

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ZACD GROUP LTD.

杰地集團有限公司*

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

(Stock Code: 8313)

**VOLUNTARY ANNOUNCEMENT
BUSINESS UPDATE
ESTABLISHMENT OF NEW FUND
FOR AUSTRALIA HOTEL PORTFOLIO**

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

Reference is made to the press release of 20 September 2019 on the Company’s website (<https://www.zacdgroup.com/en/investorrelations/announcements>) in relation to the acquisition jointly by the Sydney-based fund manager iProsperity Group, an independent third party and the Group from the Luxembourg hotel investor, AccorInvest, an independent third party of a portfolio of 23 hotels in Australia (the “**Australia Hotel Portfolio**”) comprising 17 hotel properties at the purchase price of AU\$212.6 million and 6 leasehold hotel properties interests to be transferred subject to various conditions (the “**Transaction**”), which in terms of number of hotels is expected to be one of Australia’s largest hotel portfolio sales in recent years.

Pursuant to the Transaction, the Company is pleased to announce that a new real estate fund for the Australia Hotel Portfolio (the “**ZACD Australia Hospitality Fund**”) will be established and ZACD (Development4) Ltd., an indirect wholly-owned special purpose fund vehicle of the Company will be the fund holding entity on behalf of our investors of ZACD Australia Hospitality Fund for the investment into the Australia Hotel Portfolio. ZACD Australia Hospitality Fund will be a closed-ended real estate private equity fund with an estimated fund size of approximately S\$45 million to be raised subject to available financing for the Transaction.

The board of directors of the Company (the “**Board**”) believes that the Australia Hotel Portfolio presents an attractive real estate investment opportunity for our fund investors. The successful establishment of the ZACD Australia Hospitality Fund is expected to contribute positively to the investment management services business segment of the Group and to create a more diverse offering for the Group’s investment management business. The ZACD Australia Hospitality Fund will be managed by ZACD Capital Pte. Ltd., a member of the Group, who in turn will receive a fund management fee based on the committed capital of investors during the fund life of the ZACD Australia Hospitality Fund and a performance fee based on a percentage of the remaining net distributable cash after full repayment of the invested capital to investors.

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

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

Hong Kong, 20 September 2019

As at the date of this announcement, the Board of the Company comprises five (5) executive Directors, namely, Mr. Yeo Choon Guan (Yao Junyuan), Ms. Sim Kain Kain, Mr. Siew Chen Yei, Mr. Darren Chew Yong Siang and Mr. Wee Hian Eng Cyrus; three (3) independent non-executive Directors, namely, Mr. Kong Chi Mo, Dato’ Dr. Sim Mong Keang and Mr. Lim Boon Yew; and one (1) non-executive Director, namely Mr. Chew Hong Ngiap, Ken.

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

This announcement will be published on the GEM website at www.hkgem.com and remain on the “Latest Company Announcements” page for at least seven days from the date of its posting. This announcement will also be published on the Company’s website at www.zacdgroup.com.

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

** for identification purposes only*