



ZICO HOLDINGS INC.

Incorporated in Labuan, Malaysia

Company Registration No. LL07968

ENTRY INTO HEADS OF AGREEMENT BETWEEN THE COMPANY AND GREEN PACKET BERHAD AND M24 TAWREEQ SDN BHD

1. INTRODUCTION

The Board of Directors (the “**Board**”) of ZICO Holdings Inc. (the “**Company**” and together with its subsidiaries and associated companies, the “**Group**”) wishes to announce that the Company has on 29 June 2021, entered into a heads of agreement (“**HOA**”) with Green Packet Berhad (“**Green Packet**”) and M24 Tawreeq Sdn Bhd (“**M24**”) in relation to the Proposed Joint Venture described in paragraph 2.1 below.

2. THE HOA

2.1 The Company, Green Packet, and M24 (collectively, the “**Parties**”, each a “**Party**”) intend to form a consortium to establish a joint-venture Islamic digital bank in Malaysia (“**Proposed Joint Venture**”) and for the purpose of the Proposed Joint Venture, have agreed to jointly apply for an Islamic digital bank licence (“**Licence**”) from Bank Negara Malaysia (“**BNM**”) under the Islamic Financial Services Act 2013 of Malaysia (“**Licence Application**”).

2.2 The HOA sets out the framework and principal terms and conditions of the Joint Venture and the commitments of each Party towards the Licence Application.

2.3 Under the HOA, the Parties agree and undertake, *inter alia*, the following:

2.3.1 Parties’ joint responsibilities

- (a) the Licence Application shall be carried out by mutual collaboration of the Parties;
- (b) the Parties will cooperate and act in good faith to fulfil the necessary requirements and provide all necessary information as required by BNM to obtain the Licence Application;

- (c) each Party shall deploy all necessary resources to meet the targeted deadline for the submission of the Licence Application; and
- (d) the Parties shall do all things necessary which include ensuring all necessary regulatory approvals and/or consents required to see to the success of the Licence Application.

2.3.2 Green Packet's role in relation to the Licence Application

Green Packet's role shall amongst others include the following:

- (a) to lead the Licence Application; and
- (b) to develop the business plan and exit plan in relation to the joint-venture digital bank. This includes developing the overall strategy, core value proposition, target segments, business model, financial model, technology adoptions, branding, governance structure, regulatory and compliance controls as required under the licensing framework for digital banks issued by BNM on 31 December 2020 ("**Licensing Framework**") or as directed by BNM.

2.3.3 The Company's and M24's roles in relation to the Licence Application

The Company's and M24's roles shall amongst others include the following:

- (a) to assist with the Application; and
- (b) to assist, review, and concur with the development of the business plan and exit plan in relation to the joint-venture digital bank. This includes overall strategy, core value proposition, target segments, business model, financial model, technology adoptions, governance structure, regulatory and compliance controls as required under the Licensing Framework or as directed by BNM.

2.4 The incorporation of the joint-venture Islamic digital bank will be conditional on, amongst others, BNM's approval to the Licence Application.

2.5 Save as disclosed in this announcement, there are no other material terms and conditions in the HOA.

3. INFORMATION ON GREEN PACKET AND M24

3.1 Green Packet is a technology solutions provider company, whose service offerings and products are focused in the three areas of digital infrastructure and devices, digital services and strategic investments. Green Packet is listed on the Main Market of Bursa Malaysia.

3.2 M24 is a fast-growing digital Islamic factoring platform that enables companies to source short-term Shariah-friendly business financing.

- 3.3 Green Packet and M24 are independent third parties and their shareholders and directors are not related to and have no connections (including any business and financial relationship) with the Company, the subsidiaries of the Company, and its Directors and Controlling Shareholder.

4. FINANCIAL IMPACT

As there is no certainty or assurance that the Licence Application will be successful, the Company is unable to quantify or determine the extent of the financial impact of the HOA on the earnings per share and net asset value per share of the Group for the financial year ending 31 December 2021.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or the controlling shareholders of the Company has any interest, direct or indirect, in the Licence Application and the HOA, other than through their respective shareholdings in the Company.

6. FURTHER ANNOUNCEMENT

The Company will make such further update announcement(s) on the Licence Application at the appropriate time.

7. CAUTIONARY STATEMENT

Shareholders of the Company and potential investors should exercise caution when trading in the shares of the Company in relation to this announcement, as there is no certainty or assurance that the Licence Application will be successful. When in doubt as to the action they should take, shareholders and potential investors should consult their financial, tax, or other advisers.

BY ORDER OF THE BOARD

Chew Seng Kok

29 June 2021

This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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