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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)

POSITIVE PROFIT ALERT

This announcement is made by ZACD Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of the Company is pleased to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2020 (the “**Reporting Period**”) and other currently available information, the Group expects to record a net profit of approximately S\$200,000 for the Reporting Period as compared with a net loss of approximately S\$313,000 for the three months ended 31 March 2019. The significant improvement in its financial performance was mainly attributable to:

- An increase in revenue mainly in the acquisitions and projects management business segment following its effort to secure a freehold site in Mandai, Singapore (the “**Mandai Site**”) for industrial development and assisted to complete the acquisition of the Mandai Site for a developer SPV. This developer SPV is jointly established by the fund vehicle of the Company as to 60% and an external business partner as to 40%. The Group further contributed bridging reserve fund to complete the acquisition of the Mandai Site. As a result of the aforesaid, the Group derived an acquisition fee of approximately S\$1.1 million from the developer SPV, leading to the increase in revenue in this business segment. The increase in revenue was partially offset by a decrease in revenue in the SPV investment management business segment mainly due to lower dividends that were derived and a decrease in revenue in the property management business segment as a result of contracts had ceased and/or have not been renewed at the end of the contract term;

- An increase in other income mainly from the Jobs Support Scheme announced by the Singapore Government to provide cash flow support to businesses during this period of economic uncertainty affected by the COVID-19 outbreak; and
- A decrease in the property repair and maintenance outsourcing expenses as a result of the decrease in the number of property management contracts.

The Company is in the process of finalising the Group's unaudited consolidated financial results for the Reporting Period. The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the latest information available and the unaudited consolidated management accounts of the Group, which have not been reviewed by the audit committee of the Company. Actual financial results may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to refer to the results of the Group for the Reporting Period which is expected to be published on 12 May 2020.

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

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

Hong Kong, 4 May 2020

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. Wee Hian Eng Cyrus, Mr. Siew Chen Yei and Mr. Darren Chew Yong Siang; 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*