ZICO HOLDINGS INC.
(Company Registration No. LL07968)

Unaudited Financial Statements and Dividend Announcement
For the Financial Year Ended 31 December 2016

*ZICO Holdings Inc. (the "**Company**") has been listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") since 11 November 2014. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**").* The Company has appointed Stamford Corporate Services Pte. Ltd. *(the "**Sponsor**" or* "**SCS**") in place of **PPCF** as its continuing sponsor with effect from 7 September 2016.

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 Mr Yap Wai Ming, Registered Professional, Continuing Sponsorship, at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315, telephone (65) 6389 3000.

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 2016 (Unaudited) RM'000	31 December 2015 (Audited) RM'000	Change %
Revenue	66,737	52,777	26.5
Other items of income			
Interest income	528	173	205.2
Other income	3,047	5,382	(43.4)
	70,312	58,332	20.5
Items of expense			
Amortisation and depreciation expenses	(4,253)	(2,900)	46.7
Employee benefits expense	(35,469)	(24,887)	42.5
Operating lease expenses	(3,952)	(2,997)	31.9
Retainer fees and consultancy fees	(7,159)	(7,590)	(5.7)
Other expenses	(14,322)	(10,504)	36.3
Finance costs	(1,034)	(577)	79.2
Share of results of associates, net of tax	36	63	(42.9)
Profit before income tax	4,159	8,940	(53.5)
Income tax credit/(expense)	917	(1,653)	(155.5)
Profit for the financial year	5,076	7,287	(30.3)
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss			
Foreign currency translation differences	1,079	6,768	n.m
Other comprehensive income for the financial year, net of tax	1,079	6,768	n.m
Total comprehensive income for the financial year	6,155	14,055	(56.2)
Profit attributable to:			
Owners of the parent	4,278	6,617	(35.3)
Non-controlling interests	798	670	19.1
	5,076	7,287	(30.3)
Total comprehensive income attributable to:			
Owners of the parent	5,269	13,293	(60.4)
Non-controlling interests	886	762	16.3
	6,155	14,055	(56.2)

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 2016 (Unaudited) RM'000	31 December 2015 (Audited) RM'000
Amortisation and depreciation expenses		
Amortisation of intangible assets	2,617	1,577
Depreciation of plant and equipment	1,636	1,323
Employee benefits expense		
Share based payment expenses	1,995	271
Operating lease expenses		
Rental of premises	3,929	2,806
Rental of accommodation	23	191
Other expenses		
Bad trade and other receivables written off	194	258
Intangible assets written off	1,140	7
Loss on disposal of plant and equipment	112	-
Plant and equipment written off	88	17
Allowance for impairment loss on doubtful trade receivables written back	(30)	(42)
Unrealised foreign exchange gain, net	(583)	(954)
Income tax expense		
Under provision of income tax expense in respect of prior year	22	(395)

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 2016 (Unaudited) RM'000	31 December 2015 (Audited) RM'000	31 December 2016 (Unaudited) RM'000	31 December 2015 (Audited) RM'000
ASSETS				
Non-current assets				
Plant and equipment	7,111	6,166	113	125
Intangible assets	64,162	61,516	4,098	3,939
Subsidiaries	-	-	58,874	51,787
Associates	38	61	-	-
Investments	30	30	-	-
Deferred tax assets	2,733	7	-	-
Trade and other receivables	10,013	18,722	19,116	15,033
	84,087	86,502	82,201	70,884
Current assets				
Trade and other receivables	56,110	33,507	38,070	37,001
Prepayments	911	813	32	84
Current income tax recoverable	1,090	903	-	-
Cash and cash equivalents	19,592	26,447	3,666	7,815
Other current assets	6,509	4,349	861	829
	84,212	66,019	42,629	45,729
Total assets	168,299	152,521	124,830	116,613
EQUITY AND LIABILITIES				
Equity				
Share capital	68,685	68,092	68,685	68,092
Retained earnings	17,571	13,293	367	3,025
Share options/awards reserve	1,707	305	1,707	305
Currency translation reserve	7,632	6,641	11,432	9,871
Equity attributable to owners of the parent	95,595	88,331	82,191	81,293
Non-controlling interests	1,251	1,143	-	-
Total equity	96,846	89,474	82,191	81,293
Non-current liabilities				
Interest bearing liabilities	7,468	10,984	7,363	10,812
Other payables	-	680	-	-
Provisions	61	69	-	-
Deferred tax liabilities	1,758	2,034	-	-
	9,287	13,767	7,363	10,812
Current liabilities				
Trade and other payables	19,947	19,994	2,055	3,314
Interest bearing liabilities	33,274	21,264	33,207	21,180
Deferred revenue	6,315	6,063	-	-
Provisions	62	60	-	-
Current income tax payable	2,568	1,899	14	14
	62,166	49,280	35,276	24,508
Total liabilities	71,453	63,047	42,639	35,320
Total equity and liabilities	168,299	152,521	124,830	116,613

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 2016 (Unaudited)		As at 31 December 2015 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
4,738	28,536	4,718	16,546

Amount repayable after one year

As at 31 December 2016 (Unaudited)		As at 31 December 2015 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
7,468	-	10,984	-

Details of any collateral

The secured borrowings comprised:

	As at 31 December 2016 (Unaudited) RM'000	As at 31 December 2015 (Audited) RM'000	Secured by
Finance Lease Facilities	172	257	RM161,000 mortgage over the leased motor vehicles and RM11,000 mortgage over the leased photocopy machine.
Term loan	12,034	15,445	1) First party charge over shares held in a subsidiary entity; 2) Charge and assignment over all rights on a designated banking account; and 3) Deed of subordination of all financial indebtedness extended by the shareholders or related parties of the Company, save for trade related transactions.
	12,206	15,702	

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 2016 (Unaudited) RM´000	**31 December 2015 (Audited) RM´000**
Operating activities		
Profit before income tax	4,159	8,940
Adjustments for:		
Allowance for impairment loss on doubtful trade receivables written back	(30)	(42)
Amortisation of intangible assets	2,617	1,577
Bad trade and other receivables written off	194	258
Depreciation of plant and equipment	1,636	1,323
Intangible assets written off	1,140	7
Interest income	(528)	(173)
Interest expense	947	451
Interest expense on deferred consideration	87	126
Loss/(Gain)on disposal of plant and equipment	112	(21)
Plant and equipment written off	88	17
Provisions	(44)	69
Share of results of associates, net of tax	(36)	(63)
Unrealised foreign exchange gain, net	(583)	(954)
Share based payment expenses	1,995	271
Operating cash flows before working capital changes	**11,754**	**11,786**
Working capital changes:		
Trade and other receivables	(12,580)	(19,230)
Prepayments	(98)	273
Trade and other payables	(413)	5,098
Cash generated from operations	(1,337)	(2,163)
Income tax paid	(1,615)	(1,651)
Net cash used in operating activities	**(2,952)**	**(3,814)**

	Full Year Ended	
	31 December 2016 (Unaudited) RM´000	31 December 2015 (Audited) RM´000
Investing activities		
Acquisition of subsidiaries, net of cash required	-	(20,566)
Advances to associate	(21)	(37)
Advances to third parties	(1,325)	(4,790)
Dividend received	60	40
Interest received	205	169
Payment for deferred consideration to acquire a subsidiary	(720)	(720)
Proceeds from disposal of plant and equipment	34	503
Purchase of plant and equipment	(2,322)	(2,959)
Purchase of intangible assets	(4,923)	(5,170)
Net cash used in investing activities	**(9,012)**	**(33,530)**
Financing activities		
Interest paid	(947)	(451)
Dividends paid to non-controlling interests	(1,075)	-
(Repayment of)/proceeds from term loan facility	(3,683)	15,446
Proceeds from revolving credit facility	11,460	15,342
Repayments of finance lease payables	(85)	(77)
Net cash generated from financing activities	**5,670**	**30,260**
Net change in cash and cash equivalents	(6,294)	(7,084)
Cash and cash equivalents at beginning of financial year	26,447	34,424
Effect of exchange rate changes on cash and cash equivalents	(561)	(893)
Cash and cash equivalents at end of the financial year	**19,592**	**26,447**

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/ awards reserve	Retained earnings	Currency translation reserve	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 2016	68,092	305	13,293	6,641	88,331	1,143	89,474
Profit for the financial year	-	-	4,278	-	4,278	798	5,076
Other comprehensive income: Foreign currency translation differences	-	-	-	991	991	88	1,079
Total comprehensive income for the financial year	-	-	4,278	991	5,269	886	6,155
Contributions by and distributions to owners of the parent							
Exercise of share awards	593	(593)	-	-	-	-	-
Grant of share options/awards	-	1,995	-	-	1,995	-	1,995
Total transactions with owners of the parent	593	1,402	-	-	1,995	-	1,995
Transactions with non-controlling interests							
Dividend paid to non-controlling interests	-	-	-	-	-	(1,075)	(1,075)
Subscription of shares of a subsidiary	-	-	-	-	-	297	297
Total transactions with non-controlling interests	-	-	-	-	-	(778)	(778)
Balance as at 31 December 2016	68,685	1,707	17,571	7,632	95,595	1,251	96,846

(Audited)	Share capital	Share options/ awards reserve	Retained earnings	Currency translation reserve	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 2015	51,219	34	6,676	(35)	57,894	330	58,224
Profit for the financial year	-	-	6,617	-	6,617	670	7,287
Other comprehensive income:							
Foreign currency translation differences	-	-	-	6,676	6,676	92	6,768
Total comprehensive income for the financial year	-	-	6,617	6,676	13,293	762	14,055
Contributions by and distributions to owners of the parent							
Issuance of ordinary shares	16,873	-	-	-	16,873	-	16,873
Grant of share options	-	271	-	-	271	-	271
Total transactions with owners of the parent	16,873	271	-	-	17,144	-	17,144
Transactions with non-controlling interests							
Subscription of shares of a subsidiary	-	-	-	-	-	51	51
Total transactions with non-controlling interests	-	-	-	-	-	51	51
Balance as at 31 December 2015	68,092	305	13,293	6,641	88,331	1,143	89,474

Statement of Changes in Equity
Company

(Unaudited)	Share capital	Share options/awards reserve	Retained earnings	Currency translation reserve	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2016	68,092	305	3,025	9,871	81,293
Loss for the financial year	-	-	(2,658)	-	(2,658)
Other comprehensive income:					
Foreign currency translation differences	-	-	-	1,561	1,561
Total comprehensive income for the financial year	-	-	(2,658)	1,561	(1,097)
Contributions by and distributions to owners of the parent					
Exercise of share awards	593	(593)	-	-	-
Grant of share options/awards	-	1,995	-	-	1,995
Total transactions with owners of the parent	593	1,402	-	-	1,995
Balance as at 31 December 2016	68,685	1,707	367	11,432	82,191

(Audited)	Share capital RM'000	Share options/awards reserve RM'000	Retained earnings RM'000	Currency translation reserve RM'000	Total equity RM'000
Balance as at 1 January 2015	51,219	34	731	30	52,014
Profit for the financial year	-	-	2,294	-	2,294
Other comprehensive income:					
Foreign currency translation differences	-	-	-	9,841	9,841
Total comprehensive income for the financial year	-	-	2,294	9,841	12,135
Contributions by and distributions to owners of the parent					
Issuance of ordinary shares	16,873	-	-	-	16,873
Grant of share options	-	271	-	-	271
Total transactions with owners of the parent	16,873	271	-	-	17,144
Balance as at 31 December 2015	68,092	305	3,025	9,871	81,293

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

There were no changes in the issued share capital of the Company since 30 September 2016 to 31 December 2016.

There were 3,500,000 outstanding options (31 December 2015: 3,500,000 options) and 2,595,000 share awards granted under the PSP (31 December 2015: Nil) as at 31 December 2016.

Save for the above, the Company did not have any convertibles or treasury shares as at 31 December 2016 and 31 December 2015.

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 2016	As at 31 December 2015
Total number of issued shares	282,754,063	282,089,177

The Company did not have any treasury shares as at 31 December 2016 and 31 December 2015.

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 year 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 2015.

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 2016. 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

	Group	
	Full Year Ended	
Earnings per share ("EPS")	**31 December 2016 (Unaudited)**	**31 December 2015 (Audited)**
Profit attributable to owners of the parent (RM'000)	4,278	6,617
Weighted average number of ordinary shares in issue (in thousands)	282,407[(1)]	276,803
Basic EPS (RM cents)	1.51	2.39
Weighted average number of ordinary shares in issue on fully diluted basis (in thousands)	285,701[(2)]	280,303[(3)]
Fully diluted EPS (RM cents)	1.50	2.36

Note:-

(1) Adjusted for 664,886 ordinary shares allotted and issued pursuant to the vesting of share awards under the PSP as follow:
- 324,035 shares on 18 May 2016;
- 150,368 shares on 16 August 2016; and
- 190,483 shares on 9 September 2016.

(2) Adjusted for 6,095,000 ordinary shares which may be allotted and issued upon the exercise of 3.5 million outstanding options and vesting of 2,595,000 outstanding share awards as at 31 December 2016.

(3) Adjusted for 3.5 million ordinary shares which may be allotted and issued upon the exercise of 3.5 million outstanding options as at 31 December2015.

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 2016 (Unaudited)	31 December 2015 (Audited)	31 December 2016 (Unaudited)	31 December 2015 (Audited)
NAV (RM'000)	95,595	88,331	82,191	81,293
Number of ordinary shares in issue (in thousands)	282,754	282,089	282,754	282,089
NAV per ordinary share (RM cents)	33.81	31.31	29.07	28.82

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

Consolidated Statement of Comprehensive Income

Review for the performance of the Group for the full year ended 31 December 2016 ("FY2016") as compared to the full year ended 31 December 2015 ("FY2015").

Revenue

The Group's revenue breakdown for each business segment was as follows:

	FY2016 (RM million)	**FY2015 (RM million)**	**% change**
Advisory and Transactional Services ("ATS")	42.7	29.7	43.8
Management and Support Services business ("MSS")	17.8	17.4	2.1
Licensing Services ("LS")`	6.3	5.7	10.5
Total	**66.8**	**52.8**	**26.5**

The increase in the Group's revenue was mainly due to the higher revenue from ATS and LS segments.

Higher revenue from ATS was due to the additional revenue contributions from corporate finance advisory services under ZICO Capital Pte. Ltd. ("ZICAP"), (ii) the growth in revenue from corporate secretarial business under Finova Singapore Pte Ltd ("FINOVA"), accounting services under ZICO BPO Pte Ltd ("BPO"), investor services under B.A.C.S. Pte Ltd ("B.A.C.S.") in Singapore and business advisory services under ZICO (Labuan) LLP in Malaysia.

The increase in revenue from MSS was due to the higher fees generated from the provision of support services.

The increase in revenue from LS was due to the higher royalty fees arising from the growth of our licensees' net revenue.

Other items of income

Interest income

Interest income increased by RM0.4 million due to recognition of interest income charge on long outstanding trade debtor balances.

Other income

Other income decreased by RM2.3 million mainly due to lower management fee billed and gain on foreign exchange arising from the fluctuation of the foreign currency.

Items of expense

Amortisation and depreciation expenses

Amortisation and depreciation expenses increased by RM1.4 million mainly due to (i) the installation of additional computer hardware and software, as well as (ii) amortisation of intangible assets arising from the acquisition of the corporate secretarial portfolio under ZICO-Stamford Corporate Services Pte. Ltd. ("ZSCS"), Finova Singapore Pte Ltd ("FINOVA") and ZICO BPO Pte Ltd ("BPO").

Employee benefits expense

The Company has expanded and augmented its management team and business since its listing on the Catalist of the SGX-ST in preparation for future growth. Employee benefits expense increased significantly by RM10.6 million mainly due to the following:

(a) increase in headcount in ATS which was attributed by the new businesses, such as ZICAP which commenced operations in July 2016;

(b) increase in headcount of experienced management personnel in the Company, as investment for future growth of the Group; and

(c) share based payment expenses of RM1.8 million in FY2016 arising from the grant of share awards to employees of the Group under the PSP.

Operating lease expenses

Operating lease expenses increased by RM1 million mainly due to new business under ATS, rental of office premises for ZICAP and ZICO Asset Management Pte Ltd ("ZAM").

Retainer fees and consultancy fees

Retainer fees and consultancy fees decreased by RM0.4 million mainly due to the decrease in fees incurred by the trust business in Singapore under ZICO Allshores Trust (S) Pte. Ltd.

Other expenses

Other expenses were higher by RM3.8 million mainly due to the higher disbursement expenses incurred by B.A.C.S and FINOVA, intangible assets written off as well as the new businesses under ATS, ZICAP and ZAM.

Finance Costs

Finance costs increased by RM0.5 million mainly due to the interests incurred from the additional revolving credit facility taken up by the Group for expansion of its business.

Share of associates results

Share of associate results decreased by RM27,000 mainly due to lower income generated by the associate.

Profit before income tax

Profit before income tax decreased by RM4.8 million mainly due to higher expenses incurred by the Group as indicated above.

Income tax expense

Income tax expenses decreased by RM2.6 million in FY2016 mainly due to recognition of deferred tax assets for the unutilised tax losses of several subsidiaries and lower tax expenses incurred on the lower profit before income tax.

Consolidated Statement of Financial Position

The comparative performance for both the assets and liabilities are based on the financial statements as at 31 December 2016 and 31 December 2015.

Non-current assets

Plant and equipment increased by RM0.9 million mainly due to (i) depreciation charge for the current financial period, (ii) translation of plant and equipment at different closing rate as compared to 31 December 2015, partially offset by (iii) the renovation of new offices for ATS and the additions of computer hardware for MSS.

Intangible assets increased by RM2.6 million mainly due to (i) translation of goodwill and identifiable assets arising from the acquisition of B.A.C.S., FINOVA, BPO, as well as the corporate secretarial portfolio under ZSCS at different closing rate as compared to 31 December 2015, (ii) amortisation of the computer software and identifiable assets for the current financial period, and (iii) intangible assets written off and partially offset by the additions of computer software for MSS.

Investment in associates decreased by RM23,000 mainly due to the dividend income received, offset by the share of associate's profit in FY2016.

Investments remain unchanged at RM30,000.

Deferred tax assets increased by RM2.7 million mainly due to recognition of deferred tax assets for the unutilized tax losses of several subsidiaries.

Non-current trade and other receivables were related to a payment plan agreed with certain debtors for the provision of services under MSS and LS. The decrease of non-current trade and other receivables by RM8.7 million was mainly due to payment received from the debtors, reclassification to current assets and the translation at different closing rate as compared to 31 December 2015.

Current assets

Current trade and other receivables increased by RM22.6 million mainly due to the additional billings recognized at the end of December 2016 by ATS, MSS and LS and reclassification from non-current assets.

Prepayments increased by RM98,000 mainly due to the prepayment of information technology software maintenance expenses incurred by MSS in FY2016.

Current income tax recoverable increased by RM187,000 mainly due to the lower tax expense incurred for its Malaysia subsidiaries as compared to the actual tax installment paid to the Malaysia tax authorities.

Cash and cash equivalents decreased by RM6.9 million mainly due to cash being utilised for investing activities.

Other current assets (comprising clients' monies held in trust and fixed deposit with maturity of more than 90 days) increased by RM2.2 million mainly due to the receipt of additional clients' monies held in trust towards end of December 2016.

Non-current liabilities

The decrease in non-current interest-bearing liabilities by RM4.5 million was mainly due to the repayment of term loan in FY2016 and the translation of term loan and revolving credit at different closing rate as compared to 31 December 2015.

The decrease in other payables by RM0.7 million was mainly due to progressive repayment of other payables in relation to the acquisition of ZICO Corporate Services Sdn Bhd ("ZCSSB") in January 2012.

The decrease in provisions by RM8,000 was mainly due to the translation of provision for retirement benefits and provision for reinstatement costs at different closing rate as compared to 31 December 2015.

The decrease in deferred tax liabilities by RM0.3 million was mainly due to reversal of deferred tax liabilities on amortisation of identifiable intangible assets arising from the acquisition of B.A.C.S. and FINOVA.

Current liabilities

Trade and other payables decreased by RM47,000 mainly due to repayment of other payables in relation to the acquisition of subsidiaries but offset by receipt of additional clients' monies held in trust towards end of December 2016.

Current interest-bearing liabilities increased by RM13.0 million mainly due to the additional drawdown of revolving credit facility, the translation of term loan and revolving credit at different closing rate as compared to 31 December 2015 and offset by repayment for the finance lease payables.

Deferred revenue increased by RM0.3 million mainly due to increased billings to the clients under the corporate secretarial businesses.

The provision for leave benefits remained unchanged at RM60,000.

The increase in current income tax payable by RM0.7 million was mainly due to the provision of tax on a profit generated by a newly incorporated subsidiary, ZICO Knowledge Services Sdn Bhd, under MSS.

Consolidated Statement of Cash Flow

The net cash used in operating activities of RM3.0 million in FY2016 was mainly due to the profit before income tax of RM4.2 million, partially offset by (i) increase in trade and other receivables as a result of additional billings recognized at the end of FY2016, and (ii) marginal decrease in trade and other payables due to lower cash disbursement received from client.

Net cash used in investing activities of RM9.0 million in FY2016 was mainly due to the purchase of intangible assets as well as plant and equipment in FY2016 and progressive repayment of other payables in relation to the acquisition of ZCSSB.

Net cash generated from financing activities of RM5.7 million in FY2016 was mainly due to repayment of term loan facility and offset by additional drawdown of revolving credit facility for working capital purposes.

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.

We anticipate a challenging economic environment over the next 12 months as a result of global uncertainties following BREXIT, elections in the US and in Europe later in the year. As a result, the impact on international trade and investment, and coupled with the expected interest rates hikes may adversely affect business confidence.

Whilst we will continue to invest in human resources, disruptive technology infrastructure and synergistic acquisitions where appropriate, we will be prudent in our approach.

We have started new businesses in the form of ZICAP and more recently Shakeup Online Sdn Bhd, an online legal services platform.

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 (%)

Not applicable. No dividend has been declared or recommended for the previous corresponding period.

(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 receive 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 FY2016.

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 in FY2016.

14. Use of IPO proceeds

The Company refers to the net proceeds amounting to S$12.521 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:

Use of IPO net proceeds	**Amount allocated (S$'000)**	**Amount utilised (S$'000)**	**Balance (S$'000)**
Expansion of business operations including potential acquisitions	8,000	7,209	791
Capital expenditure on information technology infrastructure	1,000	1,000	-
General working capital	3,521	3,521(1)	-
Listing expenses	1,879	1,879	-
Total	14,400	13,609	791

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

15. Undertaking Confirmation Statement from all its directors and executive officers under Rule 720(1)

The Company has procured undertakings from all its directors and executive officer (in the format set out in Appendix 7H) under Rule 720(1) of the Listing Manual.

16. 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	Elimination RM'000	Total RM'000
FY2016					
Revenue					
External revenue	42,657	17,780	6,300	-	66,737
Inter-segment revenue	696	3,639	2,188	(6,523)	-
	43,353	21,419	8,488	(6,523)	66,737
Results					
Segment profit/(loss)	8,962	(3,245)	6,054	-	11,771
Interest income	253	74	134	-	461
Finance costs	(6)	-	-	-	(6)
	9,209	(3,171)	6,188	-	12,226
Unallocated expenses					(8,103)
Share of results of associates, net					36
Profit before income tax					4,159
Income tax credit					917
Profit for the financial year					5,076

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 impairment loss on trade receivables written back	(30)	-	-	(30)
Amortisation of intangible assets	1,098	990	-	2,088
Bad trade and other receivables written off	194	-	-	194
Depreciation of plant and equipment	799	763	-	1,562
Loss on disposal of plant and equipment	112	-	-	112
Plant and equipment written off	88	-	-	88
Provisions	(44)	-	-	(44)
Unrealised foreign exchange loss/(gain),net	381	122	(128)	375
Unallocated non-cash item				
Amortisation of intangible assets	-	-	-	529
Depreciation of plant and equipment	-	-	-	74
Intangible assets written off	-	-	-	1,140
Share-based payment expenses	-	-	-	1,995
Unrealised foreign exchange gain,net	-	-	-	(958)
Capital expenditure				
Plant and equipment	1,464	858	-	2,322
Intangible assets	1,215	3,708	-	4,923
As at 31 December 2016				
Assets and Liabilities				
Segment assets	105,603	27,768	16,133	149,504
-Current income tax recoverable	1,090	-	-	1,090
-Deferred tax assets	1,851	882	-	2,733
	108,544	28,650	16,133	153,327
Unallocated assets				14,972
				168,299
Segment liabilities	20,903	1,540	246	22,689
- Current income tax payable	827	13	1,715	2,555
- Deferred tax liabilities	1,556	202	-	1,758
	23,286	1,755	1,961	27,002
Unallocated liabilities				44,451
				71,453

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Elimination RM'000	Total RM'000
FY2015					
Revenue					
External revenue	29,709	17,410	5,658	-	52,777
Inter-segment revenue	2,822	1,927	1,082	(5,831)	-
	32,531	19,337	6,740	(5,831)	52,777
Results					
Segment profit/(loss)	9,390	(2,393)	5,310	-	12,307
Interest income	113	-	-	-	113
Finance costs	(3)	(5)	-	-	(8)
	9,500	(2,398)	5,310	-	12,412
Unallocated expenses					(3,535)
Share of results of associates, net					63
Profit before income tax					8,940
Income tax expense					(1,653)
Profit for the financial year					7,287

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 impairment loss on trade receivables written back	(42)	-	-	(42)
Amortisation of intangible assets	650	712	-	1,362
Bad trade and other receivables written off	258	-	-	258
Depreciation of plant and equipment	548	702	-	1,250
Gain on disposal of plant and equipment	-	(21)	-	(21)
Intangible assets written off	7	-	-	7
Plant and equipment written off	17	-	-	17
Provisions	69	-	-	69
Unrealised foreign exchange gain,net	(376)	(15)	(108)	(499)
Unallocated non-cash item				
Amortisation of intangible assets	-	-	-	215
Depreciation of plant and equipment	-	-	-	73
Share-based payment expenses	-	-	-	271
Unrealised foreign exchange gain,net	-	-	-	(455)
Capital expenditure				
Plant and equipment	1,932	1,159	-	3,091
Intangible assets	4,259	1,930	-	6,189
As at 31 December 2015				
Assets and Liabilities				
Segment assets	98,043	24,902	11,548	134,493
-Current income tax recoverable	757	144	-	901
-Deferred tax assets	7	-	-	7
	98,807	25,046	11,548	135,401
Unallocated assets				17,120
				152,521
Segment liabilities	17,659	4,281	315	22,255
- Current income tax payable	941	-	945	1,886
- Deferred tax liabilities	1,677	357	-	2,034
	20,277	4,638	1,260	26,175
Unallocated liabilities				36,872
				63,047

Geographical

	Singapore	Malaysia	Thailand	Indonesia	China	Hong Kong	United States of America	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FY 2016										
External revenue	17,867	25,864	3,914	8,090	214	2,057	367	8,364	-	66,737
Inter-segment revenue	2,928	2,731	-	-	-	-	-	864	(6,523)	-
	20,795	28,595	3,914	8,090	214	2,057	367	9,228	(6,523)	66,737
Non-current assets	58,918	16,314	1,827	4,701	-	-	-	2,327	-	84,087

Geographical

	Singapore	Malaysia	Thailand	Indonesia	China	Hong Kong	United States of America	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FY 2015										
External revenue	11,209	24,249	4,261	7,130	162	392	371	5,003	-	52,777
Inter-segment revenue	2,643	2,660	-	-	-	-	-	528	(5,831)	-
	13,852	26,909	4,261	7,130	162	392	371	5,531	(5,831)	52,777
Non-current assets	55,054	20,280	3,984	5,500	-	-	-	1,684	-	86,502

17. 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.

18. A breakdown of sales as follows:

	Group		
	FY2016 (Unaudited) RM'000	**FY2015 (Audited) RM'000**	**Increase / (Decrease) %**
(a) Sales reported for first half year	31,161	23,786	31.0
(b) Profit after tax before deducting minority interests reported for first half year	3,339	4,903	(31.9)
(c) Sales reported for second half year	35,576	28,991	22.7
(d) Profit after tax before deducting minority interests reported for second half year	1,737	2,384	(27.1)

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

No dividend has been declared or recommended for the current financial year reported in.

20. 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

28 February 2017