



## **FOR IMMEDIATE RELEASE**

### **NEWS RELEASE**

#### **ZICO Holdings' FY2017 Net Profit Rises 36% to RM6.9 Million, Outpacing Revenue Growth On Stronger Performance by Advisory and Transactional Services**

- *FY2017 turnover increased RM15.2 million to RM81.9 million;*
- *Higher revenue contributions from corporate advisory, asset management and business advisory services;*
- *Broadening suite of professional services;*
- *ZICO Capital Sdn. Bhd. secured capital markets services license; and*
- *Continuing Sponsor portfolio business of SGX Catalyst-listed companies grew to 12, up from 7 the previous year.*

**Singapore, 27 February 2018 – ZICO Holdings Inc.** (“**ZICO**” and together with its subsidiaries and associated companies, the “**Group**”) announced today that its net profit for the financial year ended 31 December 2017 (“**FY2017**”) rose 36% to RM6.9 million from FY2016, outpacing revenue growth on substantial contributions from capital markets services.

The Singapore Exchange Catalyst-listed professional services specialist, which expanded its presence to all ten ASEAN countries in the last three years, said the net profit – the highest since its initial public offering (“**IPO**”) in November 2014 – was achieved on the back of a 23% increase in revenue to RM81.9 million in FY2017 from RM66.7 million in FY2016.

Top line growth was propelled by higher revenue from ZICO’s Advisory and Transactional Services (“**ATS**”) division. ATS’ contributions increased 36% to RM58.0 million in FY2017. ZICO Capital Pte. Ltd., Singapore (“**ZICAP SG**”) and ZICO Capital Sdn. Bhd., Malaysia (“**ZICAP MY**”), obtained their respective capital markets services licenses in July 2016 and November 2017.

ZICAP SG completed two IPOs in FY2017, contributing to the performance of the ATS division, the business activities of which include asset and wealth management, and multi-asset management services.

Expenses in FY2017 rose due to higher employee benefits (+27% to RM45.0 million) due to additional headcount, especially for the ATS management teams and operating leases (+52% to RM6.0 million) for new business premises.

Despite the higher expenses, ZICO's net profit in FY2017 grew at a faster rate than revenue.

Earnings per share on a fully diluted basis increased to 1.90 RM cents in FY2017 from 1.50 cents in FY2016. Net Asset Value per share as at 31 December 2017 increased to 37.17 RM cents from 33.81 RM cents a year ago. The Group's cash and cash equivalents grew RM0.7 million to RM20.3 million as at end-December 2017.

"In addition to our investment in corporate advisory, asset management and business advisory services, our underlying performance was also driven by Group-wide synergies and cross-referral opportunities across our suite of services," said Group Managing Director, Mr Chew Seng Kok.

"ASEAN – a market of 620 million people, which is the sixth-largest in the world – has just marked its 50<sup>th</sup> anniversary. The economic shift towards the services sector positions the Group well to capture cross-border activities as we are the only combined entity to offer a suite of services under a single brand in all ten ASEAN countries," he said.

ZICO will deepen its presence by adding competencies in each country; increase synergies and economies of scale through cross-selling and referral of services and sharing resources, and by accelerating capital markets activities in Singapore and Malaysia.

**\*\*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 and corporate finance advisory 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 and Lao PDR.

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 and Singapore. The Group augments its existing regional presence with that of the ZICOLaw network to extend its reach to 10 out of 10 countries in Southeast Asia.

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

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Continuing Sponsor, Stamford Corporate Services Pte. Ltd. (“Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.*

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