

The logo for ZACD, with 'zac' in blue and 'd' in purple.

ZACD GROUP LTD.

杰地集团有限公司\*

(A company incorporated in Singapore with limited liability)

**Stock Code: 8313**

# 2025 ANNUAL REPORT

\* for identification purpose only

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

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

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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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## 2 CHAIRMAN'S STATEMENT

### CHAIRMAN'S STATEMENT FY2026

DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the "**Board**") of ZACD Group Ltd. (the "**Group**"), I hereby present to you the Group's Annual Report for the financial year ended 31 December 2025 ("**FY2025**").

Reflecting on challenges that the business been brazing in the past few years, we have proven to be resilient in continuing to secure real estate development opportunities with our various joint venture partners to create fund investment products for our investors.

FY2025 has been a year characterised by escalating inflation rates and evolving market conditions. With interest rate likely to trend lower, financing conditions should improve and underpin buying activity. Nevertheless, global macroeconomic uncertainties persist, and cautious overtones are creeping into the consciousness of potential investors and property buyers. In the face of evolving market conditions, the Group embark on the journey of restructuring and consolidation. We continue to invest with our partners in selective sectors such as Executive Condominium developments and Industrial projects. Our investment in Coastal Cabana Executive Condominium will yield good result with the take up rate of about 80% during its launch. Working with our partners remain the main key focus after several years of growth and we will continue to emphasise our role as real estate fund manager with development and project management capability.

In summary, the Group reported a net loss of approximately S\$5.57 million in 2025, the loss was mainly attributable to about 46% drop in revenue. Having said so, the Group has demonstrated resilient and adaptability through consolidation and restructuring. Our staff cost has decreased from S\$3.75 million to S\$2.97 million. The cause of the loss was mainly due to the provision of the loss of S\$3.13 million for our Mount

Emily Project which we are targeting to launch by the May 2026 and S\$0.89 million for our Arina East Project which we have successfully launched in Q2 2025.

Moving forward, the company is exploring to develop real world asset by way of tokenising to increase investor base from 300+ to over 1000 investors in the coming year. At the same time the company is embracing technology to enhance client's reporting and experience.

In 2025, we had successful sold Sebel West Perth hotel in the ZACD Income Trust fund for A\$18,888,888 unlocking gains to our investors. The company continue to strive to improve performance of the assets in the income trust fund where asset value was devalued due to covid. Recovery of these assets are well underway to optimise its value for the fund to eventually exit with minimal loss.

The landmark project in Singapore has also successfully obtained temporary occupation permit in November 2025. The media circle fund which invested in Bloombury Residence has also achieved an 85% sell out.

We will continue to strengthen our presence and building strategic partnerships in the robust and dynamic real estate markets, reinforcing our commitment to continue to develop real estate fund products to increase our investor base and unlocking value to shareholders and investors in the diverse market environments. However, we will be mindful of the macroeconomic trend to align with the Group long term strategy, and will tap on Hong Kong's financial ecosystem and our pool of loyal pool of investors to further expand in fund and asset management.

## APPRECIATION

I would like to express my sincere gratitude to our shareholders, 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 overcoming this ever-evolving market landscape.

Looking ahead to 2026, we will be steadfast in committing to deliver value to our shareholders and investors and driving towards a long-term sustainability.

**Sim Kain Kain**

*Chairman*

## 4 CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Ms. Sim Kain Kain (*Chairman*)  
Mr. Yeo Choon Guan (Yao Junyuan) (*CEO*)  
Mr. Phua Cher Chew (Pan Ziqiu) (*Deputy CEO*)  
(appointed on 24 November 2025)  
Mr. Tan Puay Khiang, Francis (*COO*)  
(resigned on 30 November 2025)  
Mr. Chin Meng Liong (*CLO*)  
Mr. Han Xiangfeng  
(resigned on 12 February 2026)

#### 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

### REGISTERED OFFICE

300 Beach Road  
#34-05 The Concourse  
Singapore 199555

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

300 Beach Road  
#34-05 The Concourse  
Singapore 199555

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

### PRINCIPAL BANK

United Overseas Bank  
UOB Plaza, 80 Raffles Place  
Singapore 048624

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited  
Suites 3301-04, 33/F  
Two Chinachem Exchange Square  
338 King's Road  
North Point, Hong Kong

### STOCK CODE

8313

### COMPANY'S WEBSITE

[www.zacdgroup.com](http://www.zacdgroup.com)

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.

| <b>Financial Results</b>                              | <b>2025</b><br><b>S\$'000</b> | 2024<br>S\$'000 | 2023<br>S\$'000 | 2022<br>S\$'000 | 2021<br>S\$'000 | 2020<br>S\$'000 |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue   | <b>2,697</b>                  | 4,964           | 9,906           | 3,983           | 5,596           | 5,325           |
| (Loss)/profit before tax                              | <b>(6,656)</b>                | (1,089)         | 2,414           | (2,423)         | 7,515           | (20,330)        |
| (Loss)/profit for the year                            | <b>(5,573)</b>                | (1,204)         | 1,737           | (2,707)         | 7,461           | (20,263)        |
| (Loss)/earnings per share<br><i>(Singapore cents)</i> | <b>(0.28)</b>                 | (0.06)          | 0.09            | (0.14)          | 0.37            | (1.01)          |
| <b>Financial Position</b>                             | <b>2025</b><br><b>S\$'000</b> | 2024<br>S\$'000 | 2023<br>S\$'000 | 2022<br>S\$'000 | 2021<br>S\$'000 | 2020<br>S\$'000 |
| Total assets  | <b>27,276</b>                 | 33,078          | 31,596          | 27,454          | 28,316          | 21,600          |
| Total liabilities                                     | <b>12,992</b>                 | 12,651          | 9,109           | 6,501           | 4,586           | 5,009           |
| Net current assets                                    | <b>15,649</b>                 | 21,012          | 21,736          | 20,443          | 23,429          | 17,342          |
| Net assets  | <b>14,284</b>                 | 20,427          | 22,487          | 20,953          | 23,730          | 16,591          |
| Net assets per share<br><i>(Singapore cents)</i>      | <b>0.71</b>                   | 1.02            | 1.12            | 1.05            | 1.19            | 0.83            |

## 6 FIVE-YEAR FINANCIAL SUMMARY

### ANNUAL FINANCIAL HIGHLIGHTS

*For the year ended 31 December 2025*

- In summary, the Group reported a net loss of approximately S\$5.57 million in FY2025, as compared to a net loss of S\$1.20 million in FY2024, representing a widening of losses by S\$4.37 million or 364.2% year-on-year.
- The decline in earnings was primarily attributable to a decrease in revenue of approximately S\$2.27 million, reflecting weaker performance across both the Fund Management and Acquisition and Project Management segment. In response, the Group streamlined its operations during the year, resulting in lower staff costs of approximately S\$0.78 million and lower other expenses of approximately S\$0.18 million. However, such cost optimisation measures were more than offset by impairment losses on financial assets of approximately S\$4.17 million, mainly relating to bridging advances to funds as well as trade and non-trade receivables from funds and related parties. Other income and gains also decreased by approximately S\$0.56 million, mainly due to the waiver of interest income on bridging loans from underperforming funds. The above was partially mitigated by a lower fair value loss on financial derivatives of approximately S\$0.77 million and the recognition of corporate income tax credit of approximately S\$1.08 million during the year.
- The Group's revenue declined by approximately 45.7% year-on-year, from approximately S\$4.96 million in FY2024 to S\$2.70 million in FY2025. This decrease was mainly attributable to lower performance fees from the Group's investment vehicles, reduced project management fees from several real estate funds, lower fund establishment fees, and a decrease in dividend income from establishment shares held in SPV investments, partially offset by the recognition of a one-off successful tender fee.
- Total staff costs decreased from approximately S\$3.75 million in FY2024 to S\$2.97 million in FY2025, representing a reduction of approximately S\$0.78 million or 20.8%, mainly due to directors' resignations and stringent cost control measures, as evident by the decrease in headcount from 33 to 27 employees.
- Basic and diluted loss per share for the year ended 31 December 2025 was approximately 0.28 Singapore cents (31 December 2024: loss per share of 0.06 Singapore cents).



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 2025, 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 financial statements, as well as with the related notes to the financial statements for the year ended 31 December 2025. 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**

## 8 MANAGEMENT DISCUSSION AND ANALYSIS



### 1. EXECUTIVE OVERVIEW

The Group managed a total of 19 investment structures under the PE structures and fund structures over 16 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 a net loss of approximately S\$5.57 million in FY2025, compared to a net loss of S\$1.20 million in FY2024, representing a significant widening of losses during the year. This performance was largely driven by a decline in revenue of approximately S\$2.27 million (45.7% YoY), from S\$4.97 million to S\$2.70 million, reflecting softer activity levels across

both the Fund Management and Acquisition and Project Management segments. The reduction in revenue was primarily due to lower performance fees, reduced project management fees from several real estate funds, as well as lower fund establishment fees and dividend income from SPV investments. This was partially cushioned by the recognition of a one-off successful tender fee during the year.

In response to the softer operating environment, the Group undertook targeted cost rationalisation measures to align its cost base with current activity levels. As a result, staff costs decreased by approximately S\$0.78 million (20.8%), supported by director's resignations, decrease in headcount from 33 to 27 and the suspension of bonus payouts, alongside continued cost discipline across operations. However, these savings were offset by impairment losses of approximately S\$4.17 million. The impairments primarily relate to bridging advances extended to ZACD Mount Emily Residential Development Fund of approximately S\$3.13 million and ZACD LV Development Fund of approximately S\$0.89



million, as well as receivables from funds and related parties, and were recognised in line with the underlying performance of certain investments, particularly where foreseeable losses have been identified in the underlying real estate projects.

In addition, other income and gains declined by approximately S\$0.56 million, mainly due to the waiver of interest income on bridging loans to underperforming funds. This was partially mitigated by a smaller fair value loss on financial derivatives compared to the prior year, a decrease in fair value loss by S\$0.77 million year on year. The Group also recognised corporate income tax savings of approximately S\$1.08 million, following the recovery of tax losses previously transferred to a fund.

Overall, the Group recorded a basic and diluted loss per share of approximately 0.28 Singapore cents in FY2025, compared to a loss per share of 0.06 Singapore cents in FY2024, reflecting the combined impact of lower revenue, impairment charges, and disciplined cost management during the year.

## 10 MANAGEMENT DISCUSSION AND ANALYSIS

The following table presents the breakdown of our operating segment information for the years ended 31 December 2025 and 2024:

| Year ended 31 December 2025             | Investment management     |                 |         | Acquisitions and projects management | Property management and tenancy management | Financial advisory | Total   |
|---|---------------------------|-----------------|---------|--------------------------------------|--|--------------------|---------|
|   | SPV investment management | Fund management |         |                                      |  |                    |         |
|   | S\$'000                   | S\$'000         | S\$'000 | S\$'000                              | S\$'000                                    | S\$'000            | S\$'000 |
| <b>Segment revenue</b>                  |                           |                 |         |                                      |  |                    |         |
| External customers                      | 394                       | 2,183           | 83      | 37                                   | -  |                    | 2,697   |
| <b>Segment results</b>                  | (880)                     | 269             | (395)   | 6                                    | (53)                                       |                    | (1,053) |
| <i>Reconciliation:</i>                  |                           |                 |         |                                      |  |                    |         |
| Other income and gains                  |                           |                 |         |                                      |  |                    | 515     |
| Fair value loss on financial derivative |                           |                 |         |                                      |  |                    | (178)   |
| Corporate and unallocated expenses      |                           |                 |         |                                      |  |                    | (5,940) |
| Loss before tax                         |                           |                 |         |                                      |  |                    | (6,656) |
|   |                           |                 |         |                                      |  |                    |         |
| Year ended 31 December 2024             | Investment management     |                 |         | Acquisitions and projects management | Property management and tenancy management | Financial advisory | Total   |
|   | SPV investment management | Fund management |         |                                      |  |                    |         |
|   | S\$'000                   | S\$'000         | S\$'000 | S\$'000                              | S\$'000                                    | S\$'000            | S\$'000 |
| <b>Segment revenue</b>                  |                           |                 |         |                                      |  |                    |         |
| External customers                      | 541                       | 4,017           | 371     | 35                                   | -  |                    | 4,964   |
| <b>Segment results</b>                  | (54)                      | 2,845           | (289)   | 10                                   | (55)                                       |                    | 2,457   |
| <i>Reconciliation:</i>                  |                           |                 |         |                                      |  |                    |         |
| Other income and gains                  |                           |                 |         |                                      |  |                    | 1,079   |
| Fair value loss on financial derivative |                           |                 |         |                                      |  |                    | (945)   |
| Corporate and unallocated expenses      |                           |                 |         |                                      |  |                    | (3,680) |
| Loss before tax                         |                           |                 |         |                                      |  |                    | (1,089) |

**(a) Investment Management Services****i) SPV investment management**

Revenue from SPV investment management decreased from approximately S\$0.54 million in FY2024 to S\$0.39 million in FY2025 (down 27.7%), mainly due to lower dividend income from establishment shares. This reflects the natural maturity of investment projects set up between 2010 and 2015, with no new SPVs established since 2016 as the Group continues to pivot towards fund-based structures in line with its evolving business model.

**ii) Fund management**

Revenue from fund management declined from approximately S\$4.02 million to S\$2.18 million (a decrease of 45.8%), primarily due to lower performance fees following the completion of several funds in the prior year, where returns exceeded benchmark thresholds. Performance fees are typically recognised towards the end of a fund's lifecycle; as such, ongoing projects in the current year have not yet reached the stage where such fees are earned. The decline was further attributable to reduced project management fees from certain real estate funds and lower fund establishment fees, partially offset by a one-off successful tender fee recognised during the year.

There was no significant change in the number of fund structures or assets under management between FY2024 and FY2025.

**(b) Acquisitions and Projects Management Services**

Revenue decreased from S\$0.37 million in 2024 to S\$0.08 million in 2025, representing a decrease of S\$0.29 million or 77.6%. The decrease was mainly attributable to the absence of project management fee of S\$0.18 million derived from the developer SPV of Mandai Fund that jointly established with an external business partner earned in 2024.

**(c) Property Management and Tenancy Management Services**

Revenue from property management and tenancy management services remained stable at approximately S\$0.04 million. Following the Group's strategic shift towards government and international projects, no new contracts have been secured to date as management continues to evaluate the direction of this segment.

*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.

Other notable items are further elaborated as follows:

#### **Other income and gains**

Other income and gains decreased from approximately S\$1.08 million in FY2024 to S\$0.52 million in FY2025 (down 52.3%), mainly due to the waiver of interest income on bridging loans to underperforming funds, lower income from ad-hoc corporate services, and the absence of prior year accrual reversals. This was partially offset by net foreign exchange gains recognised during the year.

#### **Staff costs**

Total staff costs decreased from approximately S\$3.75 million to S\$2.97 million (down 20.8%), driven by a director's resignation and the suspension of bonus payouts as part of cost control measures. This was achieved alongside a reduction in headcount from 33 to 27 employees.

Staff costs accounted for 54% of total expenses in FY2025 (FY2024: 61%), reflecting improved cost discipline.

#### **Impairment losses on financial assets**

The Group recognised impairment losses on financial assets of approximately S\$4.18 million in FY2025 (FY2024: S\$Nil), primarily relating to bridging advances to funds and amounts due from related parties. Management will continue to assess the adequacy of expected credit loss allowances and provide for irrecoverable amounts where necessary.

In assessing the expected credit losses, management considered, among other things, the financial position of the counterparties, the progress, budget and expected profitability of the underlying real estate development projects, prevailing market conditions and other forward-looking factors. Management will continue to monitor the recoverability of these balances and adjust the expected credit loss allowances as appropriate.

#### **Other expenses, net**

Other expenses, net decreased by approximately S\$0.18 million or 12.8% from approximately S\$1.41 million in 2024 to approximately S\$1.23 million in 2025. The decrease was mainly due to absence of professional fees incurred in relation to corporate secretarial services of approximately S\$0.05 million in 2024 as well as travel and entertainment expenses incurred for business purpose of approximately S\$0.09 million.

#### **Interest expenses**

Interest expenses increased from approximately S\$0.58 million in 2024 to approximately S\$0.86 million in 2025, representing an increase of approximately S\$0.28 million or 48.6%. This increase was mainly due to interest expenses of approximately S\$0.31 million charged on bridging advances extended by the fund structures to the Group for operational use.

#### **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 recognition of fair value loss for premium price of the put option gradually decreased from approximately S\$0.95 million in 2024 to fair value loss of approximately S\$0.18 million in 2025, representing an decrease of approximately S\$0.77 million or 81.1%.

#### **Income tax credit**

The Group also recognised corporate income tax savings of approximately S\$1.08 million, following the recovery of tax losses previously transferred to a fund.

## 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.

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 2025, the Group had bank borrowing amounted to approximately S\$Nil million (31 December 2024: S\$0.59 million). The bank borrowing is a 5-year temporary bridging loan 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 Group has fully settled the bank borrowing in 2025.

### Cash and cash equivalents

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

The decrease in cash and cash equivalents of S\$1.37 million during the year was primarily attributable to advances extended to various fund entities under the Group’s management, including ZACD Mount Emily Residential Development Fund, ZACD LV Development Fund and ZACD Capital Partners VCC, as well as other investment-related activities.

These outflows were partially offset by repayments from fund entities, the release of fixed deposits previously pledged as collateral following project refinancing, and repayments of initial set-up loans from newly established fund entities, resulting in a net cash outflow of approximately S\$0.62 million.

This was partially offset by net inflows from financing activities, mainly arising from bridging advances provided by fund entities to the Group, alongside repayments of bank borrowings and lease liabilities, which collectively contributed S\$0.57 million. The remaining net cash outflows of S\$1.36 million were attributable to operating activities of the Group.

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\$0.05 million and S\$0.20 million as at 31 December 2025 and 31 December 2024 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 2025 compared to 2024 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\$0.88 million and S\$1.33 million as at 31 December 2025 and 31 December 2024 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\$3.29 million and S\$4.75 million as at 31 December 2025 and 2024 respectively.

The decrease in trade receivables of S\$1.46 million was mainly attributable to the collection of project management fees from SPVs, fund establishment fees, and one-off success fees from the Group's investment vehicles. An impairment loss of S\$0.29 million was recognised on trade receivables, primarily relating to amounts due from ZACD Mount Emily Residential Development Fund.

### **Net current assets**

The net current assets of the Group decreased from approximately S\$21.01 million as at 31 December 2024 to approximately S\$15.65 million as at 31 December 2025.

The decrease was mainly attributable to a net reduction in cash and cash equivalents of S\$1.37 million, as well as total impairment losses of S\$4.17 million, primarily relating to advances and receivables from ZACD Mount Emily Residential Development Fund.

The Group's current ratio (defined as current assets divided by current liabilities) decreased from 3.11 times as at 31 December 2024 to 2.58 times as at 31 December 2025.

### **Current liabilities**

Current liabilities comprised of other payables and accruals, lease liabilities, bank borrowing, income tax payable, amount due to related parties and loans payable to related parties. The Group's total current liabilities as at 31 December 2025 and 2024 amounted to approximately S\$9.88 million and approximately S\$9.98 million respectively.

### **Charges on assets**

As at 31 December 2025, 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\$2,400,000.

As at 31 December 2025, 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.

## 16 MANAGEMENT DISCUSSION AND ANALYSIS

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

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.

### **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.

## 18 MANAGEMENT DISCUSSION AND ANALYSIS

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 2025. As at 31 December 2025, cumulative legal fees incurred in relation to legal actions taken against the Defendants and iProsperity Group amounted to S\$2,672,000 (31 December 2024: S\$1,728,000) where S\$1,985,000 (31 December 2024: S\$1,504,000) had been borne by ZACD Australia Hospitality Fund, S\$687,000 (31 December 2024: S\$224,000) 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 2025 (31 December 2024: 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 2025.

During the financial year ended 31 December 2025, 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. Going forward, 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 2025 and up to the date of this report.

## BUSINESS OUTLOOK

In Q4 2025, private housing prices continued their upward trajectory, building on the momentum of Q3’s strong sales and benchmark pricing amid a softening interest rate environment. This resulted in a full-year price growth of 3.3% for 2025, representing a slight moderation from the 3.9% y-o-y growth recorded in 2024.

The quarter’s rebound was primarily driven by the landed property segment, which surged 3.4% q-o-q (up from 1.4% in Q3 2025). In contrast, the non-landed segment stabilized with a marginal dip of 0.2% q-o-q, compared to the 0.8% q-o-q growth recorded in Q3 2025. Full year non-landed prices rose 2.3% vs landed property price increase of 7.6%, easing from 2.7% and 0.9% price growth in 2024 respectively.

The OCR and RCR non-landed segments were bolstered by several high-profile launches in the second half of the year, with price increases of 1.0% and 0.7% q-o-q respectively. Overall, prices in the CCR, RCR and OCR grew 1.9%, 1.6% and 3.2% respectively for the whole of 2025, building on to 2024 full-year growth of 4.5%, 5.8% and 3.7% respectively.

### **Project Milestones**

We expect the momentum from recent successful launches to carry into the new financial year. Our strategic entries into high-potential nodes included the Q2 2025 launch of Arina East Residences and the April 2025 debut of Bloomsbury Residences. The latter reflects our high conviction in the One-North precinct, underpinned by a notable scarcity of new residential supply in the area.

Furthermore, The Landmark achieved its Temporary Occupation Permit (TOP) in Q4 2025. We believe this milestone unlocks significant immediate-term investment opportunities and rental potential for our stakeholders.

### **Executive Condominiums (EC) Performance**

Our EC portfolio continues to demonstrate exceptional resilience:

- Altura EC: As of 31 December 2025, 99% of units have been sold. We anticipate a total sell-out by Q1 2026.
- Coastal Cabana EC (Tampines): Our next EC project in Tampines is slated for a Q1 2026 launch. Given the limited pipeline of ECs in the vicinity and the widening price gap with private housing, we expect this project to attract significant buyer interest.

### **International Divestments**

On the international front, we have successfully completed the sale of our hotel asset, The Sebel in Perth, Australia in Q2 2025. This marks the first of three assets held under ZACD Income Trust to be divested. We have appointed marketing agents for the remaining two assets as we continue to optimize our capital allocation.

### **2026 Strategic Outlook**

The residential market remains anchored by solid organic demand. We expect buyer interest to concentrate on new launches, supported by a declining interest rate environment and improved financing conditions.

To enhance portfolio resilience, we are expanding our industrial footprint. Notably, we intend to actively participate in industrial land tender bids during 1H 2026 to capitalize on strategic sites released under the IGLS program.

Overall, the 2026 outlook for Singapore real estate remains positive, and we look forward to launching new funds that will further diversify and strengthen our investors' portfolios.

## **CORPORATE GOVERNANCE PRACTICES**

The Board has adopted the principles and the code provisions of Corporate Governance Code ("**CG Code**") contained in Appendix C1 to the GEM Listing Rules. During the year ended 31 December 2025 and up to the date of this report, the Company has complied with all applicable code provisions of the CG Code as set out in Appendix C1 to the GEM Listing Rules.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2025.

## INTERESTS OF THE COMPLIANCE ADVISER

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

## AUDIT COMMITTEE

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

The Audit Committee currently consists of all three of the independent non-executive Directors, namely Mr. Lau Kin Chung Alex, Mr. Ma Yue Leong, Benjamin and Mr. Eugene Lim Chin Hon and the chairman is Mr. Lau Kin Chung Alex.

The Audit Committee with senior management have reviewed the consolidated results of the Group for the year ended 31 December 2025 and this report with the external auditor of the Company.

Reference is made to the annual results for the year ended 31 December 2025 (the "**Annual Results FY2025**"). The figures in respect of the Group's consolidated statement of profit or loss for the year ended 31 December 2025, consolidated statement of financial position as at 31 December 2025, consolidated statement of changes in equity for the year ended 31 December 2025, consolidated statement of cash flows for the year ended 31 December 2025 and notes to the financial statements for the year ended 31 December 2025 have been agreed by the Group's auditor, Ernst & Young LLP to the amounts set out in the Group's consolidated financial information for the year ended 31 December 2025.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

### EXTRACTED FROM INDEPENDENT AUDITOR'S REPORT PREPARED BY THE INDEPENDENT AUDITOR

The following is an extract of the independent auditor's report for the year ended 31 December 2025 from the external auditor of the Company:

#### Our Opinion

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 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

#### Material Uncertainty related to Going Concern

We draw attention to Note 2.1 to the financial statements, which describes events and conditions relating to the Group's exposure in a special purpose vehicle (the "**Fund**") which could cause potential financial implication to the Group and Company. The Fund is established in connection with a residential redevelopment project. As disclosed in Note 35, the Company has provided a financial guarantee to secure a project bank loan facility drawn by the Fund up to a maximum amount of S\$95.7 million. If the lender calls on this loan guarantee, this could result in the Group making mandatory repayment of the Fund's outstanding loan and related interest at the loan maturity date, which is before the estimated project Temporary Occupancy Permit (TOP) date.

These events and conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Group and the Company to continue as going concerns. The Group and the Company's ability to continue as a going concern depends on successful extension of the loan facility's maturity of the Fund, which is contingent upon an extension of the Additional Buyer Stamp Duty ("**ABSD**") deadline as set out in Note 2.1 to the financial statements.

In the event that the Group and the Company are unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statement of financial position. In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. No adjustments have been made in the financial statements in respect of this. Our opinion is not modified in respect of this matter.

## PUBLICATION OF THE ANNUAL REPORT ON THE WEBSITES OF THE EXCHANGE AND THE COMPANY

The annual report for the year ended 31 December 2025 will be available on the Company's website ([www.zacdgroup.com](http://www.zacdgroup.com)) and the designated website of the Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) in due course.

By Order of the Board

**ZACD Group Ltd.**

**Sim Kain Kain**

*Chairman and Executive Director*

Singapore, 31 March 2026

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

**MS. SIM KAIN KAIN (“MS. SIM”)**

*Executive Director and Chairman of the Board*

aged 60, 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 54, 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. PHUA CHER CHEW (PAN ZIQIU) ("MR. PHUA")**

*Executive Director, Deputy Chief Executive Officer*

aged 52, has over 17 years of experience in the real estate industry involving corporate strategy, real estate development, business development, and portfolio acquisitions. Mr. Phua was appointed as an Executive Director and Deputy Chief Executive Officer of the Company on 24 November 2025.

He has been active in the real estate industry since 2009. Amcorp Global Limited (formerly known as was TEE Land Limited) was successfully listed on the Main Board of SGX on 30 May 2013 with a post-IPO market value of S\$241.3 million and following this he was appointed as Chief Executive Officer and Executive Director. In 2016, Chewathai Company Limited ("**Chewathai**"), a subsidiary of Amcorp Global Limited, was listed on the SET, and following this he was invited to sit on the Board of Chewathai and co-chair the Audit Committee.

Presently, he sits on the Board of Pollux Properties Limited, MNG 108 Pte. Ltd. Amcorp Forward Pte. Ltd. (a subsidiary of Amcorp Global Limited) which are all real estate companies.

He has also served as a member of the Singapore Nee Soon Central Citizens Consultative Committee and President of Singapore St. John's Zone 9.

Mr. Phua holds a Bachelor of Business (Marketing) from Central Queensland University and a Diploma in Accounting from Singapore Polytechnic. He is also a member of Singapore Institute of Directors.

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

aged 62, 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 26 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. LAU KIN CHUNG, ALEX ("MR. LAU")**

*Independent Non-executive Director*

aged 39, is currently the Director at Fortune Financial Capital Limited ("**Fortune Financial**") in Hong Kong. He is a licensed Responsible Officer to Fortune Financial 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 46, 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 46, 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 twenty (20) 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 2025. 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 2025, 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                | <ul style="list-style-type: none"> <li>Return on investment</li> <li>Information transparency</li> <li>Protection of interests</li> <li>Shorter turnaround time in response to feedback or complaints</li> </ul> | <ul style="list-style-type: none"> <li>Regular virtual and physical meetings</li> <li>Regular phone and email correspondences</li> <li>Investor events/ Information sharing</li> </ul>  | <ul style="list-style-type: none"> <li>Timely distribution of information</li> <li>Safeguard measures in protecting confidentiality of customer information</li> <li>Consistent and open communication to establish mutual trust between the Group and customers/investors</li> </ul>  |
| Employees                          | <ul style="list-style-type: none"> <li>Career development</li> <li>Fair wages</li> <li>Health and safety</li> <li>Work life balance</li> <li>Employee Engagement</li> </ul>                                      | <ul style="list-style-type: none"> <li>Virtual Town Hall sessions</li> <li>Weekly department Meetings</li> <li>Training</li> <li>Annual lunch to update employees on company performance</li> <li>Weekly workout sessions</li> <li>Monthly team bonding budgets</li> <li>Company sponsored events to celebrate festivals/team bonding activities such as hikes, barbecues to help employees feel connected</li> </ul> | <ul style="list-style-type: none"> <li>Implementation of staggered working hours and hybrid working arrangements to provide flexibility to employees even after removal of all movement restrictions by the government</li> <li>Digitisation of HR Information Systems to improve efficiency</li> <li>Enhancement of employees' skills set through virtual in-house and external trainings and seminars</li> <li>Providing gym workout vouchers to promote employee engagement</li> <li>Provision of sponsorships for training</li> <li>Merit-based performance appraisal for equal opportunity</li> </ul> |
| Business Partners                  | <ul style="list-style-type: none"> <li>Resource sharing</li> <li>Mutual growth and development</li> </ul>  | <ul style="list-style-type: none"> <li>Regular virtual and physical meetings</li> <li>Site Visits to our various projects</li> <li>Regular phone and email correspondences</li> </ul>   | <ul style="list-style-type: none"> <li>Facilitate opportunities for increased cooperation between business partners and the Group</li> </ul>   |
| Shareholders                       | <ul style="list-style-type: none"> <li>Access to the Group's operational and financial performance</li> </ul>  | <ul style="list-style-type: none"> <li>AGMs</li> <li>Quarterly and Annual Reports</li> <li>Regular HKEX Announcements on acquisitions/divestments/ major milestones</li> <li>Investor meetings and roadshows</li> </ul>   | <ul style="list-style-type: none"> <li>Investor feedback via relationship managers</li> </ul>  |
| Regulators and government agencies | <ul style="list-style-type: none"> <li>Compliance</li> <li>Social responsibility</li> </ul>  | <ul style="list-style-type: none"> <li>Regulatory licensing and filings</li> <li>Notices and meetings</li> </ul>  | <ul style="list-style-type: none"> <li>Ensuring regulatory compliance</li> </ul>   |
| Community                          | <ul style="list-style-type: none"> <li>Improving and empowering local communities</li> <li>Environment protection</li> </ul>   | <ul style="list-style-type: none"> <li>Charitable activities</li> <li>Community involvement projects</li> </ul>   | <ul style="list-style-type: none"> <li>Organising CSR programmes</li> <li>Contributing through corporate sponsorship and donations</li> </ul>  |

**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 2025, The Concourse, although having awarded the BCA Green Mark Platinum Award in 2018, 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 the 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; (vi) reduce unnecessary business travels and to encourage the use of online meeting platforms; and (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 Malaysia are adopting a partial work from home model continue to do so for the year 2026.

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   | 1,714             |
| Feb   | 1,682             |
| Mar   | 1,677             |
| Apr   | 1,643             |
| May   | 1,458             |
| Jun   | 1,763             |
| Jul   | 1,654             |
| Aug   | 2,039             |
| Sep   | 1,828             |
| Oct   | 2,056             |
| Nov   | 1,891             |
| Dec   | 1,849             |

Total electricity consumption in 2025 was around 30% higher than in 2024 at 21,255 kWh. The average monthly electricity consumption for the past year was 1,771 kWh compared to 1,173 kWh, for the year 2024. This represents an increase of approximately 33.78% on average in our energy consumption needs on a monthly basis.

While our electricity consumption increased in 2025 following the transition back to office-based operations in September, this shift reflects a consolidation of our operational footprint. By centralizing our workforce, we have significantly reduced the indirect emissions associated with staff commuting and home-office energy use, which were previously decentralized.

**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 using 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 2025 is as follows:

| Month | Cu M  |
|-------|-------|
| Jan   | 0.66  |
| Feb   | 0.72  |
| Mar   | 0.66  |
| Apr   | 0.72  |
| May   | -0.24 |
| Jun   | 0.54  |
| Jul   | 0.66  |
| Aug   | 0.66  |
| Sep   | 0.72  |
| Oct   | 0.66  |
| Nov   | -0.12 |
| Dec   | 0.24  |

**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 maintain an optimised electricity consumption as employees start to return to the 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 2025 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 2025 was 30.6% lower than in 2024 at S\$2,347.95. Average monthly paper usage was about 7 reams, a reduction from an average of 9 reams in 2024. The average monthly cost of printing was approximately S\$195.66 per month, 44.09% lower than in 2024. Our overall paper consumption recorded a net decrease compared to the previous year, primarily due to a reduction in new project initiations and the associated administrative documentation. 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 and Paper Costs |
|-------|--------------------------|
| Jan   | 105.26                   |
| Feb   | 57.76                    |
| Mar   | 41.58                    |
| Apr   | 101.52                   |
| May   | 360.8                    |
| Jun   | 167.6                    |
| Jul   | 490.29                   |
| Aug   | 235.94                   |
| Sep   | 125.02                   |
| Oct   | 179.87                   |
| Nov   | 198.55                   |
| Dec   | 283.76                   |

**ASPECT A4: Climate Change**

Apart from the measures mentioned on energy conservation, waste management and efficient resource consumption, we do not have other significant climate change issues that have a direct or indirect impact on the business.

**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 2025, of whom 37% were female and 63% 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 7% and 40% respectively.

**Summary of Employee Profile**

|                            |    |
|----------------------------|----|
| <b>Gender</b>              |    |
| Male                       | 17 |
| Female                     | 10 |
| <b>Age Distribution</b>    |    |
| Under 30                   | 2  |
| 31–50                      | 16 |
| Above 50                   | 9  |
| <b>Employment Category</b> |    |
| Senior                     | 5  |
| Middle                     | 21 |
| Junior                     | 1  |
| <b>Geographical</b>        |    |
| Singapore                  | 27 |

**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, colour, 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, our employees were offered the option of working at alternative work locations, such as from the comforts of their homes. All these welfare benefits aim to boost employee work-life satisfaction, motivation, and productivity at work.

For 2026, 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 2025 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 2026, 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 2025

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.

The Group continues to organise periodic physical meetings and staff engagement sessions to provide updates on company performance and address employee feedback. We have maintained our tradition of celebrating festive occasions, year-end gatherings, and team bonding activities, creating opportunities for employees to connect beyond the workplace.

In FY2025, our commitment to fostering a vibrant and inclusive workplace culture was reflected through a series of engagement initiatives and social events that strengthened teamwork, encouraged open communication, and contributed to a positive and collaborative working environment across the Group.

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   | 67% |
| Female | 33% |

#### Employee Turnover by Age Group

|          |     |
|----------|-----|
| Under 30 | 25% |
| 31–50    | 50% |
| Above 50 | 25% |

### 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 2025

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 2025, 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.

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 2025, 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 Training: IT Security Awareness, Wealth Planning and Structuring, Quarterly Regulatory updates and PDPA 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 | 4                    |
| By Gender                   |                      |
| Male:                       | 73%                  |
| Female:                     | 27%                  |
| By Employment Category      |                      |
| Middle:                     | 4, representing 100% |

**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 March, 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.

### Summary of Training Hours

On average, each staff went through 5.5 hours of training through in-house and/or public courses.

Moving forward in 2026, 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:  | 16              |
| Female:  | 6               |
| Average training hours completed per employee category |                 |
| Middle:  | 5.5             |

### 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:

- 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.
- Compliance Obligations including Gifts and Entertainment, Personal Share Dealing, Personal Share Dealing, Transactions with Connected Parties, and Outside Activities of Employees

## 46 REPORT OF THE DIRECTORS

The directors present their statement to the members together with the audited financial statements of ZACD Group Ltd. (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) and the statement of financial position of the Company for the year ended 31 December 2025.

### 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 2025 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 1 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 7 to 23 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 2025 is set out in the Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income on pages 86 to 87 of this report and the financial position of the Group as at 31 December 2025 is set out in the Consolidated Statement of Financial Position on pages 88 to 89 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 2025.

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 30 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.

The Board makes all dividend decisions in accordance with these principles in the Company's dividend policy.

## DISTRIBUTABLE RESERVES

As at 31 December 2025, 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 ( <i>Chairman</i> ) | (appointed on 8 November 2016)                                  |
| Mr. Yeo Choon Guan (Yao Junyuan)      | (appointed on 8 November 2016)                                  |
| Mr. Phua Cher Chew (Pan Ziqiu)        | (appointed on 24 November 2025)                                 |
| Mr. Tan Puay Kiang, Francis           | (appointed on 6 June 2024 and resigned w.e.f. 30 November 2025) |
| Mr. Chin Meng Liong                   | (appointed on 11 March 2021)                                    |
| Mr. Han Xiangfeng                     | (appointed on 6 June 2024 and resigned w.e.f. 12 February 2026) |

### 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)  |

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. Ma Yue Leong Benjamin, Mr. Eugene Lim Chin Hon and Mr. Phua Cher Chew (Pan Ziqiu) 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 24 to 29 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).

No Director proposed for re-election at the forthcoming AGM has a service contract with any member of the Group which is not determinable by the Group within one 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:

| Name of directors                                    | Direct interest                    |                              | Deemed interest                    |                              |
|--|------------------------------------|------------------------------|------------------------------------|------------------------------|
|  | At the beginning of financial year | At the end of financial year | At the beginning of financial year | At the end of financial year |
| <b>Ordinary shares of ZACD Investments Pte. Ltd.</b> |                                    |                              |                                    |                              |
| Yeo Choon Guan (Yao Junyuan)                         | 833,000                            | 833,000                      | 833,000                            | 833,000                      |
| Sim Kain Kain  | 833,000                            | 833,000                      | 833,000                            | 833,000                      |
| <b>Ordinary shares of the Company</b>                |                                    |                              |                                    |                              |
| Yeo Choon Guan (Yao Junyuan)                         | –                                  | –                            | 1,298,600,000                      | 1,298,600,000                |
| Sim Kain Kain  | –                                  | –                            | 1,298,600,000                      | 1,298,600,000                |
| Chin Meng Liong                                      | 30,000                             | 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 2025, 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. Chin         | Our Company (Note 2)            | Beneficial owner                     | 30,000 ordinary shares        | 0.00% (Note 3)                    | -                                      | -                                 |
| 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 4)  | Interest in a controlled corporation | 2 ordinary shares             | 90%                               | 168 ordinary shares                    | 8,400%                            |
| Mr. Yeo/Ms. Sim  | ZACD (Neew2) Pte. Ltd. (Note 5) | Interest in a controlled corporation | 2 ordinary shares             | 90%                               | 61 ordinary shares                     | 3,050%                            |

Notes:

- 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.
- Mr. Chin Meng Liang ("Mr. Chin") is a Director of the Company.
- Representing 0.0015% of the issued shares of the Company.

4. 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.
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 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.

Save as disclosed above, as at 31 December 2025, 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 person 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 2025 and 31 December 2025 is 200,000,000.

As at 31 December 2025, the total number of shares available for grant under the Scheme is 200,000,000 shares, representing approximately 10% of the issued shares of the Company as at that date.

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 2025 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 2025. 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 2025, 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-months 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 2025, 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<br>(Note 1)                   | 1,298,600,000                  | 64.93%  |
| Ms. Sim                    | Interest in a controlled Corporation<br>(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:

- 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.
- 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 2025, 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.

## 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 2025.

## 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 2025 and up to the date of this report.

Subsequent to the end of the reporting period and up to the date of this report, Mr. Han Xiangfeng resigned as an Executive Director of the Company with effect from 12 February 2026.

## 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 keeps under review the Group's system of accounting and internal financial controls, for which the Directors 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 Chief Financial Officer will normally attend meetings and the auditor has 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

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

## ON BEHALF OF THE BOARD

**Sim Kain Kain**

*Chairman*

Singapore, 31 March 2026

## 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 2025. Details of the Group’s corporate governance practices adopted by the Board are set out in the Corporate Governance Report on pages 59 to 77 of this report.

The Board recognises that corporate culture is fundamental to the long-term success of the Group. The Board is responsible for fostering a corporate culture that aligns with the Company’s purpose, values and strategy.

The Company promotes a culture of integrity, accountability and professionalism. Such culture is reinforced through the Company’s policies, code of conduct and internal controls. The Board monitors and assesses the alignment of the Company’s culture with its strategy and business objectives on an ongoing basis.

### 1. BOARD OF DIRECTORS

#### 1.1 Composition of the Board

As at the date of this Annual Report, the Board consists of seven (7) Directors comprising four (4) 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. Phua Cher Chew (Pan Ziqiu) (appointed on 24 November 2025)  
Mr. Tan Puay Khiang, Francis (appointed on 6 June 2024 and resigned w.e.f. 30 November 2025)  
Mr. Chin Meng Liong (appointed on 11 March 2021)  
Mr. Han Xiangfeng (appointed on 6 June 2024 and resigned w.e.f. 12 February 2026)

##### ***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)

For the year ended 31 December 2025 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 2025.

## 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.

The Board has conducted a review of its effectiveness during the year. The evaluation considered factors including the structure, size and composition of the Board, the effectiveness of the Board's processes and the contributions of individual Directors. The Board considers that its performance during the year was effective.

#### 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. Ma Yue Leong Benjamin, Mr. Eugene Lim Chin Hon and Mr. Phua Cher Chew (Pan Ziqiu) 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.

##### **Board Skills Matrix and Expertise**

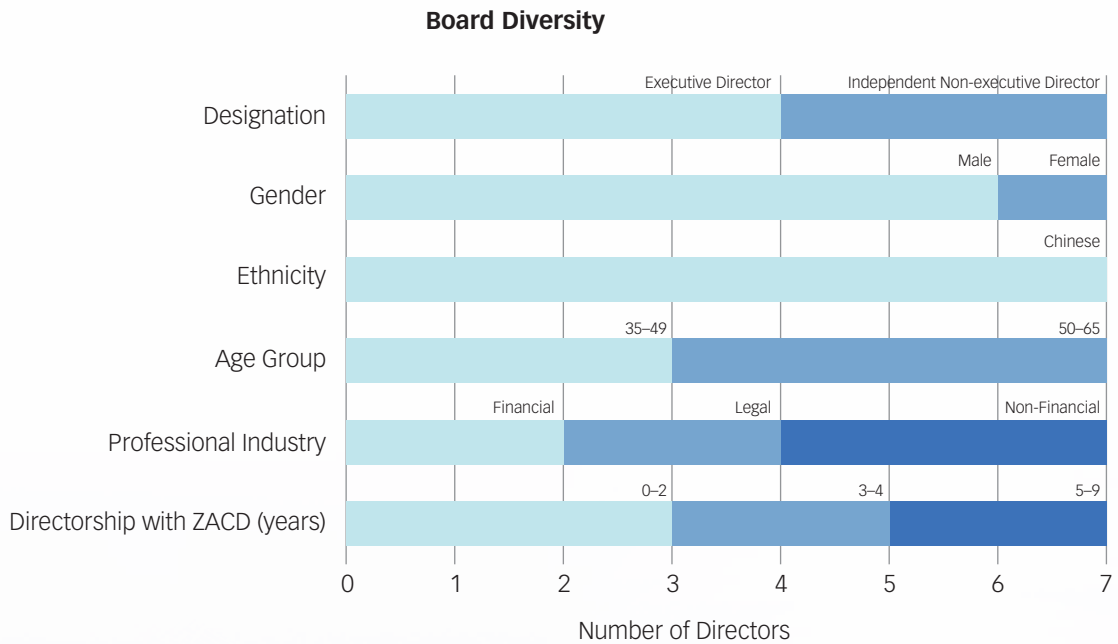
The Board has reviewed the mix of skills, knowledge and experience of its members. The Board considers that its members possess a balanced mix of skills and experience appropriate for the requirements of the business of the Group. The Directors have a wide range of expertise, including accounting and finance, legal and corporate governance, business management, investment and industry-specific experience, which enables the Board to effectively discharge its duties.

The Nomination Committee has reviewed the composition of the Board and is satisfied that the Board has an appropriate balance of skills and experience. The Nomination Committee also assesses each Director's effectiveness, integrity and independence, taking into account their contributions to Board discussions and decision-making. This ongoing evaluation process helps ensure that the Board comprises individuals with appropriate qualifications and experience to effectively discharge their duties.

The following table illustrates the diversity of the Board members' expertise as at the date of this report:

| <b>Name of Directors</b>                   | <b>Accounting and Finance</b> | <b>Legal and Corporate Governance</b> | <b>Business Management and Strategy</b> | <b>Investment and Industry Experience</b> |
|--|-------------------------------|---------------------------------------|---|---|
| <i>Executive Directors</i>                 |                               |                                       |   |   |
| Ms. Sim Kain Kain                          | √                             |                                       | √                                       | √   |
| Mr. Yeo Choon Guan (Yao Junyuan)           | √                             |                                       | √                                       | √   |
| Mr. Phua Cher Chew (Pan Ziqiu)             | √                             |                                       | √                                       | √   |
| Mr. Chin Meng Liong, Patrick               | √                             | √                                     | √                                       |   |
| <i>Independent Non-Executive Directors</i> |                               |                                       |   |   |
| Mr. Lau Kin Chung Alex                     | √                             | √                                     | √                                       |   |
| Mr. Ma Yue Leong, Benjamin                 | √                             | √                                     | √                                       |   |
| Mr. Eugene Lim Chin Hon                    | √                             | √                                     | √                                       |   |

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



### **Workforce Diversity Policy**

The Company adopted the Workforce Diversity Policy, which applies to all employees (including senior management). The Policy recognizes and endorses the advantages and benefits of workforce diversity. All employee appointments are based on the principle of meritocracy, while giving due consideration to the benefits of workforce diversity when evaluating candidates.

The Workforce Diversity Policy includes measurable objectives for promoting gender diversity across the workforce (including senior management). The Company continues to monitor progress against these objectives and, where applicable, considers any mitigating factors that may make achieving gender diversity more challenging in certain business functions.

As at 31 December 2025, the current gender ratio of the senior management is 1 male per 1 female and the current gender ratio of the company workforce (excluding senior management) is 127 males per 27 females.

### **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

Pursuant to Rule 5.02F of the GEM Listing Rules, all Directors are required to participate in continuous professional development ("**CPD**") in each financial year to develop and refresh their knowledge and skills, ensuring that their contribution to the Board remains informed and relevant.

During the Year, all Directors have participated in CPD activities through a combination of internal training, external seminars, online courses and self-study.

The CPD programmes undertaken by the Directors during the Year covered, inter alia, the following areas as summarised in the table below:

- (i) the roles, functions and responsibilities of the Board, its committees and directors, and board effectiveness;
- (ii) the obligations of issuers and directors under Hong Kong laws and the GEM Listing Rules, as well as key legal and regulatory updates;
- (iii) corporate governance and ESG-related matters, including sustainability and climate-related risks and opportunities;
- (iv) risk management and internal control systems; and
- (v) industry-specific developments, business trends and strategies relevant to the Group.

| Names of Directors  | Board Roles and Effectiveness | Legal and Regulatory Duties (including Listing Rules) | Corporate Governance and ESG | Risk Management and Internal Controls | Industry-Specific Developments | Total Hours |
|---|-------------------------------|---|------------------------------|---------------------------------------|--------------------------------|-------------|
| <i>Executive Directors</i>  |                               |   |                              |                                       |                                |             |
| Ms. Sim Kain Kain<br><i>(Chairman &amp; Executive Director)</i>   | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| Mr. Yeo Choon Guan (Yao Junyuan)<br><i>(Chief Executive Officer)</i>  | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| Mr. Phua Cher Chew (Pan Ziqiu)<br><i>(Deputy Chief Executive Officer)**<br/>(appointed on 24 December 2025)</i> | 4*                            | 4^  | 8*                           | 4^                                    | 4^                             | 24          |
| Mr. Chin Meng Liong, Patrick<br><i>(Chief Legal Officer)</i>  | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| Mr. Tan Puay Kiang, Francis<br><i>(Chief Operating Officer)<br/>(resigned on 30 November 2025)</i>              | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| Mr. Han Xiangfeng<br><i>(resigned on 12 February 2026)</i>  | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| <i>Independent Non-Executive Director</i>   |                               |   |                              |                                       |                                |             |
| Mr. Lau Kin Chung Alex  | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| Mr. Ma Yue Leong, Benjamin  | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |
| Mr. Eugene Lim Chin Hon   | 2*                            | 2^  | 2*                           | 2^                                    | 2^                             | 10          |

*Notes:*

- \* Internal Training
- ^ Self-study
- \*\* Mr. Phua Cher Chew (Pan Ziqiu), who was appointed as a Director on 24 December 2025, has completed not less than 24 hours of training on regulatory and legal matters, including the Listing Rules, in compliance with the minimum training requirement under Rule 5.02H of the GEM Listing Rules.

Each Director has provided a record of the training undertaken during the Year to the Company.

Newly appointed Directors, if any, have received comprehensive induction training upon their appointment to ensure that they have a proper understanding of the Group's operations and business and are fully aware of their responsibilities under the GEM Listing Rules and other applicable laws and regulations.

All Directors have fulfilled the CPD requirements under Rule 5.02F of the GEM Listing Rules. Where applicable, first-time Directors have complied with the minimum training hours requirement under Rule 5.02H.

The above table summarises the major training activities undertaken by the Directors during the Year.

### 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 2025:

- (a) reviewed the consolidated financial statements of the Group for the year ended 31 December 2025 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 2025 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 2025.

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 2025.

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 2025, the attendance of each member of the above committee meetings and the Board meetings are recorded as below:

| Name of Directors                           | Number of meetings attended/Number of meetings held |                         |                                |                              |                        |
|---|---|-------------------------|--------------------------------|------------------------------|------------------------|
|   | Board Meeting                                       | Audit Committee Meeting | Remuneration Committee Meeting | Nomination Committee Meeting | Annual General Meeting |
| <i>Executive Directors:</i>                 |   |                         |                                |                              |                        |
| Ms. Sim Kain Kain                           | 2/2   | N/A                     | 1/1                            | 1/1                          | 1/1                    |
| Mr. Yeo Choon Guan (Yao Junyuan)            | 2/2   | N/A                     | N/A                            | 1/1                          | 1/1                    |
| Mr. Phua Cher Chew (Pan Ziqiu) <sup>®</sup> | N/A   | N/A                     | N/A                            | N/A                          | N/A                    |
| Mr. Tan Puay Khiang, Francis <sup>*</sup>   | 2/2   | N/A                     | N/A                            | N/A                          | 1/1                    |
| Mr. Chin Meng Liong                         | 2/2   | N/A                     | N/A                            | N/A                          | 1/1                    |
| Mr. Han Xiangfeng <sup>#</sup>              | 2/2   | N/A                     | N/A                            | N/A                          | 1/1                    |
| <i>Independent Non-executive Directors:</i> |   |                         |                                |                              |                        |
| Mr. Lau Kin Chung Alex <sup>#</sup>         | 2/2   | 2/2                     | 1/1                            | 1/1                          | 1/1                    |
| Mr. Ma Yue Leong, Benjamin <sup>#</sup>     | 2/2   | 2/2                     | 1/1                            | 1/1                          | 1/1                    |
| Mr. Eugene Lim Chin Hon                     | 2/2   | 2/2                     | 1/1                            | 1/1                          | 1/1                    |

Notes: <sup>®</sup> Appointed w.e.f. 24 November 2025  
<sup>\*</sup> Resigned w.e.f. 30 November 2025  
<sup>#</sup> Resigned w.e.f. 12 February 2026

## 3. DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board has confirmed its responsibility for preparing annual financial statements of the Company as of 31 December 2025.

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 2025.

#### 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

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 50, 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-six (26) 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.

Ms. Ho 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, Ms. Ho 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 CONTROLS

During the Year, the Company has conducted a review of the effectiveness of the risk management and internal control systems of the Company and its subsidiaries in accordance with Code Provision D.2.1 of the Corporate Governance Code. The review is conducted at least annually and the following disclosures are made:

### (a) Board's Responsibility and Acknowledgement

A statement from the Board:

- (i) acknowledging its overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and for maintaining appropriate and effective risk management and internal control systems; and
- (ii) confirming that these systems are appropriate and effective for the purposes set out in Principle D2 of the Corporate Governance Code.

### (b) Key Features of the Systems

The main features of the risk management and internal control systems include a comprehensive framework of policies, standards, and procedures established by the management in areas of operational, financial, and risk controls. The systems are designed to manage the risk of failure to achieve business objectives and provide reasonable assurance against material misstatement, loss, fraud, and errors. Key features include:

- A structured process for identifying, evaluating, and managing significant risks through regular risk assessment surveys and management self-assessments.
- Procedures for safeguarding assets against unauthorized use, maintaining proper accounting records, and ensuring the reliability of financial information.
- Procedures for the timely, accurate, and complete disclosure of discloseable information, including inside information and any other information required to prevent a false market in the Company's securities, in accordance with the Listing Rules.

The Company has established information disclosure procedures in accordance with regulatory requirements such as the Securities and Futures Ordinance and the Listing Rules, which outline the processes and internal controls for handling and disseminating inside information; additionally, it has adopted a disclosure policy that provides a general guide to directors, senior management, and relevant employees of the Group for the handling and/or monitoring of inside information disclosure pursuant to the relevant rules and regulations.

**(c) Changes in the Reporting Period**

There were no significant changes during the Year in (i) the Company's assessment of significant risks (including ESG risks) or (ii) the risk management and internal control systems.

**(d) Internal Audit Function**

The Company has an internal audit function supervised by the Audit Committee and assisted by the Internal Control Department. The internal audit department is responsible for periodically assessing the effectiveness of the risk management and internal control systems on a regular basis, ensuring through systematic reviews that internal control measures are effectively implemented. The Audit Committee conducts a comprehensive review at least annually and reports the findings and recommendations for improvement to the Board.

**(e) Review Process, Responsibilities, and Frequency**

Regarding the responsibility, process, and frequency of reviews, the internal audit department, under the supervision of the Audit Committee, is responsible for conducting reviews to assess the effectiveness of the risk management and internal control systems on a regular basis. The review process includes: identifying key risk areas through systematic evaluation, testing the design and operational effectiveness of control measures, and reviewing relevant documents and records. Reviews are conducted at least once a year, with the Audit Committee reviewing and reporting the results and recommendations to the Board.

**(f) Information Supporting the Board's Conclusion**

The Board's conclusion on the appropriateness and effectiveness of the risk management and internal control systems is supported and corroborated by multiple sources, including: confirmation from management through periodic assessments and assurances to the Board regarding the operation of internal controls; confirmation from the relevant Board committee responsible for risk management and internal controls (i.e., the Audit Committee) regarding the effectiveness of its supervisory functions; and confirmation from the internal audit department on the effectiveness of its functions, further corroborating the effectiveness of internal controls over financial reporting.

**(g) Review Scope and Findings**

The scope of the year-end review covered all material controls, including financial, operational, and compliance controls. The review findings concluded that the systems were effective and adequate. No significant control failings or weaknesses were identified during the current reporting period. Consequently, no remedial actions were required.

The Board has, through the Audit Committee, conducted annual review of the effectiveness of the risk management and internal control systems of the Group. The review covered the budget of the Group's accounting and financial reporting function, adequacy of resources, staff qualifications and experience and training programmes during the year ended 31 December 2025. The Board considers that the Group's risk management and internal control systems are adequate and effective.

The Board, through the Audit Committee, has conducted an annual review of the effectiveness of the Group's risk management and internal control systems for the year under review, including financial, operational and compliance controls. The review did not identify any significant areas of concern.

The Company has an internal audit function (which may be performed by an external professional firm, where appropriate) to carry out independent reviews of the adequacy and effectiveness of the Group's internal control systems. The Audit Committee reviews the internal audit findings and monitors the implementation of recommendations.

The Company has established a whistleblowing policy and system for employees and those who deal with the Company to raise concerns, in confidence and anonymity, about possible improprieties in any matter related to the Company. The Audit Committee is responsible for overseeing the implementation and effectiveness of such arrangements.

The Company has also adopted policies and procedures on anti-corruption and anti-bribery to ensure that all business operations are conducted in an ethical and compliant manner. All employees are required to comply with such policies, and the Company provides guidance, where appropriate, to promote awareness of anti-corruption practices. Further details on the implementation of such policies are set out in the ESG Report of the Company.

## 7. REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the year ended 31 December 2025 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 2025, the remuneration paid or payable to the External Auditor for audit and non-audit services are set out as follows:

| <b>Services rendered</b>       | <b>Fee paid/payable<br/>S\$'000</b> |
|--------------------------------|-------------------------------------|
| 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](http://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

The Company maintains ongoing dialogue with shareholders through various channels, including annual general meetings and other general meetings. The Board and senior management also engage with investors, where appropriate, to understand their views and concerns. Shareholders' feedback is reported to the Board on a regular basis.

## 10. CONSTITUTIONAL DOCUMENTS

During the financial year ended 31 December 2025, 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.

*For the year ended 31 December 2025*

**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 2025, 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 2025 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**"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements in Singapore. We have also 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.

## MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2.1 to the financial statements, which describes events and conditions relating to the Group's exposure in a special purpose vehicle (the "**Fund**") which could cause potential financial implication to the Group and Company. The Fund is established in connection with a residential redevelopment project. As disclosed in Note 35, the Company has provided a financial guarantee to secure a project bank loan facility drawn by the Fund up to a maximum amount of S\$95.7 million. If the lender calls on this loan guarantee, this could result in the Group making mandatory repayment of the Fund's outstanding loan and related interest at the loan maturity date, which is before the estimated project Temporary Occupancy Permit (TOP) date.

These events and conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Group and the Company to continue as going concerns. The Group and the Company's ability to continue as a going concern depends on successful extension of the loan facility's maturity of the Fund, which is contingent upon an extension of the Additional Buyer Stamp Duty ("**ABSD**") deadline as set out in Note 2.1 to the financial statements.

In the event that the Group and the Company are unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. No adjustments have been made in the financial statements in respect of this. Our opinion is not modified in respect of this matter.

## 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.

**KEY AUDIT MATTERS** (cont'd)

**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 3.4% of the Group's total assets as at 31 December 2025.

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 38 to the Group's financial statements, the management has described the key sources of estimation involved in determining the fair value.

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 38.

## KEY AUDIT MATTERS (cont'd)

### 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 2025, the financial derivative is carried as a financial liability and valued at \$2,752,000.

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 38 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 29 and 38.

### Expected credit loss assessment on the Group’s and Company’s trade receivables, amount due from related parties (non-trade) and loans and related receivables

The Group and the Company have trade receivables, amounts due from related parties (non-trade) and loans and related receivables from the fund entities that undertake investments in real estate development projects.

The recoverability of these receivables is dependent on the success of the relevant development projects. The success of the development projects is dependent on, amongst others, timely completion of the developments, meeting development budgets, the economic condition, government policies, and demand and supply of properties. Consequently, there is a risk of downward profitability of the development projects due to implications brought on by the market and economic conditions. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

We identified this as a key audit matter because the trade receivables, amounts due from related parties (non-trade) and loans and related receivables are material to the Group’s and the Company’s financial statements, and the impairment assessment involves significant management judgement and heightened level of estimation uncertainty arising from the volatility in market and current economic conditions.

**KEY AUDIT MATTERS** (cont'd)

**Expected credit loss assessment on the Group's and Company's trade receivables, amount due from related parties (non-trade) and loans and related receivables** (cont'd)

As part of our audit procedures, we obtained an understanding of the Group's process for identifying impairment triggers and considered management's assessment of impairment trade receivables, amounts due from related parties (non-trade) and loans and related receivables. We evaluated management's assumptions and inputs used in the review of historical credit loss experiences and consideration of the information management used to make forward-looking adjustment in determining the expected credit losses. We discussed with management about the future market and economic conditions had on the development projects plans. We assessed the reasonableness of the estimated selling prices of the development properties by comparing to recently transacted prices and prices of comparable projects located in the vicinity as the development projects. We assessed the reasonableness of the total estimated contract costs by enquiring with management to understand the basis of key assumptions used in estimating project completion timelines and total estimated contract costs.

We also assessed the adequacy of the disclosures in the consolidated financial statements in Notes 3, 17, 19 and 21.

**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.

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

- 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.

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

31 March 2026

## 86 CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

|   |      | <b>Group</b>   |         |
|---|------|----------------|---------|
|   | Note | <b>2025</b>    | 2024    |
|   |      | <b>S\$'000</b> | S\$'000 |
| <b>Revenue</b>  | 5    | <b>2,697</b>   | 4,964   |
| Other income and gains  | 5    | <b>515</b>     | 1,079   |
| Staff costs   | 6    | <b>(2,973)</b> | (3,750) |
| (Impairment losses)/reversal of impairment losses               |      |                |         |
| on financial assets   | 7    | <b>(4,174)</b> | 8       |
| Depreciation  | 14   | <b>(47)</b>    | (98)    |
| Amortisation of right-of-use assets                             | 24   | <b>(259)</b>   | (251)   |
| Amortisation of capitalised contract costs                      | 25   | <b>(126)</b>   | (113)   |
| Marketing expenses  |      | <b>(16)</b>    | –       |
| Other expenses, net   |      | <b>(1,233)</b> | (1,408) |
| Interest expense  | 8    | <b>(862)</b>   | (575)   |
| Fair value loss on financial derivative                         | 29   | <b>(178)</b>   | (945)   |
| <b>Loss before tax</b>  | 8    | <b>(6,656)</b> | (1,089) |
| Income tax credit/(expense)                                     | 11   | <b>1,083</b>   | (115)   |
| <b>Loss for the year attributable to owners of the Company</b>  |      | <b>(5,573)</b> | (1,204) |
| <b>Earnings per share attributable to owners of the Company</b> | 12   |                |         |
| – Basic (cents)   |      | <b>(0.28)</b>  | (0.06)  |
| – Diluted (cents)   |      | <b>(0.28)</b>  | (0.06)  |

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

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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For the year ended 31 December 2025

|  | Note | Group<br>2025<br>S\$'000 | 2024<br>S\$'000 |
|--|------|--------------------------|-----------------|
| <b>Loss for the year</b>   |      | <b>(5,573)</b>           | (1,204)         |
| <b>Other comprehensive (loss)/income:</b>  |      |                          |                 |
| <i>Items that will not be reclassified to profit or loss</i>                           |      |                          |                 |
| Fair value changes on investment in equity securities                                  | 15   | <b>(152)</b>             | (367)           |
| Fair value changes on investment in fund entities                                      | 16   | <b>(449)</b>             | (504)           |
| <i>Items that may be reclassified subsequently to profit or loss</i>                   |      |                          |                 |
| Exchange differences on translation of foreign operations                              | 30   | <b>31</b>                |                 |
| Other comprehensive loss for the year  |      | <b>(570)</b>             | (856)           |
| <b>Total comprehensive loss for the year<br/>attributable to owners of the Company</b> |      | <b>(6,143)</b>           | (2,060)         |

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

# 88 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

|  |      | Group           |                 | Company         |                 |
|--|------|-----------------|-----------------|-----------------|-----------------|
|  | Note | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| <b>Non-current assets</b>                    |      |                 |                 |                 |                 |
| Property, plant and equipment                | 14   | 204             | 123             | 29              | 30              |
| Right-of-use assets                          | 24   | 449             | 246             | 416             | 167             |
| Investment in equity securities              | 15   | 51              | 203             | –               | –               |
| Investment in fund entities                  | 16   | 879             | 1,328           | 853             | 1,269           |
| Investments in subsidiaries                  | 18   | –               | –               | 8,251           | 11,775          |
| Prepayments, deposits and other receivables  | 20   | 165             | 186             | 164             | 187             |
| <b>Total non-current assets</b>              |      | <b>1,748</b>    | 2,086           | <b>9,713</b>    | 13,428          |
| <b>Current assets</b>                        |      |                 |                 |                 |                 |
| Trade receivables                            | 17   | 3,287           | 4,748           | 50              | 38              |
| Amounts due from subsidiaries                | 18   | –               | –               | 2,479           | 1,976           |
| Amount due from ultimate holding company     | 19   | 220             | –               | –               | –               |
| Amounts due from related parties (non-trade) | 19   | 1,752           | 469             | 381             | 306             |
| Prepayments, deposits and other receivables  | 20   | 668             | 633             | 247             | 278             |
| Capitalised contract costs                   | 25   | 392             | 406             | –               | –               |
| Loans and related receivables                | 21   | 15,269          | 19,422          | 11,053          | 13,479          |
| Cash and bank balances                       | 22   | 3,940           | 5,314           | 674             | 895             |
| <b>Total current assets</b>                  |      | <b>25,528</b>   | 30,992          | <b>14,884</b>   | 16,972          |
| <b>Current liabilities</b>                   |      |                 |                 |                 |                 |
| Other payables and accruals                  | 23   | 1,991           | 2,722           | 268             | 509             |
| Amounts due to subsidiaries                  | 18   | –               | –               | 4,242           | 4,356           |
| Amount due to ultimate holding company       | 19   | –               | 35              | 16              | 63              |
| Amounts due to related parties (non-trade)   | 19   | 2,777           | 5,720           | 533             | 9               |
| Lease liabilities                            | 24   | 265             | 262             | 235             | 187             |
| Loans payable to related parties             | 28   | 4,477           | –               | 1,564           | –               |
| Income tax payable                           |      | 369             | 651             | 257             | 398             |
| Bank borrowing                               | 27   | –               | 590             | –               | 590             |
| <b>Total current liabilities</b>             |      | <b>9,879</b>    | 9,980           | <b>7,115</b>    | 6,112           |

|                                      | Note | Group           |                 | Company         |                 |
|--------------------------------------|------|-----------------|-----------------|-----------------|-----------------|
|                                      |      | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| <b>Net current assets</b>            |      | <b>15,649</b>   | 21,012          | <b>7,769</b>    | 10,860          |
| <b>Non-current liabilities</b>       |      |                 |                 |                 |                 |
| Other payables and accruals          | 23   | <b>79</b>       | –               | –               | –               |
| Lease liabilities                    | 24   | <b>198</b>      | 10              | <b>198</b>      | 10              |
| Deferred tax liabilities             | 26   | <b>84</b>       | 87              | <b>22</b>       | 22              |
| Financial derivative                 | 29   | <b>2,752</b>    | 2,574           | <b>2,752</b>    | 2,574           |
| <b>Total non-current liabilities</b> |      | <b>3,113</b>    | 2,671           | <b>2,972</b>    | 2,606           |
| <b>Net assets</b>                    |      | <b>14,284</b>   | 20,427          | <b>14,510</b>   | 21,682          |
| <b>Equity</b>                        |      |                 |                 |                 |                 |
| Share capital                        | 30   | <b>29,866</b>   | 29,866          | <b>38,853</b>   | 38,853          |
| Reserves                             | 31   | <b>(15,582)</b> | (9,439)         | <b>(24,343)</b> | (17,171)        |
| <b>Total equity</b>                  |      | <b>14,284</b>   | 20,427          | <b>14,510</b>   | 21,682          |

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

# 90 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

| Group   | Note | Share capital<br>(Note 30)<br>S\$'000 | Investment in equity securities revaluation reserve<br>S\$'000 | Investment in fund entities revaluation reserve<br>S\$'000 | Exchange fluctuation reserve<br>S\$'000 | Capital reserve<br>S\$'000 | Accumulated losses<br>S\$'000 | Total equity<br>S\$'000 |
|---|------|---------------------------------------|--|--|---|----------------------------|-------------------------------|-------------------------|
| <b>At 1 January 2024</b>                                  |      | 29,866                                | 570  | 353  | 15                                      | 1,491                      | (9,808)                       | 22,487                  |
| Loss for the year   |      | -                                     | -  | -  | -                                       | -                          | (1,204)                       | (1,204)                 |
| <i>Other comprehensive income/(loss) for the year:</i>    |      |                                       |  |  |   |                            |                               |                         |
| 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)                 |
| <b>At 31 December 2024 and 1 January 2025</b>             |      | <b>29,866</b>                         | <b>203*</b>  | <b>(151)*</b>  | <b>30*</b>                              | <b>1,491*</b>              | <b>(11,012)*</b>              | <b>20,427</b>           |
| Loss for the year   |      | -                                     | -  | -  | -                                       | -                          | (5,573)                       | (5,573)                 |
| <i>Other comprehensive income/(loss) for the year:</i>    |      |                                       |  |  |   |                            |                               |                         |
| Exchange differences on translation of foreign operations |      | -                                     | -  | -  | 31                                      | -                          | -                             | 31                      |
| Fair value changes on investment in equity securities     | 15   | -                                     | (152)  | -  | -                                       | -                          | -                             | (152)                   |
| Fair value changes on investment in fund entities         | 16   | -                                     | -  | (449)  | -                                       | -                          | -                             | (449)                   |
| Total comprehensive (loss)/income for the year            |      | -                                     | (152)  | (449)  | 31                                      | -                          | (5,573)                       | (6,143)                 |
| At 31 December 2025                                       |      | <b>29,866</b>                         | <b>51*</b>   | <b>(600)*</b>  | <b>61*</b>                              | <b>1,491*</b>              | <b>(16,585)</b>               | <b>14,284</b>           |

\* These reserve accounts comprise the consolidated reserves of – S\$9,439,000 and – S\$15,582,000 in the consolidated statements of financial position as at 31 December 2024 and 2025 respectively.

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

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For the year ended 31 December 2025

|   |      | <b>Group</b>   |         |
|---|------|----------------|---------|
|   | Note | <b>2025</b>    | 2024    |
|   |      | <b>S\$'000</b> | S\$'000 |
| <b>Cash flows from operating activities</b>                           |      |                |         |
| Loss before tax   |      | <b>(6,656)</b> | (1,089) |
| Adjustments for:  |      |                |         |
| Depreciation  | 14   | <b>47</b>      | 98      |
| Amortisation of right-of-use assets                                   | 24   | <b>259</b>     | 251     |
| Amortisation of capitalised contract costs                            | 25   | <b>126</b>     | 113     |
| Unrealised foreign exchange (gains)/losses                            |      | <b>(252)</b>   | 10      |
| Gain on disposal of fixed assets                                      |      | <b>(8)</b>     | –       |
| Impairment losses/(reversal of impairment losses) on financial assets | 7    | <b>4,174</b>   | (8)     |
| Fair value loss on financial derivative                               |      | <b>178</b>     | 945     |
| Interest income   | 5    | <b>(133)</b>   | (812)   |
| Interest expense  | 8    | <b>862</b>     | 575     |
| <b>Operating cash flows before changes in working capital</b>         |      |                |         |
|   |      | <b>(1,403)</b> | 83      |
| Changes in working capital:   |      |                |         |
| Decrease/(increase) in trade receivables                              |      | <b>1,461</b>   | (605)   |
| Increase in prepayments, deposits and other receivables               |      | <b>(13)</b>    | (133)   |
| Increase in capitalised contract costs                                |      | <b>(112)</b>   | (182)   |
| (Decrease)/increase in other payables and accruals                    |      | <b>(742)</b>   | 155     |
| <b>Cash used in from operations</b>                                   |      |                |         |
|   |      | <b>(809)</b>   | (682)   |
| Income tax paid   |      | –              | (452)   |
| Interest paid   |      | <b>(552)</b>   | (576)   |
| <b>Net cash flows used in operating activities</b>                    |      |                |         |
|   |      | <b>(1,361)</b> | (1,710) |

## 92 CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

|   |      | <b>Group</b>   |                 |
|---|------|----------------|-----------------|
|   | Note | <b>2025</b>    | 2024            |
|   |      | <b>S\$'000</b> | S\$'000         |
| <b>Cash flows from investing activities</b>                         |      |                |                 |
| Purchases of property, plant and equipment                          | 14   | (69)           | (18)            |
| (Increase)/decrease in amount due from ultimate holding company     |      | (220)          | 14              |
| (Increase)/decrease in amounts due from related parties             |      | (514)          | 152             |
| Loans granted to related parties                                    |      | (2,025)        | (10,436)        |
| Repayment from bridging loans and related interest receivables      |      | 2,160          | 96              |
| Proceeds from disposal of fixed assets                              |      | 44             | –               |
| Interest received   |      | 8              | –               |
| <b>Net cash flows used in investing activities</b>                  |      | <b>(616)</b>   | <b>(10,192)</b> |
| <b>Cash flows from financing activities</b>                         |      |                |                 |
| (Decrease)/increase in amount due to ultimate holding company       |      | (35)           | 35              |
| Increase in amounts due to related parties                          |      | 478            | 3,628           |
| Loans granted from related parties                                  |      | 1,014          | –               |
| Repayment of obligations under finance leases                       |      | (6)            | (3)             |
| Repayment of bank borrowing   |      | (590)          | (769)           |
| Repayment of leases liabilities                                     |      | (288)          | (285)           |
| Restricted cash pledge for bank facility                            |      | (2,380)        | –               |
| <b>Net cash flows (used in)/generated from financing activities</b> |      | <b>(1,807)</b> | <b>2,606</b>    |
| Net decrease in cash and cash equivalents                           |      | (3,784)        | (9,296)         |
| Cash and cash equivalents at beginning of year                      |      | 5,314          | 14,605          |
| Effect of foreign exchange rate changes, net                        |      | 30             | 5               |
| Cash and cash equivalents at end of year                            | 22   | <b>1,560</b>   | 5,314           |

### Cash and cash equivalents

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

|   | Note | S\$'000        | S\$'000 |
|---|------|----------------|---------|
| Cash and bank balances                          | 22   | <b>3,940</b>   | 5,314   |
| Total cash and bank balances                    |      | <b>3,940</b>   | 5,314   |
| Restricted cash — cash pledge for bank facility |      | <b>(2,380)</b> | —       |
| Cash and cash equivalents at end of year        |      | <b>1,560</b>   | 5,314   |

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

# 94 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 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.

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.1 Basis of preparation (cont'd)

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

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.

#### Going concern assumption

As at 31 December 2025, the Group has exposure to a project development ("**Development SPV**") investment made through ZACD LV Development Fund, including a financial guarantee given to the secure loan facility drawn by ZACD LV Development Pte. Ltd. ("**Development SPV**") for its residential redevelopment project. As at the date of these financial statements, the outstanding loan facility of S\$126 million has a maturity date of 31 January 2027. The Group also has a bridging loan receivable of S\$13.4 million (Note 21), trade receivable of S\$1.8 million (Note 17) and amounts due from related parties (non-trade) (Note 19) of S\$364,000 due from ZACD LV Development Fund. Management is of the view that, although the project is delayed, the Property Developer will be able to complete the Project within stipulated deadline.

- i. The lender of the loan facility has indicated its willingness to extend the loan maturity to 30 June 2027 upon successful extension of the Additional Buyer Stamp Duty ("**ABSD**") deadline on 31 March 2027 for the La Ville Project granted by the IRAS. Management is optimistic that the Development SPV is on track to meeting future sales target set by the lender.
- ii. The main contractor of the La Ville Project has undertaken to subordinate all outstanding claims until the loan facility is fully repaid.
- iii. Based on the Development SPV's cashflow projections of 12 months from the date of the financial statements, and having considered the La Ville Project's operating performance, continued support from its main contractor to conserve cash resources, and the probability of extension of loan facility, the Development SPV's would have sufficient cashflows to meet its obligations as and when they fall due.

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

# 96 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.2 New accounting standards effective on 1 January 2025

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 2025. 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 |
|--|--|
| Classification and Measurement of Financial Instruments<br>– 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 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. MATERIAL ACCOUNTING POLICIES (cont'd)

### 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.

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.

# 98 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 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.

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)

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.6 Fair value measurement (cont'd)

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.

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.

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.6 Fair value measurement (cont'd)

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.

### 2.7 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).

**2. MATERIAL ACCOUNTING POLICIES** (cont'd)

**2.7 Foreign currencies** (cont'd)

**(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.

**2.9 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. MATERIAL ACCOUNTING POLICIES** (cont'd)

**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.

*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.

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

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

#### (a) **Financial assets** (cont'd)

##### *Derecognition*

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

#### (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.

For the year ended 31 December 2025

**2. MATERIAL ACCOUNTING POLICIES** (cont'd)

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

**(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.

**2.11 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.

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.11 Impairment of financial assets (cont'd)

#### (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.

### 2.12 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.

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.12 Impairment of non-financial assets (cont'd)

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.

### 2.14 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. MATERIAL ACCOUNTING POLICIES (cont'd)

### 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.

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.

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.15 Revenue recognition (cont'd)

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

##### (a) *SPV investment management* (cont'd)

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.

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.

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.15 Revenue recognition (cont'd)

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

##### (b) *Fund management* (cont'd)

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.

##### (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.

# 110 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.15 Revenue recognition (cont'd)

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

##### (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.

### 2.16 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.

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.16 Leases (cont'd)

#### **Group as a lessee** (cont'd)

##### *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.

##### *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.

# 112 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 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 2025, the Group had no forfeited contributions available to reduce its future contributions to the retirement benefits schemes (2024: 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.

### 2.18 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.

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.18 Taxes (cont'd)

#### (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.

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.

# 114 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 2. MATERIAL ACCOUNTING POLICIES (cont'd)

### 2.18 Taxes (cont'd)

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

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.

### 2.19 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. MATERIAL ACCOUNTING POLICIES (cont'd)

### 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.

For the year ended 31 December 2025

**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 39)
- Financial risk management objectives and policies (Note 39)

### 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:

For the year ended 31 December 2025

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

**Judgements (cont'd)**

***Recoverability of receivables***

Judgement is applied in determining whether any of the Group's trade receivables, amounts due from related parties (non-trade) and loans and related receivables require an impairment loss to be recognised. This assessment considers the financial position of the counterparties and the forecasted profitability of their underlying real estate projects, taking into account the current stage of development, sales progress and the Additional Buyer's Stamp Duty ("**ABSD**") timeline requirements.

Within these receivable balances, an amount of S\$15,600,000 relates to ZACD LV Development Fund, which is subject to an ABSD deadline on 30 March 2027. This requires the underlying real estate project to complete the construction and sell all development units by that date. Management remains optimistic that the project can be completed and fully sold by the ABSD deadline. Accordingly, the Group has recognised an ECL of \$886,000.

The carrying amount of the Group's trade receivables, amounts due from related parties (non-trade) and loans and related receivables as at 31 December 2025 are disclosed in Notes 17, 19 and 21 respectively.

Separately, the Group has issued financial guarantees to certain banks in respect of credit facilities obtained by Development SPVs (see Note 35). As at 31 December 2025, the Group assessed that the Development SPVs have financial capacities to meet their contractual cash flow obligations in the near future and therefore, does not expect significant credit losses to arise from these guarantees. The Group's assessment is based on qualitative and quantitative factors that are indicative of the risk of default, including project's profit projection incorporating ABSD considerations, management accounts, cash flow projections.

The assessment of ECL arising from the financial guarantee contracts involves significant judgement, as it may be affected by future events and conditions that cannot be predicted with certainty.

The significant financial guarantees of the Group are disclosed in Note 35.

***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.

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.

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

#### Judgements (cont'd)

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

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 2025, the Group acted as managers for 5 (2024: 9) Investment SPVs and 12 (2024: 12) 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.

For the year ended 31 December 2025

**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 2025, 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 36.

**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 38 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 2025 are S\$3,287,000 (2024: S\$4,748,000).

##### ***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 36.

As at 31 December 2025, the Group's specific allowance of impairment losses on financial assets at S\$5,085,000 as disclosed in Note 21 and Note 36 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.

For the year ended 31 December 2025

**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 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 38 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.

For the year ended 31 December 2025

**4. OPERATING SEGMENT INFORMATION** (cont'd)

**(c) Property management and tenancy management**

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

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

**(d) Financial advisory**

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

Management monitors the operating results of the Group's business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment loss, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss 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 2025                   | Investment management                      |                               |   |  | Financial advisory<br>S\$'000 | Total<br>S\$'000 |
|---|--|-------------------------------|---|--|-------------------------------|------------------|
|   | SPV<br>investment<br>management<br>S\$'000 | Fund<br>management<br>S\$'000 | Acquisitions<br>and projects<br>management<br>S\$'000 | Property<br>management<br>and tenancy<br>management<br>S\$'000 |                               |                  |
|   |  |                               |   |  |                               |                  |
| <b>Segment revenue</b>                        |  |                               |   |  |                               |                  |
| External customers                            | 394  | 2,183                         | 83  | 37   | -                             | 2,697            |
| <b>Segment results</b>                        | (880)                                      | 269                           | (395)   | 6  | (53)                          | (1,053)          |
| <i>Reconciliation:</i>                        |  |                               |   |  |                               |                  |
| Other income and gains                        |  |                               |   |  |                               | 515              |
| Fair value loss through profit or loss        |  |                               |   |  |                               | (178)            |
| Corporate and unallocated expenses            |  |                               |   |  |                               | (5,940)          |
| Loss before tax                               |  |                               |   |  |                               | (6,656)          |
| <b>Segment assets</b>                         | 5,108                                      | 5,564                         | 2,285   | 3  | 326                           | 13,286           |
| <i>Reconciliation:</i>                        |  |                               |   |  |                               |                  |
| Corporate and unallocated assets              |  |                               |   |  |                               | 13,884           |
| Total assets                                  |  |                               |   |  |                               | 27,276           |
| <b>Segment liabilities</b>                    | 3,948                                      | 2,523                         | 866   | 3  | 38                            | 7,378            |
| <i>Reconciliation:</i>                        |  |                               |   |  |                               |                  |
| Corporate and unallocated liabilities         |  |                               |   |  |                               | 5,614            |
| Total liabilities                             |  |                               |   |  |                               | 12,992           |
| <b>Other segment information:</b>             |  |                               |   |  |                               |                  |
| Depreciation and amortisation expenses        | 50   | 158                           | 7   | 2  | -                             | 217              |
| <i>Reconciliation:</i>                        |  |                               |   |  |                               |                  |
| Corporate and unallocated expenses            |  |                               |   |  |                               | 215              |
| Total   |  |                               |   |  |                               | 432              |
| Capital expenditure*                          | -  | 138                           | -   | -  | -                             | 138              |
| <i>Reconciliation:</i>                        |  |                               |   |  |                               |                  |
| Corporate and unallocated capital expenditure |  |                               |   |  |                               | 26               |
| Total   |  |                               |   |  |                               | 164              |

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

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For the year ended 31 December 2025

## 4. OPERATING SEGMENT INFORMATION (cont'd)

| Year ended 31 December 2024                   | Investment management                |                            | Acquisitions and projects management<br>S\$'000 | Property management and tenancy management<br>S\$'000 | Financial advisory<br>S\$'000 | Total<br>S\$'000 |
|---|--------------------------------------|----------------------------|---|---|-------------------------------|------------------|
|   | SPV investment management<br>S\$'000 | Fund management<br>S\$'000 |   |   |                               |                  |
| <b>Segment revenue</b>                        |                                      |                            |   |   |                               |                  |
| External customers                            | 541                                  | 4,017                      | 371   | 35  | –                             | 4,964            |
| <b>Segment results</b>                        | (54)                                 | 2,845                      | (289)   | 10  | (55)                          | 2,457            |
| <b>Reconciliation:</b>                        |                                      |                            |   |   |                               |                  |
| 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)          |
| <b>Segment assets</b>                         | 5,349                                | 7,477                      | 3,246   | 13  | 304                           | 16,389           |
| <b>Reconciliation:</b>                        |                                      |                            |   |   |                               |                  |
| Corporate and unallocated assets              |                                      |                            |   |   |                               | 16,689           |
| Total assets                                  |                                      |                            |   |   |                               | 33,078           |
| <b>Segment liabilities</b>                    | 2,808                                | 2,878                      | 2,003   | 101   | 31                            | 7,821            |
| <b>Reconciliation:</b>                        |                                      |                            |   |   |                               |                  |
| Corporate and unallocated liabilities         |                                      |                            |   |   |                               | 4,830            |
| Total liabilities                             |                                      |                            |   |   |                               | 12,651           |
| <b>Other segment information:</b>             |                                      |                            |   |   |                               |                  |
| Depreciation and amortisation expenses        | 52                                   | 172                        | 22  | 5   | –                             | 251              |
| <b>Reconciliation:</b>                        |                                      |                            |   |   |                               |                  |
| Corporate and unallocated expenses            |                                      |                            |   |   |                               | 211              |
| Total   |                                      |                            |   |   |                               | 462              |
| Capital expenditure*                          | 1                                    | 13                         | –   | –   | –                             | 14               |
| <b>Reconciliation:</b>                        |                                      |                            |   |   |                               |                  |
| Corporate and unallocated capital expenditure |                                      |                            |   |   |                               | 4                |
| Total   |                                      |                            |   |   |                               | 18               |

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

#### 4. OPERATING SEGMENT INFORMATION (cont'd)

##### Geographical information

##### (a) Revenue from external customers

|                       | Group        |              |
|-----------------------|--------------|--------------|
|                       | 2025         | 2024         |
|                       | S\$'000      | S\$'000      |
| Singapore             | 2,137        | 4,310        |
| Malaysia              | 37           | 35           |
| Australia             | 83           | 179          |
| British Virgin Island | 440          | 440          |
|                       | <b>2,697</b> | <b>4,964</b> |

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

##### (b) Non-current assets

|                               | Group      |            |
|-------------------------------|------------|------------|
|                               | 2025       | 2024       |
|                               | S\$'000    | S\$'000    |
| Singapore                     | 614        | 304        |
| Other countries/jurisdictions | 39         | 65         |
|                               | <b>653</b> | <b>369</b> |

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

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For the year ended 31 December 2025

## 4. OPERATING SEGMENT INFORMATION (cont'd)

### Information about major customers

Revenue from major customers contributing to 5% or more of the Group's revenue for each of the reporting year is set out below:

|            | Group   |         |
|------------|---------|---------|
|            | 2025    | 2024    |
|            | S\$'000 | S\$'000 |
| Customer A | 604     | 1,078   |
| Customer B | 281     | 883     |
| Customer C | 263     | 578     |
| Customer D | 248     | 456     |
| Customer E | 194     | 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 2025         | Investment management     |                 |                                      | Property management and tenancy management | Financial advisory | Total revenue |
|-------------------------------------|---------------------------|-----------------|--------------------------------------|--|--------------------|---------------|
|                                     | SPV investment management | Fund management | Acquisitions and projects management |  |                    |               |
|                                     | S\$'000                   | S\$'000         | S\$'000                              |  |                    |               |
| <b>Primary geographical markets</b> |                           |                 |                                      |  |                    |               |
| Singapore                           | 394                       | 1,743           | -                                    | -  | -                  | 2,137         |
| Malaysia                            | -                         | -               | -                                    | 37   | -                  | 37            |
| Australia                           | -                         | -               | 83                                   | -  | -                  | 83            |
| British Virgin Island               | -                         | 440             | -                                    | -  | -                  | 440           |
|                                     | 394                       | 2,183           | 83                                   | 37   | -                  | 2,697         |
| <b>Timing of services</b>           |                           |                 |                                      |  |                    |               |
| At a point in time                  | 361                       | 1,377           | -                                    | -  | -                  | 1,738         |
| Over time                           | 33                        | 806             | 83                                   | 37   | -                  | 959           |
|                                     | 394                       | 2,183           | 83                                   | 37   | -                  | 2,697         |

## 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:

| Year ended 31 December 2024         | Investment management                |                            | Acquisitions and projects management<br>S\$'000 | Property management and tenancy management<br>S\$'000 | Financial advisory<br>S\$'000 | Total revenue<br>S\$'000 |
|-------------------------------------|--------------------------------------|----------------------------|---|---|-------------------------------|--------------------------|
|                                     | SPV investment management<br>S\$'000 | Fund management<br>S\$'000 |   |   |                               |                          |
| <b>Primary geographical markets</b> |                                      |                            |   |   |                               |                          |
| 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                    |
| <b>Timing of services</b>           |                                      |                            |   |   |                               |                          |
| 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                    |

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For the year ended 31 December 2025

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

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| <b>Revenue</b>                                  |                |         |
| Investment management                           |                |         |
| – SPV investment management fees                | <b>394</b>     | 541     |
| – Fund management fees                          | <b>2,183</b>   | 4,017   |
| Acquisitions and projects management fees       | <b>83</b>      | 371     |
| Property management and tenancy management fees | <b>37</b>      | 35      |
|   | <b>2,697</b>   | 4,964   |
| <b>Other income and gains</b>                   |                |         |
| Interest income                                 | <b>133</b>     | 812     |
| Government grants (Note (i))                    | <b>10</b>      | 10      |
| Foreign exchange differences, net               | <b>252</b>     | –       |
| Gain on disposal of fixed assets                | <b>8</b>       | –       |
| Operating lease income                          | <b>37</b>      | 16      |
| Corporate business service fees (Note (ii))     | <b>74</b>      | 165     |
| Others  | <b>1</b>       | 76      |
|   | <b>515</b>     | 1,079   |

- (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, Enabling employment credit, Skills Future enterprise Credit, 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        |         |
|---|--------------|---------|
|   | 2025         | 2024    |
|   | S\$'000      | S\$'000 |
| Employee benefit expense<br>(including directors' remuneration (Note 9)): |              |         |
| Salaries, bonuses, commission and other allowances                        | 2,712        | 3,490   |
| Retirement benefit scheme contributions<br>(defined contribution scheme)  | 261          | 260     |
|   | <b>2,973</b> | 3,750   |

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

|   | Group        |         |
|---|--------------|---------|
|   | 2025         | 2024    |
|   | S\$'000      | S\$'000 |
| Impairment in relation to credit impairment of<br>bridging loan (Note (a)):       |              |         |
| Loans and related receivables (Note 21)   | 4,018        | –       |
| Impairment/(reversal of impairment) in relation to trade<br>receivables (Note 17) | 183          | (8)     |
| Net reversal of impairment in relation to amount due from<br>related parties      | (27)         | –       |
| Total impairment losses/(reversal of<br>impairment losses) for the year           | <b>4,174</b> | (8)     |

(a) As at 31 December 2025, an allowance of S\$4,018,000 (2024: S\$Nil) was made against the bridging loan receivables from short-term bridging facility receivables from ZACD Mount Emily Residential Development Fund and ZACD LV Development fund (the "**Borrower**"), sub-funds registered under ZACD Capital Partners VCC. Both funds are single-purpose closed-ended real estate private equities fund set up in connection with residential redevelopment projects. Management has reassessed and made necessary impairment losses for irrecoverable amounts.

(b) As at 31 December 2025, an allowance of \$183,000 (2024: S\$Nil) was made against the fund management fee receivables from ZACD Mount Emily Residential Development Fund.

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For the year ended 31 December 2025

## 8. LOSS BEFORE TAX

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

|  | <b>Group</b>   |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| Auditor's remuneration   | <b>211</b>     | 198     |
| Professional fees  | <b>22</b>      | 114     |
| Travel and entertainment   | <b>105</b>     | 190     |
| Insurance expenses   | <b>157</b>     | 172     |
| IT services  | <b>236</b>     | 144     |
| Directors' fees  | <b>77</b>      | 78      |
| Fair value loss on financial derivative (Note 29)  | <b>178</b>     | 945     |
| Dividend income from the Establishment Shares included in<br>SPV investment and fund management fees | <b>(337)</b>   | (519)   |
| Performance fees included in fund management fees  | <b>(348)</b>   | (2,397) |
| <b>Interest expense</b>  |                |         |
| Lease (Note 24)  | <b>17</b>      | 18      |
| Financial lease obligations  | <b>2</b>       | –       |
| Interest expense on put option to an investor, Top Global Limited                                    | <b>480</b>     | 480     |
| Interest expense on La Ville Fund  | <b>48</b>      | 48      |
| Interest expenses on short term bridging loan facilities   | <b>308</b>     | –       |
| Bank borrowings  | <b>7</b>       | 29      |
|  | <b>862</b>     | 575     |

## 9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

During the financial year ended 31 December 2025, 9 (2024: 11) 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:

|  | <b>Group</b>   |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| Fees   | <b>77</b>      | 78      |
| Other emoluments:  |                |         |
| Salaries, allowances and benefits in kind                                | <b>1,269</b>   | 1,306   |
| Retirement benefit scheme contributions<br>(defined contribution scheme) | <b>72</b>      | 62      |
|  | <b>1,418</b>   | 1,446   |

### (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 Dato' Dr. 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. Eugene Lim Chin Hon is appointed as independent non-executive director with effect from 14 June 2023.

For the year ended 31 December 2025

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

**(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 Kiang, Francis was appointed as executive director and chief operating officer of the Company on 6 June 2024 and resigned as executive director on 30 November 2025. Mr. Han Xiangfeng was appointed as executive director of the Company on 6 June 2024 and resigned as executive director on 12 February 2026.

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

Mr. Phua Cher Chew (Pan Ziqiu) was appointed as executive director of the Company on 24 November 2025.

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)

### (c) Executive directors and chief executive

The remuneration of each of the directors of the Company for the years ended 31 December 2025 and 2024 is set out below:

|                                    | Fees<br>S\$'000 | Salaries,<br>allowances<br>and benefits<br>in kind<br>S\$'000 | Retirement<br>benefit<br>scheme<br>contributions<br>S\$'000 | Total<br>S\$'000 |
|------------------------------------|-----------------|---|---|------------------|
| <b>Year ended 31 December 2025</b> |                 |   |   |                  |
| Yeo Choon Guan (Yao Junyuan)       | –               | 370   | 15  | 385              |
| Sim Kain Kain                      | –               | 370   | 13  | 383              |
| Phua Cher Chew (Pan Ziqiu)         | –               | 18  | 2   | 20               |
| Chin Meng Liong                    | –               | 174   | 11  | 185              |
| Tan Puay Khiang, Francis           | –               | 171   | 15  | 186              |
| Han Xiang Feng                     | –               | 166   | 16  | 182              |
| Eugene Lim Chin Hon                | 26              | –   | –   | 26               |
| Lau Kin Chung Alex                 | 26              | –   | –   | 26               |
| Ma Yue Leong, Benjamin             | 25              | –   | –   | 25               |
|                                    | <b>77</b>       | <b>1,269</b>  | <b>72</b>   | <b>1,418</b>     |
| <b>Year ended 31 December 2024</b> |                 |   |   |                  |
| 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                |
|                                    | <b>78</b>       | <b>1,306</b>  | <b>62</b>   | <b>1,446</b>     |

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For the year ended 31 December 2025

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

**(c) Executive directors and chief executive** (cont'd)

During the years ended 31 December 2024 and 2025, 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 2024 and 2025.

**10. FIVE HIGHEST PAID EMPLOYEES**

The five highest paid employees during the year ended 31 December 2025 included four (2024: 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:

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| Salaries, allowances and benefits in kind | <b>240</b>     | 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 2024 and 2025 is as follows:

|                              | <b>Group</b> |      |
|------------------------------|--------------|------|
|                              | <b>2025</b>  | 2024 |
| HKD1,000,001 to HKD1,500,000 | <b>1</b>     | 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 2025 and 2024.

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

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| <b>Current:</b>                                     |                |         |
| – Provision for current year                        | –              | 291     |
| – Overprovision in respect of previous years        | <b>(282)</b>   | (206)   |
| – Group tax relief                                  | <b>(798)</b>   | –       |
| <b>Deferred taxation:</b>                           |                |         |
| – Origination and reversal of temporary differences | <b>(3)</b>     | 30      |
| Total tax expense for the year                      | <b>(1,083)</b> | 115     |

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FINANCIAL STATEMENTS**

For the year ended 31 December 2025

**11. INCOME TAX EXPENSE** (cont'd)

A reconciliation of the loss 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 2025**

|  | Singapore |   | Hong Kong |      | Australia |    | Total<br>S\$'000 |
|--|-----------|---|-----------|------|-----------|----|------------------|
|  | S\$'000   | % | S\$'000   | %    | S\$'000   | %  |                  |
| Loss before tax                                | (6,240)   |   | (301)     |      | (115)     |    | (6,656)          |
| Tax at the statutory tax rate                  | (1,061)   |   | (50)      | 16.5 | (35)      | 30 | (1,146)          |
| Expenses not deductible for tax                | 838       |   | 50        |      | 35        |    | 923              |
| Income not subject to tax                      | (98)      |   | -         |      | -         |    | (98)             |
| Deferred tax assets not recognised             | 319       |   | -         |      | -         |    | 319              |
| Group tax relief                               | (798)     |   | -         |      | -         |    | (798)            |
| Overprovision in respect of previous years     | (282)     |   | -         |      | -         |    | (282)            |
| Effect of partial tax exemption and tax relief | (1)       |   | -         |      | -         |    | (1)              |
| Tax credit at the Group's effective rate       | (1,083)   |   | -         |      | -         |    | (1,083)          |

**Year ended 31 December 2024**

|  | Singapore |   | Hong Kong |      | Australia |    | Total<br>S\$'000 |
|--|-----------|---|-----------|------|-----------|----|------------------|
|  | S\$'000   | % | S\$'000   | %    | S\$'000   | %  |                  |
| Loss before tax                            | (1,022)   |   | (95)      |      | 28        |    | (1,089)          |
| Tax at the statutory tax rate              | (174)     |   | (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              |

**12. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY**

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

|  | <b>2025</b>          | 2024          |
|--|----------------------|---------------|
|  | <b>S\$'000</b>       | S\$'000       |
| <b>Loss</b>  |                      |               |
| Loss for the purpose of calculating basic and diluted earnings per share profit for the year attributable to owners of the Company | <b>(5,573)</b>       | (1,204)       |
| <b>Number of shares</b>  |                      |               |
| Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share                     | <b>2,000,000,000</b> | 2,000,000,000 |

**13. DIVIDENDS**

No dividend was paid or proposed by the Company for the financial year ended 31 December 2025 (31 December 2024: Nil).

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For the year ended 31 December 2025

## 14. PROPERTY, PLANT AND EQUIPMENT

| Group                                     | Computers<br>S\$'000 | Office<br>equipment<br>S\$'000 | Furniture<br>and fittings<br>S\$'000 | Renovation<br>S\$'000 | Motor<br>vehicles<br>S\$'000 | Total<br>S\$'000 |
|---|----------------------|--------------------------------|--------------------------------------|-----------------------|------------------------------|------------------|
| Cost:                                     |                      |                                |                                      |                       |                              |                  |
| At 1 January 2024                         | 520                  | 52                             | 95                                   | 101                   | 83                           | 851              |
| Additions                                 | 18                   | -                              | -                                    | -                     | -                            | 18               |
| At 31 December 2024 and<br>1 January 2025 | <b>538</b>           | <b>52</b>                      | <b>95</b>                            | <b>101</b>            | <b>83</b>                    | <b>869</b>       |
| Additions                                 | <b>15</b>            | <b>12</b>                      | -                                    | -                     | <b>137</b>                   | <b>164</b>       |
| Disposal                                  | -                    | -                              | -                                    | -                     | <b>(78)</b>                  | <b>(78)</b>      |
| At 31 December 2025                       | <b>553</b>           | <b>64</b>                      | <b>95</b>                            | <b>101</b>            | <b>142</b>                   | <b>955</b>       |
| <b>Accumulated depreciation:</b>          |                      |                                |                                      |                       |                              |                  |
| At 1 January 2024                         | 434                  | 51                             | 93                                   | 45                    | 25                           | 648              |
| Charge for the year                       | 48                   | 1                              | 1                                    | 33                    | 15                           | 98               |
| At 31 December 2024 and<br>1 January 2025 | <b>482</b>           | <b>52</b>                      | <b>94</b>                            | <b>78</b>             | <b>40</b>                    | <b>746</b>       |
| Charge for the year                       | <b>12</b>            | <b>1</b>                       | <b>1</b>                             | <b>22</b>             | <b>11</b>                    | <b>47</b>        |
| Disposal                                  | -                    | -                              | -                                    | -                     | <b>(42)</b>                  | <b>(42)</b>      |
| At 31 December 2025                       | <b>494</b>           | <b>53</b>                      | <b>95</b>                            | <b>100</b>            | <b>9</b>                     | <b>751</b>       |
| <b>Net carrying amount:</b>               |                      |                                |                                      |                       |                              |                  |
| At 31 December 2024                       | 56                   | -                              | 1                                    | 23                    | 43                           | 123              |
| At 31 December 2025                       | <b>59</b>            | <b>11</b>                      | -                                    | <b>1</b>              | <b>133</b>                   | <b>204</b>       |

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

During the financial year, the Group acquired motor vehicles with an aggregate cost of S\$95,000 by means of leases. The cash outflow on acquisition of property, plant and equipment in 2025 amounted to S\$69,000 (2024: S\$18,000).

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\$133,000 (2024: S\$19,000).

|   | Computers<br>S\$'000 | Office<br>equipment<br>S\$'000 | Furniture<br>and fittings<br>S\$'000 | Renovation<br>S\$'000 | Total<br>S\$'000 |
|---|----------------------|--------------------------------|--------------------------------------|-----------------------|------------------|
| <b>Company</b>                            |                      |                                |                                      |                       |                  |
| <b>Cost:</b>                              |                      |                                |                                      |                       |                  |
| At 1 January 2024                         | 154                  | 22                             | 76                                   | 101                   | 353              |
| Additions                                 | 4                    | –                              | –                                    | –                     | 4                |
| At 31 December 2024 and<br>1 January 2025 | <b>158</b>           | <b>22</b>                      | <b>76</b>                            | <b>101</b>            | <b>357</b>       |
| Additions                                 | <b>15</b>            | <b>12</b>                      | –                                    | –                     | <b>27</b>        |
| At 31 December 2025                       | <b>173</b>           | <b>34</b>                      | <b>76</b>                            | <b>101</b>            | <b>384</b>       |
| <b>Accumulated depreciation:</b>          |                      |                                |                                      |                       |                  |
| At 1 January 2024                         | 118                  | 21                             | 74                                   | 45                    | 258              |
| Charge for the year                       | 34                   | 1                              | 1                                    | 33                    | 69               |
| At 31 December 2024 and<br>1 January 2025 | <b>152</b>           | <b>22</b>                      | <b>75</b>                            | <b>78</b>             | <b>327</b>       |
| Charge for the year                       | <b>4</b>             | <b>1</b>                       | <b>1</b>                             | <b>22</b>             | <b>28</b>        |
| At 31 December 2025                       | <b>156</b>           | <b>23</b>                      | <b>76</b>                            | <b>100</b>            | <b>355</b>       |
| <b>Net carrying amount:</b>               |                      |                                |                                      |                       |                  |
| At 31 December 2024                       | 6                    | –                              | 1                                    | 23                    | 30               |
| At 31 December 2025                       | <b>17</b>            | <b>11</b>                      | –                                    | <b>1</b>              | <b>29</b>        |

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For the year ended 31 December 2025

## 15. INVESTMENT IN EQUITY SECURITIES

|  | <b>Group</b>   |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| At fair value through other comprehensive income |                |         |
| Unlisted equity shares, at fair value            | <b>51</b>      | 203     |
|  | <b>51</b>      | 203     |

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:

|  | <b>Group</b>   |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| At fair value through other comprehensive income |                |         |
| Unlisted equity shares, at fair value            |                |         |
| ZACD (Woodlands12) Pte. Ltd.                     | <b>51</b>      | 203     |

During the year ended 31 December 2025, 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\$152,000 (2024: S\$367,000).

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 2025, the Group held approximately between 9% and 18% equity shares in each of 2 investment SPVs (2024: between 9% and 18% equity shares in each of 4 investment SPVs).

## 16. INVESTMENT IN FUND ENTITIES

|  | Group           |                 | Company         |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| At fair value through other comprehensive income |                 |                 |                 |                 |
| Unlisted fund entities, at fair value            | <b>879</b>      | 1,328           | <b>853</b>      | 1,269           |

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           |                 |
|--|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 |
| At fair value through other comprehensive income |                 |                 |
| Unlisted fund entities, at fair value            |                 |                 |
| ZACD Mount Emily Residential Development Fund    | –               | 467             |
| ZACD (BBEC) Pte. Ltd.                            | <b>875</b>      | 857             |
| ZACD (Development4) Ltd.                         | <b>4</b>        | 4               |
|  | <b>879</b>      | 1,328           |

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For the year ended 31 December 2025

## 16. INVESTMENT IN FUND ENTITIES (cont'd)

|  | Company         |                 |
|--|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 |
| At fair value through other comprehensive income |                 |                 |
| Unlisted fund entities, at fair value            |                 |                 |
| ZACD Mount Emily Residential Development Fund    | –               | 431             |
| ZACD (BBEC) Pte. Ltd.                            | 849             | 834             |
| ZACD (Development4) Ltd.                         | 4               | 4               |
|  | <b>853</b>      | 1,269           |

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 2025, 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\$449,000 (2024: S\$504,000).

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         |                 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                       | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| Trade receivables                     | <b>3,684</b>    | 4,962           | <b>50</b>       | 38              |
| Less: Allowance for impairment losses | <b>(397)</b>    | (214)           | <b>-</b>        | -               |
|                                       | <b>3,287</b>    | 4,748           | <b>50</b>       | 38              |

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

|  | Group           |                 |
|--|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 |
| At beginning of the year                               | <b>214</b>      | 226             |
| Allowance for/(reversal of) impairment losses (Note 7) | <b>183</b>      | (8)             |
| Written off allowance for impairment losses            | <b>-</b>        | (4)             |
| At end of the year                                     | <b>397</b>      | 214             |

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

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.

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For the year ended 31 December 2025

**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:

|                | <b>Group</b>   |         |
|----------------|----------------|---------|
|                | <b>2025</b>    | 2024    |
|                | <b>S\$'000</b> | S\$'000 |
| Within 1 month | <b>253</b>     | 1,168   |
| 1 to 2 months  | <b>8</b>       | 8       |
| 2 to 3 months  | <b>17</b>      | 8       |
| Over 3 months  | <b>3,009</b>   | 3,564   |
|                | <b>3,287</b>   | 4,748   |

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

|                               | <b>Group</b>   |         |
|-------------------------------|----------------|---------|
|                               | <b>2025</b>    | 2024    |
|                               | <b>S\$'000</b> | S\$'000 |
| Neither past due nor impaired | <b>253</b>     | 1,168   |
| Less than 1 month past due    | <b>8</b>       | 8       |
| 1 to 3 months past due        | <b>3,026</b>   | 3,572   |
|                               | <b>3,287</b>   | 4,748   |

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 2025 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.

|                  | <b>Group</b>   |         |
|------------------|----------------|---------|
|                  | <b>2025</b>    | 2024    |
|                  | <b>S\$'000</b> | S\$'000 |
| Related parties* | <b>3,053</b>   | 4,294   |

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

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| Landmark JV Pte. Ltd.                         | <b>450</b>     | 450     |
| ZACD (Development2) Ltd.                      | <b>593</b>     | 845     |
| ZACD Mount Emily Residential Development Fund | <b>26</b>      | 155     |
| Kurnia Rezeki Utama Sdn Bhd                   | <b>27</b>      | 9       |
| ZACD LV Development Pte. Ltd.                 | <b>1,207</b>   | 1,207   |
| ZACD Laserblue Pte. Ltd.                      | –              | 665     |
| ZACD LV Development Fund                      | <b>595</b>     | 412     |
| ZACD (Mandai) Ltd.                            | –              | 46      |
| ZACD Media Circle Fund                        | <b>84</b>      | 497     |
| ZACD (CCK) Pte. Ltd.                          | –              | 2       |
| ZACD (Shunfu) Ltd.                            | <b>3</b>       | 2       |
| ZACD (Shunfu2) Ltd.                           | –              | 2       |
| ZACD Tampines Industrial Fund                 | <b>3</b>       | 2       |
| ZACD (BBEC) Pte. Ltd.                         | <b>63</b>      | –       |
| ZACD (Woodlands12) Pte. Ltd.                  | <b>2</b>       | –       |
|   | <b>3,053</b>   | 4,294   |

Relationships of the above related companies with the Company or the Group are set out in Note 33 to the financial statements.

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## 18. INVESTMENTS IN SUBSIDIARIES

|                                 | <b>Company</b>  |         |
|---------------------------------|-----------------|---------|
|                                 | <b>2025</b>     | 2024    |
|                                 | <b>S\$'000</b>  | S\$'000 |
| <hr/>                           |                 |         |
| Unlisted shares, at cost:       |                 |         |
| At beginning of the year        | <b>19,202</b>   | 19,202  |
| Less: Allowance for impairment  | <b>(10,951)</b> | (7,427) |
|                                 | <hr/>           |         |
| At end of the year              | <b>8,251</b>    | 11,775  |
|                                 | <hr/>           |         |
| Movements of impairment losses: |                 |         |
| At beginning of year            | <b>(7,427)</b>  | (7,427) |
| Impairment losses for the year  | <b>(3,524)</b>  | –       |
|                                 | <hr/>           |         |
|                                 | <b>(10,951)</b> | (7,427) |
|                                 | <hr/>           |         |

During the financial year, an impairment loss amounting to \$3,524,000 (2024: \$Nil) was recognised during the financial year. The recoverable amount was estimated based on the fair value of the underlying assets and liabilities of the subsidiaries.

## 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 |      | Principal activities   |
|---|--|--|--|------|--|
|   |  |  | 2025   | 2024 |  |
| <i>Held by the Company:</i>                       |  |  |  |      |  |
| ZACD International Pte. Ltd. <sup>1</sup>         | Singapore<br>28 January 2011                               | S\$1,500,000   | 100%   | 100% | Investment management, acquisitions and projects management and property management services |
| ZACD Capital Pte. Ltd. <sup>1</sup>               | Singapore<br>25 October 2011                               | S\$4,580,000   | 100%   | 100% | Investment management and fund management services   |
| ZACD Financial Group Limited <sup>2</sup>         | Hong Kong<br>7 October 2015                                | HKD23,650,000  | 100%   | 100% | Financial advisory services  |
| ZACD Group Holdings Limited <sup>2</sup>          | Hong Kong<br>7 October 2015                                | HKD10,000  | 100%   | 100% | Investment management services   |
| ZACD POSH Pte. Ltd. <sup>1</sup>                  | Singapore<br>17 November 2016                              | S\$10,000  | 100%   | 100% | Property management and tenancy management services  |
| ZACD (Australia) Pty Ltd. <sup>3</sup>            | Australia<br>23 November 2016                              | AUD2   | 100%   | 100% | Business consulting services   |
| ZACD Fund Holdings Pte. Ltd. <sup>1</sup>         | Singapore<br>15 March 2017                                 | S\$2   | 100%   | 100% | Fund holding   |
| ZACD Capital Group Pty Ltd <sup>4</sup>           | Australia<br>16 January 2023                               | AUD100   | 100%   | 100% | Fund holding   |
| ZACD Capital (Australia) Pty Ltd <sup>4</sup>     | Australia<br>22 September 2023                             | AUD2   | 100%   | 100% | Dormant  |
| <i>Held through ZACD Fund Holdings Pte. Ltd.:</i> |  |  |  |      |  |
| ARO II (Australia) Pty Ltd <sup>3</sup>           | Australia<br>9 December 2020                               | AUD10  | 100%   | 100% | Trustee  |
| ARO II (Bay Road) Pty Ltd <sup>3</sup>            | Australia<br>9 December 2020                               | AUD120   | 100%   | 100% | Trustee  |
| ARO II (Murray Street) Pty Ltd <sup>3</sup>       | Australia<br>9 December 2020                               | AUD10  | 100%   | 100% | Trustee  |

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For the year ended 31 December 2025

## 18. INVESTMENTS IN SUBSIDIARIES (cont'd)

- 1 The statutory financial statements of these entities for the years ended 31 December 2024 and 2025 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 2024 and 2025 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 2024 and 2025 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 2024 and 2025.

As at 31 December 2025, the amounts due from subsidiaries of S\$2,479,000 (2024: S\$1,976,000), included in the current assets of the Company, are unsecured, non-interest bearing and repayable on demand.

As at 31 December 2025, the amounts due to subsidiaries of S\$4,242,000 (2024: S\$4,356,000), 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 2025

|  | 31 December<br>2025<br>S\$'000 | 31 December<br>2024<br>S\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Due from ultimate holding company</b>         |                                |                                |
| ZACD Investments Pte. Ltd.                       | 220                            | –                              |
| <b>Due from related parties</b>                  |                                |                                |
| ZACD (Neew) Pte. Ltd.                            | 12                             | 6                              |
| ZACD (Neew2) Pte. Ltd.                           | 6                              | –                              |
| SLP International Property Consultants Pte. Ltd. | 84                             | 40                             |
| ZACD LV Development Fund                         | –                              | 74                             |
| Remarkable Reach International Limited           | –                              | 98                             |
| ZACD LV Development Pte. Ltd.                    | 364                            | 81                             |
| ZACD LV Holdings Pte. Ltd.                       | 24                             | 16                             |
| ZACD Mount Emily Residential Development Fund    | –                              | 56                             |
| ARO II (Murray Street) Trust                     | –                              | 27                             |
| ZACD Capital (Australia) Pty Ltd                 | –                              | 42                             |
| ARO II (Bay Road) Trust                          | 2                              | –                              |
| ARO II (Tebräu) Pte. Ltd.                        | 9                              | 7                              |
| ZACD (MSPIF) Pte. Ltd.                           | –                              | 4                              |
| ZACD Capital Partners VCC                        | 410                            | –                              |
| ZACD (Development4) Ltd.                         | 11                             | 18                             |
| ZACD (Development2) Ltd.                         | 798                            | –                              |
| ZACD Berwick Drive Pte. Ltd.                     | 18                             | –                              |
| ZACD (BBW6) Ltd.                                 | 6                              | –                              |
| ZACD (Tribe) Pte Ltd                             | 4                              | –                              |
| Zelitist Pte. Ltd.                               | 4                              | –                              |
|  | <b>1,752</b>                   | <b>469</b>                     |

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For the year ended 31 December 2025

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

### Company

31 December 2025

|  | 31 December<br>2025<br>S\$'000 | 31 December<br>2024<br>S\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Due from related parties</b>                  |                                |                                |
| SLP International Property Consultants Pte. Ltd. | 31                             | 2                              |
| Remarkable Reach International Limited           | –                              | 98                             |
| ZACD Mount Emily Residential Development Fund    | –                              | 56                             |
| ZACD Capital Partners VCC                        | 190                            | –                              |
| ZACD LV Holdings Pte. Ltd.                       | 24                             | 16                             |
| ZACD LV Development Fund                         | –                              | 74                             |
| ZACD LV Development Pte. Ltd.                    | 38                             | 8                              |
| ARO II (Murray Street) Trust                     | –                              | 27                             |
| ARO II (Tebrau) Pte. Ltd.                        | 9                              | 7                              |
| ZACD (Development4) Ltd.                         | 11                             | 18                             |
| ZACD (Development2) Ltd.                         | 46                             | –                              |
| ZACD Berwick Drive Pte Ltd.                      | 18                             | –                              |
| ZACD (BBW6) Ltd.                                 | 6                              | –                              |
| ZACD (Tribe) Pte Ltd                             | 4                              | –                              |
| Zelitist Pte. Ltd.                               | 4                              | –                              |
|  | <b>381</b>                     | <b>306</b>                     |

**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         |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| <b>Due to ultimate holding company</b>           |                 |                 |                 |                 |
| ZACD Investments Pte. Ltd.                       | –               | 35              | 16              | 63              |
| <b>Due to related parties</b>                    |                 |                 |                 |                 |
| Magnificent Vine Group Holdings Pte. Ltd.        | 394             | 94              | 300             | –               |
| SLP International Property Consultants Pte. Ltd. | 6               | 9               | 6               | 9               |
| Remarkable Reach International Limited           | 27              | –               | 27              | –               |
| ZACD (Shunfu) Ltd.                               | –               | 94              | –               | –               |
| ZACD (Shunfu2) Ltd.                              | –               | 706             | –               | –               |
| ARO II (Murray Street) Trust                     | 218             | 192             | –               | –               |
| ZACD LV Development Fund                         | 1,932           | 1,892           | –               | –               |
| ARO II (Bay Road) Trust                          | –               | 2,733           | –               | –               |
| Core Creative Pte. Ltd.                          | 160             | –               | 160             | –               |
| Creo Adworld Pte. Ltd.                           | 40              | –               | 40              | –               |
|  | <b>2,777</b>    | 5,720           | <b>533</b>      | 9               |

Relationships of the above related parties with the Company or the Group are set out in Note 33 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.

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For the year ended 31 December 2025

## 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

|  | Group           |                 | Company         |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| Prepayments                                | 223             | 332             | 110             | 141             |
| Deposits                                   | 72              | 134             | 62              | 125             |
| Interest receivable                        | 196             | 143             | –               | –               |
| Other receivables                          | 342             | 210             | 239             | 199             |
|  | <b>833</b>      | 819             | <b>411</b>      | 465             |
| Less: amounts classified as current assets | <b>(668)</b>    | (633)           | <b>(247)</b>    | (278)           |
| Amounts classified as non-current assets   | <b>165</b>      | 186             | <b>164</b>      | 187             |

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

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| <b>Current</b>                                |                |         |
| Advances/bridging loans funded to:            |                |         |
| ZACD (Development4) Ltd.                      | <b>5,085</b>   | 5,085   |
| ZACD Mount Emily Residential Development Fund | <b>2,893</b>   | 3,750   |
| ZACD (Development2) Ltd.                      | <b>1,646</b>   | 1,210   |
| ZACD LV Development Fund                      | <b>12,777</b>  | 11,872  |
| Kurnia Rezeki Utama Sdn. Bhd.                 | <b>379</b>     | 379     |
| ARO II (Tebrau) Pte. Ltd.                     | <b>526</b>     | 375     |
| ZACD Media Circle Fund                        | –              | 300     |
| ZACD Laserblue Pte. Ltd.                      | –              | 600     |
| ZACD Industrial Opportunities Fund            | <b>15</b>      | –       |
| Interest receivables on loan to:              |                |         |
| ZACD Mount Emily Residential Development Fund | <b>239</b>     | 239     |
| ZACD (Development2) Ltd.                      | <b>85</b>      | 8       |
| ZACD LV Development Fund                      | <b>659</b>     | 659     |
| Kurnia Rezeki Utama Sdn. Bhd.                 | <b>44</b>      | 26      |
| ARO II (Tebrau) Pte. Ltd.                     | <b>24</b>      | 4       |
| Less: Allowance for impairment losses         | <b>(9,103)</b> | (5,085) |
|   | <b>15,269</b>  | 19,422  |

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For the year ended 31 December 2025

**21. LOANS AND RELATED RECEIVABLES (cont'd)**

|   | <b>Company</b> |                |
|---|----------------|----------------|
|   | <b>2025</b>    | <b>2024</b>    |
|   | <b>S\$'000</b> | <b>S\$'000</b> |
| <b>Current</b>                                |                |                |
| Advances/bridging loans funded to:            |                |                |
| ZACD (Development4) Ltd.                      | <b>5,085</b>   | 5,085          |
| ZACD Mount Emily Residential Development Fund | <b>1,393</b>   | 2,250          |
| ZACD (Development2) Ltd.                      | <b>1,210</b>   | 1,210          |
| ZACD LV Development Fund                      | <b>9,047</b>   | 8,446          |
| Kurnia Rezeki Utama Sdn. Bhd.                 | <b>379</b>     | 379            |
| ARO II (Tebrau) Pte. Ltd.                     | <b>526</b>     | 375            |
| ZACD Industrial Opportunities Fund            | <b>15</b>      | –              |
| Interest receivables on loan to:              |                |                |
| ZACD Mount Emily Residential Development Fund | <b>167</b>     | 167            |
| ZACD (Development2) Ltd.                      | <b>80</b>      | 8              |
| ZACD LV Development Fund                      | <b>614</b>     | 614            |
| Kurnia Rezeki Utama Sdn. Bhd.                 | <b>44</b>      | 26             |
| ARO II (Tebrau) Pte. Ltd.                     | <b>24</b>      | 4              |
| Less: Allowance for impairment losses         | <b>(7,531)</b> | (5,085)        |
|   | <b>11,053</b>  | 13,479         |

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

|                                 | <b>Group</b>   |                |
|---------------------------------|----------------|----------------|
|                                 | <b>2025</b>    | <b>2024</b>    |
|                                 | <b>S\$'000</b> | <b>S\$'000</b> |
| At beginning of the year        | <b>5,085</b>   | 5,085          |
| Allowance for impairment losses | <b>4,018</b>   | –              |
| At end of the year              | <b>9,103</b>   | 5,085          |

## 21. LOANS AND RELATED RECEIVABLES (cont'd)

|                                 | <b>Company</b> |         |
|---------------------------------|----------------|---------|
|                                 | <b>2025</b>    | 2024    |
|                                 | <b>S\$'000</b> | S\$'000 |
| At beginning of the year        | <b>5,085</b>   | 5,085   |
| Allowance for impairment losses | <b>2,446</b>   | –       |
| At end of the year              | <b>7,531</b>   | 5,085   |

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

Reference is made to the voluntary announcement dated 20 September 2019, the inside information and business update announcements dated 23 July 2020, 24 July 2020, 6 August 2020 and 23 August 2021 and the supplemental announcement dated 23 August 2021 of the Company in relation to ZACD Australia Hospitality Fund (the “**Fund**”) and ZACD (Development4) Ltd., 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.

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**21. LOANS AND RELATED RECEIVABLES (cont'd)**

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

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

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 2025, S\$2,893,000 (31 December 2024: S\$3,750,000) has been drawn down on the Facility by the Borrower. Prior to 31 December 2024, the facility bears interest at 6% per annum. With effect from 1 January 2025, the Group waived the charging interest on the Facility to the Borrower.

During the year, the Group has provided an allowance for impairment losses amounting to S\$3,132,000, which is assessed based on the profitability of the underlying residential development project.

## 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. Accordingly, on 8 October 2025 and 21 October 2025, a S\$212,000 and S\$12,000 short term bridging facility were extended to the fund. On 20 November 2025, a S\$212,000 short term bridging facility was further extended to the fund.

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

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

As at 31 December 2025, S\$1,646,000 (31 December 2024: S\$1,210,000) 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.

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**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. On 14 February 2025, a S\$125,000 short term bridging facility was extended to the fund. On 22 April 2025 and 28 April 2025, a S\$270,000 and S\$330,000 short term bridging facility were further extended to the fund. On 27 May 2025, a S\$180,000 short term bridging facility was further extended to the fund.

The Company has agreed to grant the Facility to the Borrower for drawdown from time to time by the Borrower for purposes of facilitating the Borrower 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 2025, S\$12,777,000 (31 December 2024: S\$11,872,000) has been drawdown on the Facility by the Borrower. Prior to 31 December 2024, the facility bears interest at 6% per annum. With effect from 1 January 2025, the Group waived the charging interest on the Facility to the Borrower.

During the year, the Group has provided an allowance for impairment losses amounting to S\$886,000, which is assessed based on the profitability of the underlying residential development project.

**(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.

## 21. LOANS AND RELATED RECEIVABLES (cont'd)

### (e) Bridging facility to Kurnia Rezeki Utama Sdn Bhd (cont'd)

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 2025, S\$379,000 (31 December 2024: S\$379,000) has been drawn down on the Facility by the Borrower which bears interest at 5% per annum.

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

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

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

As at 31 December 2025, S\$526,000 (31 December 2024: S\$375,500) 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.

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**21. LOANS AND RELATED RECEIVABLES** (cont'd)

**(g) Bridging facility to ZACD Media Circle Fund** (cont'd)

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 2025, the loan and related receivables extended by the Group to the fund had been fully repaid.

**(h) ZACD Laserblue Pte. Ltd.**

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

As at 31 December 2025, the loan and related receivables extended by the Group to the fund had been fully repaid.

**(i) ZACD Industrial Opportunities Fund**

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

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

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

As at 31 December 2025, S\$15,000 (31 December 2024: S\$Nil) has been drawn down on the Facility by the Borrower which bears interest at 6% per annum.

## 22. CASH AND BANK BALANCES

|                        | Group           |                 | Company         |                 |
|------------------------|-----------------|-----------------|-----------------|-----------------|
|                        | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| Cash and bank balances | <b>3,940</b>    | 5,314           | <b>674</b>      | 895             |

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

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

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

|                        | Group           |                 | Company         |                 |
|------------------------|-----------------|-----------------|-----------------|-----------------|
|                        | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| Hong Kong dollar (HKD) | <b>68</b>       | 38              | <b>2</b>        | 2               |
| Australia dollar (AUD) | <b>133</b>      | 291             | <b>59</b>       | 272             |

## 23. OTHER PAYABLES AND ACCRUALS

|   | Group           |                 | Company         |                 |
|---|-----------------|-----------------|-----------------|-----------------|
|   | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| Other payables                                  | <b>1,393</b>    | 1,456           | <b>161</b>      | 174             |
| Accruals  | <b>455</b>      | 975             | <b>107</b>      | 335             |
| Deferred revenue                                | <b>222</b>      | 291             | <b>-</b>        | -               |
|   | <b>2,070</b>    | 2,722           | <b>268</b>      | 509             |
| Less: amounts classified as current liabilities | <b>(1,991)</b>  | (2,722)         | <b>(268)</b>    | (509)           |
| Amounts classified as non-current liabilities   | <b>79</b>       | -               | <b>-</b>        | -               |

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 S\$90,000 (2024: Nil).

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## 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:

|   | <b>Group</b>        |                    |
|---|---------------------|--------------------|
|   | <b>Right-of-use</b> | <b>Lease</b>       |
|   | <b>assets</b>       | <b>liabilities</b> |
|   | <b>S\$'000</b>      | <b>S\$'000</b>     |
| As at 1 January 2024                      | 390                 | 432                |
| Addition                                  | 107                 | 107                |
| Amortisation                              | (251)               | –                  |
| Interest expense (Note 8)                 | –                   | 18                 |
| Payments                                  | –                   | (285)              |
| As at 31 December 2024 and 1 January 2025 | <b>246</b>          | <b>272</b>         |
| Addition                                  | <b>462</b>          | <b>462</b>         |
| Amortisation                              | <b>(259)</b>        | –                  |
| Interest expense (Note 8)                 | –                   | <b>17</b>          |
| Payments                                  | –                   | <b>(288)</b>       |
| As at 31 December 2025                    | <b>449</b>          | <b>463</b>         |

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

### Group and Company as a lessee (cont'd)

|   | <b>Company</b>      |                    |
|---|---------------------|--------------------|
|   | <b>Right-of-use</b> | <b>Lease</b>       |
|   | <b>assets</b>       | <b>liabilities</b> |
|   | <b>S\$'000</b>      | <b>S\$'000</b>     |
| As at 1 January 2024                      | 361                 | 405                |
| Addition                                  | 16                  | 16                 |
| Amortisation                              | (210)               | –                  |
| Interest expense                          | –                   | 17                 |
| Payments                                  | –                   | (241)              |
| As at 31 December 2024 and 1 January 2025 | <b>167</b>          | <b>197</b>         |
| Addition                                  | <b>462</b>          | <b>462</b>         |
| Amortisation                              | <b>(213)</b>        | –                  |
| Interest expense                          | –                   | <b>14</b>          |
| Payments                                  | –                   | <b>(240)</b>       |
| As at 31 December 2025                    | <b>416</b>          | <b>433</b>         |

The Group recognised rental expense from short-term leases of S\$88,000 for the year ended 31 December 2025 (2024: S\$88,000).

|                          | <b>Group</b>   |         | <b>Company</b> |         |
|--------------------------|----------------|---------|----------------|---------|
|                          | <b>2025</b>    | 2024    | <b>2025</b>    | 2024    |
|                          | <b>S\$'000</b> | S\$'000 | <b>S\$'000</b> | S\$'000 |
| <b>Lease liabilities</b> |                |         |                |         |
| – current                | <b>265</b>     | 262     | <b>235</b>     | 187     |
| – non-current            | <b>198</b>     | 10      | <b>198</b>     | 10      |
|                          | <b>463</b>     | 272     | <b>433</b>     | 197     |

The movements of lease liabilities during the year are disclosed in Note 32 and the maturity analysis is disclosed in Note 39.

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For the year ended 31 December 2025

**25. CAPITALISED CONTRACT COSTS**

|  | <b>Group</b>   |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| Capitalised incremental costs of obtaining contracts |                |         |
| – commission costs paid to agents                    |                |         |
| At beginning of reporting year                       | <b>406</b>     | 337     |
| Additions  | <b>112</b>     | 182     |
| Amortisation   | <b>(126)</b>   | (113)   |
| At end of reporting year                             | <b>392</b>     | 406     |

**26. DEFERRED TAX LIABILITIES**

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

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| At beginning of reporting year  | <b>87</b>      | 57      |
| Deferred tax (credited)/debited to the consolidated statement of profit or loss during the year (Note 11) | <b>(3)</b>     | 30      |
| At end of reporting year  | <b>84</b>      | 87      |

|  | <b>Company</b> |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| At beginning of reporting year   | <b>22</b>      | 22      |
| Deferred tax debited to the consolidated statement of profit or loss during the year | <b>–</b>       | –       |
| At end of reporting year   | <b>22</b>      | 22      |

## 26. DEFERRED TAX LIABILITIES (cont'd)

### Components of deferred tax

Deferred tax liabilities net of deferred tax assets of the Group as at 31 December 2025 mainly comprise of temporary differences arising from accelerated tax depreciation, capitalised contract costs, unremitted interest income, other provisions and lease liabilities (2024: accelerated tax depreciation, capitalised contract costs, unremitted interest income, other provisions and lease liabilities).

### Unrecognised tax losses

Certain subsidiaries of the Group has unutilised tax losses of S\$1,875,000 (2024: S\$1,291,000) as at 31 December 2025. 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

|                               | <b>Group and Company</b> |         |
|-------------------------------|--------------------------|---------|
|                               | <b>2025</b>              | 2024    |
|                               | <b>S\$'000</b>           | S\$'000 |
| <b>Current</b>                |                          |         |
| Interest payable on bank loan | –                        | 1       |
| Temporary bridging loan       | –                        | 589     |
|                               | –                        | 590     |
| <b>Non-current</b>            |                          |         |
| Temporary bridging loan       | –                        | –       |
| Total bank borrowing          | –                        | 590     |

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## 27. BANK BORROWING (cont'd)

### 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. The TBL was fully repaid during the financial year.

## 28. LOANS AND RELATED PAYABLES

|                                    | Group        |          |
|------------------------------------|--------------|----------|
|                                    | 2025         | 2024     |
|                                    | S\$'000      | S\$'000  |
| <b>Current</b>                     |              |          |
| Advances/bridging loans funded by: |              |          |
| ZACD (BBEC) Pte. Ltd.              | 1,100        | —        |
| ZACD (Mandai) Ltd.                 | 400          | —        |
| ZACD (Shunfu) Ltd.                 | 50           | —        |
| ZACD (Shunfu2) Ltd.                | 250          | —        |
| ARO II (Bay Road) Trust            | 2,383        | —        |
| Interest payables on loan to:      |              |          |
| ZACD (BBEC) Pte. Ltd.              | 47           | —        |
| ZACD (Mandai) Ltd.                 | 17           | —        |
| ZACD (Shunfu) Ltd.                 | 10           | —        |
| ZACD (Shunfu2) Ltd.                | 55           | —        |
| ARO II (Bay Road) Trust            | 165          | —        |
|                                    | <b>4,477</b> | <b>—</b> |

**28. LOANS AND RELATED PAYABLES (cont'd)**

|                                    | <b>Company</b> |         |
|------------------------------------|----------------|---------|
|                                    | <b>2025</b>    | 2024    |
|                                    | <b>S\$'000</b> | S\$'000 |
| <b>Current</b>                     |                |         |
| Advances/bridging loans funded by: |                |         |
| ZACD (BBEC) Pte. Ltd.              | <b>1,100</b>   | –       |
| ZACD (Mandai) Ltd.                 | <b>400</b>     | –       |
| Interest payables on loan to:      |                |         |
| ZACD (BBEC) Pte. Ltd.              | <b>47</b>      | –       |
| ZACD (Mandai) Ltd.                 | <b>17</b>      | –       |
|                                    | <b>1,564</b>   | –       |

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

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

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

As at 31 December 2025, S\$1,100,000 (31 December 2024: S\$Nil) has been drawn down on the Facility by the Company which bears interest at 6% per annum.

For the year ended 31 December 2025

**28. LOANS AND RELATED PAYABLES (cont'd)**

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

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

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

As at 31 December 2025, S\$400,000 (31 December 2024: S\$Nil) has been drawn down on the Facility by the Company which bears interest at 6% per annum.

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

On 1 January 2025, the Group entered into a short term bridging facility agreement (the “**Facility**”) with ZACD (Shunfu) Ltd. (the “**Lender**”). As part of the arrangement, an amount of S\$94,000 previously classified as amounts due to related parties (non-trade) was novated and accounted for as a bridging loan payable. The Lender is a closed-end real estate private equity fund targeting the residential development located at 99-year leasehold government land sale plot at 314–319 Shunfu Road (collectively the “**Jadescape Project**”). The Company, acting as the sponsor of the ZACD (Shunfu) Ltd. (the “**Shunfu Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the Shunfu Fund. The fund will be managed by ZACD Capital Pte. Ltd. On 6 May 2025, the Group repaid S\$44,000 of the loan and related payables to the Fund.

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

As at 31 December 2025, the outstanding amount under the Facility was S\$50,000 (31 December 2024: S\$Nil), bearing interest at 6% per annum.

## 28. LOANS AND RELATED PAYABLES (cont'd)

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

On 1 January 2025, the Group entered into a short term bridging facility agreement (the “**Facility**”) with ZACD (Shunfu2) Ltd. (the “**Lender**”). As part of the arrangement, an amount of S\$706,000 previously classified as amounts due to related parties (non-trade) was novated and accounted for as a bridging loan payable. The Lender is a closed-end real estate private equity fund targeting the residential development located at 99-year leasehold government land sale plot at 314–319 Shunfu Road (collectively the “**Jadescape Project**”). The Company, acting as the sponsor of the ZACD (Shunfu2) Ltd. (the “**Shunfu2 Fund**”), by way of indirectly holding the nominal share capital of the corporate entity of the Shunfu2 Fund. The fund will be managed by ZACD Capital Pte. Ltd. On 6 May 2025 and 23 June 2025, the Group repaid S\$256,000 and S\$200,000 respectively of the loan and related payables to the Fund.

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

As at 31 December 2025, the outstanding amount under the Facility was S\$250,000 (31 December 2024: S\$Nil), bearing interest at 6% per annum.

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

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

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

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For the year ended 31 December 2025

## 28. LOANS AND RELATED PAYABLES (cont'd)

### (e) Bridging facility and advances by ARO II (Bay Road) Trust (cont'd)

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

As at 31 December 2025, the outstanding amount under the Facility was AUD3,100,000 (S\$2,383,000) (31 December 2024: AUD3,100,000; S\$2,621,000), bearing interest at 6% per annum.

## 29. FINANCIAL DERIVATIVE

|                                    | Group and Company |         |
|------------------------------------|-------------------|---------|
|                                    | 2025              | 2024    |
|                                    | S\$'000           | S\$'000 |
| Fair value of financial derivative | 2,752             | 2,574   |

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:

- within one month from the fourth anniversary from 4 January 2024; or
- 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
- 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.

## 29. FINANCIAL DERIVATIVE (cont'd)

Following the grant of the put option by the Company, the fair value loss of S\$178,000 (2024: S\$945,000) was recognised as the premium price of the put option granted to TGL.

As at 31 December 2025, 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:

|  | <b>Group and Company</b> |           |
|--|--------------------------|-----------|
|  | <b>2025</b>              | 2024      |
| Stock price (S\$)                          | <b>2,839</b>             | 2,523     |
| Exercise price (S\$)                       | <b>6,000,000</b>         | 6,000,000 |
| Volatility on selling price of the project | <b>18.55%</b>            | 15.22%    |
| Risk-free interest rate                    | <b>1.35%</b>             | 2.96%     |

On 30 March 2026, the Group entered into an agreement with a third party to assume the obligation relating to the put option in the event if it is exercised. This agreement enables the Group to mitigate potential future funding requirements and manage its overall financial risk exposure more effectively.

## 30. SHARE CAPITAL

|   | <b>Group</b>   |         |
|---|----------------|---------|
|   | <b>2025</b>    | 2024    |
|   | <b>S\$'000</b> | S\$'000 |
| Issued and paid up capital:   |                |         |
| 2,000,000,000 ordinary shares on 31 December 2025<br>(2024: 2,000,000,000 shares) | <b>29,866</b>  | 29,866  |

There was no movement in the Group's issued share capital during the period from 1 January 2024 to 31 December 2025.

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For the year ended 31 December 2025

## 31. RESERVES

The amounts of the Group's reserves and the movements therein during each of the reporting periods for the years ended 31 December 2024 and 2025 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.

## 32. 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<br>beginning<br>of reporting<br>year<br>S\$'000 | Financing<br>cash flows<br>S\$'000 | Non-cash changes                  |                                |                                       |         | At end of<br>reporting<br>year<br>S\$'000 |
|---|--|------------------------------------|-----------------------------------|--------------------------------|---------------------------------------|---------|---|
|   |  |                                    | Initial<br>recognition<br>S\$'000 | Interest<br>expense<br>S\$'000 | Translation<br>differences<br>S\$'000 | Others* |   |
| <b>Year ended 31 December 2025</b>            |  |                                    |                                   |                                |                                       |         |   |
| Amount due to ultimate holding company        | 35   | (35)                               | -                                 | -                              | -                                     | -       | -   |
| Amounts due to related parties (Note 19)      | 5,720  | 478                                | -                                 | -                              | -                                     | (3,421) | 2,777                                     |
| Bank borrowing (Note 27)                      | 590  | (597)**                            | -                                 | 7                              | -                                     | -       | -   |
| Loans payable to related parties (Note 28)    | -  | 1,014                              | -                                 | 294                            | (252)                                 | 3,421   | 4,477                                     |
| Obligation arise from finance lease (Note 23) | -  | (6)                                | 94                                | 2                              | -                                     | -       | 90  |
| Lease liabilities (Note 24)                   | 272  | (288)                              | 462                               | 17                             | -                                     | -       | 463                                       |
| <b>Year ended 31 December 2024</b>            |  |                                    |                                   |                                |                                       |         |   |
| 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                                       |

\* During the year, the amounts previously classified as amounts due to related parties (non-trade), owing to ZACD (Shunfu) Ltd., ZACD (Shunfu2) Ltd. and ARO II (Bay Road) Trust (Note 19), were novated and accounted for as bridging loan payables (Note 28).

\*\* Includes interest paid of S\$7,000 (2024: S\$29,000).

### 33. RELATED PARTY TRANSACTIONS

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

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For the year ended 31 December 2025

## 33. RELATED PARTY TRANSACTIONS (cont'd)

| Name of related companies  | Relationship with the Company or the Group  |
|--|---|
| <b>Private funds managed by the Group:</b>                             |   |
| ZACD (BBW6) Ltd. (" <b>BBW6</b> ")                                     | BBW6 is managed by the Group and the Controlling Shareholders are key management personnel of BBW6 and application for strike-off was submitted to ACRA on 26 January 2026. |
| ZACD (Shunfu) Ltd. (" <b>Shunfu</b> ")                                 | Shunfu is managed by the Group and one of the Controlling Shareholders is a key management personnel of Shunfu.   |
| ZACD (Shunfu2) Ltd. (" <b>Shunfu2</b> ")                               | Shunfu2 is managed by the Group and one of the Controlling Shareholders is a key management personnel of Shunfu2.   |
| ZACD (Development2) Ltd. (" <b>Development2</b> ")                     | 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. (" <b>Development4</b> ")                     | 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. (" <b>Mandai</b> ")                                 | 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. (" <b>MSPIF</b> ")                              | 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. (" <b>Tribe</b> ")                              | 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.) (" <b>BBEC</b> ") | BBEC is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD BBEC.  |
| ZACD Laserblue Pte. Ltd. (" <b>Laserblue</b> ")                        | Laserblue is managed by the Group and two of the key management personnel of the Group are key management personnel of Laserblue.   |

### 33. RELATED PARTY TRANSACTIONS (cont'd)

| Name of related companies   | Relationship with the Company or the Group  |
|---|---|
| ZACD Capital Partners VCC<br>("ZACD VCC")   | ZACD VCC is an umbrella Singapore variable capital company, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.  |
| ZACD Mount Emily Residential Development Fund<br>("ZACD Mount Emily")                   | ZACD Mount Emily is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.       |
| ZACD 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 two of the key management personnel of the Group are key management personnel of ZACD VCC. |
| ZACD LV Development Fund<br>("ZACD LV Fund")  | ZACD LV Fund is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.           |
| ZF5   | ZF5 is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.                    |
| ZACD Industrial Opportunities Fund<br>("ZACD Industrial")                               | ZACD Industrial is a registered sub-fund of ZACD VCC, is managed by the Group and two of the key management personnel of the Group are key management personnel of ZACD VCC.        |
| ZACD LV Holdings Pte. Ltd.<br>("LV Holdings")   | LV Holdings is a wholly-owned subsidiary of ZACD LV Fund.   |
| ZACD Property Pte. Ltd.<br>("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.                               |
| <b>Development SPVs:</b>  |   |
| Landmark JV Pte. Ltd.<br>("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.  |

# 178 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 33. RELATED PARTY TRANSACTIONS (cont'd)

| <u>Name of related companies</u>                                       | <u>Relationship with the Company or the Group</u>  |
|--|--|
| Mandai 7 JV Pte. Ltd.<br>("Mandai 7 JV")                               | Mandai 7 JV is 60.0% owned by Mandai.  |
| Zelitist Pte. Ltd. ("Zelitist")  | Zelitist is a 56.0% owned by Development2.   |
| ZACD LV Development Pte. Ltd.<br>("LV Dev")                            | LV Dev is 75.0% owned by LV Holdings.  |
| <b>Common control of the Controlling Shareholders:</b>                 |  |
| 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.<br>("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.<br>("CRF")                              | CRF is a wholly-owned subsidiary of Magnificent Vine Group.  |
| Providence Capital Pte. Ltd.<br>("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.<br>("SLP Investment")           | SLP Investment is wholly-owned subsidiary of SLP International and one of the Controlling Shareholders is also the director of the Company.  |

### 33. 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 2024 and 2025:

|   |      | <b>Group</b>   |         |
|---|------|----------------|---------|
|   | Note | <b>2025</b>    | 2024    |
|   |      | <b>S\$'000</b> | S\$'000 |
| Investment management – dividend income:      | (i)  |                |         |
| ZACD (Woodlands) Pte. Ltd.                    |      | –              | 9       |
| ZACD (AMK) Pte. Ltd.                          |      | –              | 7       |
| ZACD (Canberra) Pte. Ltd.                     |      | –              | 1       |
| ZACD (Woodlands12) Pte. Ltd.                  |      | <b>187</b>     | 456     |
| ZACD (Woodlands3) Pte. Ltd.                   |      | –              | 13      |
| ZACD (Anchorvale) Pte. Ltd.                   |      | –              | 1       |
| ZACD (Punggol Central) Pte. Ltd.              |      | <b>47</b>      | –       |
| ZACD (Woodlands2) Pte. Ltd.                   |      | <b>12</b>      | –       |
| ZACD (CCK) Pte. Ltd.                          |      | <b>14</b>      | –       |
| ZACD (Jurong) Pte Ltd                         |      | <b>77</b>      | 32      |
|   |      | <b>337</b>     | 519     |
| Investment management – fund management fees: | (ii) |                |         |
| ZACD (BBW6) Ltd.                              |      | <b>133</b>     | 32      |
| ZACD Income Trust                             |      | –              | 54      |
| ZACD (Shunfu) Ltd.                            |      | <b>47</b>      | 572     |
| ZACD (Shunfu2) Ltd.                           |      | <b>67</b>      | 877     |
| ZACD (Development2) Ltd.                      |      | <b>(194)</b>   | 123     |
| ZACD LV Development Fund                      |      | <b>95</b>      | 89      |
| ZACD (BBEC) Pte Ltd                           |      | <b>242</b>     | 42      |
| ZACD (Mandai) Ltd.                            |      | <b>257</b>     | 1,072   |
| ZACD Mount Emily Residential Development Fund |      | –              | 47      |
| ZACD Media Circle Fund                        |      | <b>276</b>     | 243     |
| ZACD Laserblue Pte. Ltd.                      |      | <b>591</b>     | 288     |
|   |      | <b>1,514</b>   | 3,439   |

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For the year ended 31 December 2025

## 33. RELATED PARTY TRANSACTIONS (cont'd)

(a) (cont'd)

|  | Note  | <b>Group</b><br><b>2025</b><br><b>S\$'000</b> | 2024<br>S\$'000 |
|--|-------|---|-----------------|
| Acquisitions and projects management fees: | (iii) |   |                 |
| Mandai 7 JV Pte. Ltd.                      |       | –   | 183             |
| Staff cost expenses:                       | (iv)  |   |                 |
| ZACD International Pte. Ltd.               | (a)   | <b>89</b>                                     | –               |
| ZACD Australia Pty. Ltd.                   | (a)   | <b>38</b>                                     | –               |
|  |       | <b>127</b>                                    | –               |
| Office and transport expenses:             | (v)   |   |                 |
| ZACD Investments Pte. Ltd.                 | (1)   | <b>60</b>                                     | 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 salaries remunerated to immediate family member of directors and was charged at terms mutually agreed between the relevant parties.
- (v) 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.

### 33. RELATED PARTY TRANSACTIONS (cont'd)

(a) (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:

|  | <b>Group</b>   |         |
|--|----------------|---------|
|  | <b>2025</b>    | 2024    |
|  | <b>S\$'000</b> | S\$'000 |
| Short term employee benefits                               | <b>1,346</b>   | 1,384   |
| Post-employment benefits                                   | <b>72</b>      | 62      |
| <b>Total compensation paid to key management personnel</b> | <b>1,418</b>   | 1,446   |

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For the year ended 31 December 2025

## 34. 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                  |                           | Group                  |                           |
|--|------------------------|---------------------------|------------------------|---------------------------|
|  | 2025                   | 2025                      | 2024                   | 2024                      |
|  | Minimum lease payments | Present value of payments | Minimum lease payments | Present value of payments |
|  | S\$'000                | S\$'000                   | S\$'000                | S\$'000                   |
| Within 1 year                              | 16                     | 11                        | –                      | –                         |
| After 1 year but not more than 5 years     | 92                     | 79                        | –                      | –                         |
| Total minimum lease payments               | 108                    | 90                        | –                      | –                         |
| Less: Amounts representing finance charges | (18)                   | –                         | –                      | –                         |
| Present value of minimum lease payments    | 90                     | 90                        | –                      | –                         |

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\$2,400,000.

At the end of each of the reporting year, the Group had no other significant commitments.

### 35. 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. This guarantee was released and discharged on 6 October 2025, following the refinancing arrangement undertaken by the Development SPV. On 29 July 2025, the Company entered into a new deed to provide a corporate guarantee for all monies owing under the loan facilities amounting to S\$18,870,000.

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**35. 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.

**36. 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.

### 36. 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 2025. As at 31 December 2025, cumulative legal fees incurred in relation to legal actions taken against the Defendants and iProsperity Group amounted to S\$2,672,000 (31 December 2024: S\$1,728,000) where S\$1,985,000 (31 December 2024: S\$1,504,000) had been borne by ZACD Australia Hospitality Fund, S\$687,000 (31 December 2024: S\$224,000) 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.

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**37. FINANCIAL INSTRUMENTS BY CATEGORY**

The carrying amounts of each of the categories of financial instruments as at 31 December 2024 and 2025 are as follows:

**31 December 2025**

***Group – financial assets***

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

***Group – financial liabilities***

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

### 37. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

31 December 2025 (cont'd)

#### *Company – financial assets*

|   | Fair value<br>through other<br>comprehensive<br>income<br>S\$'000 | Financial<br>assets at<br>amortised<br>cost<br>S\$'000 | Total<br>S\$'000 |
|---|---|--|------------------|
| Investment in fund entities   | 853   | –  | 853              |
| Trade receivables   | –   | 50   | 50               |
| Financial assets included in prepayments,<br>deposits and other receivables | –   | 301  | 301              |
| Amounts due from related parties  | –   | 381  | 381              |
| Amounts due from subsidiaries   | –   | 2,479  | 2,479            |
| Loans and related receivables   | –   | 11,053   | 11,053           |
| Cash and cash equivalents   | –   | 674  | 674              |
|   | 853   | 14,938   | 15,791           |

#### *Company – financial liabilities*

|  | Fair value<br>through profit<br>or loss<br>S\$'000 | Financial<br>liabilities at<br>amortised<br>cost<br>S\$'000 | Total<br>S\$'000 |
|--|--|---|------------------|
| Financial derivative   | 2,752  | –   | 2,752            |
| Financial liabilities included in other payables<br>and accruals | –  | 268   | 268              |
| Lease liabilities  | –  | 433   | 433              |
| Loans and related payables                                       | –  | 1,564   | 1,564            |
| Amounts due to related parties                                   | –  | 533   | 533              |
| Amounts due to subsidiaries                                      | –  | 4,242   | 4,242            |
| Amount due to ultimate holding company                           | –  | 16  | 16               |
|  | 2,752  | 7,056   | 9,808            |

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## 37. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

31 December 2024

### Group – financial assets

|   | Fair value<br>through other<br>comprehensive<br>income<br>S\$'000 | Financial<br>assets at<br>amortised<br>cost<br>S\$'000 | Total<br>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,<br>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<br>through profit<br>or loss<br>S\$'000 | Financial<br>liabilities at<br>amortised<br>cost<br>S\$'000 | Total<br>S\$'000 |
|--|--|---|------------------|
| Financial derivative   | 2,574  | –   | 2,574            |
| Financial liabilities included in other payables<br>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           |

### 37. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

31 December 2024 (cont'd)

#### *Company – financial assets*

|   | Fair value<br>through other<br>comprehensive<br>income<br>S\$'000 | Financial<br>assets at<br>amortised<br>cost<br>S\$'000 | Total<br>S\$'000 |
|---|---|--|------------------|
| Investment in fund entities   | 1,269   | –  | 1,269            |
| Trade receivables   | –   | 38   | 38               |
| Financial assets included in prepayments,<br>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<br>through profit<br>or loss<br>S\$'000 | Financial<br>liabilities at<br>amortised<br>cost<br>S\$'000 | Total<br>S\$'000 |
|--|--|---|------------------|
| Financial derivative   | 2,574  | –   | 2,574            |
| Financial liabilities included in other payables<br>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            |

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### 38. 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.

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

#### Fair value of financial instruments that are carried at fair value (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 2024 and 2025:

| 31 December 2025                         | 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%   | <p>Decrease in uncertainty discount by 10 percentage points would not result in changes in fair value.</p> <p>Increase in uncertainty discount by 18 percentage points would not result in changes in fair value.</p>                               |
| Unlisted investment in fund entities     | Discounted cash flow method | Input base uncertainty for projected cash flows (Note A): 54%   | <p>Decrease in uncertainty discount by 6 percentage points would not result in changes in fair value.</p> <p>Increase in uncertainty discount by 11 percentage points would not result in changes in fair value.</p>                                |
| Financial derivative                     | Black Scholes model         | Volatility on the selling price of the project (Note B): 18.55% | <p>Decrease in selling price volatility by 10 percentage points would result in decrease in fair value by S\$395,000.</p> <p>Increase in selling price volatility by 10 percentage points would result in increase in fair value by S\$259,000.</p> |

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## 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

### Fair value of financial instruments that are carried at fair value (cont'd)

| 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%   | <p>Decrease in uncertainty discount by 10 percentage points would not result in changes in fair value.</p> <p>Increase in uncertainty discount by 18 percentage points would not result in changes in fair value.</p>                               |
| Unlisted investment in fund entities     | Discounted cash flow method | Input base uncertainty for projected cash flows (Note A): 54%   | <p>Decrease in uncertainty discount by 6 percentage points would result in increase in fair value by S\$1,000.</p> <p>Increase in uncertainty discount by 10 percentage points would result in decrease in fair value by S\$30,000.</p>             |
| Financial derivative                     | Black Scholes model         | Volatility on the selling price of the project (Note B): 15.22% | <p>Decrease in selling price volatility by 10 percentage points would result in decrease in fair value by S\$624,000.</p> <p>Increase in selling price volatility by 10 percentage points would result in increase in fair value by S\$345,000.</p> |

### 38. 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.

#### 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                                  |   |   | Total<br>S\$'000 |
|---------------------------------|---|---|---|------------------|
|                                 | Quoted prices<br>in active<br>markets<br>(Level 1)<br>S\$'000 | Significant<br>observable<br>inputs<br>(Level 2)<br>S\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>S\$'000 |                  |
| <b>31 December 2025</b>         |   |   |   |                  |
| Investment in equity securities | –   | –   | 51  | 51               |
| Investment in fund entities     | –   | –   | 879   | 879              |

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**38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS** (cont'd)

**Fair value hierarchy** (cont'd)

**Assets measured at fair value:** (cont'd)

**Company**

|                             | Fair value measurement using                                  |   |   | Total<br>S\$'000 |
|-----------------------------|---|---|---|------------------|
|                             | Quoted prices<br>in active<br>markets<br>(Level 1)<br>S\$'000 | Significant<br>observable<br>inputs<br>(Level 2)<br>S\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>S\$'000 |                  |
| <b>31 December 2025</b>     |   |   |   |                  |
| Investment in fund entities | –   | –   | 853   | 853              |

**Group**

|                                 | Fair value measurement using                                  |   |   | Total<br>S\$'000 |
|---------------------------------|---|---|---|------------------|
|                                 | Quoted prices<br>in active<br>markets<br>(Level 1)<br>S\$'000 | Significant<br>observable<br>inputs<br>(Level 2)<br>S\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>S\$'000 |                  |
| <b>31 December 2024</b>         |   |   |   |                  |
| Investment in equity securities | –   | –   | 203   | 203              |
| Investment in fund entities     | –   | –   | 1,328   | 1,328            |

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

#### Fair value hierarchy (cont'd)

#### Assets measured at fair value: (cont'd)

#### Company

|                             | Quoted prices<br>in active<br>markets<br>(Level 1)<br>S\$'000 | Fair value measurement using<br>Significant<br>observable<br>inputs<br>(Level 2)<br>S\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>S\$'000 | Total<br>S\$'000 |
|-----------------------------|---|---|---|------------------|
| <b>31 December 2024</b>     |   |   |   |                  |
| Investment in fund entities | –   | –   | 1,269   | 1,269            |

The movements in fair value measurements within Level 3 during the years ended 31 December 2024 and 2025 are as follows:

|  | Group           |                 | Company         |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 2025<br>S\$'000 | 2024<br>S\$'000 | 2025<br>S\$'000 | 2024<br>S\$'000 |
| Investment in equity securities<br>– unlisted:           |                 |                 |                 |                 |
| At beginning of reporting year                           | <b>203</b>      | 570             | –               | –               |
| Total losses recognised in other<br>comprehensive income | <b>(152)</b>    | (367)           | –               | –               |
|  | <b>51</b>       | 203             | –               | –               |
| Investment in fund entities<br>– unlisted:               |                 |                 |                 |                 |
| At beginning of reporting year                           | <b>1,328</b>    | 1,832           | <b>1,269</b>    | 1,780           |
| Total loss recognised in other<br>comprehensive income   | <b>(449)</b>    | (504)           | <b>(416)</b>    | (511)           |
|  | <b>879</b>      | 1,328           | <b>853</b>      | 1,269           |
| At end of reporting year                                 | <b>930</b>      | 1,531           | <b>853</b>      | 1,269           |

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**38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS** (cont'd)

**Fair value hierarchy** (cont'd)

*Liabilities measured at fair value:*

**Group and Company**

|                         | Quoted prices<br>in active<br>markets<br>(Level 1)<br>S\$'000 | Fair value measurement using<br>Significant<br>observable<br>inputs<br>(Level 2)<br>S\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>S\$'000 | Total<br>S\$'000 |
|-------------------------|---|---|---|------------------|
| <b>31 December 2025</b> |   |   |   |                  |
| Financial derivative    | –   | –   | 2,752   | 2,752            |

**Group and Company**

|                         | Quoted prices<br>in active<br>markets<br>(Level 1)<br>S\$'000 | Fair value measurement using<br>Significant<br>observable<br>inputs<br>(Level 2)<br>S\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>S\$'000 | Total<br>S\$'000 |
|-------------------------|---|---|---|------------------|
| <b>31 December 2024</b> |   |   |   |                  |
| Financial derivative    | –   | –   | 2,574   | 2,574            |

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.

**39. 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:

|                                   | <b>2025</b> | 2024 |
|-----------------------------------|-------------|------|
| Due from the largest debtor       | <b>32%</b>  | 25%  |
| Due from the five largest debtors | <b>78%</b>  | 71%  |

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.

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**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

**Credit risk (cont'd)**

***Trade receivables***

The Group provides for lifetime expected credit losses for all trade receivables based on simplified approach. The provision rates are determined based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The ECL allowance in respect of these balances are disclosed in Note 17.

***Amounts due from subsidiaries at amortised cost***

The Company computes ECL for non-trade amounts due from subsidiaries using the probability of default approach. In determining this ECL, the Company considers event such as significant adverse changes in financial conditions and changes in the operating results of the subsidiaries and determined that significant increase in credit risk occurs when there are changes in the risk that the specific subsidiary will default on the payment. The ECL allowance in respect of these balances are disclosed in Note 18.

***Loans and related receivables***

The Group manages its credit risk of its loans and related receivables based the profitability of the underlying investments on an ongoing basis. Based on the current market condition, the Group have assessed that there is a significant increase in credit risk since the initial recognition and have applied a lifetime expected loss provision for the impairment of these loans and related receivables The ECL allowance in respect of these balances are disclosed in Note 21

***Exposure to credit risk***

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### 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:

#### Group

|  | On demand/<br>no fixed<br>terms of<br>repayment<br>S\$'000 | Less than<br>1 year<br>S\$'000 | One to<br>five years<br>S\$'000 | Total<br>S\$'000 |
|--|--|--------------------------------|---------------------------------|------------------|
| <b>31 December 2025</b>  |  |                                |                                 |                  |
| Financial derivative   | –  | –                              | 2,752                           | 2,752            |
| Financial liabilities included in<br>other payables and accruals | –  | 1,848                          | –                               | 1,848            |
| Lease liabilities  | –  | 286                            | 198                             | 484              |
| Loans and related payables                                       | 4,477  | –                              | –                               | 4,477            |
| Amounts due to related parties                                   | 2,777  | –                              | –                               | 2,777            |
|  | <b>7,254</b>   | <b>2,134</b>                   | <b>2,950</b>                    | <b>12,338</b>    |

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For the year ended 31 December 2025

**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (cont'd)

**Liquidity risk** (cont'd)

**Company**

|  | <b>On demand/<br/>no fixed<br/>terms of<br/>repayment<br/>S\$'000</b> | <b>Less than<br/>1 year<br/>S\$'000</b> | <b>One to<br/>five years<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
|--|---|---|--|--------------------------|
| <b>31 December 2025</b>  |   |   |  |                          |
| Financial derivative   | –   | –                                       | 2,752                                    | 2,752                    |
| Financial liabilities included in<br>other payables and accruals | –   | 268                                     | –  | 268                      |
| Lease liabilities  | –   | 256                                     | 198                                      | 454                      |
| Loans and related payables                                       | 1,564   | –                                       | –  | 1,564                    |
| Amounts due to subsidiaries                                      | 4,242   | –                                       | –  | 4,242                    |
| Amount due to ultimate<br>holding company                        | 16  | –                                       | –  | 16                       |
| Amounts due to related parties                                   | 533   | –                                       | –  | 533                      |
|  | <b>6,355</b>  | <b>524</b>                              | <b>2,950</b>                             | <b>9,829</b>             |

**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

**Liquidity risk (cont'd)**

**Group**

|  | On demand/<br>no fixed<br>terms of<br>repayment<br>S\$'000 | Less than<br>1 year<br>S\$'000 | One to<br>five years<br>S\$'000 | Total<br>S\$'000 |
|--|--|--------------------------------|---------------------------------|------------------|
| <b>31 December 2024</b>  |  |                                |                                 |                  |
| Financial derivative   | –  | –                              | 2,574                           | 2,574            |
| Financial liabilities included in<br>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<br>holding company                        | 35   | –                              | –                               | 35               |
| Bank borrowing   | –  | 598                            | –                               | 598              |
|  | 5,755  | 3,298                          | 2,586                           | 11,639           |

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For the year ended 31 December 2025

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### Liquidity risk (cont'd)

##### Company

|  | On demand/<br>no fixed<br>terms of<br>repayment<br>S\$'000 | Less than<br>1 year<br>S\$'000 | One to<br>five years<br>S\$'000 | Total<br>S\$'000 |
|--|--|--------------------------------|---------------------------------|------------------|
| <b>31 December 2024</b>  |  |                                |                                 |                  |
| Financial derivative   | –  | –                              | 2,574                           | 2,574            |
| Financial liabilities included in<br>other payables and accruals | –  | 509                            | –                               | 509              |
| Lease liabilities  | –  | 191                            | 11                              | 202              |
| Amounts due to subsidiaries                                      | 4,356  | –                              | –                               | 4,356            |
| Amount due to ultimate<br>holding company                        | 63   | –                              | –                               | 63               |
| Amounts due to related parties                                   | 9  | –                              | –                               | 9                |
| Bank borrowing   | –  | 598                            | –                               | 598              |
|  | 4,428  | 1,298                          | 2,585                           | 8,311            |

### 39. 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 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            |                    |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
|                               | 2025<br>S\$'000    | 2024<br>S\$'000    | 2025<br>S\$'000    | 2024<br>S\$'000    |
|                               | Loss<br>before tax | Loss<br>before tax | Loss<br>before tax | Loss<br>before tax |
| Increase/(decrease)           |                    |                    |                    |                    |
| SGD/HKD                       |                    |                    |                    |                    |
| – Strengthened: 4% (2024: 4%) | 3                  | 1                  | –                  | –                  |
| – Weakened: 4% (2024: 4%)     | (3)                | (1)                | –                  | –                  |
| SGD/AUD                       |                    |                    |                    |                    |
| – Strengthened: 4% (2024: 4%) | 5                  | 12                 | 2                  | 11                 |
| – Weakened: 4% (2024: 4%)     | (5)                | (12)               | (2)                | (11)               |

#### 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.

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For the year ended 31 December 2025

### 39. 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.

### 40. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 31 March 2026.