

**Unaudited Financial Statements and Dividend Announcement
For the Financial Year Ended 31 December 2014**

*ZICO Holdings Inc. (formerly known as ZICOlaw Holdings Inc.) (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 11 November 2014. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**" or "**PPCF**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

Background

The Company was incorporated in Labuan on 9 December 2010 under the Labuan Companies Act as a company limited by shares under the name of "ZI Holdings Inc.". The Company changed its name to "ZICOlaw Holdings Inc." on 30 June 2011 and subsequently to "ZICO Holdings Inc." on 30 April 2014. The Company, its subsidiaries and associated companies (the "**Group**") were formed with our corporate history as set out in the Company's Offer Document dated 30 October 2014. Prior to the listing on the Catalist of the SGX-ST on 11 November 2014, the Group undertook a restructuring exercise (the "**Restructuring Exercise**"). Please refer to the Company's Offer Document dated 30 October 2014 for further details on the Restructuring Exercise. As such, the results of the Group for the financial year ended 31 December 2014 were presented in a manner on the basis that the Restructuring Exercise had been completed.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group		
	Full Year Ended		
	31 December 2014	31 December 2013	
	(Unaudited)	(Audited)	Change
	RM'000	RM'000	%
Revenue	35,684	19,219	85.67
Other items of Income			
Interest income	105	114	(7.89)
Other income	4,089	1,977	106.83
	39,878	21,310	87.13
Items of expense			
Amortisation and depreciation	(1,250)	(296)	322.30
Employee benefits expense	(11,617)	(3,761)	208.88
Rental expense	(1,502)	(863)	74.04
Retainer fees and consultation fees	(2,416)	(1,096)	120.44
Other expenses	(9,095)	(3,113)	192.16
Finance costs	(196)	(276)	(28.99)
Share of results of associates, net of tax	(342)	1,077	(131.75)
Profit before income tax	13,460	12,982	3.68
Income tax expense	(2,766)	(1,378)	100.73
Profit for the financial year	10,694	11,604	(7.84)
Other comprehensive income			
<i>Items that will or may be reclassified subsequently to profit or loss</i>			
Exchange differences arising from translation of foreign operations	172	498	(65.46)
Reclassification arising from disposal of foreign subsidiary	(239)	-	n.m
Other comprehensive income for the year	(67)	498	(113.45)
Total comprehensive income for the financial year	10,627	12,102	(12.19)
Profit attributable to:			
Owner of the parent	10,738	11,604	(7.46)
Non-controlling interests	(44)	-	n.m
	10,694	11,604	(7.84)
Total comprehensive income attributable to:			
Owners of the parent	10,669	12,102	(11.84)
Non-controlling interests	(42)	-	n.m
	10,627	12,102	(12.19)

n.m. – not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Profit for the financial year is stated after charging/(crediting) the following:	Full Year Ended	
	31 December 2014 (Unaudited) RM'000	31 December 2013 (Audited) RM'000
<i>Amortisation and depreciation expenses</i>		
Amortisation of intangible assets	447	50
Depreciation of plant and equipment	803	246
<i>Rental expense</i>		
Operating lease expenses		
Rental of premises	1,381	736
Rental of accommodation	121	127
<i>Other expenses</i>		
Allowance for impairment loss on doubtful trade receivables	523	1,446
Bad trade receivables written off	163	270
Unrealised foreign exchange gain, net	(310)	(43)
Deposits written off	-	88
Plant and equipment written off	-	107
Prepayment written off	-	58
Initial public offering expenses	4,850 ⁽¹⁾	-
Share option expenses	34	-

⁽¹⁾Out of which RM1,426,000 was settled by way of the new issuance of the Company's ordinary shares

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31 December 2014 (Unaudited) RM'000	31 December 2013 (Audited) RM'000	31 December 2014 (Unaudited) RM'000	31 December 2013 (Audited) RM'000
Assets				
Non-current assets				
Plant and equipment	4,426	1,018	122	-
Intangible assets	6,588	3,976	-	-
Investment in a subsidiary	-	-	5	-
Associates	38	598	-	-
Deferred tax assets	7	-	-	-
	11,059	5,592	127	-
Current assets				
Trade and other receivables	28,755	18,703	23,067	5,470
Prepayments	994	51	-	-
Current income tax recoverable	62	209	-	-
Cash and cash equivalents	34,424	3,998	31,090	14
Other current assets	2,949	4,523	-	-
	67,184	27,484	54,157	5,484
Total assets	78,243	33,076	54,284	5,484
EQUITY AND LIABILITIES				
Equity				
Share capital	51,219	3,281	51,219	3,281
Share options reserve	34	-	7	-
Retained earnings	6,676	7,852	731	783
Foreign currency translation account	(35)	34	30	37
Equity attributable to owners of the parent	57,894	11,167	51,987	4,101
Non-controlling interests	330	-	-	-
Total equity	58,224	11,167	51,987	4,101
Non-current liabilities				
Interest bearing liabilities	83	48	-	-
Other payables	1,316	1,908	-	-
Provisions	60	-	-	-
Deferred tax liabilities	96	49	-	-
	1,555	2,005	-	-
Current liabilities				
Trade and other payables	14,981	16,163	1,081	1,371
Interest bearing liabilities	1,294	2,466	1,204	-
Current income tax payable	2,189	1,275	12	12
	18,464	19,904	2,297	1,383
Total liabilities	20,019	21,909	2,297	1,383
Total equity and liabilities	78,243	33,076	54,284	5,484

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 December 2014 (Unaudited)		As at 31 December 2013 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
90	1,204	2,466	-

Amount repayable after one year

As at 31 December 2014 (Unaudited)		As at 31 December 2013 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
83	-	48	-

Details of any collateral

The secured borrowings comprised of:

	As at 31 December 2014 (Unaudited) RM'000	As at 31 December 2013 (Audited) RM'000	Secured by
Finance Lease Facilities	173	102	Mortgage over the leased motor vehicles.
Revolving Credit Facilities	-	2,412	A charge on fixed deposits of RM1,167,435 placed with a bank in the name of ZICOLaw Singapore Pte Ltd for an outstanding facility limit in FY2013.
	<u>173</u>	<u>2,514</u>	

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Full Year Ended	
	31 December 2014	31 December 2013
	(Unaudited)	(Audited)
	RM'000	RM'000
Operating activities		
Profit before income tax	13,460	12,982
Adjustments for:		
Allowance for impairment loss on doubtful trade receivables	305	1,446
Allowance for impairment loss on doubtful trade receivables written back	(218)	(9)
Amortisation of intangible assets	447	50
Bad trade receivables written off	163	270
Depreciation of plant and equipment	803	246
Deposits written off	-	88
Gain on disposal of plant and equipment	(70)	-
Gain on disposal of a subsidiary	(239)	-
Interest income	(103)	(114)
Interest expense	28	37
Notional finance cost	168	239
Loss on disposal of an associate	96	-
Plant and equipment written off	-	107
Prepayment written off	-	58
Provisions	60	-
Share of results of associates, net of tax	342	(1,077)
Unrealised foreign exchange gain, net	(310)	(43)
Share based payment expenses	1,460	-
Operating cash flows before working capital changes	16,392	14,280
Working capital changes		
Trade and other receivables	(12,545)	(8,842)
Prepayments	(942)	(42)
Trade and other payables	1,073	1,009
Cash generated from operations	3,978	6,405
Income tax paid	(1,171)	(618)
Net cash from operating activities	2,807	5,787

	Full Year Ended	
	31 December 2014	31 December 2013
	(Unaudited) RM'000	(Audited) RM'000
Investing activities		
Acquisition of a subsidiary, net of cash acquired	104	-
Advances to associates	-	(904)
Advances to third parties	(2,735)	(1,309)
Disposal of a subsidiary ZICOLaw Singapore Pte Ltd	(130)	-
Dividend received from an associate	45	39
Interest received	103	44
Placement of fixed deposits with a bank	(2)	(1,167)
Proceeds from disposal of plant and equipment	70	-
Purchase of plant and equipment	(2,589)	(152)
Payment for intangible assets	(881)	(480)
Payment for deferred consideration to acquire a subsidiary	(720)	(1,120)
Net cash used in investing activities	(6,735)	(5,049)
Financing activities		
Dividends paid	(10,736) ⁽¹⁾	(5,500) ⁽²⁾
Interest paid	(28)	(37)
Advances from related parties	-	1,169
(Repayment to)/Advances from shareholders	(1,355)	1,355
(Repayment to)/Advances from directors	(10)	1,100
Proceeds from revolving credit facility	1,204	2,412
Issuance of ordinary shares	48,641	-
Share issuance expense	(2,129)	-
Redemption of preference shares	(1,178)	(760)
Repayments of finance lease payables	(57)	(72)
Net cash from/(used in) financing activities	34,352	(333)
Net change in cash and cash equivalents	30,424	405
Cash and cash equivalents at beginning of financial year	3,998	3,398
Effect of exchange rate changes on cash and cash equivalents	2	195
Cash and cash equivalents at end of the financial year	34,424	3,998

Note:-

(1) Interim tax-exempt dividends of RM10,736,000 paid for the financial year ended 31 December 2014

(2) Interim tax-exempt dividends of RM5,500,000 paid for the financial year ended 31 December 2013

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

**Statement of Changes in Equity
Group**

(Unaudited)

	Share Capital	Share options reserve	Retained earnings	Foreign currency translati on account	Equity attributable to owners of the parent	Non- controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2014	3,281	-	7,852	34	11,167	-	11,167
Profit for the financial year	-	-	10,738	-	10,738	(44)	10,694
Other comprehensive income:							
Reclassification arising from disposal of foreign subsidiary	-	-	-	(239)	(239)	-	(239)
Exchange differences arising from translation of foreign operations	-	-	-	170	170	2	172
Total comprehensive income for the year	-	-	10,738	(69)	10,669	(42)	10,627
Contributions by and distributions to owners of the parent							
Issue of ordinary shares	50,067	-	-	-	50,067	-	50,067
Share issuance expense	(2,129)	-	-	-	(2,129)	-	(2,129)
Issue of preference shares	-	-	(1,493)	-	(1,493)	-	(1,493)
Cancellation of preference shares	-	-	315	-	315	-	315
Grant of share options	-	34	-	-	34	-	34
Dividends	-	-	(10,736)	-	(10,736)	-	(10,736)
Total transactions with owners of the parent	47,938	34	(11,914)	-	36,058	-	36,058
Transaction with non-controlling interests							
Subscription of share capital in a subsidiary	-	-	-	-	-	372	372
Total transaction with non-controlling interests	-	-	-	-	-	372	372
Balance as at 31 December 2014	51,219	34	6,676	(35)	57,894	330	58,224

(Unaudited)

Share Capital	Share options reserve	Retained earnings	Foreign currency translation account	Equity attributable to owners of the parent	Non- controlling interests	Total equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

(Audited)

Balance as at 1 January
2013

9	-	5,780	(464)	5,325	-	5,325
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**Profit for the financial
year**

-	-	11,604	-	11,604	-	11,604
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**Other comprehensive
income:**

Exchange differences
arising from translation
of foreign operations

-	-	-	498	498	-	498
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**Total comprehensive
income for the financial
year**

-	-	11,604	498	12,102	-	12,102
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**Contributions by and
distributions to owners
of the parent**

Issuance of bonus shares

3,272	-	(3,272)	-	-	-	-
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Issuance of preference
shares

-	-	(760)	-	(760)	-	(760)
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Dividends

-	-	(5,500)	-	(5,500)	-	(5,500)
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**Total transactions with
owners of the parent**

3,272	-	(9,532)	-	(6,260)	-	(6,260)
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Balance as at 31
December 2013

3,281	-	7,852	34	11,167	-	11,167
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**Statement of Changes in Equity
Company**

(Unaudited)	Share Capital	Share options reserve	Retained earnings	Foreign currency translation account	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2014	3,281	-	783	37	4,101
Profit for the financial year	-	-	11,862	-	11,862
Other comprehensive income:					
Exchange differences arising from translation of the Company's financial statements	-	-	-	(7)	(7)
Total comprehensive income for the year	-	-	11,862	(7)	11,855
Contributions by and distributions to owners of the parent					
Issue of ordinary shares	50,067	-	-	-	50,067
Share issuance expense	(2,129)	-	-	-	(2,129)
Issue of preference shares	-	-	(1,493)	-	(1,493)
Cancellation of preference shares	-	-	315	-	315
Grant of share options	-	7	-	-	7
Dividends	-	-	(10,736)	-	(10,736)
Total transactions with owners of the parent	47,938	7	(11,914)	-	36,031
Balance as at 31 December 2014	51,219	7	731	30	51,987
(Audited)					
Balance as at 1 January 2013	9	-	221	(188)	42
Profit for the financial year	-	-	10,094	-	10,094
Other comprehensive income:					
Exchange differences arising from translation of the Company's financial statements	-	-	-	225	225
Total comprehensive income for the year	-	-	10,094	225	10,319

**Contributions by and
distributions to owners of
the parent**

Issuance of bonus shares	3,272	-	(3,272)	-	-
Issuance of preference shares	-	-	(760)	-	(760)
Dividends	-	-	(5,500)	-	(5,500)
Total transactions with owners of the parent	3,272	-	(9,532)	-	(6,260)
Balance as at 31 December 2013	3,281	-	783	37	4,101

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Shares Capital – Ordinary Shares

	Number of issued shares	Issued and paid-up share capital(RM)
Balance as at 1 January 2014	1,000,000	3,281,113
Issue of new Shares	57,850	7,202,608
Issue of Tranche 1 of Pre-IPO New Shares	15,112	1,729,312
Subtotal	1,072,962	12,213,033
Balance after subdivision of each ordinary share into 200 ordinary shares	214,592,400	12,213,033
Issue of new Shares to Leander Pte.Ltd. ("LPL")	1,000,000	553,033
Issue of Tranche 2 of Pre-IPO New Shares	1,295,400	696,707
Issue of Shares to PPCF	2,191,000	1,738,429
Issue of Placement Shares pursuant to IPO	48,000,000	36,017,655 ⁽¹⁾
Balance as at 31 December 2014	267,078,800	51,218,857

Note:-

- (1) This has taken into account set-off of share issue expenses of RM2,128,860 against issued and paid-up share capital.

The Company had on 19 September 2014, adopted the ZICO Holdings Employee Share Option Scheme and 3.5 million options were granted on 31 October 2014.

Save as disclosed above, the Company did not have any treasury shares or convertibles as at 31 December 2014 and 31 December 2013.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	As at 31 December 2014	As at 31 December 2013
Total number of issued shares	267,078,800	1,000,000

The Company did not have any treasury shares as at 31 December 2014 and 31 December 2013.

- 1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial year ended 31 December 2013 as set out in the Company's Offer Document dated 30 October 2014.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group has adopted all the applicable new and revised International Financial Reporting Standards ("IFRS") that are mandatory for the accounting periods beginning on or after 1 January 2014. The adoption of these new and revised IFRS did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current financial reporting period.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per share ("EPS")	Group	
	Full Year Ended	
	31 December 2014 (Unaudited)	31 December 2013 (Audited)
Profit attributable to owners of the parent (RM)	10,738,319	11,604,204
Weighted average number of ordinary shares in issue ⁽¹⁾	222,647,328	214,519,438
Basic EPS (RM)	0.05	0.05
Fully diluted EPS (RM)	0.05 ⁽²⁾	0.05 ⁽³⁾

Notes:-

(1) The weighted average number of ordinary shares in issue for the full year ended 31 December 2014 were based on the issued and paid-up ordinary share capital of 1,000,000 shares and adjusted for 29,850 ordinary shares issued on 31 March 2014, 28,000 ordinary shares issued on 15 April 2014, 15,112 Tranche 1 of Pre-IPO New Shares issued on 19 September 2014, subdivision of each ordinary shares into 200 ordinary Shares and subsequent issue of 1,000,000 LPL Shares, 1,295,400 Tranche 2 of Pre-IPO New Shares and 2,191,000 PPCF Shares as well as the issue of 48,000,000 Placement Shares. The subdivision was taken into account as if it had taken place on 1 January 2013.

The weighted average number of ordinary shares in issue for the full year ended 31 December 2013 were based on the issued and paid-up ordinary share capital of 3,000 shares and adjusted for 997,000 shares issued on 1 November 2013 and the above subdivision as if it had taken place on 1 January 2013.

(2) Adjusted for 3.5 million ordinary shares which may be allotted and issued upon the conversion of 3.5 million options for the period ended 31 December 2014.

(3) The basic and fully diluted earnings per share were the same as there were no dilutive ordinary shares in issue as at 31 December 2013.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the
- (a) Current period reported on; and
- (b) Immediately preceding financial year

Net asset value ("NAV")	Group		Company	
	31 December 2014 (Unaudited)	31 December 2013 (Audited)	31 December 2014 (Unaudited)	31 December 2013 (Audited)
NAV (RM)	57,893,815	11,167,697	51,987,151	4,101,654
Number of ordinary shares in issue	267,078,800	1,000,000 ⁽¹⁾	267,078,800	1,000,000 ⁽¹⁾
NAV per ordinary share (RM)	0.22	11.17	0.19	4.10

⁽¹⁾The number of ordinary shares in issue as at 31 December 2013 was not adjusted for the subdivision of each ordinary share into 200 ordinary shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review for the performance of the Group for the full year ended 31 December 2014 ("FY2014") as compared to the full year ended 31 December 2013 ("FY2013").

Consolidated Statement of Comprehensive Income

Revenue

The Group's revenue increased by 86% in FY2014 to RM35.7 million as compared to RM19.2 million in FY2013, mainly due to the commencement of Management and Support Services business ("MSS") in January 2014. MSS accounted for RM12.1 million in FY2014 with the balance RM17.6 million and RM6.0 million coming from Advisory and Transactional Services ("ATS") and Licensing Services ("LS") respectively. Revenue for ATS and LS increased by 25.4% and 15.5% respectively compared to FY2013. Increase in ATS revenue is attributable to the acquisition of ZICOLaw Myanmar and Vientiane Law, expansion of trust business in Singapore under ZICO Allshores Trust and growth in shariah advisory under ZICO Shariah Advisory Services. Increase in LS revenue is derived from higher royalty fees due to the growth of our licensees' net revenue. Of the Group's revenue of RM19.2 million in FY2013, RM7.2 million was derived from the Group's former subsidiary, ZICOLaw Singapore which was disposed of on 31 March 2014 ("Former Subsidiary").

Other items of income

Interest income

The interest income in FY2014 remained relatively unchanged at approximately RM0.1 million in FY2014 and FY2013 respectively.

Other income

Other income in FY2014 was approximately RM4.1 million as compared to RM2.0 million in FY2013. The increase was mainly due to a gain on foreign exchange, a gain on disposal of the Former Subsidiary and disbursement income in relation to recovery from clients in the ATS segment.

Items of expense

The items of expense of RM26.4 million in FY2014 as compared to RM8.3 million in FY2013 was mainly due to increase in amortization and depreciation expenses, employee benefits expense, rental expense, other expenses as well as retainer fees and consultation fees.

Amortisation and depreciation expenses

Amortisation and depreciation expenses increased by RM1.0 million in FY2014 to RM1.3 million as compared to RM0.3 million in FY2013, mainly due to additions of computer hardware and computer software used by MSS, which commenced operations in January 2014.

Employee benefits expense

The increase in employee benefits expense to RM11.6 million in FY2014 as compared to RM3.8 million in FY2013, was mainly due to the increase in headcount as a result of commencement of MSS, acquisition of ZICOLaw Myanmar and Vientiane Law, and expansion of trust business in Singapore under ZICO Allshores Trust.

Rental expense

Rental expense was higher by approximately RM0.6 million to RM1.5 million in FY2014 as compared to FY2013, mainly due to an increase in rental of premises as additional office space was taken up for our MSS, ZICOLaw Myanmar office and ZICO Allshores Trust in Singapore.

Retainer fees and consultation fees

Retainer fees and consultation fees of RM2.4 million in FY2014 was higher by RM1.3 million as compared to RM1.1 million in FY2013, mainly due to commencement of the MSS and ZICO Allshores Trust in Singapore.

Other expenses

Other expenses of RM9.1 million in FY2014 was higher by RM6.0 million as compared to RM3.1 million in FY2013, mainly due to one-off listing expenses of RM4.8 million, loss on foreign exchange of RM0.7 million, IT maintenance of RM0.2 million as well as travelling and accommodation expenses by RM0.2 million as a result of expansion of business in FY2014.

Finance Costs

Finance costs of RM0.2 million in FY2014 was lower as compared to FY2013 of RM0.3 million mainly due to settlement of a hire purchase liability in FY2014. Of the RM0.2 million in FY2014, RM0.01 million was incurred by the Former Subsidiary.

Share of associates results

Share of associate results decreased from a share of profit of RM1.1 million in FY2013 to losses of RM0.3 million in FY2014 mainly due to losses incurred in its associated company, ZICOLaw (Thailand) Limited. This associated company had been disposed of on 4 August 2014.

Profit before income tax

Profit before income tax of RM13.5 million in FY2014 was higher by approximately RM0.5 million as compared to RM13.0 million in FY2013, mainly due to commencement of MSS in January 2014, which was offset by one-off listing expenses of RM4.8 million. Excluding the one-off listing expenses of RM4.8 million in FY2014, profit before income tax would have increased by RM5.3 million to RM18.3 million or an increase of 41% when compared to FY2013.

Income tax expense

The income tax expense of RM2.8 million was higher in FY2014 as compared to RM1.4 million in FY2013 mainly due to higher taxable profit generated from the commencement of MSS in January 2014.

Consolidated Statement of Financial Position

Non-current assets

Plant and equipment increased by RM3.4 million to RM4.4 million as at 31 December 2014 as compared to 31 December 2013 mainly due to renovation of new offices and the additions of computer hardware for MSS, which commenced operations in January 2014.

Intangible assets increased by RM2.6 million to RM6.6 million as at 31 December 2014 as compared to 31 December 2013, mainly due to goodwill arising from the acquisition of subsidiaries, ZICOLaw Myanmar and Vientiane Law as well as approximately RM1.9 million relating to the acquisition of computer software for MSS.

Investment in associates decreased by RM0.6 million as at 31 December 2014 as compared to 31 December 2013, mainly due to disposal of an associated company, ZICOLaw (Thailand) Limited.

Current assets

Trade and other receivables increased by RM10.1 million to RM28.8 million as at 31 December 2014, mainly due to additional billings recognized from MSS having commenced operations in January 2014.

Prepayments increased by RM0.9 million to RM1.0 million as at 31 December 2014, as a result of the prepayment of referral fees and consultation fees arising from ZICO Allshores Trust in Singapore and PT ZICOLaw in Indonesia.

Cash and cash equivalents were higher by RM30.4 million from RM4.0 million as at 31 December 2013 to RM34.4 million as at 31 December 2014, mainly due to placement of IPO proceeds in fixed deposits of RM27.8 million.

Other current assets represented the clients' monies held in trust and fixed deposit with maturity of more than 90 days. The decrease was mainly due to lower clients' monies held in trust at the end of the financial year.

Non-current liabilities

Non-current liabilities comprised interest bearing liabilities, other payables, provisions and deferred tax liabilities. The decrease in non-current liabilities by RM0.5 million to RM1.6 million as at 31 December 2014 as compared to 31 December 2013 was mainly due to progressive repayment of other payables in relation to the acquisition of ZICO Corporate Services Sdn Bhd in January 2012.

Increase in non-current interest bearing liabilities from FY2013 to FY2014 was mainly due to the financing obtained for the acquisition of new motor vehicle in FY2014.

Provisions represent provision for reinstatement cost and provision for employment benefits.

Current liabilities

Trade and other payables decreased by RM1.1 million to RM15.0 million as at 31 December 2014, mainly due to higher repayment to third parties in FY2014.

The increase in current income tax payable by RM0.9 million to RM2.2 million as at 31 December 2014, was mainly due to higher taxable profits in FY2014.

The decrease in interest bearing liabilities by RM1.2 million to RM1.3 million as at 31 December 2014 was mainly due to the absence of a revolving credit loan granted to the Former Subsidiary.

Consolidated Statement of Cash Flow

The net cash from operating activities was lower by RM3.0 million in FY2014 as compared to RM5.8 million in FY2013 mainly due to increase in trade and other receivables as a result of additional billings recognized from MSS having commenced operations in January 2014..

Net cash used in investing activities of approximately RM6.7 million in FY2014 was higher as compared to RM5.0 million in FY2013, mainly due to renovation of new offices and the additions of computer hardware and computer software for MSS, which commenced operations in January 2014.

Net cash from financing activities of approximately RM34.4 million in FY2014 as compared to net cash used in financing activities of RM0.3 million in FY2013, was mainly attributable to net proceeds of RM46.5 million from issuance of ordinary shares pursuant to its IPO, offset by payment of dividends of approximately RM10.7 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Business sentiment in our markets continues to be affected by volatility in oil prices which may have both negative and positive impact on different sectors of the markets where our clients are operating in. Currency fluctuations in countries where we operate may also impact our Group's operation.

The Group's cash flow may be impacted by the imposition of goods and services tax ("GST") in Malaysia from 1 April 2015 as the obligation for GST arises prior to the collection of GST from our customers.

In the short term, we anticipate there would be challenges arising from a slowdown in a number of the countries we operate in. However, the overall long term business environment in the ASEAN market remains broadly positive.

The Group continues to look for opportunities to enhance and diversify our existing services and for new opportunities that may arise including acquisitions and joint ventures.

11. Dividend

If a decision regarding dividend has been made:-

- (a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared or recommended for the current financial period reported on.

- (b)(i) Amount per share (cents)
(Optional) Rate (%)

Not applicable.

- (b)(ii) Previous corresponding period (cents)
(Optional) Rate (%)

None

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

- (d) The date the dividend is payable.

Not applicable.

- (e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for FY2014.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have a general mandate for recurrent interested person transactions. There were no interested person transactions of S\$100,000 and above during the financial period reported on.

14. Use of IPO proceeds

The Company refers to the net proceeds amounting to S\$14.4 million (excluding listing expenses of approximately S\$1.879 million raised from the IPO on the Catalist Board of the SGX-ST on 11 November 2014).

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

<u>Use of IPO Net Proceeds</u>	<u>Amount allocated (S\$'000)</u>	<u>Amount utilised (S\$'000)</u>	<u>Balance (S\$'000)</u>
Expansion of business operations including potential acquisitions	8,000	-	8,000
Capital expenditure on information technology infrastructure	1,000	-	1,000
General working capital	3,521	2,151 ⁽¹⁾	1,370
Listing expenses	1,879	1,879	-
Total	14,400	4,030	10,370

Note:

(1) The amount of working capital was used for payment of salaries and wages

15. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Total RM'000
FY2014				
Revenue				
External revenue	<u>17,554</u>	<u>12,102</u>	<u>6,028</u>	<u>35,684</u>
Results				
Segment results	4,800	3,120	5,631	13,551
Interest income	105	-	-	105
Finance costs	<u>(196)</u>	<u>-</u>	<u>-</u>	<u>(196)</u>
Profit before income tax	<u>4,709</u>	<u>3,120</u>	<u>5,631</u>	13,460
Income tax expense				<u>(2,766)</u>
Profit for the financial year				<u>10,694</u>

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Total RM'000
Non-cash items				
Allowance for doubtful trade receivables	523	-	-	523
Amortisation of intangible assets	50	397	-	447
Bad receivables written off	163	-	-	163
Depreciation of plant and equipment	300	503	-	803
Gain on disposal of a subsidiary	(239)	-	-	(239)
Gain on disposal of plant and equipment	(70)	-	-	(70)
Allowance for impairment loss on trade receivables written back	(436)	-	-	(436)
Unallocated non-cash item				
Share-based payment expenses	-	-	-	1,460
Capital expenditure				
Plant and equipment	1,542	2,398	-	3,940
Intangible assets	4,661	1,927	-	6,588
As at 31 December 2014				
Assets and Liabilities				
Segment assets	59,388	12,734	6,052	78,174
Unallocated assets				
-Current income tax recoverable				62
-Deferred tax assets				7
				78,243
Segment liabilities	12,939	4,791	4	17,734
Unallocated liabilities				
- Current income tax payable				2,189
- Deferred tax liabilities				96
				20,019

Business segment	Advisory and transactional services	Licensing	Total
	RM'000	RM'000	RM'000
FY2013			
Revenue			
External revenue	14,002	5,217	19,219
	<hr/>	<hr/>	<hr/>
Results			
Segment results	7,927	5,217	13,144
Interest income	114	-	114
Finance costs	(276)	-	(276)
Profit before income tax	<hr/> 7,765	<hr/> 5,217	<hr/> 12,982
Income tax expense			<hr/> (1,378)
Profit for the financial year			<hr/> 11,604 <hr/>

Business segment	Advisory and transactional services	Licensing	Total
	RM	RM	RM
Non-cash items			
Allowance for impairment loss on doubtful trade receivables	1,446	-	1,446
Amortisation of intangible assets	50	-	50
Bad trade and other receivables written off	270	-	270
Depreciation of plant and equipment	246	-	246
Deposits written off	89	-	89
Plant and equipment written off	107	-	107
Prepayment written off	58	-	58
Allowance for impairment loss on doubtful trade receivables written back	(9)	-	(9)
Capital expenditure			
Plant and equipment	489	-	489
Intangible assets	3,976	-	3,976
Assets and liabilities			
Segment assets	26,553	6,314	32,867
Unallocated assets			
-Current income tax recoverable			209
			33,076
Segment liabilities	19,249	1,336	20,585
Unallocated liabilities			
- Current income tax payable			1,275
- Deferred tax liabilities			49
			21,909

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

As disclosed in paragraph 8 above.

17. A breakdown of sales as follows:

	Group		
	FY2014 (Unaudited) RM'000	FY2013 (Audited) RM'000	Increase / (Decrease) %
(a) Sales reported for first half year	17,565	8,168	115.0%
(b) Profit after tax before deducting minority interests reported for first half year	7,953	3,847	106.7%
(c) Sales reported for second half year	18,119	11,051	64.0%
(d) Profit after tax before deducting minority interests reported for second half year	2,741	7,757	(64.7%)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY2014 RM'000	FY2013 RM'000
(a) Ordinary (Tax-exempt)	10,736	5,500
(b) Preference	-	-
Total	10,736	5,500

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10).

BY ORDER OF THE BOARD

Chew Seng Kok
Managing Director

26 February 2015