

The logo for ZACD, featuring the letters 'zacd' in a lowercase, sans-serif font. The 'z' and 'a' are light blue, while the 'c', 'd', and the dot on the 'a' are a darker blue.

ZACD GROUP LTD.

杰地集團有限公司\*

(A company incorporated in Singapore with limited liability)

Stock Code: 8313

The background features several overlapping circles in various shades of blue and teal. A large white circle is centered on the right side, containing the text for the report.

First  
Quarterly  
Report  
**2019**

\* for identification purpose only

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*This report, for which the directors of ZACD Group Ltd. (the “Company”, together with its subsidiaries as the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Ms. Sim Kain Kain (*Chairman*)  
Mr. Yeo Choon Guan (Yao Junyuan) (*CEO*)  
Mr. Wee Hian Eng Cyrus (*Deputy CEO*)  
Mr. Siew Chen Yei (*CFO*)  
Mr. Darren Chew Yong Siang  
(Zhou Yongxiang) (*COO*)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kong Chi Mo  
Dato' Dr. Sim Mong Keang  
Mr. Lim Boon Yew

#### NON-EXECUTIVE DIRECTOR

Mr. Chew Hong Ngiap, Ken

#### AUDIT COMMITTEE

Mr. Kong Chi Mo (*Chairman*)  
Dato' Dr. Sim Mong Keang  
Mr. Lim Boon Yew

#### REMUNERATION COMMITTEE

Dato' Dr. Sim Mong Keang (*Chairman*)  
Ms. Sim Kain Kain  
Mr. Kong Chi Mo  
Mr. Lim Boon Yew

#### NOMINATION COMMITTEE

Mr. Lim Boon Yew (*Chairman*)  
Mr. Yeo Choon Guan (Yao Junyuan) (*CEO*)  
Mr. Kong Chi Mo  
Dato' Dr. Sim Mong Keang

#### AUTHORISED REPRESENTATIVES

Mr. Siew Chen Yei (*CFO*)  
Mr. Ip Pui Sum

#### JOINT COMPANY SECRETARIES

##### As to Hong Kong Law

Mr. Siew Chen Yei (*CFO*)  
Mr. Ip Pui Sum

##### As to Singapore Law

Mr. Tan Kim Swee Bernard  
(Chen Jinrui Bernard)

#### COMPLIANCE OFFICER

Mr. Siew Chen Yei (*CFO*)

#### COMPLIANCE ADVISER

Innovax Capital Limited

#### AUDITOR

Ernst & Young LLP

#### REGISTERED OFFICE

2 Bukit Merah Central #22-00  
Singapore 159835

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

2 Bukit Merah Central #22-00  
Singapore 159835

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2029, Level 20, Infinitus Plaza  
199 Des Voeux Road Central  
Sheung Wan, Hong Kong

#### PRINCIPAL BANK

United Overseas Bank  
UOB Plaza  
80 Raffles Place  
Singapore 048624

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN SINGAPORE

Tricor Singapore Pte Ltd  
80 Robinson Road  
#02-00  
Singapore 068898

#### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

#### STOCK CODE

8313

#### COMPANY'S WEBSITE

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



## FIRST QUARTERLY FINANCIAL HIGHLIGHTS

- The Group reported a net loss after tax for the three months ended 31 March 2019 of approximately S\$313,000, representing an improvement of approximately 16.8% as compared to that for the corresponding period ended 2018. The improvement was mainly attributable to a decrease in exchange loss and listing expenses, partially mitigated by a decrease in revenue mainly in the investment management business segment and an increase in staff costs.
- The unaudited revenue of the Group dropped by 32.8% or approximately S\$1.3 million from approximately S\$3.8 million for the three months ended 31 March 2018 to approximately S\$2.6 million for the corresponding period ended 2019. The decrease was mainly attributable to lower dividends derived from the investment management business segment.
- No dividend was paid or proposed by the Company for the three months period ended 31 March 2019.
- Loss per share during the three months period ended 31 March 2019 was approximately S\$0.02 cents.

The board of directors (the “**Board**”) of the Company hereby announces the unaudited condensed consolidated results of the Group for the three months ended 31 March 2019 (the “**First Quarterly Results**”), together with the unaudited comparative figures for the three months ended 31 March 2018:

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2019

	Notes	Three months ended 31 March (unaudited)	
		2019 S\$'000	2018 S\$'000
Revenue	4	2,582	3,840
Other income and gains	4	247	136
Staff costs		(2,163)	(1,764)
Depreciation		(224)	(36)
Office rentals and related expenses		—	(162)
Marketing expenses		(3)	(34)
Other expenses, net		(743)	(2,356)
Interest expenses		(9)	—
<b>Loss before tax</b>	5	<b>(313)</b>	(376)
Income tax credit	6	—	—
<b>Loss for the period attributable to owners of the Company</b>		<b>(313)</b>	(376)
<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		(253)	—
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		16	25
Other comprehensive (loss)/income for the period		(237)	25
<b>Total comprehensive loss for the period attributable to owners of the Company</b>		<b>(550)</b>	(351)
<b>Loss per share attributable to owners of the Company</b>	7		
Basic (cents)		(0.02)	(0.02)
Diluted (cents)		(0.02)	(0.02)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED 31 MARCH 2019

	Share capital S\$'000	Investment in equity securities revaluation reserve S\$'000	Exchange fluctuation reserve S\$'000	Capital reserve S\$'000	Retained profits/ (accumulated losses) S\$'000	Total Equity S\$'000
<b>2019</b>						
At 1 January 2019 (audited)	29,866	3,424	(34)	1,491	342	35,089
Loss for the period	—	—	—	—	(313)	(313)
Other comprehensive (loss)/income for the period:						
Exchange differences on translation of foreign operations	—	—	16	—	—	16
Fair value changes on investment in equity securities	—	(253)	—	—	—	(253)
Total comprehensive (loss)/income for the period	—	(253)	16	—	—	(237)
At 31 March 2019 (3 months, unaudited)	29,866	3,171	(18)	1,491	29	34,539
<b>2018</b>						
At 1 January 2018 (audited)	4,718	4,976	22	1,491	4,261	15,468
Loss for the period	—	—	—	—	(376)	(376)
Other comprehensive income for the period:						
Exchange differences on translation of foreign operations	—	—	25	—	—	25
Total comprehensive income for the period	—	—	25	—	—	25
Issuance of shares under IPO, net of share assurance expenses	25,148	—	—	—	—	25,148
At 31 March 2018 (3 months, unaudited)	29,866	4,976	47	1,491	3,885	40,265

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 31 MARCH 2019

### 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 2 Bukit Merah Central #22-00, Singapore 159835.

The Company is an investment holding company. 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) project consultancy and management services;
- (iii) property management and tenancy management services; and
- (iv) financial advisory services.

### 2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting 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**”), which the Group adopted on 1 January 2018.

The financial statements are presented in the Group’s functional currency, Singapore Dollar (“**S\$**”), and all values are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

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

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



## 2. BASIS OF PREPARATION (Continued)

### New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the First Quarterly Results are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018. The Group adopted IFRS 16 *Leases* on 1 January 2019.

On adoption of IFRS 16, the Group had recognised right-of-use ("**ROU**") assets and lease liabilities of approximately S\$1,060,000 for its leases previously classified as operating leases as at 1 January 2019. The nature of expenses related to its operating leases has changed as IFRS 16 replaced the straight-line operating lease expense (previously recognised in "**Office rentals and related expenses**"). For the three months period ended 31 March 2019, the Group has recognised depreciation expense of approximately S\$128,000 relating to the amortisation of the ROU assets and interest expense of approximately S\$9,000 arising from the accretion of the lease liabilities using the effective interest method.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

## 3. OPERATING SEGMENT INFORMATION

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

### (a) Investment management

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

#### (i) *SPV investment management*

The Group provides investment management services to investors of real estate development projects by establishing and incorporating Investment SPV through which the investors participate in the project by subscribing convertible loans that are issued by the Investment SPV. 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 and return of capital from the relevant Investment SPVs.

### 3. OPERATING SEGMENT INFORMATION (Continued)

#### (a) Investment management (Continued)

##### (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 upon divestment of all investments in the fund or expiration or early termination of the fund life. The fund management fees are received semi-annually or annually and are recognised on a straight-line basis over the contract terms. The fund establishment fees and performance fees are recognised as and when the Group's rights and entitlement to the fees are established. In the case of the performance fees, revenue is recognised only when 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) Project consultancy and management services

Project consultancy and management 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.

### 3. OPERATING SEGMENT INFORMATION (Continued)

#### (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.

#### 4. REVENUE, AND OTHER INCOME AND GAINS

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

	<b>Three months ended 31 March (unaudited)</b>	
	<b>2019</b>	2018
	<b>S\$'000</b>	S\$'000
<b>Revenue</b>		
Investment management		
— SPV investment management fees	<b>799</b>	2,135
— Fund management fees	<b>413</b>	417
Project consultancy and management service fees	<b>225</b>	415
Property management and tenancy management fees	<b>860</b>	873
Financial advisory fees	<b>285</b>	—
	<b>2,582</b>	3,840
<b>Other income and gains</b>		
Government grants*	<b>81</b>	83
Interest income	<b>164</b>	28
Others	<b>2</b>	25
	<b>247</b>	136

\* Government grants were received by certain subsidiaries in connection with employment of senior Singaporean workers under Special Employment Credit and Wage Credit Scheme and enhancement/scale up of business capabilities under Capability Development Grant provided by the Singapore Government. There were no unfulfilled conditions or contingencies relating to these grants.

## 5. LOSS BEFORE TAX

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

	Three months ended 31 March (unaudited)	
	2019 S\$'000	2018 S\$'000
Auditor's remuneration	34	25
Listing expenses	—	988
Minimum lease payments under operating leases	—	162
Dividend income from the establishment shares included in SPV investment management fees	(669)	(1,935)
Foreign exchange differences, net	36	657

## 6. INCOME TAX CREDIT

No provision for profits tax has been made during the three months period ended 31 March 2019. Under Singapore One-Tier System, dividend income from establishment shares are tax-exempted. Elsewhere in other countries/jurisdictions where the Group operate, there was no assessable profit generated during the period under review or had estimated tax losses brought forward to offset the assessable profit for the period.

Singapore income tax is applied at the rate of 17.0% on the assessable profit before tax and respective income tax rates applicable to the Group, after taking into account non-taxable income and non-deductible expenses. Hong Kong income tax is applied at the rate of 16.5% for the Group's subsidiaries established in Hong Kong. China income tax stands at 25.0%, while Australia income tax stands at 30.0%.

## 7. 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:

	Three months ended 31 March (unaudited)	
	2019 S\$'000	2018 S\$'000
<b>Loss</b>		
Loss for the purpose of calculating basic and diluted loss per share (loss for the period attributable to owners of the Company)	(313)	(376)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	2,000,000,000	1,916,666,667

## 8. DIVIDENDS

No dividend was paid or proposed by the Company for the three months period ended 31 March 2019 (three months ended 31 March 2018: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis (“**MD&A**”) for the Group has been prepared and reviewed by the management for the three months period ended 31 March 2019 (the “**Review Period**”). 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) Business Outlook; and
- (4) Use of Proceeds.

### Executive Overview

The Group managed a total of 29 investment structures under the PE structures and fund structures over 28 real estate projects and assets in Singapore, Malaysia, Indonesia and Australia. The Group provided ongoing project consultancy and management services to two real estate projects in Singapore and delivered ongoing property management services to 23 real estate projects in Singapore, and tenancy management services to three property owners in Singapore and Malaysia. The Group is currently executing five corporate advisory mandates.

### Financial Review and Business Review

The Group reported a net loss after tax for the three months ended 31 March 2019 of approximately S\$313,000, representing an improvement of approximately 16.8% as compared to that for the corresponding period ended 2018. The improvement was mainly attributable to a decrease in exchange loss and listing expenses, partially mitigated by a decrease in revenue mainly in the investment management business segment and an increase in staff costs.

#### Revenue

The unaudited revenue of the Group dropped by 32.8% or approximately S\$1.3 million from approximately S\$3.8 million for the three months ended 31 March 2018 (the “**Previous Period**”) to approximately S\$2.6 million for the Review Period. The decrease was mainly attributable to lower dividends derived from the investment management business segment.

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

Three months ended 31 March 2019 (unaudited)	Investment management		Project consultancy and management services	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
<b>Segment revenue</b>						
External customers	799	413	225	860	285	2,582
<b>Segment results</b>	551	134	134	(104)	(128)	587
<i>Reconciliation:</i>						
Other income and gains						247
Corporate and unallocated expenses						(1,147)
Loss before tax						(313)
Three months ended 31 March 2018 (unaudited)	Investment management		Project consultancy and management services	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
<b>Segment revenue</b>						
External customers	2,135	417	415	873	—	3,840
<b>Segment results</b>	1,735	184	286	29	(138)	2,096
<i>Reconciliation:</i>						
Other income and gains						136
Corporate and unallocated expenses						(2,608)
Loss before tax						(376)



(a) *Investment Management Services*

The unaudited revenue decreased by approximately 52.5% from approximately S\$2.6 million for the Previous Period to approximately S\$1.2 million for the Review Period. The decrease was mainly due to dividends were derived from four Investment SPVs for the Review Period while 11 Investment SPVs with three Investment SPVs receiving the first tranche dividends from their respective Development SPVs attributable to Bellewoods, Bellewaters and Vue 8 Residence for the Previous Period. As a result, the unaudited revenue derived from the SPV investment management services decreased from approximately S\$2.1 million for the Previous Period to approximately S\$0.8 million for the Review Period. No new Investment SPVs was established as the Group focuses to expand fund structures instead, which is the Group's current adopted business model.

(b) *Project Consultancy and Management Services*

The unaudited revenue decreased by approximately 45.8% from approximately S\$415,000 for the Previous Period to approximately S\$225,000 for the Review Period. Revenue is recognised on a time-apportioned basis or based on project milestones over the contractual service period. The decrease was mainly due to the expiry of project contracts after the completion of those projects, partially offset by two new projects secured in the second half of last year. However, our strategic position as a business partner for new real estate projects will enable us to replace the would-be expired contracts. This can be achieved by diversifying our deal sourcing routes as we seek for broadening our client base in the region, expanding into Australia, Malaysia, Indonesia, and other Asia Pacific countries and exploring opportunities in emerging markets to diversify our portfolio. Other than staff cost and project manager charges, this business segment did not incur any other particular expenses.

(c) *Property Management and Tenancy Management Services*

The unaudited revenue decreased slightly from approximately S\$873,000 for the Previous Period to approximately S\$860,000 for the Review Period. The decrease was mainly attributable to the decrease in tenancy management services where contracts with two property owners had ceased. The business segment has not reached its desired economies of scale which resulted in a loss registered in the Review Period. Beside staff and office rental costs, key expenses incurred by this business segment entail the administrative costs of managing properties. In this respect, the Group is exploring the possibility of setting up a centralised structure where related administrative functions can be housed to achieve cost efficiency. The Group is rallying to secure new contracts particularly in the prime areas of Singapore which construe higher management fee, expanding our existing offering via tender on facilities management on government-owned properties in Singapore and expanding business into Malaysia via acquisition for property management.

(d) *Financial Advisory Services*

The unaudited revenue recorded for this business segment had increased tremendously from no revenue recorded for the Previous Period to approximately S\$285,000 for the Review Period. This business segment continued to record a loss of approximately S\$138,000, mostly from staff costs, office rental, travelling expenses and other operational costs. We are actively sourcing for more client mandates to bring this business segment to profit. We have expanded the team in corporate advisory by recruiting more experienced professional staff with wide client networks and are currently working on new mandates advising Singapore companies interested in raising capital and/or seeking a listing in Hong Kong. The Group intends to continue expanding our corporate advisory team in Singapore and Hong Kong to manage and execute current advisory mandates and converting deal leads.

Other notable items are further elaborated as follows:

**Other income and gains**

Other income and gains saw an approximately 81.6% increase from approximately S\$136,000 for the Previous Period to approximately S\$247,000 for the Review Period. This increase was mainly due to interest income derived from the bridging loan extended to ZACD Income Trust. The Company and certain subsidiaries of the Company also received several government grants in connection with employment of senior Singaporean workers under Special Employment Credit and Wage Credit Scheme provided by the Singapore Government. There were no unfulfilled conditions or contingencies relating to these grants.

**Staff costs**

Staff costs consist of salaries, bonuses, commission, other allowances and retirement benefit scheme contributions. Total staff costs for the Review Period amounted to approximately S\$2.2 million, up from approximately S\$1.8 million for the Previous Period. The increase in staff costs was attributed to the expanded size of the executive board members and as a result of the recruitment of additional professional staff for business expansion.

As at the Review Period, the Group had 115 employees as compared to 107 at the Previous Period. Employees are remunerated according to their performance and work experience. On top of basic salaries, discretionary bonus may be granted to eligible staff by reference to the Group's achievement as well as individual's performance.

## Other expenses, net

Other expenses, net decreased by approximately 68.5% from approximately S\$2.4 million for the Previous Period to approximately S\$743,000 for the Review Period. The decrease was mainly due to decrease in listing expenses by approximately S\$1.0 million and decrease in unrealised foreign exchange loss by approximately S\$0.6 million.

The significant unrealised foreign exchange loss in the Previous Period was mainly attributable to the proceeds from the Company's listing which was mainly retained in Hong Kong Dollars, while Singapore Dollars appreciated against Hong Kong Dollars in the same period. The decrease in unrealised foreign exchange loss in the Review Period was mainly due to the fact that majority of the proceeds had been subsequently converted to Singapore Dollars for operational purposes during the financial year ended 31 December 2018.

## Income tax credit

No significant provision for profits tax was made during the Review Period. The Group benefited from progressive tax system in each tax jurisdiction, whereas under Singapore's one-tier system, dividend income is tax-exempted when it is received by shareholders.

## Loss for the period attributable to owners of the Company

As a result of the foregoing, we recorded a net loss of approximately S\$313,000 for the Review Period as compared to a net loss of approximately S\$376,000 for the Previous Period.

## Contingent Liabilities

On 6 June 2018, the Company entered into a deed to provide a guarantee in the aggregate of the principal amount of S\$38,015,040 and any interest, commission, fees and expenses accrued thereon, to secure loan facilities in relation to a mixed-use development project located at Bukit Batok West Avenue 6, Singapore (the "**BBW6 Development**"). This amount represents 12% of the total liabilities of the underlying Development SPVs under a facility agreement in proportion of the shareholding of ZACD (BBW6) Ltd.'s (the "**BBW6 Fund**") in the underlying Development SPVs. In terms of the above, the Company, acting as the sponsor of the BBW6 Fund by way of indirectly holding the nominal share capital of the corporate entity of the BBW6 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 BBW6 Development. BBW6 Fund is managed by ZACD Capital Pte. Ltd. which acts as its fund manager.

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

## Business Outlook

### Singapore Residential Property Market Update

In 1Q 2019, the overall Singapore private residential price index eased by 0.6% comparing to the previous quarter. Average prices of non-landed homes fell by 1.0% quarter-on-quarter (“**qoq**”) while prices of landed homes increased by 1.1% qoq. Private Residential Developers’ Sales in the first quarter of 2019 edged up by 7% compared to last year in 1Q 2018.

About 60 new residential projects with an estimated 24,800 units in total could potentially be launched in the next 12 to 18 months. As a result, homebuyers will be spoilt for choice. At the same time, some of them would be price sensitive due to higher stamp duties and tighter financing regime.

On the whole, the overall private residential property price index is expected to remain soft, varying between a 1% growth to a 3% contraction year-on-year (“**yoy**”) for the whole of 2019.

### Singapore Industrial Property Market Update

After almost four years of gradual price decline, there are more indications that the Singapore industrial property market is stabilizing. As of 4Q 2018, industrial space prices remain unchanged since the last quarter, and unchanged compared to last year’s figures. Likewise, industrial rentals remain unchanged since the last quarter, and is down by 0.3% compared to last year’s figures. Occupancy rates in the overall industrial space market improved in 4Q 2018 to 89.3%.

Outlook for the Singapore industrial market is mostly moderate. The Singapore industrial property price and rental indices should continue to stabilize in 2019. A potential over-supply could occur in the next 3 years, which would place a cap on rental and capital values growth.

### Prospects

In the next quarter of 2019, the Group will continue to focus on the closing of Landmark Tower fund, source for attractive real estate investment opportunities both in local and international regions, and expand our investor base by diversifying into institutions and family offices.

The Group is seeking to broaden our client base for project consultancy and management services both locally and in the region, expanding into Australia, Malaysia, Indonesia and other Asia Pacific countries and exploring opportunities in emerging markets to diversify our portfolio.

In respect of property and tenancy management service, the Group is rallying to secure new contracts particularly in the prime areas of Singapore which construe higher management fee, expanding our existing offering via tender on facilities management on government-owned properties in Singapore and expanding the business into Malaysia via potential acquisition of property management.

The Group will continue to expand our corporate advisory team in Singapore and Hong Kong to manage and execute current advisory mandates and converting deal leads.

## Use of Proceeds

Total net proceeds raised from the Company's listing approximated HK\$125.2 million (approximately S\$21.6 million) after deducting underwriting commissions and all related expenses.

The use of proceeds is further elaborated as follows:

<b>Total net proceeds raised S\$21.6 million</b>		<b>IPO proceed allocated</b>	<b>Utilisation up to first quarter of 2019</b>
		S\$'000	%
BRIDGING RESERVE FUND	<ul style="list-style-type: none"> <li>• Increase investment sourcing capabilities</li> <li>• Areas of utilization:               <ul style="list-style-type: none"> <li>i) Tenders or sales for land parcels and real estate assets in Singapore and Australia</li> <li>ii) Take up the investment stake of real estate projects with real estate developer partners</li> </ul> </li> </ul>	8,900	100%
INVESTMENT MANAGEMENT	<ul style="list-style-type: none"> <li>• Develop investor network by recruiting experienced managers</li> <li>• Expand research and consultancy capabilities</li> <li>• Hire supporting staff to smoothen general operations in Singapore</li> </ul>	3,400	13.4%

<b>Total net proceeds raised S\$21.6 million</b>		<b>IPO</b>	<b>Utilisation</b>
		<b>proceed allocated</b>	<b>up to first quarter of 2019</b>
		S\$'000	%
PROJECT CONSULTANCY & MANAGEMENT	<ul style="list-style-type: none"> <li>• Establish client service centre</li> <li>• Potential acquisition of project management companies</li> <li>• Upgrade software system on workflow processing</li> <li>• Purchase commercial vehicle to support business activities</li> </ul>	900	18.5%
PROPERTY & TENANCY MANAGEMENT	<ul style="list-style-type: none"> <li>• Hiring more real estate developer relationship managers</li> <li>• Recruiting building construction and architectural professional</li> <li>• Expand expertise to assist new potential real estate projects acquired through use of bridging reserve fund</li> </ul>	3,300	38.9%
FINANCIAL ADVISORY	<ul style="list-style-type: none"> <li>• Enhance product marketing and distribution in Hong Kong</li> <li>• Expand Type 1 regulated activities by dealing in a wider range of securities</li> </ul>	3,500	7.4%
GENERAL WORKING CAPITAL	<ul style="list-style-type: none"> <li>• General working capital</li> </ul>	1,600	100.0%

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### CORPORATE GOVERNANCE PRACTICES

The Board has adopted the principles and the code provisions of Corporate Governance Code (“CG Code”) contained in Appendix 15 to the GEM Listing Rules. During the three months ended 31 March 2019 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 15 to the GEM Listing Rules.

### DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

As at 31 March 2019, the interests and short positions of the directors and chief executive of the Company in the share capital, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which any such director or chief executive if taken or deemed to have under such provision of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register of members of the Company, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Exchange 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 Choon Guan (Yao Junyuan) ("Mr. Yeo")	Our Company (Note 1)	Interest in a controlled corporation	1,458,000,000 ordinary shares	72.9%	—	—
Ms. Sim Kain Kain ("Ms. Sim")	Our Company (Note 1)	Interest in a controlled corporation	1,458,000,000 ordinary shares	72.9%	—	—
Mr. Yeo	ZACD Investments Pte. Ltd.	Beneficial owner	867,000 ordinary shares	51%	—	—

Name of Director	Name of corporation	Nature of interest and capacity	Number of shares held	Percentage of total issued shares	Percentage	
					Number of shares interested	of total issued shares
Ms. Sim	ZACD Investments Pte. Ltd.	Beneficial owner	833,000 ordinary shares	49%	—	—
Mr. Yeo/Ms. Sim	ZACD Land Pte. Ltd. (Note 2)	Interest in a controlled corporation	2 ordinary shares	100%	—	—
Mr. Yeo/Ms. Sim	ZACD Property Pte. Ltd. (Note 3)	Interest in a controlled corporation	2 ordinary shares	100%	—	—
Mr. Yeo/Ms. Sim	ZACD Treasury Limited (Note 4)	Interest in a controlled corporation	10,000 ordinary shares	100%	—	—
Mr. Yeo/Ms. Sim	ZACD (Canberra) Pte. Ltd. (Note 5)	Interest in a controlled corporation	100 ordinary shares	100%	228 ordinary shares	228%
Mr. Yeo/Ms. Sim	ZACD (Frontier) Pte. Ltd. (Note 6)	Interest in a controlled corporation	2 ordinary shares	100%	305 ordinary shares	15,250%
Mr. Yeo/Ms. Sim	ZACD (Neew) Pte. Ltd. (Note 7)	Interest in a controlled corporation	2 ordinary shares	100%	194 ordinary shares	9,700%
Mr. Yeo/Ms. Sim	ZACD (Berwick Drive) Pte. Ltd. (Note 8)	Interest in a controlled corporation	2 ordinary shares	100%	—	—
Mr. Yeo/Ms. Sim	SRI5000 Neew Developments Pte. Ltd. (Note 9)	Interest in a controlled corporation	60,000 ordinary shares	60%	—	—



Name of Director	Name of corporation	Nature of interest and capacity	Number of shares held	Percentage of total issued shares	Percentage	
					Number of underlying shares interested	of total issued shares
Mr. Yeo/Ms. Sim	ZACD (Tuas Bay) Pte. Ltd. (Note 10)	Interest in a controlled corporation	2 ordinary shares	100%	121 ordinary shares	6,050%
Mr. Yeo/Ms. Sim	ZACD (CCK) Pte. Ltd. (Note 11)	Interest in a controlled corporation	2 ordinary shares	100%	148 ordinary shares	7,400%
Mr. Yeo/Ms. Sim	ZACD (Gambas) Pte. Ltd. (Note 12)	Interest in a controlled corporation	2 ordinary shares	100%	—	—
Mr. Yeo/Ms. Sim	ZACD (Neew2) Pte. Ltd. (Note 13)	Interest in a controlled corporation	2 ordinary shares	100%	70 ordinary shares	3,500%
Mr. Yeo/Ms. Sim	ZACD (Jurong) Pte. Ltd. (Note 14)	Interest in a controlled corporation	2 ordinary shares	100%	171 ordinary shares	8,550%
Mr. Yeo/Ms. Sim	ZACD (Woodlands12) Pte. Ltd. (Note 15)	Interest in a controlled corporation	2 ordinary shares	100%	109 ordinary shares	5,450%
Mr. Yeo/Ms. Sim	ZACD Development Sdn. Bhd. (Note 16)	Interest in a controlled corporation	100 ordinary shares	100%	—	—
Mr. Yeo/Ms. Sim	ZACD Development (Kulai) Sdn. Bhd. (Note 17)	Interest in a controlled corporation	2 ordinary shares	100%	—	—

Notes:

1. Mr. Yeo and Ms. Sim are spouses and hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the Shares held by ZACD Investments by virtue of the SFO.
2. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the issued shares of ZACD Land Pte. Ltd. held by ZACD Investments by virtue of the SFO.
3. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the issued shares of ZACD Property Pte. Ltd. held by ZACD Investments by virtue of the SFO.
4. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the shares of ZACD Treasury Limited held by ZACD Investments by virtue of the SFO.
5. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 16 October 2014 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Canberra) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Canberra) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S\$1,400,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 22.80% of the enlarged issued capital of ZACD (Canberra) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Canberra) Pte. Ltd. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Canberra) 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 (Canberra) Pte. Ltd. by virtue of the SFO.
6. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 31 October 2014 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Frontier) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Frontier) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S\$1,300,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 30.50% of the enlarged issued capital of ZACD (Frontier) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Frontier) Pte. Ltd. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Frontier) 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 (Frontier) Pte. Ltd., by virtue of the SFO.

7. Mr. Yeo and Ms. Sim hold 51% 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.
8. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the issued shares of ZACD (Berwick Drive) Pte. Ltd. held by ZACD Investments by virtue of the SFO.
9. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments which holds the entire issued capital of ZACD (Berwick Drive) Pte. Ltd. which in turn holds 60% of the total issued capital of SRI5000 Neew Developments Pte. Ltd. As such, both of them are deemed to be interested in 60% of the total issued shares of SRI5000 Neew Developments Pte. Ltd. indirectly held by ZACD Investments by virtue of the SFO.
10. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 27 May 2013 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Tuas Bay) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Tuas Bay) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S\$1,100,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 12.10% of the enlarged issued capital of ZACD (Tuas Bay) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Tuas Bay) Pte. Ltd. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Tuas Bay) Pte. Ltd. held by ZACD Investments and (ii) the underlying shares which are to be converted into by such convertible loan granted by ZACD Investments to ZACD (Tuas Bay) Pte. Ltd. by virtue of the SFO.
11. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 7 September 2015 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (CCK) Pte. Ltd., ZACD Investments agreed to make available to ZACD (CCK) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S\$1,390,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 14.80% of the enlarged issued capital of ZACD (CCK) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (CCK) Pte. Ltd. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (CCK) 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 (CCK) Pte. Ltd. by virtue of the SFO.

12. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the issued shares of ZACD (Gambas) Pte. Ltd. held by ZACD Investments by virtue of the SFO.
13. Mr. Yeo and Ms. Sim hold 51% 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.
14. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 13 February 2013 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Jurong) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Jurong) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S\$3,830,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 17.10% of the enlarged issued capital of ZACD (Jurong) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Jurong) Pte. Ltd. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Jurong) 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 (Jurong) Pte. Ltd. by virtue of the SFO.
15. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. Pursuant to a convertible loan agreement dated 18 July 2014 (as amended by a supplemental deed dated 30 September 2016) entered into, between, among others, ZACD Investments and ZACD (Woodlands12) Pte. Ltd., ZACD Investments agreed to make available to ZACD (Woodlands12) Pte. Ltd. a non-interest bearing convertible loan in the principal amount of S\$1,450,000, and the outstanding convertible loan representing not more than a certain amount shall be converted into 10.90% of the enlarged issued capital of ZACD (Woodlands12) Pte. Ltd. after conversion upon the date of issue of a temporary occupation permit in relation to the underlying property acquired by ZACD (Woodlands12) Pte. Ltd. As such, Mr. Yeo and Ms. Sim are deemed to be interested in (i) the shares of ZACD (Woodlands12) 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 (Woodlands12) Pte. Ltd. by virtue of the SFO.

16. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments respectively. As such, both of them are deemed to be interested in all the shares of ZACD Development Sdn. Bhd. held by ZACD Investments by virtue of the SFO.
17. Mr. Yeo and Ms. Sim hold 51% and 49% of the total issued capital of ZACD Investments which holds the entire issued capital of ZACD Development Sdn. Bhd. which in turn holds the entire issued capital of ZACD Development (Kulai) Sdn. Bhd.. As such, both of them are deemed to be interested in all the issued shares of ZACD Development (Kulai) Sdn. Bhd. indirectly held by ZACD Investments by virtue of the SFO.

Save as disclosed above, as at 31 March 2019, 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 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 Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 31 March 2019, the following persons or entity who have interests or short positions in the shares and underlying shares of the Company which have been disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Long positions:

<b>Name</b>	<b>Capacity/Nature of interest</b>	<b>Number of ordinary shares held</b>	<b>Percentage of total issued share capital of the Company</b>
Mr. Yeo	Interest in a controlled corporation (Note)	1,458,000,000	72.9%
Ms. Sim	Interest in a controlled corporation (Note)	1,458,000,000	72.9%
ZACD Investments	Beneficial owner (Note)	1,458,000,000	72.9%

Note: Mr. Yeo and Ms. Sim are spouses and hold 51% and 49% of the total issued capital of 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.

Save as disclosed above, as at 31 March 2019, 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.

## **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 three months ended 31 March 2019.

## **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 15 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 the financial statements and providing advice in respect of financial reporting process; (iii) overseeing the risk management and internal control systems of the Group; and (iv) monitoring continuing connected transactions (if any).



The Audit Committee currently consists of all three of the independent non-executive directors, namely Mr. Kong Chi Mo, Dato' Dr. Sim Mong Keang and Mr. Lim Boon Yew and the chairman is Mr. Kong Chi Mo. The Audit Committee with senior management have reviewed the first quarterly results of the Group for the three months ended 31 March 2019.

By Order of the Board

**ZACD Group Ltd.**

**Sim Kain Kain**

*Chairman and Executive Director*

Hong Kong, 8 May 2019

*As at the date of this report, 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 (Zhou Yongxiang) 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.*