



For Immediate Release

NEWS RELEASE

SGX-Listed ZICO Holdings Inc. Announces Results for FY2019 and Signs Heads of Agreement with Yamada Consulting Group Co. Ltd. To Pursue ASEAN-Japan M&A and Professional Services Opportunities

Singapore, 28 February 2020 – ZICO Holdings Inc. (“ZICO” and together with its subsidiaries and associated companies, the “Group”) announced its results for the financial year ended 31 December 2019 (“FY2019”).

Revenue declined 13.6% to RM77.8 million compared to RM90.1 million in FY2018 amidst slower capital market activities in Singapore. The Group recorded a loss of RM7.9 million in FY2019 (FY2018: net profit RM5.8 million) which included one-off non-recurring impairments on the disposal of two subsidiaries and higher payroll costs for a significant increase in headcount for ZICO Trust (S) Ltd. This subsidiary recently secured a capital markets services licence from the Monetary Authority of Singapore to provide custodial services. This licence positions ZICO well for trust-related services following the recent implementation in Singapore of the Variable Capital Company structure for investment funds.

ZICO’s net asset value per share as at 31 December 2019 declined to 34.62 RM cents compared to 38.29 RM cents a year ago. Cash and cash equivalents amounted to RM19.4 million as at 31 December 2019 compared to RM16 million as at 31 December 2018.

The Group believes that services related to trust and estate planning and related wealth management and fund management, as well as financial services will grow in Singapore.

ZICO also announced today that the Company and its subsidiaries, ZICO AA Sdn Bhd and ASEAN Advisory Pte Ltd, have entered into a Heads of Agreement (“HoA”) with Yamada Consulting Group Co. Ltd. (“YCG”), a leading independent consulting group, to pursue advisory and consulting services opportunities between Japan and the ASEAN region.

ZICO said that the strategic collaboration will mark a major milestone for ZICO as it extends its capabilities and market reach beyond ASEAN, in partnership with YCG.

Founded in 1989 and headquartered in Tokyo, YCG provides consultancy services for real estate, financial planning, insurance investments. Its business consulting includes corporate recovery, operations, and financial consulting. It has over 903 employees and a market value of Yen 28.80 billion as at 27 February 2020.

Under the HoA, which is subject to formal agreement, the parties will offer professional services targeted at Japanese funds, investors and companies represented by YCG who seek merger and acquisition (“M&A”) targets in ASEAN; and clients and contacts of ZICO, particularly SMEs, who seek investments, business divestment or other means to grow revenue and profitability.

The parties also agree to develop and execute corporate finance and M&A advisory projects; identify and facilitate international buyers and sellers; create, secure and execute sell-side and buy-side

mandates; and support geographic acquisition strategies of clients undertaking corporate restructuring and finance transactions.

Commenting on the HoA, ZICO's Managing Director Mr Chew Seng Kok said: "The proposed strategic collaboration with YCG will chart a new dimension of growth for ZICO. Having proven ourselves as a leader in the ASEAN region for multi-disciplinary professional services, the new partnership will offer exciting opportunities from trade and investment flows between the ASEAN region and Japan."

Mr Keisaku Masuda, President and Chief Executive Officer of YCG, said: "We are impressed by the network and depth of services of ZICO. Our partnership will open up business and investment flows from Japan to the region, and facilitate access of ASEAN corporates especially SMEs who seek such investments, possible divestment or other means to grow their businesses."

****End of News Release****

About ZICO Holdings Inc.

ZICO, an integrated provider of multidisciplinary professional services focused on the ASEAN region, provides advisory and transactional services, management and support and licensing services. Through its multidisciplinary services, regional capabilities and local insights, ZICO enables its clients to capitalise on opportunities across Southeast Asia.

The Group currently operates two key business segments: (i) Advisory and Transactional Services ("ATS"); and (ii) management support services business & licensing services ("MSSL").

Within the ATS, ZICO provides legal services, Shariah advisory, trust advisory, corporate services, consulting services, investor services, wealth management services, corporate finance advisory services and immigration services. ZICO provides legal services only to the extent permitted in the relevant jurisdictions. In other jurisdictions, ZICO cooperates with and supports independent and autonomous law firms who are members of the ZICOLaw Network, in compliance with local professional regulations. Presently, ZICO provides legal services in Myanmar, Lao PDR and Thailand.

For the MSSL segment, the Group provides regional management services and business support services to members of the ZICOLaw Network and certain entities within the Group.

ZICO also engages in the licensing of the "ZICO", "ZICOLaw" and "ZICOLaw Trusted Business Advisor" trademarks to members of the ZICOLaw Network and certain entities within the Group.

ZICO has business operations in Indonesia, Lao PDR, Malaysia (including Labuan), Myanmar, Singapore and Thailand. The Group augments its existing regional presence with that of the ZICOLaw network to extend its reach to all 10 countries in ASEAN.

For more information, please visit <http://www.zicoholdings.com>.

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