost and related development costs of the Mandai Development. Mandai Fund is managed by ZACD Capital Pte. Ltd. which acts as its fund manager. Upon the security agent's satisfaction of the repayment of the existing outstanding loan facilities by the final maturity date of 17 October 2024 under the Previous Facility Agreement, the existing guarantee was released and discharged.

(e) Landmark Development

On 7 August 2019, the Company entered into a deed to provide a guarantee in the aggregate of the principal amount of S\$150,744,796 and any interest, commission, fees and expenses accrued thereon, to secure loan facilities in relation to a residential redevelopment project located at 173 Chin Swee Road, Singapore (the “**Landmark Development**”). This amount represents 39.2% of the total liabilities of the underlying Development SPV under a facility agreement in the underlying Development SPV. In terms of the above, the Company, acting as the sponsor of the ZACD (Development2) Ltd. (the “**Landmark Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the LT Fund, is required by the security agent to provide the guarantee for the loan facilities which will be applied towards the payments of the purchase price, differential premium, construction cost and related development costs of the Landmark Development. Landmark Fund is managed by ZACD Capital Pte. Ltd. which acts as its fund manager. Upon the security agent's satisfaction of the repayment of the existing outstanding loan facilities by the final maturity date of 19 June 2026 under the Previous Facility Agreement, the existing guarantee was released and discharged.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

23. Contingent liabilities

ZACD Australia Hospitality Fund and ZACD US Fund

Reference is made to the inside information and business update announcement dated 23 August 2021 in relation to ZACD Australia Hospitality Fund (the “**Fund**”) and ZACD (Development4) Ltd., an indirect wholly-owned special purpose fund vehicle of the Company for the Fund, and the relevant previous announcements as referred to therein (collectively, the “**Announcements**”). Pursuant to the Deed of Settlement, ZACD Australia Hospitality Fund received a substantial portion of the settlement proceeds according to the settlement schedule from the Defendants in September 2021. While the dispute between the Company, ZACD (Development4) Ltd. and the Defendants has been settled amicably, the Company is currently working with our lawyers in other recovery actions against iProsperity Group and its administrators to recover the remaining shortfall of the exposure by the Fund pursuant to the incident.

Subsequent to the Transaction with respect to the Australia Hotel Portfolio in early 2020, the Group was in the midst of setting up a separate investment fund to invest US\$10.0 million (“**ZACD US Fund**”) in a US hotel acquisition led by iProsperity Group. The deposit of US\$10.0 million for this acquisition was funded by ZACD US Fund as a bridging loan to iProsperity Group to fulfil its payment obligation of the deposit for the acquisition and shall be refunded by iProsperity Group if the acquisition fails to complete (the “**US Hotel Transaction**”). This US\$10 million deposit payment was in turn funded by an anchor investor through a bridging loan to ZACD US Fund as part of his early commitment to the fund and upon setup of the ZACD US Fund, US\$5 million will be converted into equity in the ZACD US Fund and US\$5.0 million will be repaid by ZACD US Fund to the anchor investor. The Company is currently working with our lawyers to pursue various recovery options against iProsperity Group and its administrators to recover this deposit.

Further external counsels are of the opinion, having studied the circumstances and documents surrounding the incidents of the ZACD Australia Hospitality Fund and the ZACD US Fund, that there exists no evidence of any negligence, fraud or dishonesty whatsoever on the part of the Group or any officer of the Company and its involved subsidiaries. Therefore, no provision for this contingent liability has been made in the Group's financial statements as at 30 June 2026 and 31 December 2025.

As at 30 June 2026, cumulative legal fees incurred in relation to legal actions taken against the Defendants and iProsperity Group amounted to S\$2,694,000 (31 December 2025: S\$2,672,000) where S\$1,996,000 (31 December 2025: S\$1,985,000) had been borne by ZACD Australia Hospitality Fund, S\$698,000 (31 December 2025: S\$687,000) had been borne by Remarkable Reach International Limited. No amount was charged into the profit or loss during the current period.

Other than as disclosed above, the Group did not have any contingent liabilities at the end of each of the reporting periods.

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026****24. Financial instruments by category**

The carrying amounts of each of the categories of financial instruments as at 30 June 2026 and 31 December 2025 are as follows:

30 June 2026 (unaudited)***Financial assets***

	Fair value through other comprehensive income S\$'000	Financial assets at amortised cost S\$'000	Total S\$'000
Investment in equity securities	8	–	8
Investment in fund entities	781	–	781
Trade receivables	–	3,243	3,243
Amount due from ultimate holding company	–	183	183
Financial assets included in prepayments, deposits and other receivables	–	660	660
Amounts due from related parties	–	678	678
Loans and related receivables	–	12,764	12,764
Cash and cash equivalents	–	8,704	8,704
	789	26,232	27,021

Financial liabilities

	Fair value through profit or loss S\$'000	Financial liabilities at amortised cost S\$'000	Total S\$'000
Financial derivative	2,970	–	2,970
Financial liabilities included in other payables and accruals	–	2,182	2,182
Lease liabilities	–	324	324
Loans and related payables	–	4,500	4,500
Amounts due to related parties	–	2,602	2,602
	2,970	9,608	12,578

ZACD Group Ltd. and its Subsidiary Companies

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

24. Financial instruments by category (continued)

31 December 2025 (audited)

Financial assets

	Fair value through other comprehensive income S\$'000	Financial assets at amortised cost S\$'000	Total S\$'000
Investment in equity securities	51	–	51
Investment in fund entities	879	–	879
Trade receivables	–	3,287	3,287
Amount due from ultimate holding company	–	220	220
Financial assets included in prepayments, deposits and other receivables	–	610	610
Amounts due from related parties	–	1,752	1,752
Loans and related receivables	–	15,269	15,269
Cash and cash equivalents	–	3,940	3,940
	930	25,078	26,008

Financial liabilities

	Fair value through profit or loss S\$'000	Financial liabilities at amortised cost S\$'000	Total S\$'000
Financial derivative	2,752	–	2,752
Financial liabilities included in other payables and accruals	–	1,848	1,848
Lease liabilities	–	463	463
Loans and related payables	–	4,477	4,477
Amounts due to related parties	–	2,777	2,777
	2,752	9,565	12,317

25. Fair value and fair value hierarchy of financial instruments

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Management has assessed that the fair values of trade receivables, loans and related receivables, balances with the ultimate holding company and related parties, cash and cash equivalents, the financial assets included in prepayments, deposits and other receivables, the current portion of financial liabilities included in trade payables and other payables and accruals, included in the interim condensed statement of financial position, approximate their carrying amounts largely due to the short term maturities of these instruments.

Loans and related receivables approximate fair values as the interest rate approximate market interest rate.

The fair values of non-current portion of financial assets included in prepayments, deposits and other receivables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. In the opinion of the directors, the fair values approximate their carrying amounts because the effect of discounting is not material.

Fair value of financial instruments that are carried at fair value

The fair values of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of the unlisted investment in equity securities and fund entities have been estimated using a Discounted Cash Flow ("DCF") valuation model and is valued under Level 3 of the fair value hierarchy. The valuation requires management to make certain assumptions about the model inputs, including the input base uncertainty as further explained below. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

The fair value of the financial derivative has been estimated using a Black Scholes Model valuation technique and is valued under Level 3 of the fair value hierarchy. The valuation requires management to make certain estimates on the model inputs, including the volatility on the selling price of the project as further explained in the sensitivity analysis below. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for this financial derivative.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

25. Fair value and fair value hierarchy of financial instruments (continued)

Below is a summary of significant unobservable inputs to the valuation of unlisted investment in equity securities and fund entities, and financial derivative together with a quantitative sensitivity analysis as at 30 June 2026 and 31 December 2025.

At 30 June 2026 (unaudited)

	Valuation technique	Significant unobservable input	Sensitivity of fair value to the input
Unlisted investment in equity securities	Discounted cash flow method	Input base uncertainty for projected cash flows (Note A) 78%	Decrease by 10 percentage points would not result in changes in fair value. Increase by 18 percentage points would not result in changes in fair value.
Unlisted investment in fund entities	Discounted cash flow method	Input base uncertainty for projected cash flows (Note A) 54%	Decrease in uncertainty discount by 6 percentage points would not result in changes in fair value. Increase in uncertainty discount by 11 percentage points would not result in changes in fair value.
Financial derivative	Black Scholes model	Volatility on the selling price of the project (Note B) 18.55 %	Decrease in selling price volatility by 10 percentage points would result in decrease in fair value by S\$395,000. Increase in selling price volatility by 10 percentage points would result in increase in fair value by S\$259,000.

At 31 December 2025 (audited)

	Valuation technique	Significant unobservable input	Sensitivity of fair value to the input
Unlisted investment in equity securities	Discounted cash flow method	Input base uncertainty for projected cash flows (Note A) 78%	Decrease by 10 percentage points would not result in changes in fair value. Increase by 18 percentage points would not result in changes in fair value.
Unlisted investment in fund entities	Discounted cash flow method	Input base uncertainty for projected cash flows (Note A) 54%	Decrease in uncertainty discount by 6 percentage points would not result in changes in fair value. Increase in uncertainty discount by 11 percentage points would not result in changes in fair value.
Financial derivative	Black Scholes model	Volatility on the selling price of the project (Note B) 18.55 %	Decrease in selling price volatility by 10 percentage points would result in decrease in fair value by S\$395,000. Increase in selling price volatility by 10 percentage points would result in increase in fair value by S\$259,000.

ZACD Group Ltd. and its Subsidiary Companies

Notes to the interim condensed consolidated financial statements For the six months ended 30 June 2026

25. Fair value and fair value hierarchy of financial instruments (continued)

Note A Input base uncertainty for projected cash flows refers to the uncertainty discount that has been applied with respect to cash flow forecasts estimated by management on the payout of dividend from the Development SPV that the Investment SPVs invest in, which is directly related to the sale progress of individual underlying real estate development project as of each reporting date. There were key milestones in the underlying real estate development project which are significant in the determination of the uncertainty discount in the DCF model, including (i) sales units are not largely sold; (ii) sales units are largely sold but has not obtained temporary occupation permit ("TOP"); and (iii) sales units are largely sold and obtained TOP.

The cash flows vary significantly at different stages given the dynamic market conditions and uncertainty over sales progress. The more advanced the sales progress of individual underlying real estate development project, the lower the uncertainty discount applied is in the DCF model, and vice versa. The sensitivity of fair value to the uncertainty discount rate used is reflective of the high degree of variability of cash flows in underlying real estate development projects used in the valuation of the investment in equity securities and fund entities.

Note B Volatility on the selling price of the project is computed based on comparable new properties' price per square foot in the same district.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
30 June 2026 (unaudited)				
Investment in equity securities	—	—	8	8
Investment in fund entities	—	—	781	781
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2025 (audited)				
Investment in equity securities	—	—	51	51
Investment in fund entities	—	—	879	879

ZACD Group Ltd. and its Subsidiary Companies

**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

25. Fair value and fair value hierarchy of financial instruments (continued)

Liabilities measured at fair value:

	Fair value measurement using			Total S\$'000
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	S\$'000	S\$'000	S\$'000	
30 June 2026 (unaudited)				
Financial derivative	–	–	2,970	2,970
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2025 (audited)				
Financial derivative	–	–	2,752	2,752

The movements in fair value measurements within Level 3 during the reporting periods ended 31 December 2025 and 30 June 2026 are as follows:

	Group	
	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
<u>Investment in equity securities — unlisted:</u>		
At beginning of reporting period/year	51	203
Total losses recognised in other comprehensive loss	(43)	(152)
At end of reporting period/year	8	51
<u>Investment in fund entities — unlisted:</u>		
At beginning of reporting period/year	879	1,328
Capital repayment from investment in fund entities	(200)	–
Investment in fund entities	100	–
Total gain/(loss) recognised in other comprehensive loss	2	(449)
At end of reporting period/year	781	879
	789	930

ZACD Group Ltd. and its Subsidiary Companies**Notes to the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

25. Fair value and fair value hierarchy of financial instruments (continued)

The movements in fair value measurements within Level 3 during the reporting periods ended 31 December 2025 and 30 June 2026 are as follows (continued):

	Group	
	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
<u>Financial derivative</u>		
At beginning of reporting period/year	2,752	2,574
Total loss recognised in other comprehensive loss	218	178
At end of reporting period/year	2,970	2,752

During the reporting periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities. Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

26. Authorisation of interim condensed consolidated financial statements for issue

The interim condensed consolidated financial statements for the six months ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors passed on 27 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis (“**MD&A**”) for the Group has been prepared and reviewed by the management for the six months ended 30 June 2026. All amounts are expressed in Singapore Dollars unless otherwise stated.

The Group’s MD&A is divided into the following sections:

- (1) Executive Overview;
- (2) Financial Review and Business Review;
- (3) Net Assets;
- (4) Liquidity and Capital Resources;
- (5) Other Matters; and
- (6) Business Outlook

1. EXECUTIVE OVERVIEW

ZACD is an integrated asset manager headquartered in Singapore that offers solutions across the real estate value chain in Singapore and the Asia-Pacific region. In general, the Group strategically focused on the two core businesses of “Investment Management” and “Acquisitions and Project Management”. For Investment Management, the Group is fixated at carrying out fund management works in terms of fundraising, investment, management and exit, etc. For Acquisitions and Project Management, the Group has built credible track record in managing end-to-end activities in real estate development cycle, from identifying quality real estate assets, acquisition, development, sales, operations and hand over or exit, etc.

Today, the Group managed a total of 17 investment structures under the PE structures and fund structures over 14 real estate projects and assets in Singapore, Malaysia, Indonesia and Australia. The Group is also currently providing corporate support and fund administration services to a family office with an assets-under-management of approximately US\$100 million.

2. FINANCIAL REVIEW AND BUSINESS REVIEW

The Group reported a net profit of S\$0.59 million for the Review Period as opposed to a net loss of S\$0.73 million for the Previous Period, demonstrating a positive improvement in the net results of approximately S\$1.32 million or 180.8%.

The improvement in net profit was primarily attributable to an increase in revenue of approximately S\$0.21 million. In response, the Group streamlined its operations during the period, resulting in decrease in staff costs of approximately S\$0.25 million and lower other expenses of approximately S\$0.11 million, reversal of impairment losses on financial assets of approximately S\$1.83 million, mainly relating to bridging advances to funds as well as trade and non-trade receivables from funds and related parties. The above was partially mitigated by an increase in fair value loss on financial derivatives of approximately S\$0.89 million. Other income and gains also decreased by approximately S\$0.14 million, mainly due to the absence of corporate business service income recognised in 2026.

Revenue

The revenue of the Group increased gradually by S\$0.21 million or 15.1% from S\$1.39 million for the Previous Period to S\$1.60 million for the Review Period.

This was primarily due to higher project management fees of approximately S\$0.86 million, partially offset by reduced performance fees of approximately S\$0.08 million from a couple of real estate funds managed by the Group and absence of dividend income from establishment shares of approximately S\$0.15 million pursuant to natural maturity of investment projects as well as one-off project tender fee of approximately S\$0.50 million derived from the developer SPV of Media Circle Fund and Laserblue following its efforts to secure and complete the acquisition of the housing development projects.

The following table sets forth the breakdown of our operating segment information for the Previous Period and Review Period:

	<u>Investment management</u>			Property management and tenancy management	Financial advisory	Total
Six months ended 30 June 2026 (unaudited)	SPV investment management S\$'000	Fund management S\$'000	Acquisition and project management S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue						
External customers	56	620	906	19	—	1,601
Segment results	739	499	384	13	(38)	1,597
<i>Reconciliation:</i>						
Other income and gains						65
Fair value loss on financial derivative						(218)
Corporate and unallocated expenses						(852)
Profit before tax						592

	<u>Investment management</u>			Property management and tenancy management	Financial advisory	Total
Six months ended 30 June 2025 (unaudited)	SPV investment management S\$'000	Fund management S\$'000	Acquisition and project management S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue						
External customers	174	1,145	53	18	—	1,390
Segment results	(156)	644	(77)	(11)	(49)	351
<i>Reconciliation:</i>						
Other income and gains						202
Fair value gain on financial derivative						672
Corporate and unallocated expenses						(1,928)
Loss before tax						(703)

(a) Investment Management Services

(i) SPV investment management

The revenue decreased from S\$0.17 million for the Previous Period to S\$0.06 million for the Review Period, representing a decrease of S\$0.11 million or 64.7%. The decrease was mainly due to lower dividend income from establishment shares. This reflects the natural maturity of investment projects set up between 2010 and 2015, with no new SPVs established since 2016 as the Group continues to pivot towards fund-based structures in line with its evolving business model.

(ii) Fund management

The revenue decreased from S\$1.15 million for the Previous Period to S\$0.40 million for the Review Period, representing a decrease of S\$0.75 million or 65.2%. The decrease was mainly due to reduced performance fees of approximately S\$0.08 million from a couple of real estate funds managed by the Group in the Review Period and absence of one-off project tender fee of approximately S\$0.50 million derived from the developer SPV of Media Circle Fund and Laserblue following its efforts to secure and complete the acquisition of the housing development projects.

(b) Acquisitions and Projects Management Services

The revenue increased gradually from S\$0.05 million for the Previous Period to S\$0.91 million for the Review Period, representing an increase of S\$0.86 million or 1720.0%. The increase was mainly due to higher project management fees of approximately S\$0.88 million in connection with the construction and development of the Project.

(c) Property Management and Tenancy Management Services

Revenue from property management and tenancy management services remained relatively constant at S\$0.02 million for both Previous and Review Periods.

Reference is made to the voluntary announcement dated 28 December 2020 with respect to the strategic move on the property management business segment from managing the residential and industrial properties to government and international projects in order to generate better income for the Group. Since the strategic re-alignment of this business segment, there has not been new contracts entered as the Group is still evaluating the strategic direction of this business segment.

(d) Financial Advisory Services

The Group's financial advisory services primarily relate to corporate finance advisory services and investment advisory services. Revenue is recognised by the Group as and when the services have been rendered.

Other notable items are further elaborated as follows:

2.1 Other income and gains

Other income and gains decreased from S\$0.20 million for the Previous Period to S\$0.07 million for the Review Period, representing a decrease of S\$0.13 million or 65.0%. The decrease was mainly due to the absence of corporate business service income of approximately S\$0.07 million recognised in 2026.

2.2 Staff costs

Staff costs consist of salaries, bonuses, commission, other allowances and retirement benefit scheme contributions. Total staff costs decreased from S\$1.75 million for the Previous Period to S\$1.50 million for the Review Period, representing a decrease of S\$0.25 million or 14.3%. This decrease was mainly due to mainly due to directors and employees' resignations as evident by the decrease in headcounts from 27 employees to 16 employees during the Review Period.

Staff costs remain the single biggest cost element of the Group, contributing 175.7% (Six months ended 30 June 2025: 59%) of the Group's total expenses.

2.3 (Reversal of impairment losses)/impairment losses on financial assets

The Group recognised reversal of impairment losses of approximately S\$1.83 million during the Review Period (Six months ended 30 June 2025: impairment loss of approximately S\$0.01 million). The reversal of impairment loss on financial assets was mainly relating to reversal of bridging advances extended to the funds by the Group during the Review Period.

2.4 Other expenses, net

Other expenses, net decreased by approximately S\$0.11 million or 15.5% from approximately S\$0.71 million for the Previous Period to approximately S\$0.60 million for the Review Period. The decrease was mainly due to lower IT service fee incurred for business purpose of approximately S\$0.15 million.

2.5 Interest expenses

Interest expenses increased from S\$0.28 million for the Previous Period to S\$0.41 million for the Review Period, representing an increase of S\$0.13 million or 46.4%. The interest expenses represented coupon payments payable to an investor, Top Global Limited (“TGL”), of S\$0.24 million during the Review Period and bridging loan advances extended from the funds to the Group of approximately S\$0.14 million recognised in 2026 .

2.6 Fair value loss/(gain) on financial derivative

Reference is made to the announcement dated 28 December 2022 where the Company had granted a put option to an investor, TGL subscribing in ZACD LV Development Fund. Fair value loss of approximately S\$0.22 million was recognised in Review Period (Six months ended 30 June 2025: gain of approximately S\$0.67 million) as a result of the increase in premium price of the put option.

2.7 Income tax expense

During the Previous Period, Singapore profits tax of S\$0.02 million has been provided on the estimated assessable profits arising in Singapore at a rate of 17%.

3 NET ASSETS

As at 30 June 2026, the Group’s total assets amounted to S\$28.02 million (2025: S\$27.28 million) with net assets amounting to S\$14.78 million (2025: S\$14.28 million). The increase in net assets by S\$0.50 million was mainly due to the impact of increase in cash and equivalents pursuant to repayment of bridging loan advances by real estate funds of the Group during the Review Period. Net assets attributable to shareholders of the Company per share was 0.74 Singapore cents (2025: 0.71 Singapore cents), calculated as net assets divided by total number of issued shares as at period end.

4 LIQUIDITY AND CAPITAL RESOURCES

The Group adopts a prudent financial management approach towards its treasury policy to ensure that the Group is positioned to achieve its business objectives and strategies and this maintained a healthy liquidity position throughout the financial period. The Group’s financing risk management, financing and treasury activities are centrally managed and controlled at the corporate level.

As part of working capital management, Management regularly reviews the recoverable amount of trade receivables through periodic credit assessments on a case-by-case basis, monitoring prompt recovery and setting out recovery procedures for any doubtful debt. Management will then assess and make adequate impairment losses for irrecoverable amounts if necessary. Trade receivables that were past due but not impaired relate to a number of customers with sizable business operations, long business relationship and/or good track record with the Group.

4.1 **Cash and cash equivalents**

The Group's operations were financed principally by the available bank balances, internally generated operating cashflows and bank facilities.

Cash and cash equivalents amounted to S\$8.70 million and S\$3.94 million as at 30 June 2026 and 31 December 2025 respectively, which were placed with major banks in Singapore, Hong Kong and Australia. All deposits are placed with banks carrying strong credit ratings with appropriate credit limits assigned relative to their credit strength and are regularly monitored for exposures to each financial counterparty. The Group's foreign exchange exposure was small given both its large asset base and operational cash flows were transacted in Singapore Dollar.

The increase in cash and cash equivalents by S\$4.76 million was mainly characterised by repayment of the bridging advances extended to ZACD Mount Emily Fund and ZACD (Development2) Ltd of approximately S\$3.38 million and S\$1.74 million as well as capital repayment received from ZACD (BBEC) Pte. Ltd. of approximately S\$0.20 million as well as collection of debts from the Group's customers in the Review Period. The remaining net cash outflows of S\$0.56 million were attributable to operating activities of the Group.

4.2 **Lease liabilities**

As at 30 June 2026, the Group was in a net cash position of S\$8.38 million (31 December 2025: S\$3.48 million), with lease liabilities amounted to S\$0.32 million (31 December 2025: S\$0.46 million). The gearing ratio of the Group, calculated based on the Group's lease liabilities divided by total equity was 2.2% (31 December 2025: 3.2%).

	30 June 2026 S\$'000 (unaudited)	31 December 2025 S\$'000 (audited)
Lease liabilities	324	463
Less: Cash and cash equivalents	(8,704)	(3,940)
Net cash	8,380	3,477

5 **OTHER MATTERS**

5.1 **Charges on assets**

As at 30 June 2026, the Group did not have any charges on assets.

5.2 **Financial guarantees**

Please refer to Note 22 Financial guarantees in the notes to the interim condensed consolidated financial information.

5.3 **Contingent liabilities**

Please refer to Note 23 Contingent liabilities in the notes to the interim condensed consolidated financial information.

5.4 Commitments

Please refer to Note 21 Commitments in the notes to the interim condensed consolidated financial information.

5.5 Dividends

No dividend was paid or proposed by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

5.6 Share option

On 13 December 2017, the Group has conditionally adopted a share option scheme (the “**Share Option Scheme**”) under which employees of the Group including directors and other eligible participants may be granted options to subscribe for shares of the Group. No options have been issued under the Share Option Scheme as at 30 June 2026.

During the Review Period, since there was no share option granted under the share option scheme of the Group, no material matter relating to the share option scheme has been reviewed by the Remuneration Committee.

5.7 Events after The Reporting Period

Saved as disclosed elsewhere in this announcement, no significant event that would materially affect the Group’s operating and financial performance took place subsequent to 30 June 2026 and up to the date of this report.

6 BUSINESS OUTLOOK

As we reach the midpoint of the year, we are pleased to report substantial progress on our projects and strategic initiatives, positioning the company for continued growth in the years ahead.

The private residential property price index experienced a modest increase of 0.5% in Q2 2026, a slight rise from the 0.9% increase observed in the preceding quarter. On the rental front, the overall private residential rental index rose by 0.7% in Q2 2026, building on the 0.3% increase from Q1 2026. Non-landed property prices fell by 0.1% in Q2 2026. Within the Core Central Region (CCR), non-landed property prices rose by 1.8% in Q2 2026, an uptick from the 0.6% increase in the previous quarter. However, prices in the Rest of Central Region (RCR) declined by 1.2%, reversing the 0.8% growth seen in the previous quarter, while the Outside Central Region (OCR) saw decreases of 0.1%, building on the 2.2% rise recorded in Q1 2026. Having said so, we believe that the market is well positioned for a pickup after that.

Project Updates and Divestments

We are pleased to provide the following updates on our ongoing projects and asset divestments:

- *Bloomsbury Residences and Bloomsbury Shoppes*, a 99-year leasehold condominium development situated at Media Circle, was officially launched in April 2025 and has achieved a take-up rate of 90% as of 30 June 2026, at an average price of S\$2,529 per square foot. The project remains on track to obtain its Temporary Occupation Permit (TOP) by Q1 2028.
- *Arina East Residences*, a freehold condominium located in Tanjong Rhu, was officially launched in June 2025. The project remains on track to obtain its Temporary Occupation Permit (TOP) by Q2 2027. It has achieved a take-up rate of 80.4% as of 30 June 2026, at an average price of S\$2,843 per square foot.
- *The Landmark* is currently progressing towards obtaining its Certificate of Statutory Completion (CSC) which is targeted for the second half of 2026.
- In light of current market conditions, we cautiously put *Duet@Mount Emily* out for sale and the result is encouraging. The project remains on schedule with TOP expected by the 3rd quarter of 2027.
- We are actively working towards the divestment of the remaining two assets – *294 Bay Road* which is currently undergoing repurposing into a medical centre and the *Workers' Dormitory* in Johor, Malaysia. The *Workers' Dormitory* is currently leased to multiple tenants with rental income collected from different tenants and is actively managed by an appointed third-party property management service provider.

New Fund Initiatives

We are in advanced discussions to launch a new industrial fund in Singapore. The Fund's objective is to acquire industrial land, develop high-specification properties, and subsequently divest the completed assets for capital gains. acquire strategically located industrial land or buildings with development/redevelopment potential, transforming them into high-quality, strata-subdivided assets for sale to end-users and investors. Backed by sustained demand for quality industrial space and favourable market fundamentals, we believe the industrial sector presents significant growth potential and an attractive avenue for investor participation.

Looking Ahead

We are confident that the second half of 2026 will present opportunities to accelerate growth and unlock value across our portfolio. With select developments reaching key milestones, we are well positioned to capture income uplift and capital appreciation and deliver sustainable value to our investors.

CORPORATE GOVERNANCE PRACTICES

The Board has adopted the principles and the code provisions of Corporate Governance Code (“**CG Code**”) contained in Appendix C1 to the GEM Listing Rules. During the six months ended 30 June 2026 and up to the date of this announcement, the Company has complied with all applicable code provisions of the CG Code as set out in Appendix C1 to the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2026.

INTERESTS OF THE COMPLIANCE ADVISER

Neither the Group’s compliance adviser, Innovax Capital Limited, nor any of its directors, employees or close associates had any interests in the securities of the Company or any member of the Group (including options or rights to subscribe for such securities), which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE

The Audit Committee was established pursuant to a resolution of the directors passed on 13 December 2017 in compliance with Rule 5.28 of the GEM Listing Rules and with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules. The primary duties of the Audit Committee include (i) making recommendations to the Board on the appointment and removal of External Auditors; (ii) reviewing and supervising the financial statements and material advice in respect of financial reporting; (iii) overseeing internal control and risk management procedures and corporate governance of the Company; (iv) supervising internal control systems of the Group; and (v) monitoring continuing connected transactions (if any).

The Audit Committee currently consists of all three of the independent non-executive directors, namely Mr. Lau Kin Chung Alex, Mr. Ma Yue Leong, Benjamin and Mr. Eugene Lim Chin Hon and the chairman is Mr. Lau Kin Chung Alex. The Audit Committee with senior management have reviewed the interim results of the Group for the six months ended 30 June 2026.

The unaudited condensed consolidated financial statements for the Period have been reviewed by the Audit Committee, and the Audit Committee agreed with the accounting principles and practices adopted by the Company, but have not been reviewed or audited by the Company’s auditor.

PUBLICATION OF THE INTERIM REPORT ON THE WEBSITES OF THE EXCHANGE AND THE COMPANY

The interim report for the six months ended 30 June 2026 will be despatched to the shareholders and available on the Company's website (www.zacdgroup.com) and the designated website of the Exchange (www.hkexnews.hk) in due course.

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

Singapore, 27 August 2026

As at the date of this announcement, the Board of the Company comprises four (4) executive Directors, namely, Ms. Sim Kain Kain, Mr. Yeo Choon Guan (Yao Junyuan), Mr. Phua Cher Chew (Pan Ziqiu) and Mr. Chin Meng Liong; three (3) independent non-executive Directors, namely, Mr. Lau Kin Chung Alex, Mr. Ma Yue Leong, Benjamin and Mr. Eugene Lim Chin Hon.