ZACD GROUP LTD.
杰地集團有限公司*

A company incorporated in Singapore with limited liability

Stock code: 8313

2024 ANNUAL REPORT

* for identification purpose only

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*This report, 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 report 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 report misleading.*

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

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CHAIRMAN'S STATEMENT 2025

DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the "**Board**") of ZACD Group Ltd. (the "**Group**"), I am pleased to present our annual report for the financial year ended 31 December 2024 ("**FY2024**"). FY2024 marks another significant year in our journey of growth and transformation, as we continue to navigate dynamic market conditions and expand our footprint in key sectors.

The Group reported a net loss of approximately S$1.20 million in 2024, representing a deterioration in net earnings of S$2.94 million or 169.3% year-on-year ("**YoY**") as compared to net profit of approximately S$1.74 million in 2023.

The earnings declined was primarily due to a reduction in revenue of approximately S$4.94 million, reflecting weaker performance in the Fund Management and Acquisition and Project Management segments.

However, the impact was partially mitigated by effective cost control measures, including a reduction in staff costs of approximately S$1.0 million. Other offsets included other income and gains of approximately S$0.18 million, corporate tax savings of approximately S$0.56 million and the absence of an impairment loss on the bridging advance to the Fund of S$0.37 million recognised in 2023..

BUSINESS REVIEW

Financial Performance

The Group achieved stable financial performance in FY2024, supported by robust demand in Singapore's residential market and the strategic execution of our asset management initiatives. Our prudent investment strategies have allowed us to maintain financial resilience amid economic fluctuations. However, our financial performance in FY2024 was weighed down by our current need to get our four major projects off the ground, requiring significant resource allocation.

Real Estate Development and Asset Management

Singapore Residential Market

The private residential market in Singapore demonstrated resilience in 2024, with prices rebounding after a temporary slowdown in Q3 2024. ZACD remains well-positioned to capitalize on this demand through a series of strategic project launches in 2025.

- The Landmark: Achieved a 100% sold-out status in August 2024 at a median price of S$2,485 psf and hitting a peak of S$3,108 psf. The project is expected to attain TOP in the latter half of 2025, and it is already taking its place as a highly visible landmark, joining the Singapore city skyline.

- Arina East Residences (Katong): A rare freehold development in District 15, located just 75 meters from Katong Park MRT Station and a 5-minute drive from Marina Bay Sands. With recent transactions in Meyer Blue setting a strong pricing benchmark, we expect robust interest in this prime project upon its Q2 2025 launch. Additionally, the success of Q4 2024 project launches such as Meyer Blue, Emerald of Katong, Union Square Residences, and Nava Grove, which achieved strong sales and premium pricing, provides further validation of Arina East's price positioning. Moreover, the recent launch of The Orie in Toa Payoh, which commanded prices similar to or even exceeding those in East Coast projects such as Emerald at Katong, further reinforces the pricing benchmarks for our development.

- Mount Emily: Another freehold development, strategically situated minutes from an MRT station, catering to buyers seeking exclusivity and class. The project is scheduled for launch in Q2 2025.

- Media Circle: Our mixed-use residential-commercial project in One-North, set to benefit from strong demand in this innovation and technological hub. This development is set for launch in Q2 2025.

- Loyang Besar Executive Condominium: A 722-unit premium Executive Condominium opposite Downtown East Resort in Pasir Ris, targeted for Q2 2026 launch. This unique project boasts imposing seaview from 3 out of 4 sides of the land parcel.

Additionally, we continue to explore new land acquisitions in Singapore and are expanding into the coliving space, enhancing our revenue through recurring income streams.

Overseas Ventures & Strategic Divestments

In alignment with our Income Trust Fund mandate, we have undertaken strategic divestments to optimize our portfolio and return capital to our investors:

- Tebrau Dormitory (Johor Bahru, Malaysia): Undergoing a facelift to remain competitive, with marketing agents appointed to facilitate its sale.

- Sebel West Perth Aire Business Hotel (Perth, Australia): Actively being marketed for sale, having witnessed substantial capital appreciation since our entry in 2018.

- Grade A Office Building in Cheltenham, Melbourne: We are repurposing an adjacent plot of land and exploring medical facility conversion options, while also marketing the property for sale.

In addition to divestments, we are expanding our fund management business in Australia with the launch of our $60 million Healthcare Fund, targeting high-growth medical-related assets.

Expansion into Hong Kong

Recognizing the strengthening financial markets in Hong Kong and Greater China, we have appointed a Business Consultant to expand our fund management services in the region. Our presence in Hong Kong is aligned with the evolving regulatory landscape and investor demand for diversified asset management solutions.

Key developments in Hong Kong's capital markets include:

- IPO Market Recovery: The Hong Kong Stock Exchange (HKEX) saw an 89% increase in IPO proceeds in 2024, positioning it as a leading global fundraising hub.

- Innovation and Technology Growth: AI-driven firms like QuantumPharm have successfully listed under Hong Kong's revised IPO framework, highlighting investor appetite for tech-based businesses.

- Fund Management Expansion: The AUM in Hong Kong's asset management industry has grown fivefold since 2008, underscoring the city's role as a key wealth management and investment hub.

- Digital Asset Initiatives: Hong Kong is positioning itself as a regional leader in cryptocurrency and blockchain investments, further diversifying its capital market offerings.

These macroeconomic trends align with ZACD's long-term growth strategy, allowing us to leverage Hong Kong's financial ecosystem for further expansion in fund and asset management.

APPRECIATION

I would like to express my sincere gratitude to our shareholders, investors, business partners, and clients for your unwavering trust and support. Your confidence in ZACD drives our continued growth and success.

I would also like to extend my appreciation to my fellow board members, management team, and employees for their dedication and resilience in delivering results in an ever-evolving market landscape.

As we look ahead to 2025 and beyond, we remain steadfast in our commitment to delivering value, expanding strategically, and driving long-term sustainable growth.

Sim Kain Kain
Chairman

Singapore, 26 March 2025

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Ms. Sim Kain Kain *(Chairman)*
Mr. Yeo Choon Guan (Yao Junyuan) *(CEO)*
Mr. Tan Puay Khiang, Francis *(COO)*
Mr. Chin Meng Liong *(CLO)*
Mr. Han Xiangfeng

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lau Kin Chung Alex
Mr. Ma Yue Leong, Benjamin
Mr. Eugene Lim Chin Hon

AUDIT COMMITTEE

Mr. Lau Kin Chung Alex *(Chairman)*
Mr. Ma Yue Leong, Benjamin
Mr. Eugene Lim Chin Hon

REMUNERATION COMMITTEE

Mr. Ma Yue Leong, Benjamin *(Chairman)*
Ms. Sim Kain Kain
Mr. Lau Kin Chung Alex
Mr. Eugene Lim Chin Hon

NOMINATION COMMITTEE

Mr. Eugene Lim Chin Hon *(Chairman)*
Ms. Sim Kain Kain
Mr. Yeo Choon Guan (Yao Junyuan)
Mr. Lau Kin Chung Alex
Mr. Ma Yue Leong, Benjamin

AUTHORISED REPRESENTATIVES

Mr. Chin Meng Liong
Ms. Ho Wing Yan

JOINT COMPANY SECRETARIES

As to Hong Kong Law

Ms. Ho Wing Yan

As to Singapore Law

Mr. Tan Kim Swee Bernard

COMPLIANCE OFFICER

Mr. Chin Meng Liong

COMPLIANCE ADVISER

Innovax Capital Limited

AUDITOR

Ernst & Young LLP

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Singapore 199555

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Singapore 199555

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

PRINCIPAL BANK

United Overseas Bank
UOB Plaza, 80 Raffles Place
Singapore 048624

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

8313

COMPANY'S WEBSITE

www.zacdgroup.com

FIVE-YEAR FINANCIAL SUMMARY

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

Financial Results	**2024 S$'000**	2023 S$'000	2022 S$'000	2021 S$'000	2020 S$'000	2019 S$'000
Revenue	**4,964**	9,906	3,983	5,596	5,325	14,919
(Loss)/profit before tax	**(1,089)**	2,414	(2,423)	7,515	(20,330)	4,994
(Loss)/profit for the year	**(1,204)**	1,737	(2,707)	7,461	(20,263)	4,622
(Loss)/earnings per share *(Singapore cents)*	**(0.06)**	0.09	(0.14)	0.37	(1.01)	0.23

Financial Position	**2024 S$'000**	2023 S$'000	2022 S$'000	2021 S$'000	2020 S$'000	2019 S$'000
Total assets	**33,078**	31,596	27,454	28,316	21,600	40,365
Total liabilities	**12,651**	9,109	6,501	4,586	5,009	2,780
Net current assets	**21,012**	21,736	20,443	23,429	17,342	34,204
Net assets	**20,427**	22,487	20,953	23,730	16,591	37,585
Net assets per share *(Singapore cents)*	**1.02**	1.12	1.05	1.19	0.83	1.88

ANNUAL FINANCIAL HIGHLIGHTS

For the year ended 31 December 2024

- In a summary, the Group reported a net loss of approximately S$1.20 million in 2024, representing a deterioration in net earnings of S$2.94 million or 169.3% year-on-year ("**YoY**") as compared to net profit of approximately S$1.74 million in 2023.

- The decline in earnings was mainly attributable to the decrease in revenue of approximately S$4.94 million, representing a slowdown in both Fund Management segment and Acquisition and Project Management segment. The deterioration in revenue resulted to cost budgeting, which was particularly evident in the decrease in operating costs, such as staff costs of approximately S$1.0 million, increase in other income and gains of approximately S$0.18 million, decrease in other expenses of approximately S$0.09 million, decrease in interest expenses of approximately S$0.04 million, corporate income tax savings of approximately S$0.56 million, absence of marketing expenses of approximately S$0.02 million, allowance for impairment loss on the bridging advance to the Fund of approximately S$0.37 million and impairment losses of approximately S$0.30 million was provided on amount due from related parties recognised in 2023. In conjunction with this, there is reversal of impairment loss in relation to property management and project management of approximately S$0.02 million. The streamlining cost was partially offset by increase in fair value loss on financial derivative of approximately S$0.68 million.

- The Group's revenue declined of approximately S$4.94 million or 49.9% year-on-year ("**YoY**") from approximately S$9.91 million in 2023 to approximately S$4.96 million in 2024. The decrease was mainly attributable to the lower project management fees by approximately S$2.80 million from the successful completion of development project in Singapore and lower performance fees derived from Group's investment vehicles by approximately S$1.88 million.

- Total staff costs decreased from approximately S$4.75 million in 2023 to approximately S$3.75 million in 2024, representing a decrease of approximately S$1.0 million or 21.1%. The decrease was mainly due to decrease in number of headcounts from 30 to 27 employees in tandem with the Group streamlined its operations to control this cost element.

- Basic and diluted loss per share for the year ended 31 December 2024 was approximately 0.06 Singapore cents (31 December 2023: profit per share of 0.09 Singapore cents).

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 year ended 31 December 2024, and includes information up to the date of the audit report (the "**Report Date**"). The MD&A should be read in conjunction with the Group's audited financial statements, as well as with the related notes to the financial statements for the year ended 31 December 2024. 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) Liquidity and Capital Resources; and

(4) Business Outlook

1. EXECUTIVE OVERVIEW

The Group managed a total of 23 investment structures under the PE structures and fund structures over 22 real estate projects and assets in Singapore, Malaysia, Indonesia and Australia. The Group is currently providing corporate support and fund administration services to a family office with an asset-under-management of approximately USD100 million.

2. FINANCIAL REVIEW AND BUSINESS REVIEW

The Group reported the net loss of approximately S$1.20 million in 2024, representing a deterioration in net earnings of S$2.94 million or 169.3% year-on-year ("**YoY**") as compared to net profit of approximately S$1.74 million in 2023.

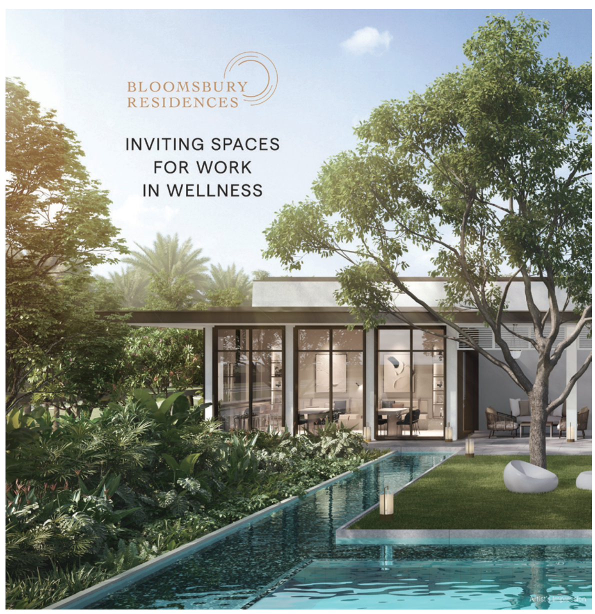
MANAGEMENT DISCUSSION AND ANALYSIS

The decline in earnings was mainly attributable to the decrease in revenue of approximately S$4.94 million, representing a slowdown of performance in both Fund Management segment and Acquisition and Project Management segment. The deterioration in revenue resulted to cost budgeting, which was particularly evident in the decrease in operating costs, such as staff costs of approximately S$1.0 million, increase in other income and gains of approximately S$0.18 million, decrease in other expenses of approximately S$0.09 million, decrease in interest expenses of approximately S$0.04 million, corporate income tax savings of approximately S$0.56 million, absence of marketing expenses of approximately S$0.02 million, allowance for impairment loss on the bridging advance to the Fund of approximately S$0.37 million and impairment losses of approximately S$0.30 million was provided on amount due from related parties recognised in 2023. In conjunction with this, there is reversal of impairment loss in relation to property management and project management of approximately S$0.02 million. The streamlining cost was partially offset by increase in fair value loss on financial derivative of approximately S$0.68 million.

Revenue

The Group's revenue declined of approximately S$4.94 million or 49.9% year-on-year ("**YoY**") from approximately S$9.91 million in 2023 to approximately S$4.96 million in 2024.

The decrease was mainly attributable to the lower project management fees by approximately S$2.80 million from the successful completion of development project in Singapore and lower performance fees derived from Group's investment vehicles by approximately S$1.88 million.



The following table presents the breakdown of our operating segment information for the years ended 31 December 2024 and 2023:

Year ended 31 December 2024	Investment management: SPV investment management S$'000	Investment management: Fund management S$'000	Acquisitions and projects management S$'000	Property management and tenancy management S$'000	Financial advisory S$'000	Total S$'000
Segment revenue						
External customers	**541**	**4,017**	**371**	**35**	**–**	**4,964**
Segment results	**(54)**	**2,845**	**(289)**	**10**	**(55)**	**2,457**
Reconciliation:						
Other income and gains						**1,079**
Fair value loss on financial derivative						**(945)**
Corporate and unallocated expenses						**(3,680)**
Loss before tax						**(1,089)**

Year ended 31 December 2023	Investment management: SPV investment management S$'000	Investment management: Fund management S$'000	Acquisitions and projects management S$'000	Property management and tenancy management S$'000	Financial advisory S$'000	Total S$'000
Segment revenue						
External customers	798	5,521	3,550	37	–	9,906
Segment results	471	4,209	2,369	10	(117)	6,942
Reconciliation:						
Other income and gains						898
Fair value loss on financial derivative						(267)
Corporate and unallocated expenses						(5,159)
Profit before tax						2,414

(a) Investment Management Services

i) SPV investment management

Revenue decreased from approximately S$0.80 million in 2023 to approximately S$0.54 million in 2024, representing a decrease of approximately S$0.26 million or 32.2%. The decrease was mainly due to lower dividend income from the establishment shares in 2024.

The majority of the investment projects set up by the Group from 2010 to 2015 that were under the SPV investment management structures are maturing or have matured. There was no investment SPV established from 2016 as the Group is now focusing on expanding fund structures which is in line with the Group's current business model.

ii) Fund management

Revenue decreased from approximately S$5.52 million in 2023 to approximately S$4.02 million in 2024, representing a decrease of approximately S$1.50 million or 27.2%. This was primarily attributable to the fac that the Group derived lower performance fees of approximately S$1.88 million from a couple of real estate funds managed by the Group in 2024 as compared to 2023. It was partially offset by fund establishment fees of S$0.28 million for ZACD Laserblue Pte Ltd and S$0.24 million for ZACD Media Circle Fund earned in 2024.

There was no significant change in the number of fund structures and assets under management in year 2023 and 2024.

(b) Acquisitions and Projects Management Services

Revenue decreased from S$3.55 million in 2023 to S$0.37 million in 2024, representing a decrease of S$3.18 million or 89.5%. The decrease was mainly attributable to the absence of project management fee of S$2.98 million derived from the developer SPV of Mandai Fund that jointly established with an external business partner earned in 2023.

(c) Property Management and Tenancy Management Services

Revenue from property management and tenancy management services remained relatively constant at S$0.04 million in 2024.

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

Reference is made to the voluntary announcement dated 30 November 2021 where the Board resolved to cease the SFC Regulated Activities.

Since the cessation, there has not been new advisory mandates entered. The Group will closely monitor the COVID-19 post-pandemic situation and may consider recommencing this business activity if the business climate changes for the better. The Group continues to focus on the new business segment in the family office management, particularly with family offices located in the Southeast Asia region.

Other notable items are further elaborated as follows:

Other income and gains

Other income and gains increased from S$0.90 million in 2023 to S$1.08 million in 2024, representing a increase of S$0.18 million or 20.2%. The increase was mainly due to the increase in interest income derived from the bridging loans extended to the fund structures managed by the Group by S$0.29 million and reversal of long overdue accrual for originator commission of approximately S$0.07 million. The increase was partially offset by and lower income from ad-hoc short-term corporate services provided to external corporate clients by S$0.03 million and absence of the gain in disposal of property, plant and equipment amounting to S$0.03 million earned in 2023 and contra off the long overdue balances of approximately S$0.08 million in 2024.

Staff costs

Staff costs consist of salaries, bonuses, commission, other allowances and retirement benefit scheme contributions. Total staff costs decreased from S$4.75 million in 2023 to S$3.75 million in 2024, representing a decrease of S$1.0 million or 21.1%. The decrease was mainly due to decrease in number of headcounts from 30 employees in 2023 to 27 employees in 2024 in tandem with the Group streamlined its operations to control this cost element.

Staff costs remain the single biggest cost element of the Group, contributing 61% (2023: 64%) of the Group's total expenses. Employees are remunerated according to their performance and work experience. On top of basic salaries, discretionary bonuses may be granted to eligible staff depending on the Group's achievements as well as the individual's performance.

Reversal of/(impairment losses) on financial assets

The Group has reversed impairment losses on financial assets of approximately S$0.01 million in 2024, representing a decrease of S$0.74 million or 101.1%. The decrease was mainly due to absence of allowance for impairment loss on the bridging advance to the Fund of approximately S$0.37 million and impairment losses of approximately S$0.30 million was provided on amount due from related parties recognised in 2023. In conjunction with this, there is reversal of impairment loss in relation to property management and project management of approximately S$0.02 million in 2024.

Management will continue to assess the adequacy of expected credit loss allowance and make necessary loss allowance for irrecoverable amounts.

Other expenses, net

Other expenses, net decreased by approximately S$0.09 million or 6.3% from approximately S$1.50 million in 2023 to approximately S$1.41 million in 2024. The decrease was mainly due to lower professional fees incurred in relation to legal actions taken against the Defendants and iProsperity Group of approximately S$0.14 million or 25.8%. This was partially offset by IT services rendered on accounting data migration to Netsuite Oracle of approximately S$0.07 million.

Interest expenses

Interest expenses decreased from approximately S$0.62 million in 2023 to approximately S$0.58 million in 2024, representing a decrease of approximately S$0.04 million or 6.5%. This decrease was mainly due to lower interest expenses of S$0.02 million incurred on 5-year temporary bridging loan commencing from September 2020 under Enterprise Financing Scheme ("**EFS**") as announced at Solidarity Budget 2020 by the Singapore government pursuant to full settlement in 2025 and short term leases for office properties.

Fair value loss 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. Following the grant of the put option, the fair value loss recognised as the premium price of the put option gradually increased by approximately S$0.68 million or 253.9% from approximately S$0.27 million in 2023 to approximately S$0.95 million in 2024.

Income tax expense

Singapore profits tax has been provided on the estimated assessable profits arising in Singapore at a rate of 17% during the current year. The Group benefited from progressive tax system in each tax jurisdiction, whereas under Singapore's one-tier system, dividend income is tax-exempted when received by shareholders.

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 year.

Trade receivables that were past due but not impaired relate to a number of customers that have sizable business operation, long business relationship and/or good track record with the Group. The management of the Group regularly reviews the recoverable amount of trade receivables by performing ongoing credit assessments, monitoring prompt recovery and laid down recovery procedures which include evaluating the risk level on a case-by-case basis having taken into account the relationship with respective customers, payment history, financial position and general economic environment; and designing appropriate follow-up actions, for example, making phone calls, issuing demand letters and initiating legal proceedings or actions. Management will then assess and make adequate impairment losses for irrecoverable amounts if necessary.

Bank borrowing

As at 31 December 2024, the Group had bank borrowing amounted to approximately S$0.59 million (31 December 2023: S$1.36 million). The bank borrowing is a 5-year temporary bridging loan at the interest rate approximate market interest rate commencing from September 2020 under Enterprise Financing Scheme ("**EFS**") as announced at Solidarity Budget 2020 by the Singapore government. The EFS is enhanced to help SMEs with their working capital needs. The decrease was mainly attributable to loan repayment of approximately S$0.77 million in 2024. As at 31 December 2024, the gearing ratio of the Group, calculated based on the Group's total bank borrowing divided by total equity was approximately 0.03: 1 (31 December 2023: 0.06: 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$5.31 million and S$14.61 million as at 31 December 2024 and 31 December 2023 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, where most cash and cash equivalents were denominated in.

The decrease in cash and cash equivalents by S$9.29 million was mainly attributable the investment into ZACD Mount Emily Residential Development Fund of approximately S$3.50 million, ZACD LV Development Fund of approximately S$6.05 million, ARO II (Tebrau) Pte Ltd of approximately S$0.38 million, ZACD (Development2) Ltd of approximately S$1.21 million, ZACD Media Circle Fund of approximately S$0.30 million and ZACD Laserblue Pte Ltd of approximately S$0.60 million, in conjunction with cash used in operations mainly on staff costs and repayment of bank borrowing and related interest costs of approximately S$0.77 million. The negative cash outflow was partially offset by the repayment of the bridging advances extended to ZACD Mount Emily Residential Development Fund of approximately S$1.60 million and collection of debts from the Group's customers in 2024.

The cash balances are denominated in Singapore Dollar, Hong Kong Dollar and Australian Dollar. By becoming a global company with international operations, the Group is exposed to foreign currency exchange rate risks. The Group mitigates this risk by implementing working capital management.

Investment in equity securities

The establishment shares were accounted for as investment in equity securities and were measured at fair value. The investment in equity securities amounted to approximately S$0.20 million and S$0.57 million as at 31 December 2024 and 31 December 2023 respectively. The fair value was determined based on future dividend distributions expected to be received by the Group based on the Investment SPV's projected distributable profits, the current stage of the real estate development project and its sale progress, as well as the discount rate. The decrease in fair value in 2024 compared to 2023 was mainly due to the realisation of the fair value as the Group recorded dividend payouts from the Investment SPVs during the year.

Investment in fund entities

The fund subscriptions by the Group were accounted for as investment in fund entities and were measured at fair value. The investment in fund entities amounted to approximately S$1.33 million and S$1.83 million as at 31 December 2024 and 31 December 2023 respectively. The fair value was determined based on future dividend distributions expected to be received by the Group based on the funds' projected distributable profits, the current stage of the real estate development project in which the fund invested in and its sale progress, and the discount rate.

Trade receivables

Total trade receivables amounted to approximately S$4.75 million and S$4.14 million as at 31 December 2024 and 2023 respectively.

The increase in trade receivables by S$0.61 million was mainly contributed by the project management fees from SPVs and financial advisory fees realised in 2024.

Net current assets

The net current assets of the Group decreased from approximately S$21.74 million as at 31 December 2023 to approximately S$21.01 million as at 31 December 2024.

This decrease was mainly due to the decrease in cash and cash equivalents by approximately S$9.29 million, decrease in amount due from related parties by approximately S$0.15 million, increase in other payables and accruals by approximately S$0.20 million, increase in amount due to related parties by approximately S$3.63 million and decrease of income tax payable by approximately S$0.37 million. This was partially offset by net repayment of the bridging advances extended to the fund entities of approximately S$11.22 million, increase in trade receivables by approximately S$0.61 million and increase of prepayments, deposits and other receivables by approximately S$0.16 million. The current ratio (calculated by current assets divided by current liabilities) of the Group decreased from 4.3 times as at 31 December 2023 to 3.1 times as at 31 December 2024.

Current liabilities

Current liabilities comprised of other payables, accruals, lease liabilities, bank borrowing, interest payable from bank borrowing, income tax payable, amount due to ultimate holding company and amount due to related parties. The Group's total current liabilities as at 31 December 2024 and 2023 amounted to approximately S$9.98 million and approximately S$6.65 million respectively.

Charges on assets

As at 31 December 2024, the Group did not have any charges on assets.

Commitments

Reference is made to the announcement dated 28 December 2022 where the Company had granted a put option to an investor, Top Global Limited ("**TGL**") subscribing in ZACD LV Development Fund. 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 total coupon payments aggregate to S$1,920,000.

As at 31 December 2024, the Group had no other significant commitments.

Financial guarantees

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.

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 is managed by ZACD Capital Pte. Ltd. which acts as its fund manager.

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.

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 2023 under the Previous Facility Agreement, the existing guarantee was released and discharged.

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 Landmark 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.

Contingent liabilities

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 million ("**ZACD US Fund**") in a US hotel acquisition led by iProsperity Group. The deposit of US$10 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 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 31 December 2024. As at 31 December 2024, cumulative legal fees incurred in relation to legal actions taken against the Defendants and iProsperity Group amounted to S$1,728,000 (31 December 2023: S$1,527,000) where S$1,504,000 (31 December 2023: S$1,404,000) had been borne by ZACD Australia Hospitality Fund, S$224,000 (31 December 2023: S$123,000) had been borne by Remarkable Reach International Limited.

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

Dividends

No dividend was paid or proposed by the Company for the financial year ended 31 December 2024 (31 December 2023: Nil).

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 31 December 2024.

During the financial year ended 31 December 2024, 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. From 2024 onwards, the Remuneration Committee will also review the share option scheme of the Company on annual basis.

EVENTS AFTER THE REPORTING PERIOD

There is no significant event that would materially affect the Group's operating and financial performance took place subsequent to 31 December 2024 and up to the date of this announcement.

BUSINESS OUTLOOK

In 4th quarter 2024, private housing prices rebounded following 3rd quarter 2024's 0.7% q-o-q decline, rising 2.3% q-o-q on the back of strong sales and benchmark prices set at a slew of new launches in the quarter amid lower interest rates. This brought 2024 full-year price growth to 3.9%, a moderation from 2023's 6.8%.

The quarter's rebound was driven by non-landed properties which posted an increase of 3.0% q-o-q after 3rd quarter 2024's marginal 0.1% q-o-q rise. Prices in the landed segment stabilised, falling marginally by 0.1%, compared to the 0.9% q-o-q correction recorded by flash estimates. This follows a 3.4% q-o-q decline in 3rd quarter 2024. Full year non-landed prices rose 4.7% vs landed property price increase of 0.9%, easing from 8.0% and 6.6% price growth in 2023 respectively.

With a surprise turnaround in sales volumes in non-landed segment in 4th quarter 2024, prices also outperformed. OCR and RCR non-landed segments which saw the bulk of new project launches in 4th quarter 2024 led with price increases of 3.3% and 3.0% q-o-q respectively. RCR's boost was driven by the success of new launches Meyer Blue, Emerald of Katong, Union Square Residences, Nava Grove which permeated into higher sales for earlier comparable launches such as The Continuum, Tembusu Grand and Pinetree Hill. OCR's improvement came on the back of successful launches of Norwood Grand and Chuan Park.

Overall, prices in the CCR, RCR and OCR grew 4.5%, 5.8% and 3.7% respectively for the whole of 2024. CCR and RCR prices outperformed 2023 full-year growth of 1.9% and 3.1% respectively, while OCR price growth slowed from 2023's blistering 13.7% increase.

We expect the momentum from these launches to carry us forward as we prepare for the launch of Arina East Residences in 2nd quarter 2025. We are also excited about the launch of Media Circle by mid-2025 and are confident in its potential, particularly due to the scarcity of new residential developments in One-North.

Landmark is expected to TOP by 3rd quarter 2025. With the construction timeline expedited, the structure has now been completed up to the roof.

As of February 14, 2025, 98% of units in our EC project Altura have been sold, based on the number of caveats downloaded, and it is projected to be fully sold out by the next quarter. Additionally, our upcoming EC project in Pasir Ris, set for launch in 2026, is expected to attract strong demand due to the limited number of EC projects in the area and the increasing prices of private properties.

On the international front we have appointed marketing agents for all 3 assets under Income Trust and are in discussions with a potential buyer regarding the hotel in Perth, Australia.

Overall, 2025's residential market will likely continue to benefit from a solid foundation of demand, though cooling measures, interest rates, and inflation will require careful navigation to maintain balance.

As we look to balance our portfolio, we plan to invest in more industrial projects going forward. Our extensive experience and track record in the sector, along with the trends in the sector hold good promise for growth.

The outlook for industrial properties in Singapore in 2025 is expected to be positive, driven by several key factors including demand for logistics space, e-commerce growth, and ongoing industrial sector diversification.

Overall, 2025 offers a promising outlook for the real estate market in Singapore, and we are excited to introduce new funds that will enhance our investors' existing portfolios.

MS. SIM KAIN KAIN ("**MS. SIM**")

Executive Director and Chairman of the Board

aged 59, was appointed as the Director on 8 November 2016 and was re-designated as the Executive Director and the Chairman of the Board on 12 July 2017. She is one of the Founder and also one of the Controlling Shareholders. Ms. Sim is primarily responsible for the marketing activities of the Group and the overall administrative management and the co-ordination of the Group's operational activities. She is also a Director of ZACD (Australia) Pty Ltd., ZACD Financial Group Limited ("**ZACD Financial**"), ZACD Fund Holdings Pte. Ltd. ("**ZACD Fund**"), ZACD Group Holdings Limited, ZACD International and ZACD Posh Pte. Ltd..

Ms. Sim co-founded ZACD International with Mr. Yeo through ZACD Investments in 2011. Ms. Sim has amassed extensive experience in International Investment sale. Prior to joining the Group, Ms. Sim was the Associate Director for International Investment Sales for Colliers International 1995–2000. She specialised in Australia and London market. During her tenure in Colliers, she had transacted over $1 billion worth of property ranging from Commercial office building, hotel, shopping mall, residential en-bloc and development sites. Ms. Sim also founded SLP International Property Consultants Pte. Ltd. with Mr. Yeo in April 2003 to engage in the real estate agency and consultancy business. Additionally, she also ran a boutique advertising agency from 2007 to 2016. As such, Ms. Sim is a conversant business lady experience in growing a company from startup to maturity, a skill that will be invaluable in the evolving business of the ZACD Group.

Ms. Sim was awarded the Winner of the PropertyGuru Real Estate Personality of the Year Award for year 2021.

MR. YEO CHOON GUAN (YAO JUNYUAN) ("**MR. YEO**")
Executive Director and Chief Executive Officer

aged 53, was appointed as the Director on 8 November 2016 and was re-designated as the Executive Director and Chief Executive Officer on 12 July 2017. He is also one of the Controlling Shareholders. As one of the Founders, Mr. Yeo is primarily responsible for overseeing the operations and strategic planning and development of the Group. He is also a Director of all of the subsidiaries. Mr. Yeo co– founded ZACD International Pte. Ltd. ("**ZACD International**") with Ms. Sim through ZACD Investments Pte. Ltd. ("**ZACD Investments**") in 2011.

Prior to founding ZACD Investments, Mr. Yeo specialises in the Industrial Project Marketing and Development sector. As a result of that, he was often consulted by various industrial developers in Singapore. In 2005, due to his foresight on the release of 30 years Industrial land development, he has led ZACD Investments to successfully joint venture and sell out several 30 years Industrial Projects. i.e. Penjuru Techub, One Commonwealth and Alexcier.

Following the success of several Industrial projects, In 2008, amidst the slowdown in the luxury property sector, Mr. Yeo also spotted the growth potential of the HDB upgraders market. He pioneered the first Executive Condominium development in Punggol with a joint-venture partner. This was followed by a slew of Executive Condominium and mass market Condominiums in Punggol/Sengkang.

Due to his success in the Industrial Development and the Mass market Condominium market, it has helped to position ZACD as choice joint venture partners amongst the developer circuit in Singapore.

Despite his busy schedule, he was also active in community services. Mr. Yeo was awarded the Public Service Medal in 2015 by the President of Singapore and has served as the Chairman of the Tampines North Citizens' Consultative Committee. He was also awarded the Teochew Entrepreneurs Award in 2016 and again in 2018, he was named grand winner of the Teochew Entrepreneurs Award (Asia Pacific) in the Prestige Award Category.

MR. TAN PUAY KHIANG, FRANCIS ("**MR. TAN**")
Executive Director, Chief Operating Officer

aged 49, is a veteran in real estate consultancy with over fifteen (15) years of experience. He joined the group six (6) years ago as a director in the family office of ZACD Investments Pte. Ltd.. He is currently responsible for overseeing the analyst division that supports the Group's project acquisitions team.

Mr. Tan started his career with the civil service in 2002, serving as a senior education officer on the leadership track in a junior college under the Ministry of Education. After the completion of his teaching bond, he joined Knight Frank, Singapore in 2010 as a real estate consultant. He subsequently moved on to Savills Singapore in 2012, holding a Unit Head position. In 2013, he was a co-founder of the real estate consultancy, SLP Scotia Pte Ltd, and assumed the position of Vice President in 2014. He was later promoted to the position of Chief Investment Officer in 2015 and serves as a consultant to local real estate developer in the field of land development. He was responsible for some of the largest commercial collective sales exercises in Singapore, the most recent being the Sim Lim Square collective sale in 2019. In that same year, he assumed the position of Chief Executive Officer ("**CEO**") of SLP Scotia, before moving up to the position of CEO of SLP International Property Consultants Pte. Ltd. ("**SLP International**") in 2020 to oversee all the business lines of the SLP Group. Notably, in 2021, he also led SLP International to broker the highest priced Good Class Bungalow (Land) in the Nassim Road area and whole building capital market deals.

Mr. Tan graduated with a Bachelor's Degree from the School of Mechanical and Aerospace Engineering, Nanyang Technological University in 2001. He also attained a Post-Graduate Diploma in Education with Credit (PGDE) (Sec/Junior College) from the National Institute of Education, Nanyang Technological University in 2002. He also holds the most recent Real Estate Agency (REA) qualification and is an accredited Key Executive Officer (KEO) with the Council of Estate Agents (CEA). He also sits on the Executive Council of the professional body Singapore Estate Agent Association since 2021.

MR. CHIN MENG LIONG ("**MR. CHIN**")
Executive Director, Chief Legal Officer

aged 61, joined the Group in 2017 as Head of the Legal & Compliance Department and brought to the Group his experience in the legal sector. Mr. Chin was tasked to oversee the Department to ensure that it provided the necessary support to all other departments thus ensuring the continued smooth and efficient running of the Group as a whole.

Mr. Chin holds a second class upper honours double degree in Law and Political Science from Keele University in the U.K. Mr. Chin is a member of the Honourable Society of the Middle Temple in the U.K. and was admitted a Barrister-at-Law with honours of that Inn. Mr. Chin thereafter went on to undertake postgraduate studies in law after which he was called to the bar as an Advocate and Solicitor of the Supreme Court of Singapore. Mr. Chin was in practice for more than 25 years before joining the Group. Mr. Chin started his legal practice in the areas of commerce and banking and went on to litigation and has represented clients (corporate, individuals, local and foreign) at all levels of the Court hierarchy and has done so on many occasions in the Court of Appeal, Singapore's highest appellate Court.

Mr. Chin presently serves as Chairman of the Board of Visitors (Drug Rehabilitation Centres (DRC) & Anti Inhalant Abuse Centres (AIAC)) as well as Chairman of the Board of Visitors (Community Rehabilitation Centres (CRC)) of the Singapore Prisons Service under the Ministry of Home Affairs, Singapore, Mr. Chin is also Vice-Chair of the School Advisory Committee in Yuan Ching Secondary School.

For commendable public service in Singapore, Mr. Chin was awarded the Public Service Medal (PBM) in 2019 by the President of Singapore.

MR. HAN XIANGFENG ("**MR. HAN**")
Executive Director

aged 47, has over twenty-one (21) years of experience in the realms of real estate investment, fund management, consultancy, and research. He joined the Group in 2016 as a director of Real Estate Investment and was promoted to executive director in 2018 overseeing the Group's Investment Management division.

Prior to joining the Group, Mr. Han was an investment manager with Frasers Centrepoint Asset Management Ltd, the Manager of Frasers Centrepoint Trust (FCT), where he was a key member of the investment team and responsible for growing and enhancing FCT's investment portfolio in Singapore and the region. During his time at Frasers, he was actively involved in large-scale acquisitions of commercial real estate and greenfield projects, totalling over S$1.7 billion.

Prior to Frasers, Mr. Han was with Realm Capital, a real estate private equity firm, where he was responsible for sourcing, structuring, and executing investment and development opportunities in Asia. Earlier in his career, Mr. Han held various investment and research roles at prominent firms such as Jones Lang LaSalle and Knight Frank.

Mr. Han holds a Bachelor of Science (Real Estate) (Hons) from the National University of Singapore.

MR. LAU KIN CHUNG, ALEX ("**MR. LAU**")

Independent Non-executive Director

aged 37, is currently the Managing Director at Tianlong Capital Management Limited ("**Tianlong Capital**") in Hong Kong. He is a licensed Responsible Officer to Tianlong Capital for Type 6 regulated activity under the Securities and Futures Ordinance.

Mr. Lau has been in the corporate finance industry since 2011. He has multiple proven track record of acting as sponsors to listing applicants in Hong Kong and extensive experience in cross border mergers and acquisitions exercises. In addition, he has advised various Hong Kong listed companies, on Main Board and on GEM, regarding the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Hong Kong Code on Takeovers and Mergers. He is familiar with the capital markets and financial industry in Hong Kong. In 2018, Mr. Lau assisted in the listing of ZACD Group Ltd. onto Growth Enterprise Market (GEM) in Hong Kong.

Mr. Lau obtained a Bachelor's Degree in Business Administration from The Hong Kong University of Science and Technology in 2009.

Mr. Lau is the standing committee member of the Tibet Autonomous Region United Youth Association, the Area Committee (Wong Tai Sin) member of the Home Affairs Department of the HKSAR Government, the member of the Panel of Advisers on Film Censorship under the Office for Film, Newspaper and Article Administration of the HKSAR Government, the assistant governor of Rotary International District 3450 2023-24, past president of Rotary Club of Central 2020-21, and school manager of the Ho Fung College (sponsored by Sik Sik Yuen).

MR. MA YUE LEONG, BENJAMIN ("**MR. MA**")

Independent Non-executive Director

aged 45, is presently Co-Chief Operating Officer and General Counsel at Graticule Asset Management Asia Pte. Ltd., a licensed fund manager in Singapore. Mr. Ma has also had previous roles at BlueCrest Capital Management where he served as both Executive Director and Head of Legal & Compliance for its operations in Singapore and Hong Kong, and Standard Chartered Bank as Senior Legal Counsel supporting the wealth business in Singapore. Prior to joining the private sector, Mr. Ma was with the Monetary Authority of Singapore ("**MAS**") where he served as Senior Legal Counsel and subsequently on the staff of the Managing Director of the MAS.

Mr. Ma read law at the University of Nottingham and is admitted to legal practice in England & Wales and Singapore, and is a member of the Chartered Institute of Arbitrators.

MR. EUGENE LIM CHIN HON ("**MR. LIM**")

Independent Non-executive Director

aged 45, was appointed as the Independent Non-executive Director on 14 June 2023. Mr. Lim is primarily responsible for providing independent advice and guidance to the Board, as chairman of the Nomination Committee and a member of both the Audit and the Remuneration Committees of the Board.

Mr. Lim has nineteen (19) years' experience in investments and private wealth management. In his current role as a director and senior relationship manager of HSBC Private Bank in Switzerland, he takes care of the global banking needs of significant families in Asia, advising on investments, asset protection, and generational wealth planning.

Prior to this, Mr. Lim was Head of Private Wealth for Matrixport, responsible for the asset and wealth management business for a digital assets startup founded in 2019. In Matrixport, he led an experienced sales team with in-depth knowledge of the private client investment objectives, with the aim of establishing Matrixport as the trusted advisor for a new asset class.

Mr. Lim held previous roles as private banker in JPMorgan in Hong Kong, and investment advisor in LGT Bank and Merrill Lynch in Singapore. He started his career in 2004 as a consulting analyst with Accenture Singapore, working on engagements with the top three Singapore banks.

Mr. Lim graduated cum laude from Brown University in Rhode Island, USA, with majors in Economics and International Relations, and is a Chartered Financial Analyst since 2011.

ABOUT THIS REPORT

We are pleased to present ZACD Group Ltd.'s Environmental, Social and Governance ("**ESG**") Report (the "**Report**") for 2024. The Group, as an asset manager offering integrated solutions across the real estate value chain in Singapore and the Asia-Pacific region, has always endeavored to emulate industry best practices in corporate social responsibility ("**CSR**") through initiatives underpinned by our corporate values of transparency, partnership and sustainability.

This report has been prepared in accordance with the "Environmental, Social and Governance Reporting Guide" of the GEM Listing Rules Appendix 20.

REPORTING FRAMEWORK & BOARD STATEMENT

In line with the Reporting Framework, our Board of Directors wishes to state that it considers sustainability issues as part of its strategic formulation. The Board, in close interaction with the management, determined the material ESG factors relevant to the organisation and oversees the management and monitoring of these material ESG factors. Apart from determining the material ESG factors set out in this report, the Board also determines the Group's response to the attendant risks and opportunities.

Reporting Boundary

Unless otherwise stated, the Report mainly discloses the ESG performance of ZACD Group Ltd. In 2024, the Board is pleased to announce that the Group has complied with and maintained strict standards in regards to its ESG-related goals. The scope of the Report is same as the previous year.

STAKEHOLDER ENGAGEMENT

We believe that building trusted relationships with our stakeholders is key to sustainable business growth.

Over the years, we have built a strong rapport with our stakeholders – customers/investors, employees, business partners, shareholders, regulators, government agencies and communities. Our approach is to proactively engage with our stakeholders who have an interest in our business and who can impact or influence our operations, business approach and strategies. Through our regular engagements with them, we are able to gain invaluable insights on their expectations and concerns, and use these findings to make informed management decisions in shaping our policies and strategies, which in turn drive greater value for our stakeholders.

A summary of our stakeholders and how we engage with them is presented below.

STAKEHOLDERS	TOPICS & CONCERNS	HOW WE ENGAGE	HOW WE ACT
Customers/Investors	• Return on investment • Information transparency • Protection of interests • Shorter turnaround time in response to feedback or complaints	• Regular virtual and physical meetings • Regular phone and email correspondences • Investor events/Information sharing	• Timely distribution of information • Safeguard measures in protecting confidentiality of customer information • Consistent and open communication to establish mutual trust between the Group and customers/investors
Employees	• Career development • Fair wages • Health and safety • Work life balance • Employee Engagement	• Virtual Town Hall sessions • Weekly department Meetings • Training • Annual lunch to update employees on company performance • Weekly workout sessions • Monthly team bonding budgets • Company sponsored events to celebrate festivals/team bonding activities such as hikes, barbecues to help employees feel connected	• Implementation of staggered working hours and hybrid working arrangements to provide flexibility to employees even after removal of all movement restrictions by the government • Digitisation of HR Information Systems to improve efficiency • Enhancement of employees' skills set through virtual in-house and external trainings and seminars • Providing gym workout vouchers to promote employee engagement • Provision of sponsorships for training • Merit-based performance appraisal for equal opportunity
Business Partners	• Resource sharing • Mutual growth and development	• Regular virtual and physical meetings • Site Visits to our various projects • Regular phone and email correspondences	• Facilitate opportunities for increased cooperation between business partners and the Group
Shareholders	• Access to the Group's operational and financial performance	• AGMs • Quarterly and Annual Reports • Regular HKEx Announcements on acquisitions/divestments/major milestones • Investor meetings and roadshows	• Investor feedback via relationship managers
Regulators and government agencies	• Compliance • Social responsibility	• Regulatory licensing and filings • Notices and meetings	• Ensuring regulatory compliance
Community	• Improving and empowering local communities • Environment protection	• Charitable activities • Community involvement projects	• Organising CSR programmes • Contributing through corporate sponsorship and donations

Reporting principles

Materiality

Our approach to sustainability centers around the management of environmental, social and economic impacts of our business operations and their potential effect on our stakeholders. Our strategy is to manage our most significant sustainability, risks and opportunities with an aim to create long-term value for all stakeholders.

The ESG factors were thoughtfully selected through an internal materiality analysis undertaken by us. The first step entailed identifying potential material topics, with feedback garnered from relevant stakeholders. After which, the feedback was then prioritised with regards to their Environmental and Social impact to ZACD Group Ltd. and its stakeholders.

Quantitative

Statistical standards, methods, assumptions and/or calculation tools for quantitative and qualitative key performance indicators herein and source of conversion factors are all explained in the definitions of the Report.

Consistency

The statistical methodologies applied to the data disclosed in this ESG Report shall be consistent.

ASSESSMENT OF MAJOR ISSUES

The following sets forth the ESG issues that were important to the Group during the Reporting Period based on the assessment conducted by Board.

ENVIRONMENTAL

We are committed to minimising the environmental impact of our business through reduction of carbon footprint, resource efficiency and conservation through reusing and recycling waste.

ASPECT A1: Emissions

With the nature of our operations and the existing measures spearheaded by the Singapore government agencies to protect the environment, there are limited actions within our control that could effectively and meaningfully improve the environment, nevertheless we acknowledge the importance of reducing emissions and uphold the green standards inculcated into our society. The impact of emissions from our operations is minimal, arising mainly from office electricity consumption, office waste and staff business travel. During the year of review, we are of the opinion that our actions have met our environmental sustainability objectives.

In 2024, The Concourse, although having awarded the BCA Green Mark Platinum Award, continues to further its efforts in reducing its emissions through practices that will reduce power consumption. Such practices involves turning off all air-conditioning after working hours & changing of LED lights to for more power efficiency in all offices alongside innovative green features are in-line with the habits of the Group’s in lowering emissions.

Based on the average annual electricity consumption, the greenhouse gas emission (“**GHG**”) is approximately 5.71 metric tonnes, a reduction of 34.4% from our GHG emission of 8.8 metric tonnes in 2023. The significant reduction in GHG emission is a testament to the Group’s resolute to the environment and its commitment to a greener environment.

By end of 2025, we further predict that our carbon footprint will be 5–10% lower by virtue of our relocation to much smaller and energy efficient premises. In addition, we target to reduce GHG emission a further 5% – 10% by ways of implementing energy saving measures such as (i) maintaining office room temperature at an optimal 25.5 degree Celsius; (ii) switch off all idle appliances and unnecessary lightings upon leaving the office; (iii) purchase office equipment with high energy efficiency on the replacement of old equipment; (iv) performs daily checking over the air-conditioning system, lighting, and other appliances in offices to ensure energy consumption performance; (v) encourage the use of products with energy efficiency labels; and (vi) reduce unnecessary business travels and to encourage the use of online meeting platforms; (vii) if available, to prefer flights that are direct & with higher efficiency.

INTERNATIONAL

The Group has physical office premises only in Singapore. Our employees in Australia and Hong Kong are adopting a partial work from home model and will continue to do so for the year 2025.

Hence, we record emissions only from our headquarters in Singapore where we have rented office premises.

ASPECT A2: Use of Resources

Energy consumption

The Group generally does not require the usage of large amounts of resources for the day-to-day office operations. The Group has established energy and water saving initiatives in our daily operations. These include ensuring electrical appliances are switched off when they are not in use, automatic power-off of the air-conditioning systems after office hours and switching off all lights at the end of the working day. In our office, we have no control over the source of electricity generation and thus we do not monitor GHG emission as a KPI. Instead, we monitor our electricity consumption by kWh. The electricity consumed by the Group through our staff is as follows:

Month	Consumption (kwh)
Jan	1,760
Feb	1,176
Mar	1,066
Apr	1,133
May	1,121
Jun	1,159
Jul	1,040
Aug	1,172
Sep	1,195
Oct	1,055
Nov	1,142
Dec	1,056

Total electricity consumption in 2024 was 30% lower than 2023 at 14,076 kwh. The average monthly electricity consumption for the past year was 1,173 kwh compared to 1,687kwh, for the year 2023. This represents a significant reduction of approximately 30.5% on average in our energy consumption needs on a monthly basis.

Our continued adoption of flexible work arrangement policies also helps to reduce the overall fuel consumption for staff who frequently drive to work.

Water consumption

While we do not consume a significant amount of water for it to be a material issue, we are nonetheless mindful of its value as a resource. Employees are encouraged to reduce water wastage by turning off taps promptly and to use water efficiently. We also utilize a water filtration system at our main office, which obviates the need for externally purchased and wasteful bottled water. Signages are provided within the office premises, reminding all staff to turn off the taps promptly after use to avoid any possible wastage. The water consumption of Group for 2024 is as follows:

Month	Cu M
Jan	0.3
Feb	0.6
Mar	0.48
Apr	0.12
May	3.06
Jun	3.18
Jul	-1.44
Aug	0.96
Sep	0.48
Oct	0.6
Nov	0.75
Dec	0.66

Waste management

Hazardous waste

The Group's operations do not produce hazardous waste.

Non-hazardous waste

General waste from daily activities is cleared by our in-house personnel and collected by the building's outsourced contractor. As such, no KPI is available.

ASPECT A3: The Environment and Natural Resources

To reduce our carbon footprint, in addition to company initiatives of efficient usage use of resources listed above, we also endeavour to reduce, reuse and recycle office waste. Our staff are reminded to prioritise email correspondences, to reduce printing and avoid paper wastage by utilizing both sides of the paper as well as proportionally maintained an optimised electricity consumption as employees started to return back to office in staggered arrangements.

Fuel consumption

In view of the accessible location of the office, the Group's number of season parking lots have reduced from a total of 3 lots in 2022 to 2 lots by December 2023, a reduction of approximately 33%. We have since maintained the 2 lots in 2024 and encourage employees to use public transport to commute to office. Our location at The Concourse is well served by public transport, being located within 100m of the Nicoll Highway MRT station on the Circle Line and within 50m of surrounding bus stops. It is convenient to get to the CBD and surroundings for meetings with various stakeholders. Staff are also encouraged to be mindful of their personal carbon footprint by considering carpooling and the use of public transportation in their daily commute to work and meetings.

Office resources consumption table

Consumption of paper in 2024 was 36.7% higher as compared to 2023 at S$3,437.7. Average monthly paper usage was about 9 reams, a reduction from an average of 10 reams in 2023. Average monthly cost of printing was approximately S$286.47 per month, 37.1% higher than in 2023. The increase in consumption was due to the increase in activity in the office as well as more in person meetings and investor events in 2024. However, we will continue our efforts to go digital and paperless in the coming years. We have already resorted to emailing quarterly reports and dividend vouchers to minimize paper consumption.

Details of costs are provided below.

Month	Printing Costs
Jan	799.65
Feb	437.47
Mar	187.87
Apr	160.36
May	93.27
Jun	272.06
Jul	29.58
Aug	756.48
Sep	175.48
Oct	374.21
Nov	61.82
Dec	35.05

ASPECT A4: Climate Change

Apart from the measures mentioned on energy conservation, waste management and efficient resource consumption. In 2024, the Group embarked on our nature-positive journey with the primary objective of gaining a deeper understanding of the intricate relationship between our real estate portfolio and natural world. We have initiated the Locate, Evaluate, Analyse and Prepare (LEAP) assessment, in alignment with the framework recommended by Task Force on climate-related Financial disclosures (TCFD).

The Group focused on undertaking the LEAP assessment within our operations. The outcomes enables us to acquire a comprehensive understanding of the specific natural context surrounding our operations and further analyse and prepare for nature related risks and opportunities and managing nature – related issues across our entire value chain.

SOCIAL

ASPECT B1: EMPLOYMENT AND LABOUR PRACTICES

Our people are our most important asset and form the core of our organization. Our top priorities are to attract, recruit, retain, and develop our human resources which is particularly crucial given the strong, ongoing competition for talent globally.

We adopt a holistic view towards both recruitment and retention that looks beyond the provision of competitive financial rewards. We aim to provide professional and personal development, meaningful career growth paths, and work-life balance and to inculcate an inclusive culture that allows our people to develop fulfilling, long-term careers with us.

We have 27 employees as of 31 December 2024 of whom 39% were female and 61% were male. Our workforce is made up of 100% full-time employees. Employees aged 31–50 years old accounted for 53% of the staff strength, with staff under 30 years old and above 50 years old both accounting for 19% and 28% respectively.

Summary of Employee Profile

Gender	
Male	22
Female	14
Age Distribution	
Under 30	7
31–50	19
Above 50	10
Employment Category	
Senior	7
Middle	25
Junior	4
Geographical	
Singapore	36

Diversity and Inclusion

ZACD Group believes in Equal Employment Opportunities. Our human resource policies and procedures ensure equal opportunities and fairness in employment decisions. We do not discriminate based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership, or marital status.

Furthermore, we recognize the value that a diverse workforce can potentially bring in terms of creativity, dynamism, and the provision of new perspectives which are critical in the delivery of our products and services to meet the evolving needs of our global clientele.

During the reporting period, the Group did not receive any complaints of discriminatory practices.

Welfare and Benefits

We offer a comprehensive compensation and benefits package to our employees. Employees are entitled to annual leave as well as sick and hospitalization leave in accordance with prevailing regulations. On top of these, full-time staff members including new hires, are eligible for other employment benefits such as birthday, marriage and family care leave as well as flexible work arrangements to encourage work-life balance. Staff are also entitled to examination leave to allow them to pursue further studies and encourage life-long learning for personal and professional growth.

With the implementation of the Flexible Work Arrangement ("**FWA**") scheme for our employees who were offered the option of working at alternative work locations such as in the comforts of their homes. All these welfare benefits aim to boost employee work-life satisfaction, motivation, and productivity at work.

For 2025, HR aims to introduce new retention strategies as well as expand on the ones we currently have. We continue to explore medical specialist claims, at a tiered capped amount across different compensation levels, for all our employees as we have received employee feedback that it is essential. Having an attractive benefits package will elevate our employer brand.

FY 2024 saw the continued successful implementation of a new appraisal formula (Business Performance Index x Employee Performance Index) to compute the bonus entitlement. This improved formula supports the overall alignment of business and employee performance for a fairer allotment of bonuses across the Group. In 2025, we will further explore issuing Employee Stock Options ("**ESOP's**") as part of employee compensation packages.

In 2025, we are looking to continue leveraging HR events to expand our knowledge of creative HR strategies and HR best practices. This will also aid in gaining exposure to what other leading local and regional employer brands are doing in terms of progressive HR strategies.

An area that we will continue to improve on is the adoption of HR digitalization and systems. HR continues to maximize digitalization through the introduction of online employee feedback surveys periodically in the year, as well utilization of online payroll management platforms to reduce the time taken to process employees' salaries.

ZACD/SLP Chinese New Year Celebration 2024

HR aligns with the Group's goal of achieving a performance-driven culture. We prioritize the sustainability of the business by constantly reviewing internal processes and moving towards a leaner workforce, with 100% on full-time payroll. This prepares us for more efficient manpower planning in the event of another worldwide pandemic or during an unforeseen low period for the business.

With the removal of all COVID measures, we have resumed periodic physical meetings and lunches with all our staff to update them on company performance and address any concerns they may have. Since 2022, we also resumed our tradition of celebrating festivals, Christmas events, and external meetups as a way for staff to relax and connect outside of the workplace. In 2024, our commitment to fostering a vibrant and inclusive workplace culture was exemplified through a series of engaging events. Our staff-exclusive BBQ parties served as a delightful opportunity for team members to unwind, connect, and forge stronger bonds outside the typical work setting. These occasions not only celebrated camaraderie but also contributed to a positive and collaborative atmosphere within our organization.

Expanding our cultural celebrations, the Chinese New Year event was extended to include both our dedicated staff and valued clients. These festivities showcased our dedication to embracing diversity and fostering a sense of unity that transcends professional boundaries. By providing a shared platform for staff and clients, we aimed to create lasting connections and a sense of belonging that goes beyond the typical business relationship.

As we reflect on the past year's events, it is evident that these initiatives have played a crucial role in strengthening the fabric of our organizational culture. We are proud to continue creating an environment where individuals are not only valued for their professional expertise but also celebrated for their diverse backgrounds and personal achievements.

Looking ahead, we remain committed to fostering a workplace that champions inclusivity, embraces cultural richness, and recognizes the importance of every individual within our organization. These initiatives are integral to our ongoing commitment to creating a positive and collaborative work environment that drives our collective success.

Recruitment for 2025

With regards to our recruitment strategy for 2025, we will be looking to expand our coverage to include more regional recruitment sites and partners. This is in line with our business strategy for 2025 talent acquisition – to expand our regional portfolio. In order to do so, we will need employees who are knowledgeable about the real estate industry in the select countries as well as having a substantial regional network.

HR continues to spearhead the ZACD Youth Ventures initiative and will focus on hiring more graduates as part of our forward talent recruitment strategy. This includes active involvement in recruitment fairs, both locally and across the border.

Summary of Employee Turnover

Employee Turnover by Gender	
Male	57%
Female	43%
Employee Turnover by Age Group	
Under 30	14%
31–50	67%
Above 50	19%

Employee Engagement

ZACD advocates employee engagement and we demonstrate this through numerous ways. Town Hall sessions are held annually for our Board of Directors to announce the Company's directions and financial performance to all employees. Our staff members are given the opportunity to voice out concerns directly to the BODs during the open dialogue session.

ZACD/SLP Christmas Party on 18 December 2024

HR Dialogue sessions are held bi-annually to announce new initiatives or amendments to existing company policies, as well as to provide a platform for colleagues to voice out concerns or suggestions about employee benefits. Employee engagement is a two-way process and this process must be consistently measured to highlight potential gaps in employee retention. ZACD addresses this through the implementation of online Employee Happiness Index Surveys periodically to gather feedback on their working experiences, company policies, processes, and events. In 2024, our commitment to open communication and continuous improvement was exemplified through the successful implementation of Dialogue Sessions within our company. These sessions served as a crucial platform for fostering a stronger bond among our team members and creating an environment where employees felt empowered to voice their opinions for the betterment of the organization.

The Group places great emphasis on building team spirit through encouraging staff participation in corporate and festive celebratory events. Monthly team bonding budgets are set aside to encourage inter-department bonding sessions.

ASPECT B2: Health and Safety

The Group recognises the importance of providing all our employees, sub-contractors and visitors with a safe and healthy work environment, and to prevent workplace injuries and illnesses. We undertake various measures to comply with all statutory health and safety requirements. The Group is open to adopting all other reasonably practicable means to reduce or eliminate terror threats, hazards and the risk of injury to its employees and others (such as visitors, contractors, workers and member of public) and the risk of damage to its property.

The objectives of the Security & Workplace safety and Health Policy aim to:

- prevent injury or illness in the workplace;
- ensure compliance with regulatory requirements;
- continually improve the standard of health, safety and security within the workplace;
- do everything reasonably practicable to protect the physical property both of the Company and of staff, contractors, and all visitors to the Company; and
- integrate health, safety, and security into the Company's management structures, systems, and strategies.

The Company's Security and Workplace Safety & Health ("**WSH**") performance is continually assessed through communication and performance measurement. This way, continual improvements and setting of relevant objectives and targets can be implemented.

All managers and supervisors are responsible and accountable for the safety and health of our employees, sub-contractors, and company property under their control. Managers and supervisors are responsible for ensuring compliance with all regulations, procedures, and safe work practices in all workplaces, and work sites at all times.

ZACD/SLP Durian Feast on 14 August 2024

Bonding Sessions over Lunch

The Work Safety Policy for all staff highlights the need to:

- Maintain a clean and orderly work area,
- Report all injuries and work-related incidents and accidents,
- Actively participate in safety improvement activities,
- Be responsible to prevent injury to oneself as well as to colleagues,
- Work with contractors and suppliers to embrace the secure movement,
- Eliminate and minimize terror threats to our staff and the public by ensuring control measures are in place,
- Follow and comply with our Group and our client's safety requirements and relevant Codes of Practice,
- Value the safety and security of our employees, visitors, and customers and mitigate risks, including those posed by terrorism, by preparing our employees and protecting our workplace,
- Strong safety program that protects the health, safety, and security of its staff, its property, and the public from risk of harm, including that arising from terrorism.

Standard Operating Procedures

1. Risk Assessment Team: To identify and evaluate the associated Security & WSH hazards including but not limited to potential terror threats and formulate necessary control measures to minimise the identified risk to an acceptable level. (Hazard Identification – Risk Evaluation – Risk Control).

2. Brief and send employees to courses or training on our Safe Work Procedures such as, but not limited to Office Ergonomics, Electrical Safety, Use of Ladder, Use of Hand Tool, Working at Height, Painting Works, Handling of Materials on Site, Housekeeping, Heat Stress and Haze, Vehicle Safety and Contingency Response Plan for a Terror Attack (Run, Hide, Tell & Press, Tie & Tell).

3. Regular tool-box meeting is conducted during the full duration of the project by the Safety Supervisor.

4. Regular Risk Assessment check during the period of every project.

5. Basic and Sufficient Safety equipment such as, Safety Helmet, Safety Harness and Safety shoes provided for all Site-Employee (PPE).

6. Ensuring control measures are being implemented as planned and correcting behaviour when necessary.

7. Provide on-going guidance, coaching and assistance to employees when new control measures are implemented or existing measures are changed.

8. Yearly review of Risk Management System and Risk Assessment Team.

Summary of work injury and work-related fatalities

Lost day due to work injury: Nil

Number of injuries: Nil

Number of work-related fatalities: Nil

For the year ended 31 December 2024, there were no confirmed non-compliance incidents in relation to providing a safe working environment and protecting employees from occupational hazards.

ASPECT B3: Training and Development

ZACD prioritises personal and professional development in all divisions and have enrolled our staff members in various training programs tailored to their skillsets for them to leverage on their expertise.

Training may take place either through On-the-job training (OJT), in-house and/or public courses to enhance our staff's skillsets.

For public courses, training budgets are set aside for each department and our employees have utilised this by attending courses namely; Compliance Solution – Generic Knowledge, Securities and Managed Solutions, to name a few. We believe in applied and continuous learning and that these courses will aid in our dynamic growth and sustainability. ZACD is currently moving towards the direction of organising and conducting in-house training by our very own staff members who are ACLP-certified.

Summary of Training and Development

Number of Employees Trained	8
By Gender	
Male:	62%
Female:	38%
By Employment Category	
Senior:	4, representing 50%
Middle:	4, representing 50%

Career Development

Career progression is one of the key factors in promoting employee retention and ZACD adopts a merit-based performance analysis to advocate equal opportunity. Our Performance Appraisal Cycle is conducted annually in December, and moving forward HR is looking to implement mid-year reviews for staff to get more timely feedback from their supervisors. This provides more opportunities to recognise achievements and allow staff to work on areas of improvement before the year-end appraisal. ZACD has also conducted Leadership Retreats for the purpose of grooming our successors, to recognise middle management and to share our Company's goals and directions. ZACD has executed the Management Associate Program, a fast-track approach catered to fresh graduates to groom them into managerial positions.

Summary of Training Hours

On average, each staff went through 8 hours of training through in-house and/or public courses.

Moving forward in 2025, we shall explore aligning training and development with Skills Framework as part of the Industry Transformation Map (ITM) and our efforts in ensuring that our staff's skillsets remain relevant and future-proof.

By Gender	Number of Hours
Male:	11
Female:	13
Average training hours completed per employee	
Senior:	34
Middle:	8

ASPECT B4: Labour Standards

Our recruitment policy and hiring process is based on merit and ability and is aligned with the regulations set out in the Employment Act as well as Tripartite Guidelines. Due to the nature of our business which involves investment management, financial advisory, project consultancy services and property management services, the competency and background of our candidates are vital. In addition to having the relevant skills and experience, our candidates also undergo a screening process and previous employment reference checks.

We abide by the local Employment Act, Tripartite Guidelines and internationally accepted labour and human rights principles which advocate freely–chosen employment, child labour avoidance, compliance with labour laws regarding working hours, wages and benefits, humane treatment, non–discrimination and freedom of association.

Our Legal & Compliance division, headed by our Chief Legal Officer, work closely with our Human Resources division and the Ministry of Manpower on the steps to manage and resolve workplace and labour conflicts, if any.

There were no incidents of human rights violations. forced labour or child labour in the reporting period.

Separately, our property management arm follows a set of SOPs that are compliant with the Managing Agent agreement. Any other procurements that fall outside the Managing Agent Agreement adheres to the Group's Handbook for Business Conduct.

ASPECT B5: Product Responsibility

Product Responsibility for the Group refers to the provision of accurate and comprehensive marketing materials that enable our Customers/Investors to make well-informed decisions. Product responsibility also refers to having proper documentation control, regular updates as well as good investor relation practices for all for our services.

Health and Safety: As a provider of real estate investment products, financial advisory and management services, we do not manufacture products which have material health and safety impact and implications.

Marketing/Advertising: The Group respects Customers/Investors and Shareholders rights and is committed to providing accurate and timely information for their consideration to aid them in their investment decisions. The Group works with both external and internal legal counsel to conduct due diligence checks and careful review of all marketing collateral.

Labelling: In view of the Group's business nature, there were no products produced that required any labelling.

In the financial year under review, we had no complaints concerning breaches of customer privacy and information.

Regular Updates: The Group provides quarterly updates to our customers/Investors and Shareholders with accurate information on their returns and project updates.

Investor Relations: We have in place a dedicated Relationship Manager team of company representatives to address Customers/Investors and Shareholders queries and concerns.

Domain name: The IT Head is responsible for monitoring the registration and processing renewal of the Group 's domain name. Domain name purchase and renewals are processed via a vendor (usonyx.net). Two months prior to expiry of the domain name, an automated domain name renewal notification email from the vendor will be received by the IT department.

Trademarks: The Legal department is responsible for monitoring the registration of the Group 's trademark in Singapore and Hong Kong. Registration of any new trademarks are processed internally by the Legal department directly with the authorities. Prior to submission of registration, the management and board will approve the trademark design prepared by the marketing department. The trademark application will then be signed by a director (i.e., an authorised signatory of the trademark owner).

The Group was not involved in any material dispute or infringement of intellectual property rights (intellectual property owned by the Group or third parties). In the event of identification of such infringement of intellectual property rights, the Group may consult external lawyers, and the appropriate legal remedies, depending on the nature of the infringement, will be taken.

Prevention of infringement: A disclaimer page regarding the content and trademarks used and displayed is put up on the Group's website. Forms and documents bearing the Group's trademarks (e.g., letterheads) are standardised and reviewed by the Legal department regularly to ensure that trademarks are used in accordance with the trademark registration records.

Consumer Data Protection and Privacy Policies: The Group has a Data Protection Policy (including the Telemarketing Policy on compliance with the Do Not Call Provisions) that is available on the Group's official website. In addition, the Legal department provides regulatory updates to HODs and the consent form for data collection for business units, where needed.

ASPECT B6: Anti-corruption

We adopt a zero-tolerance approach to corruption and are committed to acting with integrity in all our business dealings and relationships.

Our corporate governance policies cover areas of Fraud, Whistle-Blowing, Money Laundering, Document Retention, and Conflict of Interest to facilitate the development of controls that will aid in the detection and prevention of any fraud, misappropriations and other irregularities. The Group prohibits employees from receiving any advantages offered by customers, suppliers, colleagues or any other parties, while they are performing duties under the Group.

All new employees are required to read, understand and be assessed on these policies during the orientation programme. We communicate our zero-tolerance towards corruption approach to all suppliers, sub-contractors and other service providers at the outset of our business relationship.

There was a training conducted by Compliance Asia Consulting Pte. Ltd. in October 2020 on Anti-money Laundering & Compliance for the representatives/ employees of ZACD Capital and ZACD Financial (total 29 attendees). This training covers:

- Compliance Obligations including Gifts and Entertainment, Personal Share Dealing, Personal Share Dealing, Transactions with Connected Parties, and Outside Activities of Employees
- Capital Markets License and Fund Management
- CMS Licensing Process & Requirements
- Key Compliance Obligations
- Insider Information
- Anti Money Laundering/Counter-Financing of Terrorism
- Cyber Security
- MAS
- Recent Regulatory Changes
- Q&A

In the financial year under review, there were no confirmed incidents or cases of suspected corruption. In addition in 2024 we had an annual compliance training provided by our head of legal and compliance to all employees of ZACD Capital Pte. Ltd.

The Directors are pleased to present their report and the audited consolidated financial statements of ZACD Group Ltd. (the "**Company**") and its subsidiaries (collectively the "**Group**") for the financial year ended 31 December 2024 (the "**Financial Year**").

OPINION OF THE DIRECTORS

In the opinion of the Directors,

(i) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in Note 18 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

BUSINESS REVIEW

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the laws of Hong Kong), including a fair review of the Company's business, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the Financial Year and an indication of likely future development in the Group's business, can be found in the Management Discussion and Analysis set out on pages 8 to 20 of this Annual Report. This discussion forms part of this Report of the Directors. There is no material differences in the Group's business objectives as stated in the prospectus and the actual business progress in the Financial Year.

RESULTS AND APPROPRIATIONS

The Group's financial performance for the year ended 31 December 2024 is set out in the Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income on pages 79 to 80 of this report and the financial position of the Group as at 31 December 2024 is set out in the Consolidated Statement of Financial Position on pages 81 to 82 of this report.

DIVIDENDS POLICY

The Board has adopted a dividend policy on 13 December 2017, which was ratified on 31 December 2018. In proposing any dividend pay-out, the Board shall take into account the following factors:

the Group's

– operations;

– earnings;

– financial condition;

– cash requirements and availability;

– capital expenditure;

– future development requirements; and

– other factors that the Board deems relevant.

The recommendation of the payment of dividends is subject to the absolute discretion of the Board, and any declaration of final dividends for the year will be subject to the approval of the Company's Shareholders.

No final dividend was paid or proposed by the Company for the financial year ended 31 December 2024.

There is no arrangement under which a shareholder has waived or agreed to waive any dividends for the Financial Year.

SHARE CAPITAL

Details of movements of the share capital of the Group for the Financial Year are set out in Note 29 to the consolidated financial statements.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Financial Year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's constitution or the Singapore Company Law which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

DISTRIBUTABLE RESERVES

As at 31 December 2024, the Company had no distributable reserve calculated under the Singapore Companies Act 1967.

MAJOR CUSTOMERS AND SUPPLIERS

During the Financial Year, sales to the Group's five (5) largest customers accounted for 66.1% of the total sales and sales to the largest customer included therein amounted to 21.7% of the total sales. Due to the nature of the business, the Group has no major suppliers as the major cost mainly comprised of staff costs, professional and compliance fees.

Saved as disclosed in Note 4 to the consolidated financial statements of this Annual Report, none of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's share capital) had any beneficial interest in the Group's five (5) largest customers.

DIRECTORS

The Directors of the Company during the Financial Year and up to the date of this Annual Report were as follows:

Executive Directors

Ms. Sim Kain Kain *(Chairman)*	(appointed on 8 November 2016)
Mr. Yeo Choon Guan (Yao Junyuan)	(appointed on 8 November 2016)
Mr. Tan Puay Khiang, Francis	(appointed on 6 June 2024)
Mr. Chin Meng Liong	(appointed on 11 March 2021)
Mr. Han Xiangfeng	(appointed on 6 June 2024)
Ms. Mark Oh Keng Kwan	(appointed on 22 April 2022 and resigned w.e.f. 31 August 2024)

Independent Non-executive Directors

Mr. Lau Kin Chung Alex	(appointed on 24 April 2024)
Mr. Ma Yue Leong, Benjamin	(appointed on 24 April 2024)
Mr. Eugene Lim Chin Hon	(appointed on 14 June 2023)
Mr. Kong Chi Mo	(appointed on 13 December 2017 and retired w.e.f. 24 April 2024)
Dato' Dr. Sim Mong Keang	(appointed on 13 December 2017 and retired w.e.f. 24 April 2024)

Pursuant to the Article 112 of the Constitution of the Company, one-third (1/3) of the Directors selected in accordance with Article 113 shall retire from office by rotation at each Annual General Meeting ("**AGM**") of the Company. However, a retiring Director shall be eligible for re-election. Directors appointed by the Board to fill casual vacancy pursuant to the Article 116 shall be subject to re-election by the shareholders at the next AGM.

As such, Mr. Sim Kain Kain, Mr. Yeo Choon Guan (Yao Junyuan), Mr. Tan Puay Khiang, Francis and Mr. Han Xiangfeng will retire from office as Directors and being eligible, offer themselves for re-election at the forthcoming AGM in accordance with Articles 112, 113 and 116 of the Constitution.

The Company has received annual confirmations of independence from all Independent Non-executive Directors, and as at the date of this report still considers them to be independent pursuant to Rule 5.09 of the GEM Listing Rules.

Further details of the Directors' profile are set out on pages 21 to 26 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS AND LETTER OF APPOINTMENTS

Each of the Executive Directors has entered into a service contract with the Company for a fixed term of three (3) years which may be terminated before the expiration of the term by not less than three (3) months' notice in writing served by either party on the other.

Each of the Independent Non-executive Directors has signed an appointment letter with the Company for a term of three (3) years, which may be terminated before the expiration of the term by not less than two (2) months' notice in writing served by either party on the other. Their appointments are subject to the provisions of retirement and rotation of Directors under the Constitution.

The Non-executive Director has signed an appointment letter with the Company for a term of three (3) years, which may be terminated before the expiration of the term by not less than two (2) months' notice in writing served by either party on the other. His appointment is subject to the provisions of retirement and rotation of Directors under the Constitution.

Save as disclosed above, none of the Directors has entered into a service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one (1) year without payment of compensation other than statutory compensation).

EMOLUMENT POLICY

The emolument policy of the Group is set on the basis of the employees' merit, qualifications and competence. The emoluments of the Directors are reviewed by the remuneration committee, with consideration to the Group's operation results and individual performance.

The Company's share option scheme was adopted pursuant to a Shareholders' resolution in writing passed on 13 December 2017 (the "**Scheme**") for the primary purpose of providing incentives or rewards to eligible persons as defined in the Scheme for their contribution or potential contribution to the Group. The Scheme took effect on 16 January 2018 and will expire on 15 January 2028. Under the Scheme, the Board may, at its discretion, offer to any eligible persons options to subscribe for shares of the company subject to the terms and conditions stipulated in the Scheme.

PERMITTED INDEMNITY PROVISION

Pursuant to the Article 191 of the Company's Constitution, every Director, Auditor, Secretary and other officer for the time being of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in the execution and discharge of his duties or in relation thereto.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this report, none of the Directors or a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the Financial Year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Financial Year.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the Financial Year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTOR'S INTEREST IN SHARES AND DEBENTURES

The following Directors, who held office at the end of the Financial Year, had, according to the register of Directors' shareholdings required to be kept under section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of Directors	**At the beginning of Financial Year/date of appointment**	**At the end of Financial Year**	**At the beginning of Financial Year**	**At the end of Financial Year**
Ordinary shares of the ultimate holding company				
Yeo Choon Guan (Yao Junyuan)	833,000	833,000	833,000	833,000
Sim Kain Kain	833,000	833,000	833,000	833,000
Ordinary shares of the Company				
Yeo Choon Guan (Yao Junyuan)	–	–	1,298,600,000	1,298,600,000
Sim Kain Kain	–	–	1,298,600,000	1,298,600,000
Tan Puay Khiang, Francis	5,500,000	5,500,000	–	–
Chin Meng Liong	30,000	–	–	–

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the Financial Year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND LONG POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

At 31 December 2024, the interests and long positions of the Directors and chief executive in the share capital and underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong, the "**SFO**")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in ordinary shares of the Company:

Name of Director	Name of corporation	Nature of interest and capacity	Number of shares held	Percentage of total issued shares	Number of underlying shares interested	Percentage of total issued shares
Mr. Yeo	Our Company *(Note 1)*	Interest in a controlled corporation	1,298,600,000 ordinary shares	64.93%	–	–
Ms. Sim	Our Company *(Note 1)*	Interest in a controlled corporation	1,298,600,000 ordinary shares	64.93%	–	–
Mr. Tan	Our Company *(Note 2)*	Beneficial owner	5,500,000 ordinary shares	0.275%	–	–
Mr. Chin	Our Company *(Note 3)*	Beneficial owner	30,000 ordinary shares	0.00% *(Note 4)*	–	–
Mr. Yeo	ZACD Investments Pte. Ltd.	Beneficial owner	833,000 ordinary shares	49%	–	–
Ms. Sim	ZACD Investments Pte. Ltd.	Beneficial owner	833,000 ordinary shares	49%	–	–
Mr. Yeo/Ms. Sim	ZACD (Neew) Pte. Ltd. *(Note 5)*	Interest in a controlled corporation	2 ordinary shares	90%	168 ordinary shares	8,400%
Mr. Yeo/Ms. Sim	ZACD (Neew2) Pte. Ltd. *(Note 6)*	Interest in a controlled corporation	2 ordinary shares	90%	61 ordinary shares	3,050%
Mr. Yeo/Ms. Sim	ZACD (Tuas Bay) Pte. Ltd. *(Note 7)*	Interest in a controlled corporation	2 ordinary shares	90%	105 ordinary shares	5,250%

Notes:

1. Mr. Yeo and Ms. Sim are spouses and hold 49% and 49% of the total issued capital of ZACD Investments Pte. Ltd. ("**ZACD Investments**") respectively. As such, both of them are deemed to be interested in all the Shares held by ZACD Investments by virtue of the SFO.

2. Mr. Tan Puay Khiang, Francis ("**Mr. Tan**") is a Director of the Company.

3. Mr. Chin Meng Liong ("**Mr. Chin**") is a Director of the Company.

4. Representing 0.0015% of the issued shares of the Company.

5. Mr. Yeo and Ms. Sim hold 49% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 6 February 2015 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Neew) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Neew) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S$2,000,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 19.40% of the enlarged issued capital of ZACD (Neew) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Neew) Pte. Ltd.. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Neew) Pte. Ltd. held by ZACD Investments and (ii) the underlying shares which are to be converted into by such convertible loan granted by ZACD Investments to ZACD (Neew) Pte. Ltd. by virtue of the SFO.

6. Mr. Yeo and Ms. Sim hold 49% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 6 August 2015 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Neew2) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Neew2) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S$300,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 7.00% of the enlarged issued capital of ZACD (Neew2) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Neew2) Pte. Ltd.. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Neew2) Pte. Ltd. held by ZACD Investments and (ii) the underlying shares which are to be converted into by such convertible loan granted by ZACD Investments to ZACD (Neew2) Pte. Ltd. by virtue of the SFO.

7. Mr. Yeo and Ms. Sim hold 49% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 27 May 2013 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Tuas Bay) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Tuas Bay) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S$1,100,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 12.10% of the enlarged issued capital of ZACD (Tuas Bay) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Tuas Bay) Pte. Ltd.. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Tuas Bay) Pte. Ltd. held by ZACD Investments and (ii) the underlying shares which are to be converted into by such convertible loan granted by ZACD Investments to ZACD (Tuas Bay) Pte. Ltd. by virtue of the SFO.

Save as disclosed above, as at 31 December 2024, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, to be entered in the register of members of the Company or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules on terms no less exacting than the required standard of dealings. Having made specific enquiries of the Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the period from the date of listing up to the date of this report.

SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a Shareholders' resolution in writing passed on 13 December 2017 (the "**Scheme**") for the primary purpose of providing incentives or rewards to eligible persons as defined in the Scheme for their contribution or potential contribution to the Group.

The Scheme took effect on 16 January 2018 and will expire on 15 January 2028. Under the Scheme, the Board may, at its discretion, offer to any eligible persons options to subscribe for shares of the Company subject to the terms and conditions stipulated in the Scheme.

(a) Purpose of the Scheme

The purpose of the Scheme is to provide the eligible persons with the opportunity to acquire proprietary interests in our Company and to encourage them to work towards enhancing the value of our Company and our shares for the benefit of our Company and our shareholders as a whole. The Scheme will provide our Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to the eligible persons.

(b) Participants of the Scheme

Pursuant to the Scheme, the Board may at its absolute discretion grant options to any eligible directors (including executive directors, non-executive directors and independent non-executive directors) and full-time/part-time employees of any member of our Group and any advisers, consultants, suppliers, agents, customers, business partners, joint venture business partners, service providers of any member of our Group who the Board considers, in its sole discretion, have contributed or will contribute to our Group.

(c) Total number of shares available for issue under the Scheme

As at the date of the report, no shares have been granted under the scheme and the total number of shares granted under the scheme and other share option schemes of our Company shall not exceed 200,000,000 shares, representing 10% of the aggregate of our shares in issue on the date the shares commence trading on the Stock Exchange (the "**Scheme Mandate Limit**"). The number of options available for grant under the Scheme Mandate Limit of the Scheme as at 1 January 2024 and 31 December 2024 is 200,000,000.

The number of shares that may be issued in respect of options granted under the Scheme of the Company during the year ended 31 December 2024 is nil, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the year ended 31 December 2024. Options lapsed in accordance with the terms of the Scheme shall not be counted for the purpose of calculating the Scheme Mandate Limit.

As at 31 December 2024, no option has been granted or agreed to be granted under the Scheme.

(d) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of our shares in issue, unless approved by the shareholders of the Company in the manner as stipulated in the Scheme.

(e) Option period

The period within which the shares must be taken up under an option shall be the period of time to be notified by the Board to each grantee at the time of making an offer, which shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed ten (10) years from the date of grant of the relevant option.

The Scheme is subject to the provisions for early termination as set out in the Scheme thereof. No minimum period for which the option must be held before it can be exercised as specified in the Scheme.

(f) Subscription price

The subscription price per share in respect of an option granted under the Scheme is such price as determined by the Board of the Company at the time of the grant of the options, but in any case the subscription price shall be no less than the highest of:

(i) the closing price of our shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; and

(ii) the average closing price of our shares as stated in the daily quotations sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of grant.

(g) Payment on acceptance of option offer

An offer shall remain open for acceptance by the participant concerned for a period of fourteen (14) days from the date on which the letter containing an offer for the grant of an option is delivered to that participant, provided that no such offer shall be open for acceptance after the tenth (10th) anniversary of the date of adoption of the Scheme. S$1.00 is payable by the grantee to our Company on acceptance of the offer of the option.

(h) Remaining life of the Scheme

The Scheme will expire on 15 January 2028 and no further options may be granted but the provisions of the Scheme shall in all other respects remain in force and effect and options which are granted during the life of the Scheme may continue to exercise in accordance with their respective terms of grant.

CONTRACT OF SIGNIFICANCE

No contracts of significance in relation to the Group's business in which the Company, any of its subsidiaries or fellow subsidiaries, or its parent company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the Financial Year.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 December 2024, the following interests and short positions of 5% or more of the share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Name	Capacity/Nature of interest	Number of ordinary shares held	Percentage of total issued share capital of the Company
Mr. Yeo	Interest in a controlled Corporation *(Note 1)*	1,298,600,000	64.93%
Ms. Sim	Interest in a controlled Corporation *(Note 1)*	1,298,600,000	64.93%
ZACD Investments Pte. Ltd.	Beneficial owner *(Note 1)*	1,298,600,000	64.93%
Mr. Rachman Sastra	Beneficial owner and Interest in a controlled Corporation *(Note 2)*	175,350,000	8.77%
Harmonious Tidings Limited	Beneficial owner *(Note 2)*	125,600,000	6.28%

Notes:

1. Mr. Yeo and Ms. Sim are spouses and hold 49% and 49% of the total issued capital of ZACD Investments Pte. Ltd. respectively. As such, both of them are deemed to be interested in all the shares held by ZACD Investments by virtue of the SFO.

2. Mr. Rachman Sastra is the ultimate shareholder of Harmonious Tidings Limited. As such, he is deemed to be interested in the shares held by Harmonious Tidings Limited.

Save as disclosed above, as at 31 December 2024, the Company had not been notified by any person who had interests or short positions in the shares, underlying shares or debentures of the Company which fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

CONNECTED TRANSACTIONS

Continuing connected transactions

Certain of the related party transactions for the Financial Year as disclosed in Note 32 to the consolidated financial statements also constituted continuing connected transactions under the GEM Listing Rules, which are required to be disclosed in this report in accordance with Rule 18.09 of the GEM Listing Rules. Details of such continuing connected transactions (including continuing connected transactions under agreements signed in previous years) are set out below in accordance with the disclosure requirements of Rule 20.69 of the GEM Listing Rules:

(1) the transaction date;

(2) the parties to the transaction and a description of their connected relationship;

(3) a brief description of the transaction and its purpose;

(4) the total consideration and terms; and

(5) the nature of the connected person's interest in the transaction.

Details of the above mentioned transaction were also disclosed in the prospectus of the Company dated 28 December 2017.

No.	Brief description of transaction	Transaction tenure	Name of connected person and relationship with the Group	Total consideration and terms (S$)	Nature of the connected person's interest in the transaction
1	Rental of warehouse storage	From 23 September 2023 to 22 September 2024 and renewed on 23 September 2024 to 22 September 2025	SLP International Property Consultants Pte. Ltd. (wholly-owned by the Controlling Shareholders)	17,000	Payment of rental of warehouse expense
2	Provision of office administrative and transportation services	From 1 June 2023 to 31 May 2024 and renewed on 1 June 2024 to 31 May 2025	ZACD Investments Pte. Ltd. (Ultimate holding company)	60,000	Receiving service fee income
3	Rental of office premise	From 16 October 2023 to 15 October 2024 and renewed on 16 October 2024 to 15 September 2025	SLP International Property Consultants Pte. Ltd. (wholly-owned by the Controlling Shareholders)	88,000	Receiving office rental income

The Independent Non-executive Directors of the Company have reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company has received confirmation from Ernst & Young LLP, the Company's Auditors in respect of the continuing connected transactions:

a. nothing has come to the Auditor's attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors;

b. for transactions involving the provision of goods or services by the Group, nothing has come to the Auditor's attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;

c. nothing has come to the Auditor's attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

d. with respect to the aggregate amount of each of the continuing connected transactions set out in the above list of continuing connected transactions, nothing has come to the Auditor's attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued shares capital were held by the public as required under the GEM Listing Rules.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors, controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interests in any business which compete or may compete with the business of the Group or any other conflicts of interest which any person may have with the Group as at 31 December 2024.

INTEREST OF THE COMPLIANCE ADVISER

As at the date of this annual report, neither Innovax Capital Limited, the compliance adviser of the Company, nor any of its directors, employees and associates had any interest in relation to 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.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

No other significant event that would materially affect the Group's operating and financial performance took place subsequent to 31 December 2024 and up to the date of this report.

AUDIT COMMITTEE

The members of the Audit Committee at the date of this report are as follows:

Lau Kin Chung Alex	(Chairman, Independent Non-executive Director)
Ma Yue Leong, Benjamin	(Independent Non-executive Director)
Eugene Lim Chin Hon	(Independent Non-executive Director)

The Audit Committee reviews the Group's statutory consolidated financial statements, and the Independent Auditor's Report thereon, with the Auditor.

The Audit Committee may examine any aspect of the Group's financial affairs it deems appropriate and also reviews the Group's internal controls over its internal and external exposures to risks including operational, credit, market, legal and regulatory risks. It will keep under review the Group's system of accounting and internal financial controls, for which the Directors and the Management, individually and collectively, are responsible.

The Audit Committee has full access to, and the co-operation of, the Group's management and has full discretion to invite any Director or Executive Officer to its meetings. The Executive Directors including the Financial Controller/Financial Consultant will normally attend meetings and the Auditor will have unrestricted access to the Audit Committee. The Audit Committee has reasonable resources available to enable it to discharge its functions properly and may require the Company to appoint third parties to undertake independent audits of specific areas as it deems appropriate.

AUDITOR

The consolidated financial statements have been audited by Ernst & Young LLP, who retire and, being eligible, offer themselves for re-appointment in the forthcoming AGM. Ernst & Young LLP have expressed their willingness to accept re-appointment as Auditor.

ON BEHALF OF THE BOARD

Sim Kain Kain
Chairman

Singapore, 26 March 2025

CORPORATE GOVERNANCE PRACTICES

ZACD Group Ltd. (the "**Company**") and the Board of Directors (the "**Board**") recognise the importance of incorporating elements of good corporate governance within the Group through, where it is applicable and practical to the Group, adopting the "Corporate Governance Code and Corporate Governance Report" (the "**CG Code**") as set out in Appendix C1 to the GEM Listing Rules. The Board and Management are committed to establish and maintain a higher standard of corporate governance to protect the interests of the Shareholders so as to achieve effective accountability.

In the opinion of the Board, the Company has complied with the CG Code during the financial year ended 31 December 2024. Details of the Group's corporate governance practices adopted by the Board are set out in the Corporate Governance Report on pages 59 to 72 of this report.

1. BOARD OF DIRECTORS

1.1 Composition of the Board

As at the date of this Annual Report, the Board consists of eight (8) Directors comprising five (5) Executive Directors and three (3) Independent Non-executive Directors (the "**INEDs**"). Details are as follows:

Executive Directors

Ms. Sim Kain Kain *(Chairman)* (appointed on 8 November 2016)
Mr. Yeo Choon Guan (Yao Junyuan) (appointed on 8 November 2016)
Mr. Tan Puay Khiang, Francis (appointed on 6 June 2024)
Mr. Chin Meng Liong (appointed on 11 March 2021)
Mr. Han Xiangfeng (appointed on 6 June 2024)
Mr. Mark Oh Keng Kwan (appointed on 22 April 2022 and resigned w.e.f. 31 August 2024)

Independent Non-executive Directors

Mr. Lau Kin Chung Alex (appointed on 24 April 2024)
Mr. Ma Yue Leong, Benjamin (appointed on 24 April 2024)
Mr. Eugene Lim Chin Hon (appointed on 14 June 2023)
Mr. Kong Chi Mo (appointed on 13 December 2017 and retired w.e.f. 24 April 2024)
Dato' Dr. Sim Mong Keang (appointed on 13 December 2017 and retired w.e.f. 24 April 2024)

For the year ended 31 December 2024 and up to the date of this Annual Report, the Board has complied with the requirement of the GEM Listing Rules on appointment of at least three (3) INEDs, who shall jointly account for at least one third (1/3) of members of the Board and at least one of whom must have appropriate professional qualifications or accounting or relevant financial management expertise. The qualifications of the three (3) INEDs of the Company fully comply with Rules 5.05 (1) and (2) of the GEM Listing Rules.

None of the INEDs of the Company has any business or financial interests in the Company and its subsidiaries, nor do they hold any executive positions in the Company, which effectively guaranteed their independence. The Company has received from each of the INEDs an annual confirmation of their independence as per Rule 5.09 of the GEM Listing Rules. As at the date of this Annual Report, the Company is of the opinion that all the INEDs are independent in accordance with Rule 5.09 of the GEM Listing Rules.

Formal service agreements or appointment letters have been entered into with the Executive Directors, Non-executive Director and the INEDs. Each of the Executive Directors has entered into a service contract with the Company for a fixed term of three (3) years, which may be terminated before the expiration of the term by not less than three (3) months' notice in writing served by either party on the other. Each of the INEDs has signed an appointment letter with the Company for a term of three (3) years, which may be terminated before the expiration of the term by not less than two (2) months' notice in writing served by either party on the other. The Non-executive Director has signed an appointment letter with the Company for a term of three (3) years, which may be terminated before the expiration of the term by not less than two (2) months' notice in writing served by either party on the other.

CG Code provision C.2.1 stipulates that the roles of Chairman and Chief Executive should be separate and should not be performed by the same individual. Ms. Sim Kain Kain ("**Ms. Sim**") is the Chairman of the Board while her husband, Mr. Yeo Choon Guan (Yao Junyuan) ("**Mr. Yeo**"), is the Chief Executive Officer. In view of Ms. Sim and Mr. Yeo being founders of the Group and having been operating and managing the Group since 2011, the Board believes that the vesting of the roles of Chairman and Chief Executive Officer in Ms. Sim and Mr. Yeo, respectively, is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. The Board will continue to review and consider appointing Directors who are not related to other Board members for the roles of Chairman of the Board and Chief Executive Officer of the Company, respectively, at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Saved as disclosed above, other members of the Board do not have any relations between each other (including financial, business, family or other material or related relations). The Board is well-balanced in structure and each of its members is knowledgeable, richly experienced and talented in the business operation and development of the Company. All the Directors understand their joint and several responsibilities towards shareholders of the Company.

1.2 Board Meetings

The Board shall hold Board meetings regularly, at least two (2) meetings in each year on half year basis, involving active participating, either in person or through electronic means of communication, of a majority of Directors. A notice of a regular Board meeting shall be delivered to all the Directors at least fourteen (14) days in advance for them to arrange the attendance for the meeting, with the matters to be discussed specified in agenda of the meeting. Board papers together with all appropriate, complete and reliable information are delivered to all Directors at least three (3) days before the regular Board meeting to ensure that the Directors have sufficient time to review the related documents and be adequately prepared for the meeting. The Board has held two (2) Board meetings during the financial year ended 31 December 2024.

1.3 Functions and powers exercised by the Board and the Management

The rights and duties of the Board and the Management are specified in the Constitution, so as to guarantee an adequate balance and restriction mechanism for the excellent governance and internal control of the Company.

An Investment Committee has been established and is responsible for all investment and divestment decisions within the investment management services business segment. The Investment Committee consists of the Executive Directors and the Chief Investment Officer.

The Board shall be responsible for determining the Company's operation plans and investment programs and the setting of its internal management organisations, formulating basic management system of the Company, receiving the regular or other timely working reports of the Company's general manager or entrusted senior management, and approving the general manager's working reports.

The Board admits that it is the common responsibility of all the Directors to perform the duty of corporate governance, including:

(a) to develop and review the Company's policies and practices on corporate governance;

(b) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(c) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company's Directors and employees; and

(d) to review the Company's compliance with CG Code and disclosure in the Corporate Governance Report.

1.4 Directors' Appointment and Re-election

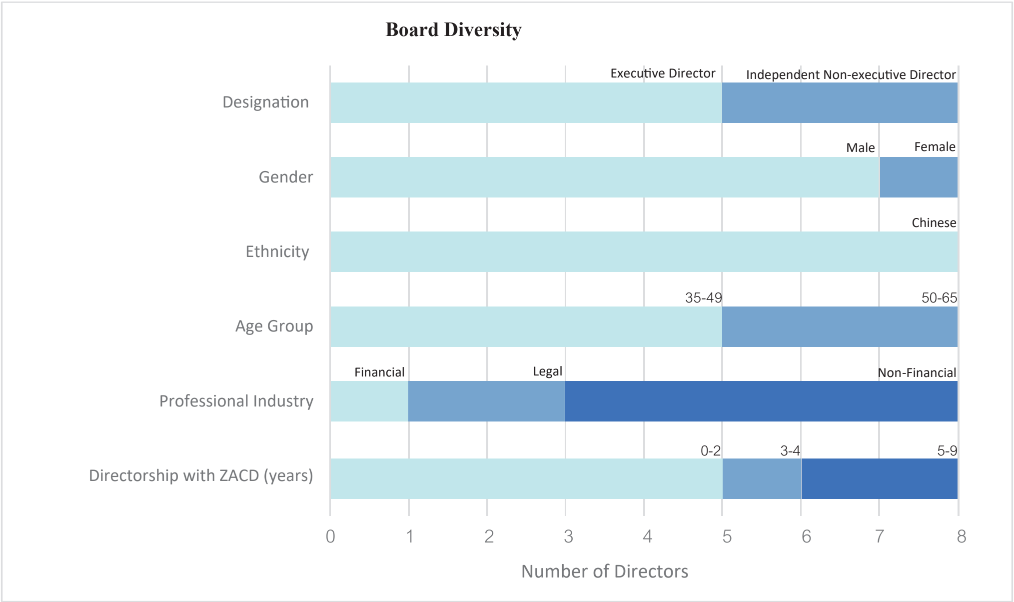
Pursuant to the Article 112 of the Constitution of the Company, one-third (1/3) of the Directors selected in accordance with Article 113 shall retire from office by rotation at each Annual General Meeting ("**AGM**") of the Company. However, a retiring Director shall be eligible for re-election. Directors appointed by the Board to fill casual vacancy pursuant to the Article 116 shall be subject to re-election by the shareholders at the next AGM.

As such, Mr. Sim Kain Kain, Mr. Yeo Choon Guan (Yao Junyuan), Mr. Tan Puay Khiang, Francis and Mr. Han Xiangfeng will retire from office as Directors and being eligible, offer themselves for re-election at the forthcoming AGM in accordance with Articles 112, 113 and 116 of the Constitution.

1.5 Board Diversity Policy

The Board has adopted the Board Diversity Policy. The Nomination Committee shall review, at its discretion, the Board Diversity Policy of the Company. For designing the composition of the Board, Board diversity shall be considered from a number of aspects, including but not limited to age, cultural and educational background, professional experience, skills and knowledge. All Board members' appointment will be based on merit, and candidates will be considered against objective criteria, having due regard for the benefits of diversity of the Board. Selection of director candidates will be based on a range of diversity perspectives, including but not limited to gender, age, culture, race and educational background, professional experience, knowledge, skills and length of service.

The following chart shows the diversity profile of the Board as at the date of this report:



1.6 Mechanisms to Ensure Independent Views

The Company makes certain that the Board has access to independent views and input through the mechanisms listed below:

1. The Nomination Committee should review the Board composition and the independence of the independent non-executive Directors annually, in particular the portion of the independent non-executive Directors and the independence of the independent non-executive Director who has served for more than nine years.

2. A written confirmation was received by the Company under Rule 3.13 of the Listing Rules from each of the independent non-executive Directors in relation to his/her independence to the Company. The Company considers all its independent non-executive Directors to be independent.

3. In view of good corporate governance practices and to avoid conflict of interests, the Directors who are also Directors and/or senior management of the Company's controlling shareholders and/or certain subsidiaries of the controlling shareholders, would abstain from voting in the relevant Board resolutions on the transactions with the controlling shareholders and/or its associates.

4. The Chairman of the Board shall meet with independent non-executive Directors at least once annually.

5. All members of the Board can seek independent professional advice when necessary to perform their responsibilities in accordance with the Company's policy. The mechanisms to ensure independent views are reviewed by the Nomination Committee for ensuring independent views and input are available to the Board on an annual basis, whether in terms of proportion, recruitment and independence of independent non-executive Directors, and their contribution and access to external independent professional advice.

1.7 Nomination Policy

The Nomination Committee ("**NC**") shall identify candidates who are qualified/suitable to become a member of the Company's Board and make recommendations to the Board on the selection of candidates nominated for directorships with a view to ensuring that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

In assessing the suitability of a proposed candidate, the NC may make reference to certain criteria such as Company's need, reputation for integrity, experience in principal business of the Company, balance of skills, knowledge and experience on the Board, the amount of time and effort that the candidate will devote to discharge his/her duties and responsibilities and, in case of INEDs, the independence requirements set out in the GEM Listing Rules (as amended from time to time), and take into account various aspects set out in the Board Diversity Policy of the Company, number of directorship in other listed/public companies and in case of INED, number of years he/she has already served.

1.8 Training for Directors

The Company provides, as appropriate, the latest developments in the GEM Listing Rules and other applicable regulatory requirements and reading material on relevant topics will be issued to directors where appropriate. All directors of the Company are encouraged to attend relevant training courses at the Company's expenses.

Board Members	**Attending Training/Seminar/ Reading Regulatory Updates on Corporate Governance**
Executive Directors	
Ms. Sim Kain Kain	✔
Mr. Yeo Choon Guan (Yao Junyuan)	✔
Mr. Tan Puay Khiang, Francis@	✔
Mr. Chin Meng Liong	✔
Mr. Han Xiangfeng@	✔
Mr. Mark Oh Keng Kwan^	✔
Independent Non-executive Directors	
Mr. Lau Kin Chung Alex#	✔
Mr. Ma Yue Leong, Benjamin#	✔
Mr. Eugene Lim Chin Hon	✔
Mr. Kong Chi Mo*	✔
Dato' Dr. Sim Mong Keang*	✔

Notes:
* Retired w.e.f. 24 April 2024
\# Appointed w.e.f. 24 April 2024
@ Appointed w.e.f. 6 June 2024
^ Resigned 31 August 2024

1.9 Directors' Insurance

The Company has arranged appropriate insurance cover in respect of legal litigation against its Directors

2. BOARD COMMITTEES

There are three (3) committees under the Board namely Audit Committee, Nomination Committee and Remuneration Committee.

2.1 Audit Committee

The Audit Committee ("**AC**") was established pursuant to a resolution of the Board 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 CG Code. The primary duties of the AC 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 AC currently consists of all three (3) of the INEDs. The members of the AC are currently 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 following tasks have been taken up by the AC during the year ended 31 December 2024:

(a) reviewed the consolidated financial statements of the Group for the year ended 31 December 2024 including the audit findings report from External Auditors, Interim Results and Annual Results announcements, Interim Report and Annual Report;

(b) reviewed the continuing connected transactions of the Company for the year ended 31 December 2024 and considered the exceeding annual cap. Opinions from the AC and INEDs are set out in the section headed "Report of the Directors";

(c) reviewed the internal audit report, review adequacy and effectiveness of Group's internal controls including financial, operational and compliance controls and risk management; and

(d) considered the re-appointment of the External Auditors.

2.2 Nomination Committee

The NC was established pursuant to a resolution of the Board passed on 13 December 2017 with written terms of reference in compliance with the CG Code. The primary duties of the NC are to (i) review the structure, size, composition and diversity of the Board on a regular basis; (ii) identify individuals suitably qualified to become Board members; (iii) assess the independence of INEDs; (iv) make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors; and (v) make recommendations to the Board regarding the candidates to fill vacancies on the Board. The NC seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The NC has held one (1) NC meetings during the financial year ended 31 December 2024.

The NC currently consists of one (1) Executive Directors, Ms. Sim and Mr. Yeo, and all three (3) INEDs, namely Mr. Lau Kin Chung, Alex, Mr. Ma Yue Leong, Benjamin and Mr. Eugene Lim Chin Hon and is currently chaired by Mr. Eugene Lim Chin Hon.

2.3 Remuneration Committee

The Remuneration Committee ("**RC**") was established pursuant to a resolution of the Board Directors passed on 13 December 2017 in compliance with Rule 5.34 of the GEM Listing Rules and with written terms of reference in compliance with the CG Code. The primary duties of the RC include (i) reviewing and making recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; (ii) reviewing other remuneration-related matters, including share option scheme under chapter 23, benefits-in-kind and other compensation payable to the Directors and senior management; (iii) reviewing performance-based remunerations and establishing a formal and transparent procedure for developing policy in relation to remuneration and (iv) assessing performance of executive directors. The RC would make recommendations to the Board on the remuneration packages of individual executive directors and senior management. The RC has held one (1) RC meeting during the financial year ended 31 December 2024.

The RC currently consists of one (1) Executive Director, Ms. Sim, and all three (3) INEDs, namely Mr. Lau Kin Chung Alex, Mr. Ma Yue Leong, Benjamin and Mr. Eugene Lim Chin Hon. It is currently chaired by Mr. Ma Yue Leong, an INED.

2.4 Attendance Record of Directors and Committee Members

During the year ended 31 December 2024, the attendance of each member of the above committee meetings and the Board meetings are recorded as below:

	Number of meetings attended/Number of meetings held				
Name of Directors	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting
Executive Directors:					
Ms. Sim Kain Kain	2/2	N/A	1/1	N/A	1/1
Mr. Yeo Choon Guan (Yao Junyuan)	2/2	N/A	N/A	1/1	1/1
Mr. Tan Puay Khiang, Francis@	1/1	N/A	N/A	N/A	N/A
Mr. Chin Meng Liong	2/2	N/A	N/A	N/A	1/1
Mr. Han Xiangfeng@	1/1	N/A	N/A	N/A	N/A
Mr. Mark Oh Keng Kwan^	1/2	N/A	N/A	N/A	1/1
Independent Non-executive Directors:					
Mr. Lau Kin Chung Alex#	1/1	N/A	N/A	N/A	N/A
Mr. Ma Yue Leong, Benjamin#	1/1	N/A	N/A	N/A	N/A
Mr. Eugene Lim Chin Hon	2/2	2/2	1/1	1/1	1/1
Mr. Kong Chi Mo*	1/1	1/1	1/1	1/1	1/1
Dato' Dr. Sim Mong Keang*	1/1	1/1	1/1	1/1	1/1

Notes: * Retired w.e.f. 24 April 2024
Appointed w.e.f. 24 April 2024
@ Appointed w.e.f. 6 June 2024
^ Resigned 31 August 2024

3. DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board has confirmed its responsibility for preparing annual financial statements of the Company as of 31 December 2024.

The Board is responsible for submitting a well-defined assessment on the interim and annual reports, share price sensitive information, and other matters that need to be disclosed according to the GEM Listing Rules and other regulatory provisions. The Management has provided relevant and necessary explanation and information to the Board so that the Board could make informed assessment on the financial data and position of the Company for examination and approval.

The Company does not have any significant uncertainty in any areas likely to give rise to the significant doubt of the Company's capability of sustained operations.

The responsibility of the Company's External Auditor, with respect to financial reporting are set out in the section headed "Independent Auditor's Report" in this Annual Report.

4. CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having been made specific enquiry, all the Directors confirmed that they have complied with the required standard dealings and its code of conduct regarding Director's securities transactions during the year ended 31 December 2024.

5. JOINT COMPANY SECRETARIES

To maintain good corporate governance practices and compliance with the GEM Listing Rules and applicable laws, the Company appointed the followings as the joint Company Secretaries:

As to Hong Kong Law

Mr. Ip Pui Sum ("**Mr. Ip**"), was appointed as one of the joint company secretaries of the Company in Hong Kong on 12 July 2017 and had resigned w.e.f. 28 February 2025. Mr. Ip has been the founding partner of Sum, Arthur & Co., Certified Public Accountants since 1993 whose scope of services includes the provision of financial statement audit, accounting and company secretary services. Mr. Ip has been appointed as the company secretary of various companies listed on the Main Board. Mr. Ip obtained a higher diploma in accountancy from the Hong Kong Polytechnic University in November 1982 and a master's degree in business administration from Henley Management College in Brunel University in May 1997. Mr. Ip is a Certified Public Accountant (Practising) in Hong Kong, a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants, the Chartered Institute of Management Accountants, the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries.

Ms. Ho Wing Yan ("**Ms. Ho**"), was appointed as one of the joint company secretaries of the Company in Hong Kong w.e.f. 28 February 2025. Ms. Ho is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Ho has accumulated over 10 years of experience in the corporate secretarial field, gained from her working experience with a number of listed companies in Hong Kong. Ms. Ho meets the qualification requirements for company secretary under Rule 5.14 of the GEM Listing Rules.

As to Singapore Law

Mr. Tan Kim Swee Bernard ("**Mr. Tan**"), aged 49, was appointed as one of the joint company secretaries of the Company in Singapore on 8 November 2016. He is a practising solicitor in Singapore. Mr. Tan has over twenty-five (25) years of experiences in legal practice including the professional secretarial services sector in Singapore. He obtained a Bachelor of Laws degree from the National University of Singapore in August 2000.

Mr. Ip provides joint company secretarial support and assists the key personnels so as to enable them to acquire the requisite knowledge and experience (as required under Rule 5.14 of the GEM Listing Rules). During the Financial Year, Mr. Ip communicated with the key personnels on a regular basis regarding matters in relation to corporate governance, the GEM Listing Rules as well as other applicable laws and regulations of Hong Kong which are relevant to the operations and affairs of the Company.

6. RISK MANAGEMENT AND INTERNAL CONTROL

The Directors of the Company understand that the Board is responsible for establishing and maintaining appropriate and effective risk management and internal control systems and this primarily to safeguard the investment of shareholders and assets of the Company. The Board has examined the effectiveness of the existing internal control system of the Company, and the Company confirms that the internal control system is satisfactory. In this regard, the Compliance and Internal Audit departments have put in place a Risk Register identifying specific risk areas. The Compliance Workplan will be to ensure specific risk areas will be reviewed on a regular basis over a number of years to ascertain that procedures and internal controls in-place are sufficient and properly enforced. These areas include, but are not limited to, Anti Money Laundering, Fund Management, Financial Advisory, Business Community Management, and Outsourcing. Any reviews will be based on the risk value indicator allocated to that particular risk area. Thus, the higher the risk the more frequent a review of that area would be conducted – the frequency ranging from annual reviews to review every two (2) to three (3) years. In addition to the Internal Audit function the Company has in place an effective and tried Whistle Blowing policy for internal and external parties.

7. REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the year ended 31 December 2024 are set out in Note 9 to the consolidated financial statements of this Annual Report.

The Directors believe that employees are the Group's largest assets, hence emphasizing the importance of a fair and competitive remuneration policy that essentially creates growth and profitability. The Group's remuneration policy is structured based on position title, individual's performance, years of relevant working experience and prevailing salary levels in the market.

8. AUDITORS' REMUNERATION

The Audit Committee of the Company is responsible for considering the appointment of the External Auditor and reviewing any non-audit functions performed by the External Auditor, including whether such non-audit functions could give rise to any actual or potential material adverse effect on the Company. During the financial year ended 31 December 2024, the remuneration paid or payable to the External Auditor for audit and non-audit services are set out as follows:

Services rendered	Fee paid/payable S$'000
Statutory annual audit service	174
Review of interim results	24

9. COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

9.1 Shareholders' Right to Requisite a Meeting

As one of the measures to safeguard Shareholders' interest and rights, it is proposed that separate resolutions can be tabled at Shareholders' meetings on each substantial issue, including the election of individual Directors. The voting results will be posted on the websites of the Stock Exchange and the Company after the Shareholder's meeting.

Procedures for Shareholders to convene an Extraordinary General Meeting (the "EGM")

The following procedures for shareholders to convene an EGM are subject to the Constitution (as amended from time to time), and the applicable legislation and regulation, in particular the GEM Listing Rules:

(a) Any one or more member(s) holding at the date of the deposit of the requisition not less than ten percent (10%) of the total number of paid-up shares carrying the right of voting at general meetings of the Company (the "**Eligible Shareholder(s)**"), shall at all times have the right, by written requisition sent to the Company's principal place of business in Hong Kong as set out in the manner below, to require an EGM to be called by the Board for the transaction of any business specified in such requisition;

(b) The Eligible Shareholder(s) who wish to convene an EGM must deposit a written requisition (the "**Requisition**"), signed by the Eligible Shareholder(s) concerned to the Board or Company Secretary at the Company's principal place of business in Hong Kong at Suite 2703, 27/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong;

(c) The Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene an EGM and the proposed agenda;

(d) The Company will check the Requisition and will be verified with the Company's share registrar in Hong Kong. If the Requisition is proper and in order, the Board will convene an EGM by serving sufficient notice in accordance with the requirements under the Constitution to all the registered shareholders, and such meeting shall be held within two (2) months after the deposit of the Requisition. On the contrary, if the request has been verified as not being in order, the Eligible Shareholder(s) concerned will be advised of the outcome and accordingly, an EGM will not be convened as requested;

(e) If within twenty-one (21) days from the date of the deposit of the Requisition, the Board fails to proceed to convene such EGM, the Eligible Shareholder(s) may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed by the Company to the Eligible Shareholder(s) concerned.

9.2 Inquiry and Communication of Shareholders

The Company releases its announcements, financial data and other relevant data on its website www.zacdgroup.com, which serves as a channel facilitating effective communication. Shareholders may send any inquiry in writing to the Company's principal place of business in Hong Kong. The Company will properly handle all inquiries in due course.

The Board welcomes suggestions from shareholders, and encourages shareholders to attend general meetings to directly raise any issues that they may have to the Board and the Management. Usually, the Chairman of the Board and the Chairman of respective committees would attend AGM and other general meetings to answer questions put forward by shareholders.

Detailed voting procedures and all resolutions voted on shall be set out in circulars to shareholders.

For put forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company, details are as follow:

Hong Kong
Address: Suite 2703, 27/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong

10. CONSTITUTIONAL DOCUMENTS

During the financial year ended 31 December 2024, the Company did not make any changes to the Constitution. The latest Constitution of the Company is available on the GEM's website and the Company's website.

11. DEED OF NON-COMPETITION BY THE CONTROLLING SHAREHOLDERS

Details of the Deed of Non-competition are set out in the section headed "Relationship with Controlling Shareholders" of the Prospectus of the Company dated 28 December 2017 and there is no change thereon up to the date of this report. The INEDs have reviewed the status of compliance by each of the controlling shareholders with the undertakings and as far as the INEDs can ascertain, there is no breach of any of the undertakings in the Deed of Non-competition.

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For the year ended 31 December 2024

Independent Auditor's Report to the Members of ZACD Group Ltd.
Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of ZACD Group Ltd. (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the statements of financial position of the Group and the Company as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**"), IFRS Accounting Standards ("**IFRSs**") as issued by the International Accounting Standards Board and Singapore Financial Reporting Standards (International) ("**SFRS(I)**") as issued by the Singapore Accounting Standards Council ("**ASC**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of investment in equity securities and fund entities

Investment in equity securities and fund entities relate to equity interests presently held or to be received by the Group in Investment Special Purpose Vehicles ("**SPVs**") and fund entities that undertake investments in real estate development projects. In determining their classification as investment in equity securities and fund entities held at fair value through other comprehensive income, management is required to exercise judgement and consider factors such as the contractual characteristics of the assets, the Group's intended plan for these assets, and whether the assets convey any right to the holder with respect to fixed or determinable payments.

Investment in equity securities and fund entities are measured at fair value with the corresponding fair value change recognised in other comprehensive income. These assets accounted for approximately 4.6% of the Group's total assets as at 31 December 2024.

The fair value of these assets, which are not traded in an active market, is determined through the application of a valuation technique. This technique involves the use of assumptions and estimates determined by management using their judgement. Estimation uncertainty exists for such assets given that they are not traded in an active market and the internal modelling technique adopted by management uses significant unobservable inputs. Accordingly, the investment in equity securities and fund entities are classified as level 3 financial instruments under the fair value hierarchy.

The valuation of the investment in equity securities and fund entities was considered a key audit matter given the degree of complexity involved in valuing these financial instruments and the significance of the judgements and estimates made by the management.

In Notes 3 and 37 to the Group's financial statements, the management has described the key sources of estimation involved in determining the fair value.

KEY AUDIT MATTERS (cont'd)

Valuation of investment in equity securities and fund entities (cont'd)

In the course of the audit, we assessed the appropriateness of the classification of these investment in equity securities and fund entities held at fair value through other comprehensive income. We involved our internal valuation specialist to review the appropriateness of the valuation model and reasonableness of management's assumptions used to value the investment in equity securities and fund entities. Key assumptions used in the valuation includes future dividend distribution cash flows expected to be received by the Group which are based on the Investment SPV's and fund entities' projected distributable profits; the level of uncertainty to be ascribed to such profits projection taking into consideration the current stage of the underlying real estate project's development and its sales progress; as well as the discount rates which are assessed by benchmarking them with relevant data. We held discussions with management and perused correspondences with the real estate developer partners to ascertain if there were any potential issues or events that could impact the economic outcome currently estimated by the management for key real estate projects. We also checked the arithmetic accuracy of management's fair value computation, and evaluated the adequacy of disclosures in the consolidated financial statements in Notes 15, 16 and 37.

Valuation of financial derivative

The Group had granted a put option to Top Global Limited ("**TGL**") which entitled TGL the right to exercise and require the Group to purchase all of TGL's outstanding Convertible Loan Interest in ZACD LV Development Fund at an exercise price of $6,000,000 ("**Put Option**"). This has been classified as a financial derivative. As at 31 December 2024, the financial derivative is carried as a financial liability and valued at $2,574,000.

The financial derivative is measured at fair value with the corresponding fair value change recognised in profit or loss. The fair value of the financial derivative, which is not traded in an active market, is determined through the application of Black Scholes Model valuation technique. This technique necessitated significant management estimates in the inputs relating to the future earnings of the underlying residential project and volatility on the selling price of the project. Accordingly, this has been considered as a key audit matter.

In Notes 3 and 37 to the Group's financial statements, the management has described the key sources of estimation involved in determining the fair value.

As part of our procedures, we reviewed the future earnings of the underlying residential project and the volatility on the selling price of the project determined by management. With the assistance of our internal valuation specialist, we reviewed the appropriateness of the valuation model. We held discussions with management to ascertain if there were any potential issues or events that could impact the economic outcome currently estimated by the management. We also checked the arithmetic accuracy of management's fair value computation, and evaluated the adequacy of disclosures in the consolidated financial statements in Notes 28 and 37.

OTHER INFORMATION

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, IFRSs and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

– Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

– Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

– Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Koh Jia Linn.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

26 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Note	Group 2024 S$'000	2023 S$'000
Revenue	5	**4,964**	9,906
Other income and gains	5	**1,079**	898
Staff costs	6	**(3,750)**	(4,750)
Reversal of/(impairment losses) on financial assets	7	**8**	(733)
Depreciation	14	**(98)**	(99)
Amortisation of right-of-use assets	24	**(251)**	(245)
Amortisation of capitalised contract costs	25	**(113)**	(155)
Marketing expenses		**–**	(24)
Other expenses, net		**(1,408)**	(1,502)
Interest expense	8	**(575)**	(615)
Fair value loss on financial derivative	28	**(945)**	(267)
(Loss)/profit before tax	8	**(1,089)**	2,414
Income tax expense	11	**(115)**	(677)
(Loss)/profit for the year attributable to owners of the Company		**(1,204)**	1,737
Earnings per share attributable to owners of the Company			
– Basic (cents)	12	**(0.06)**	0.09
– Diluted (cents)		**(0.06)**	0.09

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	Group 2024 S$'000	2023 S$'000
(Loss)/profit for the year		**(1,204)**	1,737
Other comprehensive (loss)/income:			
Items that will not be reclassified to profit or loss			
Fair value changes on investment in equity securities	15	**(367)**	(150)
Fair value changes on investment in fund entities	16	**(504)**	(60)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		**15**	7
Other comprehensive loss for the year		**(856)**	(203)
Total comprehensive (loss)/income for the year attributable to owners of the Company		**(2,060)**	1,534

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		Group		Company	
		2024	2023	**2024**	2023
	Note	**S$'000**	S$'000	**S$'000**	S$'000
Non-current assets					
Property, plant and equipment	14	**123**	203	**30**	95
Right-of-use assets	24	**246**	390	**167**	361
Investment in equity securities	15	**203**	570	**–**	–
Investment in fund entities	16	**1,328**	1,832	**1,269**	1,780
Investments in subsidiaries	18	**–**	–	**11,775**	11,775
Prepayments, deposits and other receivables	20	**186**	215	**187**	208
Total non-current assets		**2,086**	3,210	**13,428**	14,219
Current assets					
Trade receivables	17	**4,748**	4,135	**38**	36
Amounts due from subsidiaries	18	**–**	–	**1,976**	2,970
Amount due from ultimate holding company	19	**–**	14	**–**	1
Amounts due from related parties (non-trade)	19	**469**	621	**306**	492
Prepayments, deposits and other receivables	20	**633**	471	**278**	154
Capitalised contract costs	25	**406**	337	**–**	–
Loans and related receivables	21	**19,422**	8,203	**13,479**	8,203
Cash and cash equivalents	22	**5,314**	14,605	**895**	6,058
Total current assets		**30,992**	28,386	**16,972**	17,914
Current liabilities					
Other payables and accruals	23	**2,722**	2,522	**509**	601
Amounts due to subsidiaries	18	**–**	–	**4,356**	4,221
Amount due to ultimate holding company	19	**35**	–	**63**	–
Amounts due to related parties (non-trade)	19	**5,720**	2,092	**9**	52
Lease liabilities	24	**262**	249	**187**	222
Income tax payable		**651**	1,018	**398**	354
Bank borrowing	27	**590**	769	**590**	769
Total current liabilities		**9,980**	6,650	**6,112**	6,219

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		Group		Company	
		2024	2023	**2024**	2023
	Note	**S$'000**	S$'000	**S$'000**	S$'000
Net current assets		**21,012**	21,736	**10,860**	11,695
Non-current liabilities					
Lease liabilities	24	**10**	183	**10**	183
Bank borrowing	27	**–**	590	**–**	590
Deferred tax liabilities	26	**87**	57	**22**	22
Financial derivative	28	**2,574**	1,629	**2,574**	1,629
Total non-current liabilities		**2,671**	2,459	**2,606**	2,424
Net assets		**20,427**	22,487	**21,682**	23,490
Equity					
Share capital	29	**29,866**	29,866	**38,853**	38,853
Reserves	30	**(9,439)**	(7,379)	**(17,171)**	(15,363)
Total equity		**20,427**	22,487	**21,682**	23,490

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Group	Note	Share capital *(Note 29)* 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
At 1 January 2023		29,866	720	413	8*	1,491*	(11,545)*	20,953
Profit for the year		–	–	–	–	–	1,737	1,737
Other comprehensive income/(loss) for the year:								
Exchange differences on translation of foreign operations		–	–	–	7	–	–	7
Fair value changes on investment in equity securities	15	–	(150)	–	–	–	–	(150)
Fair value changes on investment in fund entities	16	–	–	(60)	–	–	–	(60)
Total comprehensive (loss)/income for the year		–	(150)	(60)	7	–	1,737	1,534
At 31 December 2023 and 1 January 2024		**29,866**	**570***	**353***	**15***	**1,491***	**(9,808)***	**22,487**
Loss for the year		**–**	**–**	**–**	**–**	**–**	**(1,204)**	**(1,204)**
Other comprehensive income/(loss) for the year:								
Exchange differences on translation of foreign operations		**–**	**–**	**–**	**15**	**–**	**–**	**15**
Fair value changes on investment in equity securities	15	**–**	**(367)**	**–**	**–**	**–**	**–**	**(367)**
Fair value changes on investment in fund entities	16	**–**	**–**	**(504)**	**–**	**–**	**–**	**(504)**
Total comprehensive (loss)/income for the year		**–**	**(367)**	**(504)**	**15**	**–**	**(1,204)**	**(2,060)**
At 31 December 2024		**29,866**	**203***	**(151)***	**30***	**1,491***	**(11,012)***	**20,427**

* These reserve accounts comprise the consolidated reserves of – S$7,379,000 and – S$9,439,000 in the consolidated statements of financial position as at 31 December 2023 and 2024 respectively.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Note	Group 2024 S$'000	2023 S$'000
Cash flows from operating activities			
(Loss)/profit before tax		**(1,089)**	2,414
Adjustments for:			
Depreciation	14	**98**	99
Amortisation of right-of-use assets	24	**251**	245
Amortisation of capitalised contract costs	25	**113**	155
Unrealised foreign exchange losses/(gain)		**10**	(3)
Gain on disposal of fixed assets		**–**	(34)
(Reversal of)/impairment loss on trade receivables	7	**(8)**	733
Fair value loss on financial derivative		**945**	267
Interest income	5	**(812)**	(526)
Interest expense	8	**575**	615
Operating cash flows before changes in working capital		**83**	3,965
Changes in working capital:			
Increase in trade receivables		**(605)**	(310)
Increase in prepayments, deposits and other receivables		**(133)**	(199)
Increase in capitalised contract costs		**(182)**	(28)
Increase in other payables and accruals		**155**	803
Cash (used in)/generated from operations		**(682)**	4,231
Income tax paid		**(452)**	–
Interest received		**–**	110
Interest paid		**(576)**	(585)
Net cash flows (used in)/generated from operating activities		**(1,710)**	3,756
Cash flows from investing activities			
Purchases of property, plant and equipment	14	**(18)**	(75)
Decrease(increase) in amount due from ultimate holding company		**14**	(10)
Decrease in amounts due from related parties		**152**	335
Loans granted to related parties		**(10,436)**	(2,229)
Redemption of redeemable preference share		**–**	5
Repayment from bridging loans and related interest receivables		**96**	4,279
Proceeds from disposal of fixed assets		**–**	42
Net cash flows (used in)/generated from investing activities		**(10,192)**	2,347

	Note	Group 2024 S$'000	2023 S$'000
Cash flows from financing activities			
Increase in amount due to ultimate holding company		**35**	–
Increase in amounts due to related parties		**3,628**	1,868
Repayment of obligations under finance leases		**(3)**	(14)
Repayment of bank borrowing		**(769)**	(745)
Repayment of leases liabilities		**(285)**	(278)
Net cash flows generated from financing activities		**2,606**	831
Net (decrease)/increase in cash and cash equivalents		**(9,296)**	6,934
Cash and cash equivalents at beginning of year		**14,605**	7,661
Effect of foreign exchange rate changes, net		**5**	10
Cash and cash equivalents at end of year	22	**5,314**	14,605

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

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 immediate holding company of the Company is ZACD Investments Pte. Ltd., which is domiciled and incorporated in Singapore.

The Company is an investment holding company. During the year, 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;

(iii) property management and tenancy management services; and

(iv) financial advisory services.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board and Singapore Financial Reporting Standards (International) ("**SFRS(I)**") as issued by the Singapore Accounting Standards Council ("**ASC**").

The financial statements have been prepared on a historical cost convention, except as disclosed in the accounting policies and explanatory notes below. The financial statements are presented in the Company's functional currency, Singapore Dollar ("**S$**"), and all values are rounded to the nearest thousand (S$'000), except when otherwise indicated.

The preparation of financial statements in conformity with IFRS and SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

On 29 December 2017, the ASC issued SFRS(I), Singapore's equivalent of the IFRS which is available for application by Singapore-incorporated companies for annual periods beginning on or after 1 January 2018. Following the introduction and adoption of this new financial reporting framework, the Group has chosen to comply with both IFRS and SFRS(I).

For the purpose of SFRS(I), financial statements that have been prepared in accordance and complied with IFRS are deemed to have also complied with SFRS(I). SFRS(I) comprise standards and interpretations that are equivalent to IFRS. All references to SFRS(I) and IFRS are referred to collectively as "IFRS" in these financial statements, unless specified otherwise.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.2 New accounting standards effective on 1 January 2024

The accounting policies adopted are consistent with those of the previous financial year. The Group has adopted all the new and revised standards that are effective for annual financial period beginning on 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.3 Standard issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements on IFRS 18: Presentation and Disclosure in Financial Statements.

Other than IFRS 18: Presentation and Disclosure in Financial Statements, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation and business combinations

The consolidated financial statements include the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the current year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it de-recognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.5 Current versus non-current classification

The Group presents assets and liabilities in the statements of financial position based on current/ non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.5 Current versus non-current classification (cont'd)

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.6 Fair value measurement

The Group measures financial instruments such as unquoted investment in equity securities and fund entities at fair value and financial derivative at the end of each reporting period. Fair value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Financial instruments (including those carried at amortised cost) (Note 36)
- Disclosures for valuation methods, significant estimates and assumptions (Note 37)
- Quantitative disclosures of fair value measurement hierarchy (Note 37)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.6 Fair value measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for recurring fair value measurement, such as for unquoted investment in equity securities and fund entities and financial derivative.

At each reporting date, the Group's management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Group's management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group's management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.7 Foreign currencies

The Group's consolidated financial statements are presented in S$, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("**OCI**") or profit or loss are also recognised in OCI or profit or loss, respectively).

(b) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into S$ at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

2.8 Cash dividend distribution to owners of the Company

The Company recognises a liability to make cash distributions to owners of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. According to the corporate laws of Singapore, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.9 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Computers	3 years
Office equipment	3 years
Furniture and fittings	3 years
Renovation	Over shorter of remaining lease term and 3 years
Motor vehicles	10 years

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

The residual values, useful lives and depreciation methods are reviewed at each financial year-end and adjusted prospectively, if appropriate.

2.10 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

All purchases and sales of financial assets are recognised or derecognised on the trade date which is the date that the Group commits to purchase or sell the asset.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments – initial recognition and subsequent measurement (cont'd)

(a) Financial assets

Subsequent measurement

Investment in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Investment in equity securities and fund entities

On initial recognition of an investment in equity instrument and convertible loan that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. Gains and losses on these financial assets are never recycled to profit or loss. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify irrevocably its non-listed equity instruments under this category.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments – initial recognition and subsequent measurement (cont'd)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs. Financial derivatives are initially recognised at fair value on the date a derivative contract is entered into.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Financial derivatives are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.11 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loss allowances of the Group are measured on either of the following bases:

– 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

– Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

(a) Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

(b) General approach

The Group applies the general approach to provide for ECLs on all other financial assets not held at fair value through profit or loss. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.12 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or a cash-generating unit's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

2.13 Cash and cash equivalents

Cash and cash equivalents in the consolidated statements of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.14 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalment.

2.15 Revenue recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates, and sales taxes or duties.

The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

The Group provides investment management, acquisitions and projects management, property management and tenancy management services and financial advisory services as described below.

(a) SPV investment management

The Group provides investment management services to investors of real estate projects by establishing and incorporating SPV (the "**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. 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.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.15 Revenue recognition (cont'd)

Rendering of services *(cont'd)*

(a) SPV investment management (con'd)

The Group derives investment management revenue from the investors of the Investment SPV comprising: (i) fixed pre-negotiated investment management fees receivable in cash; and (ii) establishment fees receivable in the form of equity shares (the "**Establishment Shares**") in the Investment SPV, that are owned by the investors upon conversion of their convertible loans as and when the underlying real estate project is substantially complete, together with the dividend income from such Establishment Shares or performance fees from the profits made by the investors through dividend distribution received by the Group's ultimate holding company on behalf of investors under the trust structure. The Group also derives performance fee from a major investor in return for providing a priority right to this investor to participate in real estate projects. Such fee is pegged to a stipulated percentage of all dividends and/or profit distributions to be received by the investor on its investments in the real estate projects.

The Group recognises the fixed pre-negotiated investment management fee revenue on a time-apportioned basis over the estimated real estate development period, and establishment fee revenue, based on the initial fair value of its right over the entitlement to the Establishment Shares which the Group is entitled to receive upon subscription of convertible loans in the Investment SPV by the investors, when it is probable that the Group will receive the Establishment Shares. Subsequent to initial recognition, the Group's entitlement to the Establishment Shares is accounted for as investment in equity securities in accordance with Note 2.10(a) above. The Group's entitlement to the dividend from the Establishment Shares is accounted for according to the accounting policies for "Dividends" set out below. Performance fee from the major investor is not recognised until it is highly probable that a significant reversal of the cumulative amount of the fee revenue recognised will not occur upon resolution of any uncertainty.

(b) 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 manages 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.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.15 Revenue recognition (cont'd)

***Rendering of services** (cont'd)*

(b) Fund management (cont'd)

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 fee revenue recognised will not occur upon the resolution of any uncertainty.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the services to which the contract costs relates less the costs that relate directly to providing the services and that have not been recognised as expenses.

(c) 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.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.15 Revenue recognition (cont'd)

Rendering of services *(cont'd)*

(d) *Property management and tenancy management*

The Group's property management services are primarily provided to real estate developers and property owners' association including property 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. Fixed pre-negotiated fees are specified in property management contracts which typically cover a one-year service period and are renewable on an annual basis. Such fees are recognised as revenue on a time-apportioned basis over the contractual service period.

The Group's tenancy management services are primarily provided to property owners and help the property owners oversee a full range of services including defect management, rental management, lease advisory services, administrative management and tenants care management. Revenue is recognised by the Group on an accrual basis in accordance with the terms of the underlying agreements.

(e) *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.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Dividend income derived from the Establishment Shares under investment in equity securities is classified under SPV investment management fees.

Dividend income from investment in fund entities is classified under dividend income.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.16 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that asset is or these assets are not explicitly specified in an arrangement.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use asset

The Group recognises right-of-use asset at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use asset is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use asset is subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.16 Leases (cont'd)

Group as a lessee *(cont'd)*

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office properties (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2.17 Employee benefits

(a) Defined contribution plans

The Group participates in the national/mandatory pension schemes as defined by the laws of the countries/jurisdictions in which it has operations. In particular, the Group makes contributions to the Central Provident Fund scheme in Singapore and the Mandatory Provident Fund retirement benefit scheme in Hong Kong. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related employee service is received.

At 31 December 2024, the Group had no forfeited contributions available to reduce its future contributions to the retirement benefits schemes (2023: S$Nil).

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.18 Taxes

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of each reporting date in the countries/jurisdiction where the Group operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.18 Taxes (cont'd)

(b) ***Deferred tax*** *(cont'd)*

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) ***Sales tax***

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.19 Deferred revenue

Deferred revenue represents advance receipts from customers for services that have yet to be rendered, and is recognised as revenue in profit or loss as and when these services are rendered.

2.20 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

 (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

 (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statement of financial position, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.22 Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control of the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group; or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

2.23 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.11 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management (Note 38)
- Financial risk management objectives and policies (Note 38)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Consolidation of Investment SPVs and private real estate funds

The ultimate holding company holds nominal shares in the Investment SPVs and the Group holds nominal shares in the private real estate funds. The sole purpose of these nominal shares is to facilitate the set-up of the funds, and hence do not carry rights to profits or to participate in the return on capital.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

Judgements (cont'd)

Consolidation of Investment SPVs and private real estate funds *(cont'd)*

Other shareholders of the Investment SPVs and private real estate funds constitute investors who are issued shares which carry rights to profits and to participate in the return on capital.

The Group has been delegated decision-making rights to carry out activities as managers for Investment SPVs and private real estate funds for the benefit of their investors. Assessing whether the Group is making decisions as a principal or carrying out the decisions made by all the investors is a significant judgement. The Group considers the terms and conditions of the arrangement to assess whether it is an agent or a principal based on the scope of decision-making authority it has, rights held by other parties, its remuneration structure and exposure to variability of returns through other interests.

As at 31 December 2024, the Group acted as managers for 9 (2023: 11) Investment SPVs and 12 (2023: 10) private real estate funds respectively. Having considered the fact patterns surrounding each of these Investment SPVs and private real estate funds in which the Group acts as a manager, the Group considers that it does not control all these Investment SPVs and private real estate funds.

Variable consideration from performance fees

Under its SPV investment management business, the Group derives performance fee from a major investor in return for providing a priority right to this investor to participate in real estate projects. Such fee is pegged to a stipulated percentage of all dividends and/or profit distributions that will be received by the investor on its investments in the real estate projects. In addition, the Group is entitled to performance fees under its fund management business. Such fees are based on a percentage of return on equity of the fund distributed to the investor, and/or upon divestment of all investments in the fund or termination of the fund, whichever is earlier.

The Group recognises such performance fees when, and only when, it is assessed to be highly probable that a significant reversal of the cumulative fee revenue recognised will not occur in future periods. There are uncertainties on whether the major investor will be able to receive dividends and/or profit distributions from its project investments, and whether the fund will be able to achieve positive return on equity upon divestment of all its investments or at the end of its fund life. Assessment on whether a significant reversal of the cumulative fee revenue recognised will occur in future periods hence involves significant judgement on the part of management.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

Judgements (cont'd)

Contingent liability considerations in relation to the ZACD US Fund

The Group consults with its legal counsels on matters related to litigation, and other experts within the Group with respect to matters in the ordinary course of business. As at 31 December 2024, there were no new developments with respect to the litigation.

Assessment on whether the risk of loss is remote, possible or probable requires significant judgement given the complexities involved.

The significant contingent liabilities of the Group are disclosed in Note 35.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value measurement of investment in equity securities and fund entities

The fair value of investment in equity securities and fund entities held by the Group are measured using valuation techniques including the discounted cash flow ("**DCF**") model as these instruments do not have quoted prices in active markets. As these instruments relate to equity interests presently held or to be received by the Group in Investment SPVs and fund entities that undertake investment in real estate development projects (Note 15 and 16), management expects the fair value to be eventually realised through dividend distributions and return of capital that the Group will receive from the Investment SPVs and fund entities.

The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of estimation is required in establishing fair values. Key estimates include considerations of inputs such as future dividend distribution cash flows expected to be received by the Group based on the Investment SPV's and fund entities' projected distributable profits, the level of uncertainty to be ascribed to such profits projection taking into consideration the current stage of the real estate project's development and its sale progress, as well as the discount rate. Changes in assumptions relating to these factors could affect the reported fair value of the financial instruments. See Note 37 for further disclosures.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

Estimates and assumptions (cont'd)

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of trade receivables as at 31 December 2024 are S$4,748,000 (2023: S$4,135,000).

Specific allowance for and reversal of impairment loss on financial assets in relation to the Australia Hotel Portfolio Transaction

The Group's provision for specific allowance for impairment loss is established to recognise incurred impairment losses on specific financial assets.

Specific allowances for impairment loss on financial assets are assessed on an individual basis. Individual impairment losses are determined based on the likelihood of the outcome of the legal proceedings as disclosed in Note 35.

As at 31 December 2024, the Group's specific allowance of impairment losses on financial assets at S$5,085,000 as disclosed in Note 21 and Note 35 was inherently uncertain on the outcome of the recovery actions against iProsperity Group and its administrators to recover the remaining shortfall of the exposure by the fund.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

Estimates and assumptions (cont'd)

Fair value measurement of financial derivative

The fair value of financial derivative held by the Group are measured using valuation techniques including Black Scholes model as this instrument does do not have quoted prices in active markets.

The inputs to the valuation model are taken from observable markets where possible, but where this is not feasible, a degree of estimation is required in establishing fair values. Key estimates include considerations of inputs such as volatility, risk-free rate, dividend yield, the level of uncertainty to be ascribed to such profits projection taking into consideration the current stage of the real estate project's development and its sale progress. Changes in assumptions relating to these factors could affect the reported fair value of the financial instrument. See Note 37 for further disclosures.

4. 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.

4. OPERATING SEGMENT INFORMATION (cont'd)

(a) Investment management (cont'd)

(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.

(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.

4. OPERATING SEGMENT INFORMATION (cont'd)

(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 (loss)/profit, which is a measure of adjusted (loss)/profit before tax. The adjusted (loss)/profit before tax is measured consistently with the Group's (loss)/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.

4. OPERATING SEGMENT INFORMATION (cont'd)

Year ended 31 December 2024	Investment management: SPV investment management S$'000	Investment management: Fund management S$'000	Acquisitions and projects management S$'000	Property management and tenancy management S$'000	Financial advisory S$'000	Total S$'000
Segment revenue						
External customers	541	4,017	371	35	–	4,964
Segment results	(54)	2,845	(289)	10	(55)	2,457
Reconciliation:						
Other income and gains						1,079
Fair value loss through profit or loss						(945)
Corporate and unallocated expenses						(3,680)
Loss before tax						(1,089)
Segment assets	5,349	7,477	3,246	13	304	16,389
Reconciliation:						
Corporate and unallocated assets						16,689
Total assets						33,078
Segment liabilities	2,808	2,878	2,003	101	31	7,821
Reconciliation:						
Corporate and unallocated liabilities						4,830
Total liabilities						12,651
Other segment information:						
Depreciation and amortisation expenses	52	172	22	5	–	251
Reconciliation:						
Corporate and unallocated expenses						211
Total						462
Capital expenditure*	1	13	–	–	–	14
Reconciliation:						
Corporate and unallocated capital expenditure						4
Total						18

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

4. OPERATING SEGMENT INFORMATION (cont'd)

Year ended 31 December 2023	Investment management: SPV investment management S$'000	Investment management: Fund management S$'000	Acquisitions and projects management S$'000	Property management and tenancy management S$'000	Financial advisory S$'000	Total S$'000
Segment revenue						
External customers	798	5,521	3,550	37	–	9,906
Segment results	471	4,209	2,369	10	(117)	6,942
Reconciliation:						
Other income and gains						898
Fair value profit through profit or loss						(267)
Corporate and unallocated expenses						(5,159)
Profit before tax						2,414
Segment assets	1,600	5,641	6,517	15	334	14,107
Reconciliation:						
Corporate and unallocated assets						17,489
Total assets						31,596
Segment liabilities	470	1,628	2,120	102	100	4,423
Reconciliation:						
Corporate and unallocated liabilities						4,686
Total liabilities						9,109
Other segment information:						
Depreciation and amortisation expenses	46	202	40	5	–	293
Reconciliation:						
Corporate and unallocated expenses						206
Total						499
Capital expenditure*	6	39	29	–	–	74
Reconciliation:						
Corporate and unallocated capital expenditure						1
Total						75

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

4. OPERATING SEGMENT INFORMATION (cont'd)

Geographical information

(a) Revenue from external customers

	Group	
	2024	2023
	S$'000	S$'000
Singapore	**4,310**	9,255
Malaysia	**35**	37
Australia	**179**	169
British Virgin Island	**440**	445
	4,964	9,906

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

(b) Non-current assets

	Group	
	2024	2023
	S$'000	S$'000
Singapore	**304**	523
Other countries/jurisdictions	**64**	70
	368	593

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

4. OPERATING SEGMENT INFORMATION (cont'd)

Information about major customers

Revenue from major customers contributing to 10% or more of the Group's revenue for each of the reporting year is set out below:

	Group 2024 S$'000	2023 S$'000
Customer A	**1,078**	3,012
Customer B	**883**	1,481
Customer C	**578**	913
Customer D	**456**	–
Customer E	**288**	–

5. 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, property management and tenancy management services, and financial advisory services. An analysis of revenue, other income and gains is as follows:

Year ended 31 December 2024	Investment management: SPV investment management S$'000	Investment management: Fund management S$'000	Acquisitions and projects management S$'000	Property management and tenancy management S$'000	Financial advisory S$'000	Total revenue S$'000
Primary geographical markets						
Singapore	541	3,577	192	–	–	4,310
Malaysia	–	–	–	35	–	35
Australia	–	–	179	–	–	179
British Virgin Island	–	440	–	–	–	440
	541	4,017	371	35	–	4,964
Timing of services						
At a point in time	523	2,925	192	–	–	3,640
Over time	18	1,092	179	35	–	1,324
	541	4,017	371	35	–	4,964

5. REVENUE, AND OTHER INCOME AND GAINS (cont'd)

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

	Investment management					
Year ended 31 December 2023	SPV investment management S$'000	Fund management S$'000	Acquisitions and projects management S$'000	Property management and tenancy management S$'000	Financial advisory S$'000	Total revenue S$'000
Primary geographical markets						
Singapore	798	5,076	3,381	–	–	9,255
Malaysia	–	–	–	37	–	37
Australia	–	–	169	–	–	169
British Virgin Island	–	445	–	–	–	445
	798	5,521	3,550	37	–	9,906
Timing of services						
At a point in time	751	4,351	3,381	–	–	8,483
Over time	47	1,170	169	37	–	1,423
	798	5,521	3,550	37	–	9,906

5. REVENUE, AND OTHER INCOME AND GAINS (cont'd)

	Group	
	2024	2023
	S$'000	S$'000
Revenue		
Investment management		
– SPV investment management fees	**541**	798
– Fund management fees	**4,017**	5,521
Acquisitions and projects management fees	**371**	3,550
Property management and tenancy management fees	**35**	37
	4,964	9,906
Other income and gains		
Interest income	**812**	526
Government grants (Note (i))	**10**	19
Foreign exchange differences, net	**–**	3
Gain on disposal of fixed assets	**–**	34
Operating lease income	**16**	16
Corporate business service fees (Note (ii))	**165**	191
Others	**76**	109
	1,079	898

`(i) Government grants were received/are receivable by certain subsidiaries and the Company in connection with employment of Singaporean and/or non-Singaporean workers under Progressive Wage Credit Scheme, Government-Paid Leave Scheme, CPF Transition Offset schemes and CIT Rebate cash grants provided by the Singapore 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.

6. STAFF COSTS

	Group 2024 S$'000	2023 S$'000
Employee benefit expense (including directors' remuneration (Note 9)):		
Salaries, bonuses, commission and other allowances	**3,490**	4,432
Retirement benefit scheme contributions (defined contribution scheme)	**260**	318
	3,750	4,750

7. REVERSAL OF/(IMPAIRMENT LOSSES) ON FINANCIAL ASSETS

	Group 2024 S$'000	2023 S$'000
Impairment in relation to Financial advisory (Note (a)):		
Trade receivables (Note 17)	**–**	(63)
Reversal of impairment in relation to Property management and Project management (Note (b)):		
Trade receivables (Note 17)	**8**	–
Impairment in relation to ZACD Australia Hospitality Fund (Note (c)):		
Loans and related receivables (Note 21)	**–**	(374)
Impairment in relation to amount due from related parties	**–**	(296)
Total reversal of impairment loss/(impairment losses) for the year	**8**	(733)

7. REVERSAL OF/(IMPAIRMENT LOSSES) ON FINANCIAL ASSETS (cont'd)

(a) As at 31 December 2024, an allowance of S$Nil (2023: S$63,000) was made against the financial advisory fee receivables. Management has reassessed and made necessary impairment losses for irrecoverable amounts.

(b) As at 31 December 2020, an allowance of S$190,000 was made against the property management fee receivables from a few MCST customers on residential and industrial properties and project management fee receivable from a developer on a residential property. As at 31 December 2021, the Group recovered a portion of these debts and accordingly reversed S$94,000 of allowance for impairment losses. During the financial year ended 31 December 2024, the Group recovered a portion of debts and reversed S$8,000 of allowance for impairment losses.

(c) 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., an indirect wholly-owned special purpose fund vehicle of the Company is the fund holding entity of this Fund 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 recorded allowance for impairment losses on the Group's trade receivables in respect of the investment management fees amounting to S$3,677,000 and allowance for impairment loss on the bridging advance to ZACD (Development4) Ltd. 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 according to the settlement schedule from the Defendants in September 2021. Following the settlement, a portion of the bridging advance extended by the Group to the Fund was settled with S$816,000 to be received up to two years from the Deed of Settlement, and accordingly, the impairment loss of S$7,574,000 was reversed by the Group during the year ended 31 December 2021. As at 31 December 2023, further allowance for impairment loss of S$374,000 was made against the bridging advance to ZACD (Development4) Ltd.

8. (LOSS)/PROFIT BEFORE TAX

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

	Group	
	2024	2023
	S$'000	S$'000
Auditor's remuneration	**198**	181
Professional fees	**114**	142
Travel and entertainment	**190**	207
Insurance expenses	**172**	152
IT services	**144**	58
Directors' fees	**78**	79
Fair value loss on financial derivative (Note 28)	**945**	267
Dividend income from the Establishment Shares included in SPV investment and fund management fees	**(519)**	(751)
Performance fees included in fund management fees	**(2,397)**	(4,282)
Interest expense		
Lease (Note 24)	**18**	28
Interest expense on put option to an investor, Top Global Limited	**480**	480
Interest expense on La Ville Fund	**48**	53
Bank borrowings	**29**	52
Others	**–**	2
	575	615

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

During the financial year ended 31 December 2024, 11 (2023: 10) directors received remuneration from the Group for their appointment as directors of the Company or in capacity as employees of the Group. The remuneration of the directors as recorded in the financial statements is set out below:

	Group	
	2024	2023
	S$'000	S$'000
Fees	**78**	79
Other emoluments:		
Salaries, allowances and benefits in kind	**1,306**	1,798
Retirement benefit scheme contributions (defined contribution scheme)	**62**	77
	1,446	1,954

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (cont'd)

(a) Non-executive directors and independent non-executive directors

Mr. Lau Kin Chung Alex and Mr. Ma Yue Leong, Benjamin were appointed as independent non-executive directors with effect from 24 April 2024.

Mr. Kong Chi Mo and Mr. Sim Mong Keang were appointed as independent non-executive directors with effect from 13 December 2017. They have both retired from their positions with effect from 24 April 2024.

Mr. Lim Boon Yew and Mr. Chew Hong Ngiap, Ken were respectively appointed as independent non-executive director and non-executive director of the Company with effect from 31 January 2019. They both retired from their positions respectively with effect from 14 June 2023.

Mr. Eugene Lim Chin Hon is appointed as independent non-executive director with effect from 14 June 2023.

(b) Executive directors and chief executive

Mr. Yeo Choon Guan (Yao Junyuan) and Ms. Sim Kain Kain were appointed as directors of the Company on 8 November 2016. Mr. Yeo Choon Guan (Yao Junyuan) was re-designated as the chief executive officer of the Company on 12 July 2017.

Mr. Tan Puay Khiang, Francis was appointed as executive director and chief operating officer of the Company on 6 June 2024. Mr. Han Xiangfeng was appointed as executive director of the Company on 6 June 2024.

Mr. Mark Oh Keng Kwan was appointed as executive directors of the Company with effect from 22 April 2022 and resigned as executive director on 31 August 2024.

Ms. Yong Sze Wan, Cheryl was appointed as executive directors of the Company with effect from 22 April 2022 and resigned as executive director of the Company on 7 April 2023.

Mr. Chin Meng Liong was appointed as executive director of the Company on 11 March 2021.

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (cont'd)

(b) Executive directors and chief executive (cont'd)

The remuneration of each of the directors of the Company for the years ended 31 December 2024 and 2023 is set out below:

	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Retirement benefit scheme contributions S$'000	Total S$'000
Year ended 31 December 2024				
Yeo Choon Guan (Yao Junyuan)	**–**	**396**	**14**	**410**
Sim Kain Kain	**–**	**396**	**12**	**408**
Chin Meng Liong	**–**	**183**	**10**	**193**
Mark Oh Keng Kwan	**–**	**122**	**10**	**132**
Tan Puay Khiang, Francis	**–**	**108**	**8**	**116**
Han Xiang Feng	**–**	**101**	**8**	**109**
Kong Chi Mo	**9**	**–**	**–**	**9**
Eugene Lim Chin Hon	**26**	**–**	**–**	**26**
Lau Kin Chung Alex	**17**	**–**	**–**	**17**
Ma Yue Leong, Benjamin	**22**	**–**	**–**	**22**
Sim Mong Keang	**4**	**–**	**–**	**4**
	78	**1,306**	**62**	**1,446**
Year ended 31 December 2023				
Yeo Choon Guan (Yao Junyuan)	–	598	18	616
Sim Kain Kain	–	598	15	613
Chin Meng Liong	–	250	16	266
Mark Oh Keng Kwan	–	279	18	297
Yong Sze Wan, Cheryl	–	73	10	83
Kong Chi Mo	26	–	–	26
Sim Mong Keang	26	–	–	26
Chew Hong Ngiap, Ken	1	–	–	1
Lim Boon Yew	12	–	–	12
Eugene Lim Chin Hon	14	–	–	14
	79	1,798	77	1,954

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (cont'd)

(b) Executive directors and chief executive (cont'd)

During the years ended 31 December 2023 and 2024, no remuneration was paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2023 and 2024.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year ended 31 December 2024 included four (2023: four) of the directors of the Company, details of whose remuneration are set out in Note 9 above.

Details of the remuneration of the remaining highest paid employees who are neither a director nor chief executive for the years are analysed as follows:

	Group	
	2024	2023
	S$'000	S$'000
Salaries, allowances and benefits in kind	**240**	240

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands for the years ended 31 December 2023 and 2024 is as follows:

	Group	
	2024	2023
HKD1,000,001 to HKD1,500,000	**1**	1

11. INCOME TAX EXPENSE

Singapore profits tax has been provided on the estimated assessable profits arising in Singapore at a rate of 17% during the current year. No provision for profits tax has been made in other countries/jurisdictions in which the Group operates as the Group did not generate any assessable profits arising in other countries/jurisdictions during the years ended 31 December 2023 and 2024.

The major components of the income tax expense during the year are as follows:

	Group	
	2024	2023
	S$'000	S$'000
Current:		
– Provision for current year	**291**	677
– Overprovision in respect of previous years	**(206)**	–
Deferred taxation:		
– Origination and reversal of temporary differences	**30**	–
Total tax expense for the year	**115**	677

A reconciliation of the profit before tax at the statutory rates for the countries/jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the Group's effective tax rates is as follows:

Year ended 31 December 2024

	Singapore		Hong Kong		Australia		Total
	S$'000	%	S$'000	%	S$'000	%	S$'000
Loss before tax	(1,022)		(95)		28		(1,089)
Tax at the statutory tax rate	(174)	17	(16)	16.5	8	30	(182)
Expenses not deductible for tax	421		16		–		437
Income not subject to tax	(102)		–		(8)		(110)
Effect of partial tax exemption	(43)		–		–		(43)
Deferred tax assets not recognised	219		–		–		219
Overprovision in respect of previous years	(206)		–		–		(206)
Tax expense at the Group's effective rate	115		–		–		115

11. INCOME TAX EXPENSE (cont'd)

Year ended 31 December 2023

	Singapore S$'000	%	Hong Kong S$'000	%	Australia S$'000	%	Total S$'000
Profit/(loss) before tax	2,399		68		(53)		2,414
Tax at the statutory tax rate	408	17	11	16.5	(16)	30	403
Expenses not deductible for tax	476		–		16		492
Income not subject to tax	(178)		(11)		–		(189)
Effect of partial tax exemption	(52)		–		–		(52)
Others	23		–		–		23
Tax expense at the Group's effective rate	677		–		–		677

12. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

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

	2024 S$'000	2023 S$'000
(Loss)/earnings		
(Loss)/earnings for the purpose of calculating basic and diluted earnings per share profit for the year attributable to owners of the Company	**(1,204)**	1,737
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	**2,000,000,000**	2,000,000,000

13. DIVIDENDS

No dividend was paid or proposed by the Company for the financial year ended 31 December 2024 (31 December 2023: Nil).

14. PROPERTY, PLANT AND EQUIPMENT

Group	Computers S$'000	Office equipment S$'000	Furniture and fittings S$'000	Renovation S$'000	Motor vehicles S$'000	Total S$'000
Cost:						
At 1 January 2023	481	51	95	101	192	920
Additions	39	1	–	–	35	75
Disposal	–	–	–	–	(144)	(144)
At 31 December 2023 and 1 January 2024	**520**	**52**	**95**	**101**	**83**	**851**
Additions	**18**	**–**	**–**	**–**	**–**	**18**
At 31 December 2024	**538**	**52**	**95**	**101**	**83**	**869**
Accumulated depreciation:						
At 1 January 2023	382	50	93	11	149	685
Charge for the year	52	1	–	34	12	99
Disposal	–	–	–	–	(136)	(136)
At 31 December 2023 and 1 January 2024	**434**	**51**	**93**	**45**	**25**	**648**
Charge for the year	**48**	**1**	**1**	**33**	**15**	**98**
At 31 December 2024	**482**	**52**	**94**	**78**	**40**	**746**
Net carrying amount:						
At 31 December 2023	86	1	2	56	58	203
At 31 December 2024	**56**	**–**	**1**	**23**	**43**	**123**

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The motor vehicle and copiers are pledged as security for the related finance lease liabilities. The carrying amount of motor vehicles and copiers held under finance leases at the end of the reporting year was S$19,000 (2023: S$24,000).

	Computers S$'000	Office equipment S$'000	Furniture and fittings S$'000	Renovation S$'000	Total S$'000
Company					
Cost:					
At 1 January 2023	154	21	76	101	352
Additions	–	1	–	–	1
At 31 December 2023 and 1 January 2024	**154**	**22**	**76**	**101**	**353**
Additions	**4**	**–**	**–**	**–**	**4**
At 31 December 2024	**158**	**22**	**76**	**101**	**357**
Accumulated depreciation:					
At 1 January 2023	75	20	74	11	180
Charge for the year	43	1	–	34	78
At 31 December 2023 and 1 January 2024	**118**	**21**	**74**	**45**	**258**
Charge for the year	**34**	**1**	**1**	**33**	**69**
At 31 December 2024	**152**	**22**	**75**	**78**	**327**
Net carrying amount:					
At 31 December 2023	36	1	2	56	95
At 31 December 2024	**6**	**–**	**1**	**23**	**30**

15. INVESTMENT IN EQUITY SECURITIES

	Group	
	2024	2023
	S$'000	S$'000
At fair value through other comprehensive income		
Unlisted equity shares, at fair value	**203**	570
	203	570

The fair value of each of the investments in equity instruments designated at fair value through other comprehensive income at the end of the reporting year is as follows:

	Group	
	2024	2023
	S$'000	S$'000
At fair value through other comprehensive income		
Unlisted equity shares, at fair value		
ZACD (Woodlands12) Pte. Ltd.	**203**	569
ZACD (CCK) Pte. Ltd.	**–**	1
	203	570

During the year ended 31 December 2024, 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$367,000 (2023: S$150,000).

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.

15. INVESTMENT IN EQUITY SECURITIES (cont'd)

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 through the Establishment Shares it has received from the investors and as and when declared by the Investment SPVs. Such dividend distributions are included in revenue under SPV investment management fees (Note 5).

As at 31 December 2024, the Group held approximately between 9% and 18% equity shares in each of 4 investment SPVs (2023: between 9% and 18% equity shares in each of 10 investment SPVs). In addition, the Group also had contractual rights over the Establishment Shares to be awarded by the investors in Nil (2023: 1) Investment SPVs, which upon conversion, represent Nil (2023: 17%) in the enlarged share capital of the respective Investment SPVs as at 31 December 2024.

16. INVESTMENT IN FUND ENTITIES

	Group		**Company**	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
At fair value through other comprehensive income				
Unlisted fund entities, at fair value	**1,328**	1,832	**1,269**	1,780

The fair value of each of the investments in equity instruments designated at fair value through other comprehensive income at the end of the reporting year is as follows:

	Group	
	2024	2023
	S$'000	S$'000
At fair value through other comprehensive income		
Unlisted fund entities, at fair value		
ZACD Mount Emily Residential Development Fund	**467**	1,054
ZACD (BBEC) Pte. Ltd.	**857**	774
ZACD (Development4) Ltd.	**4**	4
	1,328	1,832

16. INVESTMENT IN FUND ENTITIES (cont'd)

	Company	
	2024	2023
	S$'000	S$'000
At fair value through other comprehensive income		
Unlisted fund entities, at fair value		
ZACD Mount Emily Residential Development Fund	**431**	1,022
ZACD (BBEC) Pte. Ltd.	**834**	754
ZACD (Development4) Ltd.	**4**	4
	1,269	1,780

During the year ended 31 December 2021, the Company invested in ZACD (Development4) Ltd. with an interest of 0.46% in fund entity.

During the year ended 31 December 2023, the Company invested in two development funds managed by the Group, ZACD Mount Emily Residential Development Fund and ZACD (BBEC) Pte. Ltd. The respective subscription by the Company to the two development funds constitute 9.28% in ZACD Mount Emily Residential Development Fund and 5% in ZACD (BBEC) Pte. Ltd.

During the year ended 31 December 2024, 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$504,000 (2023: S$60,000).

During the year ended 31 December 2024, there was a redemption on redeemable preference share from ZACD (Development4) Ltd. of S$Nil (2023: S$5,000)

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.

Investment in fund entities represent the convertible loan interest held by the Group, of which it will be converted to a Class or sub-Class of Participating Shares on the relevant conversion date at the subscription price equal to the Net Asset Value per Participating Share corresponding to 100% of the investors' capital contributions. The fund entities may issue to each Investor or re-designate a separate sub-class of the relevant Participating Shares without the consent of existing investors. It entitles to dividends and participate in the return of capital and surplus assets of fund entities upon the dissolution and winding up of the fund entities.

Such Participating Shares in fund entities will only be received by the Group upon conversion of their convertible loans as and when the underlying real estate development project is substantially completed or the expiry of the term of the fund entities.

17. TRADE RECEIVABLES

	Group		Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Trade receivables	**4,962**	4,361	**38**	36
Less: allowance for impairment losses	**(214)**	(226)	**–**	–
	4,748	4,135	**38**	36

The movement in the impairment allowances for trade receivables during the year is as follow:

	Group	
	2024	2023
	S$'000	S$'000
At beginning of the year	**226**	508
(Reversal of)/allowance for impairment losses (Note 7)	**(8)**	63
Written off allowance for impairment losses	**(4)**	(345)
	214	226

Management had reassessed the allowance for impairment loss of S$4,000 (2023:S$345,000) in respect of the Group's financial advisory fee receivables previously recognised to be irrecoverable and accordingly written off these debts in the year ended 31 December 2024.

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.

17. TRADE RECEIVABLES (cont'd)

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 of the year, based on the invoice date, is as follows:

	Group	
	2024	2023
	S$'000	S$'000
Within 1 month	**1,168**	476
1 to 2 months	**8**	16
2 to 3 months	**8**	656
Over 3 months	**3,564**	2,987
	4,748	4,135

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

	Group	
	2024	2023
	S$'000	S$'000
Neither past due nor impaired	**1,168**	476
Less than 1 month past due	**8**	16
1 to 3 months past due	**3,572**	3,643
	4,748	4,135

Trade receivables that were neither past due nor impaired relate to a number of 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.

17. TRADE RECEIVABLES (cont'd)

As at 31 December 2023 and 2024, 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.

	Group	
	2024	2023
	S$'000	S$'000
Related parties*	**4,294**	3,432

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

	Group	
	2024	2023
	S$'000	S$'000
Landmark JV Pte. Ltd.	**450**	1,185
ZACD (Development2) Ltd.	**845**	705
ZACD Mount Emily Residential Development Fund	**155**	96
Kurnia Rezeki Utama Sdn Bhd	**9**	9
ZACD LV Development Pte. Ltd.	**1,207**	1,207
ZACD Laserblue Pte. Ltd.	**665**	–
ZACD LV Development Fund	**412**	230
ZACD (Mandai) Ltd.	**46**	–
ZACD Media Circle Fund	**497**	–
ZACD (CCK) Pte. Ltd.	**2**	–
ZACD (Shunfu) Ltd.	**2**	–
ZACD (Shunfu2) Ltd.	**2**	–
ZACD Tampines Industrial Fund	**2**	–
	4,294	3,432

Relationships of the above related companies with the Company or the Group are set out in Note 32 to the financial statements.

18. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	S$'000	S$'000
Unlisted shares, at cost:		
At beginning of reporting year	**19,202**	19,202
Less: allowance for impairment	**(7,427)**	(7,427)
At end of reporting year	**11,775**	11,775

18. INVESTMENTS IN SUBSIDIARIES (cont'd)

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Singapore, have substantially similar characteristics to a private company incorporated in Singapore), the particulars of which are set out below:

Company name	Place and date of incorporation/ registration and business	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company 2024	2023	Principal activities
Held by the Company:					
ZACD International Pte. Ltd.[1]	Singapore 28 January 2011	S$1,500,000	**100%**	100%	Investment management, acquisitions and projects management and property management services
ZACD Capital Pte. Ltd.[1]	Singapore 25 October 2011	S$4,580,000	**100%**	100%	Investment management and fund management services
ZACD Financial Group Limited[2]	Hong Kong 7 October 2015	HKD23,650,000	**100%**	100%	Financial advisory services
ZACD Group Holdings Limited[2]	Hong Kong 7 October 2015	HKD10,000	**100%**	100%	Investment management services
ZACD POSH Pte. Ltd.[1]	Singapore 17 November 2016	S$10,000	**100%**	100%	Property management and tenancy management services
ZACD (Australia) Pty Ltd.[3]	Australia 23 November 2016	AUD2	**100%**	100%	Business consulting services
ZACD Fund Holdings Pte. Ltd.[1]	Singapore 15 March 2017	S$2	**100%**	100%	Fund holding
ZACD Capital Group Pty Ltd[4]	Australia 16 January 2023	AUD100	**100%**	100%	Fund holding
Held through ZACD Fund Holdings Pte. Ltd.:					
ARO II (Australia) Pty Ltd[3]	Australia 9 December 2020	AUD10	**100%**	100%	Trustee
ARO II (Bay Road) Pty Ltd[3]	Australia 9 December 2020	AUD120	**100%**	100%	Trustee
ARO II (Murray Street) Pty Ltd[3]	Australia 9 December 2020	AUD10	**100%**	100%	Trustee

18. INVESTMENTS IN SUBSIDIARIES (cont'd)

1 The statutory financial statements of these entities for the years ended 31 December 2023 and 2024 prepared under Singapore Financial Reporting Standards were audited by Ernst & Young LLP, Singapore.

2 The statutory financial statements of these entities for the years ended 31 December 2023 and 2024 prepared under Hong Kong Financial Reporting Standards were audited by Alliance & Associates Certified Public Accountants

3 The statutory financial statements of these entities for the year ended 31 December 2023 and 2024 prepared under Australian Financial Reporting Standards were audited by Independent Audit Services Pty. Ltd.

4 This entity is exempted for audit for the year ended 31 December 2023 and 2024.

As at 31 December 2024, the amounts due from subsidiaries of S$1,976,000 (2023: S$2,970,000), included in the current assets of the Company, are unsecured, non-interest bearing and repayable on demand.

As at 31 December 2024, the amounts due to subsidiaries of S$4,356,000 (2023: S$4,221,000), included in the current liabilities of the Company, are unsecured, non-interest bearing and repayable on demand.

19. BALANCES WITH ULTIMATE HOLDING COMPANY AND RELATED PARTIES

The balances with ultimate holding company and related parties are unsecured, non-interest bearing and repayable on demand.

Particulars of the amounts due from the related parties of the Group and Company are as follows:

Group
31 December 2024

	31 December 2024 S$'000	31 December 2023 S$'000
Due from ultimate holding company		
ZACD Investments Pte. Ltd.	**–**	14
Due from related parties		
ZACD (Neew) Pte. Ltd.	**6**	6
SLP International Property Consultants Pte. Ltd.	**40**	172
ZACD LV Development Fund	**74**	74
Remarkable Reach International Limited	**98**	66
ZACD Property Pte. Ltd.	**–**	100
ZACD LV Development Pte. Ltd.	**81**	–
ZACD LV Holdings Pte. Ltd.	**16**	–
ZACD Mount Emily Residential Development Fund	**56**	56
ZACD Tampines Industrial Fund	**–**	3
ARO II (Murray Street) Trust	**27**	27
ARO II (Australia) Trust	**–**	17
ZACD Capital (Australia) Pty Ltd	**42**	5
ARO II (Bay Road) Trust	**–**	43
ARO II (Tebrau) Pte. Ltd.	**7**	–
ZACD (MSPIF) Pte. Ltd.	**4**	5
ZACD (Development4) Ltd.	**18**	47
	469	621

19. BALANCES WITH ULTIMATE HOLDING COMPANY AND RELATED PARTIES (cont'd)

Company
31 December 2024

	31 December 2024 S$'000	31 December 2023 S$'000
Due from ultimate holding company		
ZACD Investments Pte. Ltd.	**–**	1
Due from related parties		
SLP International Property Consultants Pte. Ltd.	**2**	115
Remarkable Reach International Limited	**98**	67
ZACD Property Pte. Ltd.	**–**	100
ZACD Mount Emily Residential Development Fund	**56**	56
ZACD Tampines Industrial Fund	**–**	3
ZACD LV Holdings Pte. Ltd.	**16**	–
ZACD LV Development Fund	**74**	74
ZACD LV Development Pte. Ltd.	**8**	–
ZACD Tampines Industrial Fund	**–**	3
ARO II (Murray Street) Trust	**27**	27
ARO II (Tebrau) Pte. Ltd.	**7**	–
ZACD (Development4) Ltd.	**18**	47
	306	492

19. BALANCES WITH ULTIMATE HOLDING COMPANY AND RELATED PARTIES (cont'd)

Particulars of the amounts due to related parties of the Group and the Company are as follows:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Due to ultimate holding company				
ZACD Investments Pte. Ltd.	**35**	–	**63**	–
Due to related parties				
Magnificent Vine Group Holdings Pte. Ltd.	**94**	94	**–**	–
SLP International Property Consultants Pte. Ltd.	**9**	142	**9**	52
ZACD (Shunfu) Ltd.	**94**	–	**–**	–
ZACD (Shunfu2) Ltd.	**706**	–	**–**	–
ARO II (Murray Street) Trust	**192**	71	**–**	–
ZACD LV Development Fund	**1,892**	1,785	**–**	–
ARO II (Bay Road) Trust	**2,733**	–	**–**	–
	5,720	2,092	**9**	52

Relationships of the above related parties with the Company or the Group are set out in Note 32 to the financial statements.

All the balances with ultimate holding company and related parties of the Group and the Company are non-trade in nature.

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Prepayments	**332**	285	**141**	95
Deposits	**134**	75	**125**	60
Interest receivable	**143**	70	**–**	–
Other receivables	**210**	256	**199**	207
	819	686	**465**	362
Less: amounts classified as current assets	**(633)**	(471)	**(278)**	(154)
Amounts classified as non-current assets	**186**	215	**187**	208

None of the above assets is either past due or impaired. Financial assets included in the above balances relate to deposits and receivables for which there was no recent history of default.

21. LOANS AND RELATED RECEIVABLES

	Group and Company	
	2024	2023
	S$'000	S$'000
Current		
Advances/bridging loans funded to:		
ZACD (Development4) Ltd.	**5,085**	5,085
ZACD Mount Emily Residential Development Fund	**3,750**	1,850
ZACD (Development2) Ltd.	**1,210**	–
ZACD LV Development Fund	**11,872**	5,821
Kurnia Rezeki Utama Sdn. Bhd.	**379**	379
ARO II (Tebrau) Pte. Ltd.	**375**	–
ZACD Media Circle Fund	**300**	–
ZACD Laserblue Pte. Ltd.	**600**	–
Interest receivables on loan to:		
ZACD Mount Emily Residential Development Fund	**239**	34
ZACD (Development2) Ltd.	**8**	–
ZACD LV Development Fund	**659**	112
Kurnia Rezeki Utama Sdn. Bhd.	**26**	7
ARO II (Tebrau) Pte. Ltd.	**4**	–
ZACD Media Circle Fund	**–**	–
Less: allowance for impairment losses	**(5,085)**	(5,085)
	19,422	8,203

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

	Group and Company	
	2024	2023
	S$'000	S$'000
At beginning of the year	**5,085**	4,711
Transfer to impairment loss on Investment in fund entities	**–**	374
	5,085	5,085

21. LOANS AND RELATED RECEIVABLES (cont'd)

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

Pursuant to the Announcements made by the Company mentioned in Note 7(c), the loan and related receivables extended by the Group to the Fund had been repaid substantially following the receipt of the settlement proceeds by the Fund from the Defendants in September 2021 and accordingly, the impairment loss of S$7,574,000 was reversed by the Group. 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. Subsequently, on 12 and 13 March 2024, a S$1,500,000 short term bridging facility were 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 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 31 December 2024, S$3,750,000 (31 December 2023: S$1,850,000) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum.

21. LOANS AND RELATED RECEIVABLES (cont'd)

(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.

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 31 December 2024, S$1,210,000 (31 December 2023: Nil) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum.

(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.

21. LOANS AND RELATED RECEIVABLES (cont'd)

(d) Bridging facility to ZACD LV Development Fund (cont'd)

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.

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 31 December 2024, S$11,872,000 (31 December 2023: S$5,821,000) has been drawdown on the Facility by the Borrower which bears interest at 6% per annum.

(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 31 December 2024, S$379,000 (31 December 2023: S$379,000) has been drawn down on the Facility by the Borrower which bears interest at 5% per annum.

21. LOANS AND RELATED RECEIVABLES (cont'd)

(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 of property investment and leasing.

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 31 December 2024, S$375,500 (31 December 2023: Nil) 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.

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 31 December 2024, S$300,000 (31 December 2023: S$Nil) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum.

(h) ZACD Laserblue Pte. Ltd.

This pertains advances to ZACD Laserblue Pte. Ltd. The amount is interest free and repayable on demand.

22. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Cash and bank balances	**5,314**	14,605	**895**	6,058

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.

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

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Hong Kong dollar (HKD)	**38**	53	**2**	2
Australia dollar (AUD)	**291**	636	**272**	549

23. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Other payables	**1,456**	1,325	**174**	210
Accruals	**975**	1,087	**355**	391
Deferred revenue	**291**	110	**–**	–
	2,722	2,522	**509**	601
Less: amounts classified as current liabilities	**(2,722)**	(2,522)	**(509)**	(601)
Amounts classified as non-current liabilities	**–**	–	**–**	–

Included in current and non-current other payables and accruals are hire purchase payables relating to finance lease of motor vehicles (Note 14) which amounted to Nil (2023 S$3,000).

24. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Group and Company as a lessee

The Group and Company has lease contracts for office properties. The leases of office properties generally have lease terms between 1 and 3 years. The Group's and Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group and Company also has a lease of office property with a lease term of less than 12 months. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for this lease.

The carrying amounts of right-of-use asset and lease liabilities recognised and the movements during the year are as follows:

	Group	
	Right-of-use assets S$'000	**Lease liabilities S$'000**
As at 1 January 2023	635	682
Amortisation	(245)	–
Interest expense (Note 8)	–	28
Payments	–	(278)
As at 31 December 2023 and 1 January 2024	**390**	**432**
Addition	**107**	**107**
Amortisation	**(251)**	**–**
Interest expense (Note 8)	**–**	**18**
Payments	**–**	**(285)**
As at 31 December 2024	**246**	**272**

24. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

Group and Company as a lessee (cont'd)

	Company	
	Right-of-use assets S$'000	**Lease liabilities S$'000**
As at 1 January 2023	567	616
Amortisation	(206)	–
Interest expense	–	26
Payments	–	(237)
As at 31 December 2023 and 1 January 2024	**361**	**405**
Addition	**16**	**16**
Amortisation	**(210)**	**–**
Interest expense	**–**	**17**
Payments	**–**	**(241)**
As at 31 December 2024	**167**	**197**

The Group recognised rental expense from short-term leases of S$88,000 for the year ended 31 December 2024 (2023: S$88,000).

	Group		Company	
	2024 $'000	2023 $'000	**2024 $'000**	2023 $'000
Lease liabilities				
– current	**262**	249	**187**	222
– non-current	**10**	183	**10**	183
	272	432	**197**	405

The movements of lease liabilities during the year are disclosed in Note 31 and the maturity analysis is disclosed in Note 38.

25. CAPITALISED CONTRACT COSTS

	Group 2024 S$'000	2023 S$'000
Capitalised incremental costs of obtaining contracts – commission costs paid to agents		
At beginning of reporting year	**337**	464
Additions	**182**	28
Amortisation	**(113)**	(155)
At end of reporting year	**406**	337

26. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the current year are as follows:

	Group 2024 S$'000	2023 S$'000
At beginning of reporting year	**57**	57
Deferred tax debited to the consolidated statement of profit or loss during the year (Note 11)	**30**	–
At end of reporting year	**87**	57

	Company 2024 S$'000	2023 S$'000
At beginning of reporting year	**22**	22
Deferred tax debited to the consolidated statement of profit or loss during the year	**–**	–
At end of reporting year	**22**	22

Components of deferred tax

Deferred tax liabilities net of deferred tax assets of the Group as at 31 December 2024 mainly comprise of temporary differences arising from accelerated tax depreciation, capitalised contract costs, unremitted interest income, other provisions and lease liabilities (2023: accelerated tax depreciation, capitalised contract costs, unremitted interest income, other provisions and lease liabilities).

26. DEFERRED TAX LIABILITIES (cont'd)

Unrecognised tax losses

Certain subsidiaries of the Group has unutilised tax losses of S$1,291,000 (2023: Nil) as at 31 December 2024. The tax losses arising in Singapore, subject to the agreement by the Inland Revenue Authority of Singapore, are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses due to uncertainty of their recoverability.

There are no income tax consequences in relation to the payment of dividends by the Company to its shareholders.

27. BANK BORROWING

	Group and Company	
	2024	2023
	$'000	$'000
Current		
Interest payable on bank loan	**1**	1
Temporary bridging loan	**589**	768
	590	769
Non-current		
Temporary bridging loan	**–**	590
Total bank borrowing	**590**	1,359

Temporary bridging loan ("TBL")

This related to a 5-year temporary bridging loan under Enterprise Financing Scheme ("**EFS**") as announced at Solidarity Budget 2020. The EFS is enhanced to help SMEs with their working capital needs.

The interest rate is fixed at 3.0% per annum or such other rate as may be approved by Enterprise Singapore under EFS.

The TBL is repayable over 60 monthly instalments with interest rate set out above and on the aggregate amount of the TBL that has been disbursed on September 2020. For the first 12 monthly instalments commencing one month from the date of first drawdown, only interest is serviced. Thereafter, the monthly instalment payments (comprising principal and interest) shall commence one month from the due date of the last monthly interest payment. The monthly instalment payments is calculated based on the outstanding TBL amount over the remaining tenor of the TBL at the applicable interest rate.

28. FINANCIAL DERIVATIVE

	Group and Company	
	2024	2023
	S$'000	S$'000
Fair value of financial derivative	**2,574**	1,629

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 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 ZACD Investments Pte. Ltd. and 2 shareholders of ZACD Investments Pte. Ltd. of their obligations and undertakings under the deed of undertaking between the Controlling Shareholders and TGL.

Following the grant of the put option by the Company, the fair value loss of S$945,000 (2023: S$267,000) was recognised as the premium price of the put option granted to TGL.

As at 31 December 2024, the valuation of financial derivative was performed internally with reference to the independent valuation report performed on 18 October 2023 by an independent qualified professional valuer. The fair value of the financial derivative has been determined using a Black Scholes Model with the following key assumptions:

	Group and Company	
	2024	2023
Stock price (S$)	**2,523**	2,522
Exercise price (S$)	**6,000,000**	6,000,000
Volatility on selling price of the project	**15.22%**	14.71%
Risk-free interest rate	**2.96%**	2.99%

29. SHARE CAPITAL

	Group	
	2024	2023
	S$'000	S$'000
Issued and paid up capital:		
2,000,000,000 ordinary shares on 31 December 2024 (2023: 2,000,000,000 shares)	**29,866**	29,866

There was no movement in the Group's issued share capital during the period from 1 January 2023 to 31 December 2024.

30. RESERVES

The amounts of the Group's reserves and the movements therein during each of the reporting periods for the years ended 31 December 2023 and 2024 are presented in the consolidated statement of changes in equity.

Capital reserve

The capital reserve represents the waiver of an amount due to the ultimate holding company of the Company.

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those from which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows from financing activities.

	At beginning of reporting year	Financing cash flows	Non-cash changes		At end of reporting year
			Initial recognition	Interest expense	
	S$'000	S$'000	S$'000	S$'000	S$'000
Year ended 31 December 2024					
Amount due to ultimate holding company	**–**	**35**	**–**	**–**	**35**
Amounts due to related parties	**2,092**	**3,628**	**–**	**–**	**5,720**
Bank borrowing (Note 27)	**1,359**	**(798)***	**–**	**29**	**590**
Obligation arise from finance lease (Note 23)	**3**	**(3)**	**–**	**–**	**–**
Lease liabilities (Note 24)	**432**	**(285)**	**107**	**18**	**272**
Year ended 31 December 2023					
Amounts due to related parties	224	1,868	–	–	2,092
Bank borrowing (Note 27)	2,104	(797)*	–	52	1,359
Obligation arise from finance lease (Note 23)	15	(14)	–	2	3
Lease liabilities (Note 24)	682	(278)	–	28	432

* Includes interest paid of S$30,000 (2023: S$52,000)

32. RELATED PARTY TRANSACTIONS

Name of related companies	Relationship with the Company or the Group
Investment SPVs:	
ZACD (Woodlands) Pte. Ltd. ("**Woodlands**")	Woodlands is a 24.0%-owned associate of the ultimate holding company and was struck off on 6 November 2023.
ZACD (AMK) Pte. Ltd. ("**AMK**")	AMK is 14.95%-owned by the Group and was struck off on 4 June 2024.
ZACD (CCK) Pte. Ltd. ("**CCK**")	CCK is a 22.0%-owned associate of the ultimate holding company.
ZACD (Jurong) Pte. Ltd. ("**Jurong**")	Jurong is a 30.0% owned associate of the ultimate holding company
ZACD (Anchorvale) Pte. Ltd. ("**Anchorvale**")	Anchorvale is 12.7% owned by the ultimate holding company and was struck off on 4 June 2024.
ZACD (Canberra) Pte. Ltd. ("**Canberra**")	Canberra is 12.1% owned by the Group and was struck off on 4 June 2024.
ZACD (Woodlands3) Pte. Ltd. ("**Woodlands3**")	ZACD (Woodlands3) Pte. Ltd. is 15.2%-owned by the ultimate holding company and was struck off on 4 June 2024.
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.
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.

32. RELATED PARTY TRANSACTIONS (cont'd)

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.
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.

32. RELATED PARTY TRANSACTIONS (cont'd)

Name of related companies	Relationship with the Company or the Group
Prosperous Decade Sdn. Bhd. ("**Prosperous Decade**")	Prosperous Decade is 50.0% owned by MSPIF. One of the key management personnel of the Group is a key management personnel of Prosperous Decade and was struck off on 14 October 2024.
ZACD Laserblue Pte. Ltd.	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 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.

32. RELATED PARTY TRANSACTIONS (cont'd)

Name of related companies	Relationship with the Company or the Group
ZACD HK IPO Fund ("**ZACD HK IPO**")	ZACD HK IPO is a registered sub-fund of ZACD VCC, was managed by the Group and one of the key management personnel of the Group is a key management personnel of ZACD VCC. ZACD HK IPO was dissolved on 22 January 2023.
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.
Development SPVs:	
Landmark JV Pte. Ltd. ("**Landmark JV**")	Landmark JV is 39.2% owned by Development2 and two of the key management personnel of the Group are key management personnel of Landmark JV.
Mandai 7 JV Pte. Ltd. ("**Mandai 7 JV**")	Mandai 7 JV is 60.0% owned by Mandai.
VP-ZACD Fund Holdings Pte. Ltd. ("**VP-ZACD Fund Holdings**")	VP-ZACD Fund Holdings is 50.0% owned by MSPIF and was struck off on 4 September 2024.
Zelitist Pte. Ltd. ("**Zelitist**")	Zelitist is a 56.0% owned by Development2.
ZACD LV Development Pte. Ltd. ("**LV Dev**")	LV Dev is 75.0% owned by LV Holdings.

32. RELATED PARTY TRANSACTIONS (cont'd)

Name of related companies	Relationship with the Company or the Group
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.
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.

32. RELATED PARTY TRANSACTIONS (cont'd)

(a) In addition to the transactions and balances detailed elsewhere in this report, the Group had the following material transactions with related parties during the years ended 31 December 2023 and 2024:

		Group	
	Notes	**2024 S$'000**	2023 S$'000
Investment management – dividend income:	(i)		
ZACD (Woodlands) Pte. Ltd.		**9**	–
ZACD (AMK) Pte. Ltd.		**7**	25
ZACD (Canberra) Pte. Ltd.		**1**	9
ZACD (Woodlands12) Pte. Ltd.		**456**	–
ZACD (Woodlands3) Pte. Ltd		**13**	–
ZACD (Anchorvale) Pte. Ltd.		**1**	12
ZACD (CCK) Pte. Ltd.		**–**	21
ZACD (Jurong) Pte Ltd		**32**	685
		519	752
Investment management – fund management fees:	(ii)		
ZACD (BBW6) Ltd.		**32**	(122)
ZACD Income Trust		**54**	156
ZACD (Shunfu) Ltd.		**572**	907
ZACD (Shunfu2) Ltd.		**877**	1,475
ZACD (Development2) Ltd.		**123**	123
ZACD LV Development Fund		**89**	146
ZACD (BBEC) Pte Ltd		**42**	42
ZACD (Mandai) Ltd.		**1,072**	2,178
ZACD Mount Emily Residential Development Fund		**47**	38
ZACD Media Circle Fund		**243**	–
ZACD Laserblue Pte. Ltd.		**288**	–
		3,439	4,943

32. RELATED PARTY TRANSACTIONS (cont'd)

	Notes	Group 2024 S$'000	2023 S$'000
Acquisitions and projects management fees:	(iii)		
ZACD (Jurong) Pte. Ltd.		–	400
Mandai 7 JV Pte. Ltd.		**183**	2,982
		183	3,382
Staff cost expenses:	(iv)		
ZACD Investments Pte. Ltd.	(a)	–	77
Marketing expenses:	(v)		
Creo Adworld Pte. Ltd.	(a)	–	24
Office and transport expenses:	(vi)		
ZACD Investments Pte. Ltd.	(a)	**60**	60

Notes:

(i) The dividend income was derived from the establishment shares of the Investment SPVs when the Group's right to receive payment is established. In the opinion of the directors, the Group charged an investor a higher percentage of the establishment shares compared with other investors as the Group granted the investor a priority right to participate in real estate projects. Further details were set out in Note 15 to the financial statements.

(ii) The fund management income included fund establishment fee, fund management fees and performance 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.

(iii) Acquisitions and projects management fee income was related to acquisitions and projects management rendered by the Group to these related parties who are real estate developers. The fees were determined at terms stipulated in the respective service contracts.

(iv) The staff cost expense was related to secondment services rendered by the ultimate holding company and was charged at terms mutually agreed between the relevant parties.

(v) The marketing expense was related to full scope of marketing and communication services rendered by the related party and was charged at terms mutually agreed between the relevant parties.

(vi) 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.

32. RELATED PARTY TRANSACTIONS (cont'd)

Notes: (cont'd)

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 those related party transactions were conducted in the ordinary course of business of the Group.

(a) 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.

(b) Compensation of key management personnel of the Group, including directors' remuneration as disclosed in Note 9 to the financial statements, is as follows:

	Group	
	2024	2023
	S$'000	S$'000
Short term employee benefits	**1,384**	1,877
Post-employment benefits	**62**	77
Total compensation paid to key management personnel	**1,446**	1,954

33. COMMITMENTS

Finance lease commitments – Group as lessee

The Group has entered into a finance lease for a motor vehicle and copiers (Note 14). Future minimum lease payments under the finance lease together with the present value of the net minimum lease payments are as follows:

	Group			
	2024		2023	
	Minimum lease payments S$'000	**Present value of payments S$'000**	Minimum lease payments S$'000	Present value of payments S$'000
Within 1 year	–	–	3	3
Total minimum lease payments	–	–	3	3
Less: amounts representing finance charges	–	–	–	–
Present value of minimum lease payments	–	–	3	3

Reference is made to the announcement dated 28 December 2022 where the Company had granted a put option to an investor, Top Global Limited ("**TGL**") subscribing in ZACD LV Development Fund. 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 total coupon payments aggregate to S$1,920,000.

At the end of each of the reporting year, the Group had no other significant commitments.

34. FINANCIAL GUARANTEES

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.

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 is managed by ZACD Capital Pte. Ltd. which acts as its fund manager.

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.

34. FINANCIAL GUARANTEES (cont'd)

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.

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 Landmark 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.

35. CONTINGENT LIABILITIES

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.

35. CONTINGENT LIABILITIES (cont'd)

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 million ("**ZACD US Fund**") in a US hotel acquisition led by iProsperity Group. The deposit of US$10 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 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 31 December 2024. As at 31 December 2024, cumulative legal fees incurred in relation to legal actions taken against the Defendants and iProsperity Group amounted to S$1,728,000 (31 December 2023: S$1,527,000) where S$1,504,000 (31 December 2023: S$1,404,000) had been borne by ZACD Australia Hospitality Fund, S$224,000 (31 December 2023: S$123,000) had been borne by Remarkable Reach International Limited.

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

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at 31 December 2023 and 2024 are as follows:

31 December 2024

Group – financial assets

	Fair value through other comprehensive income S$'000	Financial assets at amortised cost S$'000	Total S$'000
Investment in equity securities	203	–	203
Investment in fund entities	1,328	–	1,328
Trade receivables	–	4,748	4,748
Financial assets included in prepayments, deposits and other receivables	–	487	487
Amounts due from related parties	–	469	469
Loans and related receivables	–	19,422	19,422
Cash and cash equivalents	–	5,314	5,314
	1,531	30,440	31,971

Group – financial liabilities

	Fair value through profit or loss S$'000	Financial liabilities at amortised cost S$'000	Total S$'000
Financial derivative	2,574	–	2,574
Financial liabilities included in other payables and accruals	–	2,431	2,431
Lease liabilities	–	272	272
Amount due to ultimate holding company	–	35	35
Amounts due to related parties	–	5,720	5,720
Bank borrowing	–	590	590
	2,574	9,048	11,622

36. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

31 December 2024 (cont'd)

Company – financial assets

	Fair value through other comprehensive income S$'000	Financial assets at amortised cost S$'000	Total S$'000
Investment in fund entities	**1,269**	**–**	**1,269**
Trade receivables	**–**	**38**	**38**
Financial assets included in prepayments, deposits and other receivables	**–**	**324**	**324**
Amounts due from related parties	**–**	**306**	**306**
Amounts due from subsidiaries	**–**	**1,976**	**1,976**
Loans and related receivables	**–**	**13,479**	**13,479**
Cash and cash equivalents	**–**	**895**	**895**
	1,269	**17,018**	**18,287**

Company – financial liabilities

	Fair value through profit or loss S$'000	Financial liabilities at amortised cost S$'000	Total S$'000
Financial derivative	**2,574**	**–**	**2,574**
Financial liabilities included in other payables and accruals	**–**	**509**	**509**
Lease liabilities	**–**	**197**	**197**
Amounts due to related parties	**–**	**9**	**9**
Amounts due to subsidiaries	**–**	**4,356**	**4,356**
Amount due to ultimate holding company	**–**	**63**	**63**
Bank borrowing	**–**	**590**	**590**
	2,574	**5,724**	**8,298**

36. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

31 December 2023

Group – financial assets

	Fair value through other comprehensive income S$'000	Financial assets at amortised cost S$'000	Total S$'000
Investment in equity securities	570	–	570
Investment in fund entities	1,832	–	1,832
Trade receivables	–	4,135	4,135
Financial assets included in prepayments, deposits and other receivables	–	401	401
Amount due from ultimate holding company	–	14	14
Amounts due from related parties	–	621	621
Loans and related receivables	–	8,203	8,203
Cash and cash equivalents	–	14,605	14,605
	2,402	27,979	30,381

Group – financial liabilities

	Fair value through profit or loss S$'000	Financial liabilities at amortised cost S$'000	Total S$'000
Financial derivative	1,629	–	1,629
Financial liabilities included in other payables and accruals	–	2,412	2,412
Lease liabilities	–	432	432
Amounts due to related parties	–	2,092	2,092
Bank borrowing	–	1,359	1,359
	1,629	6,295	7,924

36. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

31 December 2023 (cont'd)

Company – financial assets

	Fair value through other comprehensive income S$'000	Financial assets at amortised cost S$'000	Total S$'000
Investment in fund entities	1,780	–	1,780
Trade receivables	–	36	36
Financial assets included in prepayments, deposits and other receivables	–	267	267
Amounts due from related parties	–	492	492
Amounts due from subsidiaries	–	2,970	2,970
Amount due from ultimate holding company	–	1	1
Loans and related receivables	–	8,203	8,203
Cash and cash equivalents	–	6,058	6,058
	1,780	18,027	19,807

Company – financial liabilities

	Fair value through profit or loss S$'000	Financial liabilities at amortised cost S$'000	Total S$'000
Financial derivative	1,629	–	1,629
Financial liabilities included in other payables and accruals	–	601	601
Lease liabilities	–	405	405
Amounts due to related parties	–	52	52
Amounts due to subsidiaries	–	4,221	4,221
Bank borrowing	–	1,359	1,359
	1,629	6,638	8,267

37. 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, balances with the ultimate holding company, related parties and subsidiaries, cash and cash equivalents, the current portion of financial assets included in prepayments, deposits and other receivables, the current portion of financial liabilities included in other payables and accruals, and balances with related parties and subsidiaries, included in the Company's statement of financial position, approximate to their carrying amounts largely due to the short term maturities of these instruments. Non-current portion of financial liabilities included in other payables and accruals reasonably approximate their fair values as the directors do not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be settled.

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

The fair values of the 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 the 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 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 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 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.

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

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 31 December 2023 and 2024:

31 December 2024	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 in uncertainty discount by 10 percentage points would not result in changes in fair value.
			Increase in uncertainty discount 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 result in increase in fair value by S$1,000.
			Increase in uncertainty discount by 10 percentage points would result in decrease in fair value by S$30,000.
Financial derivative	Black Scholes model	Volatility on the selling price of the project (Note B) 15.22%	Decrease in selling price volatility by 10 percentage points would result in decrease in fair value by S$624,000.
			Increase in selling price volatility by 10 percentage points would result in increase in fair value by S$345,000.

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

31 December 2023	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 in uncertainty discount by 10 percentage points would not result in changes in fair value.
			Increase in uncertainty discount 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) 72%	Decrease in uncertainty discount by 9 percentage points would result in increase in fair value by S$23,000.
			Increase in uncertainty discount by 16 percentage points would result in decrease in fair value by S$47,000.
Financial derivative	Black Scholes model	Volatility on the selling price of the project (Note B) 14.71%	Decrease in selling price volatility by 10 percentage points would result in decrease in fair value by S$382,000.
			Increase in selling price volatility by 10 percentage points would result in increase in fair value by S$375,000.

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value of financial instruments that are carried at fair value (cont'd)

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 or funds 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.

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy

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

Assets measured at fair value:

Group

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2024				
Investment in equity securities	–	–	203	203
Investment in fund entities	–	–	1,328	1,328

Company

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2024				
Investment in fund entities	–	–	1,269	1,269

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy (cont'd)

Assets measured at fair value: *(cont'd)*

Group

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2023				
Investment in equity securities	–	–	570	570
Investment in fund entities	–	–	1,832	1,832

Company

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2023				
Investment in fund entities	–	–	1,780	1,780

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy (cont'd)

Assets measured at fair value: *(cont'd)*

The movements in fair value measurements within Level 3 during the years ended 31 December 2023 and 2024 are as follows:

	Group		Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Investment in equity securities – unlisted:				
At beginning of reporting year	**570**	720	**–**	–
Total losses recognised in other comprehensive income	**(367)**	(150)	**–**	–
	203	570	**–**	–
Investment in fund entities – unlisted:				
At beginning of reporting year	**1,832**	1,897	**1,780**	1,853
Total loss recognised in other comprehensive income	**(504)**	(60)	**(511)**	(68)
Redemption of redeemable preference share	**–**	(5)	**–**	(5)
	1,328	1,832	**1,269**	1,780
At end of reporting year	**1,531**	2,402	**1,269**	1,780

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy (cont'd)

Liabilities measured at fair value:

Group

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2024				
Financial derivative	–	–	2,574	2,574

Company

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2024				
Financial derivative	–	–	2,574	2,574

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy (cont'd)

Liabilities measured at fair value: *(cont'd)*

Group

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2023				
Financial derivative	–	–	1,629	1,629

Company

	Fair value measurement using			
	Quoted prices in active markets (Level 1) S$'000	Significant observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Total S$'000
31 December 2023				
Financial derivative	–	–	1,629	1,629

During the reporting years, 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.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as investment in equity securities, investment in fund entities, trade receivables, financial assets included in prepayments, deposits and other receivables, balances with the ultimate holding company and related parties, and financial liabilities included in other payables and accruals, which mainly arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and foreign currency risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's financial assets, which comprise trade receivables, deposits and other receivables, amounts due from the ultimate holding company and related parties, a financial asset at fair value through profit or loss, and cash and cash equivalents, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

At the end of each reporting year, the Group had certain concentrations of credit risk with respect to trade receivables as follows:

	2024	2023
Due from the largest debtor	**25%**	29%
Due from the five largest debtors	**71%**	84%

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 17 to the financial statements.

Liquidity risk

In order to manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group's and the Company's financial liabilities as at the end of each reporting year, based on contractual undiscounted payments, was as follows:

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

Group

	On demand/ no fixed terms of repayment S$'000	Less than 1 year S$'000	One to five years S$'000	Total S$'000
31 December 2024				
Financial derivative	–	–	2,574	2,574
Financial liabilities included in other payables and accruals	–	2,431	–	2,431
Lease liabilities	–	269	12	281
Amounts due to related parties	5,720	–	–	5,720
Amount due to ultimate holding company	35	–	–	35
Bank borrowing	–	598	–	598
	5,755	3,298	2,586	11,639

Company

	On demand/ no fixed terms of repayment S$'000	Less than 1 year S$'000	One to five years S$'000	Total S$'000
31 December 2024				
Financial derivative	–	–	2,574	2,574
Financial liabilities included in other payables and accruals	–	509	–	509
Lease liabilities	–	191	11	202
Amounts due to subsidiaries	4,356	–	–	4,356
Amount due to ultimate holding company	63	–	–	63
Amounts due to related parties	9	–	–	9
Bank borrowing	–	598	–	598
	4,428	1,298	2,585	8,311

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

Group

	On demand/ no fixed terms of repayment S$'000	Less than 1 year S$'000	One to five years S$'000	Total S$'000
31 December 2023				
Financial derivative	–	–	1,629	1,629
Financial liabilities included in other payables and accruals	–	2,409	–	2,409
Finance lease obligations	–	3	–	3
Lease liabilities	–	264	187	451
Amounts due to related parties	2,092	–	–	2,092
Bank borrowing	–	800	680	1,480
	2,092	3,476	2,496	8,064

Company

	On demand/ no fixed terms of repayment S$'000	Less than 1 year S$'000	One to five years S$'000	Total S$'000
31 December 2023				
Financial derivative	–	–	1,629	1,629
Financial liabilities included in other payables and accruals	–	600	–	600
Finance lease obligations	–	1	–	1
Lease liabilities	–	237	187	424
Amounts due to subsidiaries	4,221	–	–	4,221
Amounts due to related parties	52	–	–	52
Bank borrowing	–	800	680	1,480
	4,273	1,638	2,496	8,407

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk

The Group and the Company hold cash and short-term deposits denominated in foreign currencies for working capital purposes. At the end of the reporting year, such foreign currency balances are mainly in HKD and AUD.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's (loss)/profit before tax to a reasonably possible change in the HKD and AUD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Group		Company	
		2024	2023	**2024**	2023
		S$'000	S$'000	**S$'000**	S$'000
		Loss before tax	Profit before tax	**Loss before tax**	Profit before tax
Increase/(decrease)					
SGD/HKD	– Strengthened: 4% (2023: 4%)	**1**	(2)	**–**	–
	– Weakened: 4% (2023: 4%)	**(1)**	2	**–**	–
SGD/AUD	– Strengthened: 4% (2023: 4%)	**12**	(25)	**11**	(22)
	– Weakened: 4% (2023: 4%)	**(12)**	25	**(11)**	22

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

Certain subsidiaries of the Group are regulated by the Monetary Authority of Singapore (the "**MAS**") or the Hong Kong Securities and Futures Commission (the "**SFC**") and are required to comply with certain minimum capital requirements according to the rules of the MAS or the SFC. The Group has established a legal and compliance department which is operated by experienced compliance officers and is monitored by management. The principal roles of the legal and compliance department are to monitor the daily financial status and to review internal control of the Group regularly to ensure the regulated subsidiaries are in compliance with related regulations. The regulated subsidiaries have complied with the related regulations throughout the year or since the date when the licences were granted.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Capital management (cont'd)

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to the shareholder or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year.

Capital of the Group comprises all components of shareholder's equity.

39. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 26 March 2025.