ZICO HOLDINGS INC. (formerly known as ZICOlaw Holdings Inc.)
(Company Registration No. LL07968)

Unaudited Financial Statements and Dividend Announcement
For the Three Months Ended 30 September 2015

*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 three months and nine months ended 30 September 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			Group		
	Three Months Ended			Nine Months Ended		
	30 September 2015 (Unaudited) RM'000	30 September 2014 (Unaudited) RM'000	Change %	30 September 2015 (Unaudited) RM'000	30 September 2014 (Unaudited) RM'000	Change %
Revenue	15,490	7,443	108.1	39,276	25,009	57.0
Other items of income						
Interest income	36	25	44.0	133	67	98.5
Other income	1,114	805	38.4	2,684	1,590	68.8
	16,640	8,273	101.1	42,093	26,666	57.9
Items of expense						
Amortisation and depreciation expenses	(759)	(330)	130.0	(1,810)	(865)	109.2
Employee benefits expense	(6,537)	(2,176)	200.4	(16,051)	(6,746)	137.9
Rental expense	(498)	(340)	276.2	(2,166)	(905)	139.3
Retainer fees and consultation fees	(2,866)	(893)	220.9	(6,002)	(2,101)	185.7
Other expenses	(2,637)	(385)	584.9	(7,163)	(1,923)	272.5
Finance costs	(206)	(53)	288.7	(324)	(155)	109.0
Share of results of associates, net of tax	4	401	(99.0)	49	35	40.0
Profit before income tax	3,141	4,497	(30.2)	8,626	14,006	(38.4)
Income tax expense	(1,035)	(492)	110.4	(1,617)	(2,047)	(21.0)
Profit for the financial period	2,106	4,005	(47.4)	7,009	11,959	(41.4)
Other comprehensive income						
Items that will or may be reclassified subsequently to profit or loss						
Exchange differences arising from translation of foreign operations	4,586	646	609.9	7,096	404	n.m.
Reclassification arising from disposal of foreign subsidiary	-	-	-	-	(239)	n.m.
Other comprehensive income for the period	4,586	646	609.9	7,096	165	4,200.6
Total comprehensive income for the financial period	6,692	4,651	43.9	14,105	12,124	16.3
Profit attributable to:						
Owners of the parent	1,888	3,794	(50.2)	6,337	11,841	(46.5)
Non-controlling interests	218	211	3.3	672	118	469.5
	2,106	4,005	(47.4)	7,009	11,959	(41.4)
Total comprehensive income attributable to:						
Owners of the parent	6,368	4,440	43.4	13,289	12,006	10.7
Non-controlling interests	324	211	53.6	816	118	591.5
	6,692	4,651	43.9	14,105	12,124	16.3

n.m. – not meaningful

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

Profit for the financial period is stated after charging/(crediting) the following:	Three Months Ended		Nine Months Ended	
	30 September 2015 (Unaudited) RM'000	30 September 2014 (Unaudited) RM'000	30 September 2015 (Unaudited) RM'000	30 September 2014 (Unaudited) RM'000
Amortisation and depreciation expenses				
Amortisation of intangible assets	402	-	847	193
Depreciation of plant and equipment	357	330	963	672
Employee benefits expense				
Share option expenses	68	-	204	-
Rental expense				
Rental of premises	467	283	1,981	818
Rental of accommodation	31	45	185	75
Other expenses				
Allowance for impairment loss on doubtful trade receivables	-	8	-	174
Bad trade receivables written off	17	-	72	-
Unrealised foreign exchange (gain) / loss, net	-	(33)	-	8
Other income				
Unrealised foreign exchange gain, net	(59)	-	(238)	-

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	
	30 September 2015 (Unaudited) RM'000	31 December 2014 (Audited) RM'000	30 September 2015 (Unaudited) RM'000	31 December 2014 (Audited) RM'000
ASSETS				
Non-current assets				
Plant and equipment	6,219	4,426	132	122
Intangible assets	50,153	6,588	-	-
Investment in a subsidiary	-	-	53,219	32
Investment	3,051	-	3,019	-
Associates	47	38	-	-
Deferred tax assets	7	7	-	-
	59,477	11,059	56,370	154
Current assets				
Trade and other receivables	57,461	28,755	45,747	23,067
Prepayments	982	994	113	-
Current income tax recoverable	547	62	-	-
Cash and cash equivalents	26,016	34,424	9,979	31,090
Other current assets	2,927	2,949	-	-
	87,933	67,184	55,839	54,157
Total assets	147,410	78,243	112,209	54,311
EQUITY AND LIABILITIES				
Equity				
Share capital	68,092	51,219	68,092	51,219
Share options reserve	238	34	238	34
Retained earnings	13,013	6,676	966	731
Foreign currency translation account	6,917	(35)	12,017	30
Equity attributable to owners of the parent	88,260	57,894	81,313	52,014
Non-controlling interests	1,197	330	-	-
Total equity	89,457	58,224	81,313	52,014
Non-current liabilities				
Interest bearing liabilities	11,316	83	11,122	-
Other payables	976	1,316	-	-
Provisions	47	60	-	-
Deferred tax liabilities	1,577	96	-	-
	13,916	1,555	11,122	-
Current liabilities				
Trade and other payables	24,808	14,981	2,653	1,081
Interest bearing liabilities	17,191	1,294	17,107	1,204
Current income tax payable	2,038	2,189	14	12
	44,037	18,464	19,774	2,297
Total liabilities	57,953	20,019	30,896	2,297
Total equity and liabilities	147,410	78,243	112,209	54,311

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

Amount repayable in one year or less, or on demand

As at 30 September 2015 (Unaudited)		As at 31 December 2014 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
4,850	12,341	90	1,204

Amount repayable after one year

As at 30 September 2015 (Unaudited)		As at 31 December 2014 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
11,316	-	83	-

Details of any collateral

The secured borrowings comprised:

	As at 30 September 2015 (Unaudited) RM'000	As at 31 December 2014 (Audited) RM'000	Secured by
Finance Lease Facilities	278	173	RM254,000 mortgage over the leased motor vehicles and RM24,000 mortgage over the leased photocopy machine.
Term loan	15,888	-	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.
	16,166	173	

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

	Three months Ended		Nine months Ended	
	30 September 2015 (Unaudited) RM´000	30 September 2014 (Unaudited) RM´000	30 September 2015 (Unaudited) RM´000	30 September 2014 (Unaudited) RM´000
Operating activities				
Profit before tax	3,141	4,497	8,626	14,006
Adjustments for:				
Allowance for impairment loss on doubtful trade receivables	-	8	-	174
Allowance for impairment loss on doubtful trade receivables written back	(74)	(149)	(124)	(149)
Amortisation of intangible assets	402	-	847	193
Bad trade receivables written off	17	-	72	-
Bad debts recovered	-	-	-	(4)
Depreciation of plant and equipment	357	330	963	672
Gain on disposal of a subsidiary	-	-	-	(239)
Gain on disposal of plant and equipment	(21)	-	(21)	(70)
Interest income	(36)	(25)	(130)	(67)
Interest expense	165	12	230	28
Notional finance cost	41	41	94	127
Provisions	17	-	49	-
Share of results of associates, net of tax	(4)	(401)	(49)	(35)
Unrealised foreign exchange (gain)/loss, net	(59)	(33)	(238)	8
Share based payment expenses	68	-	204	-
Operating cash flows before working capital changes	4,014	4,280	10,523	14,644
Working capital changes				
Trade and other receivables	(16,753)	334	(25,835)	(5,352)
Prepayments	543	190	103	(674)
Trade and other payables	12,552	298	15,290	(320)
Cash generated from operations	356	5,102	81	8,298
Income tax paid	(631)	(530)	(1,443)	(696)
Net cash generated from/(used in) operating activities	(275)	4,572	(1,362)	7,602

	Three months Ended		Nine months Ended	
	30 September 2015 (Unaudited) RM´000	30 September 2014 (Unaudited) RM´000	30 September 2015 (Unaudited) RM´000	30 September 2014 (Unaudited) RM´000
Investing activities				
Acquisition of subsidiaries, net of cash acquired	(197)	-	(20,566)	83
(Advances to)/Repayment from associates	(33)	16	(33)	95
Advances to third parties	(1,779)	(473)	(6,116)	(1,558)
Disposal of a subsidiary	-	-	-	(130)
Dividend received	-	-	40	45
Interest received	36	25	130	67
Placement of fixed deposits with a bank	-	-	(3)	-
Proceeds from disposal of plant and equipment	503	-	503	70
Purchase of plant and equipment	(1,022)	(901)	(2,614)	(2,711)
Payment for intangible assets	(8)	-	(591)	(1,883)
Purchase of investment	(1,308)	-	(3,024)	-
Payment for deferred consideration to acquire a subsidiary	(180)	-	(540)	-
Net cash used in investing activities	(3,988)	(1,333)	(32,814)	(5,922)
Financing activities				
Dividends paid	-	(3,220)[(1)]	-	(10,736)[(1)]
Interest paid	(165)	(12)	(230)	(28)
(Repayment to)/advance from related parties	-	(336)	-	372
Advance from shareholders	-	572	-	888
Repayment to directors	(4)	(25)	(6)	(13)
Proceeds from term loan facility	1,581	-	15,889	-
Proceeds from revolving credit facility	6,847	-	11,137	-
Issuance of ordinary shares	-	-	-	6,928
Redemption of preference shares	-	(373)	-	(373)
Repayments of finance lease payables	(20)	(17)	(56)	(40)
Net cash generated from/(used in) financing activities	8,239	(3,411)	26,734	(3,002)
Net change in cash and cash equivalents	3,976	(172)	(7,442)	(1,322)
Cash and cash equivalents at beginning of financial period	22,679	2,664	34,424	3,999
Effect of exchange rate changes on cash and cash equivalents	(639)	589	(966)	404
Cash and cash equivalents at end of the financial period	26,016	3,081	26,016	3,081

Note:-
(1) Interim tax-exempt dividends of RM10,736,000 paid for the financial period ended 30 September 2014, of which RM7,516,000 was paid in the financial period ended 30 June 2014.

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 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
Balance as at 1 July 2015	68,413	170	11,125	2,437	82,145	822	82,967
Profit for the financial period	-	-	1,888	-	1,888	218	2,106
Other comprehensive income:							
Exchange differences arising from translation of foreign operations	-	-	-	4,480	4,480	106	4,586
Total comprehensive income for the period	-	-	1,888	4,480	6,368	324	6,692
Contributions by and distributions to owners of the parent							
Issuance of ordinary shares	(321)	-	-	-	(321)	-	(321)
Subscription of shares of subsidiaries	-	-	-	-	-	51	51
Grant of share options	-	68	-	-	68	-	68
Total transactions with owners of the parent	(321)	68	-	-	(253)	51	(202)
Balance as at 30 September 2015	68,092	238	13,013	6,917	88,260	1,197	89,457

	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
(Unaudited)							
Balance as at 1 July 2014	10,209	-	6,888	(446)	16,651	280	16,931
Profit for the financial period	-	-	3,794	-	3,794	211	4,005
Other comprehensive income:							
Exchange differences arising from translation of foreign operations	-	-	-	646	646	-	646
Total comprehensive income for the financial period	-	-	3,794	646	4,440	211	4,651
Contributions by and distributions to owners of the parent							
Redemption of preference shares	-	-	(373)	-	(373)	-	(373)
Dividends	-	-	(3,220)	-	(3,220)	-	(3,220)
Total transactions with owners of the parent	-	-	(3,593)	-	(3,593)	-	(3,593)
Balance as at 30 September 2014	10,209	-	7,089	200	17,498	491	17,989

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 July 2015	68,413	170	1,428	3,636	73,647
Loss for the financial period	-	-	(462)	-	(462)
Other comprehensive income:					
Exchange differences arising from translation of the Company's financial statements	-	-	-	8,381	8,381
Total comprehensive income for the period	-	-	(462)	8,381	7,919
Contributions by and distributions to owners of the parent					
Issuance of ordinary shares	(321)	-	-	-	(321)
Grant of share options	-	68	-	-	68
Total transactions with owners of the parent	(321)	68	-	-	(253)
Balance as at 30 September 2015	68,092	238	966	12,017	81,313

(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 July 2014	10,209	-	37	(52)	10,194
Profit for the financial period	-	-	3,220	-	3,220
Other comprehensive income:					
Exchange differences arising from translation of the Company's financial statements	-	-	-	203	203
Total comprehensive income for the period	-	-	3,220	203	3,423
Contributions by and distributions to owners of the parent					
Dividends	-	-	(3,220)	-	(3,220)
Total transactions with owners of the parent	-	-	(3,220)	-	(3,220)
Balance as at 30 September 2014	10,209	-	37	151	10,397

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.

There were no changes in the issued share capital of the Company since 30 June 2015 to 30 September 2015.

There were 3,500,000 outstanding options as at 30 September 2015 (30 September 2014: Nil).

The Company did not have any convertibles or treasury shares as at 30 September 2015 and 30 September 2014.

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 30 September 2015	As at 31 December 2014
Total number of issued shares	282,089,177	267,078,800

The Company did not have any treasury shares as at 30 September 2015 and 31 December 2014.

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 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 2015. 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			
	Three Months Ended		Nine Months Ended	
Earnings per share ("EPS")	**30 September 2015 (Unaudited)**	**30 September 2014 (Unaudited)**	**30 September 2015 (Unaudited)**	**30 September 2014 (Unaudited)**
Profit attributable to owners of the parent (RM'000)	1,888	3,794	6,337	11,841
Weighted average number of ordinary shares in issue[(1)]	275,021,380	267,078,800	275,021,380	267,078,800
Basic EPS (RM cents)	0.69	1.42	2.30	4.43
Fully diluted EPS (RM cents)	0.68[(2)]	1.42[(3)]	2.28[(2)]	4.43[(3)]

Notes:-

(1) The weighted average number of ordinary shares in issue for the 9 months ended 30 September 2015 were computed based on the issued and paid-up ordinary share capital of 267,078,800 shares and the newly issued shares of 7,487,879 and 7,522,498 in respect of the acquisition of B.A.C.S. on 20 April 2015 and FINOVA on 29 May 2015 respectively.

The weighted average number of ordinary shares in issue for the 9 months ended 30 September 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 2014.

(2) Adjusted for 3.5 million ordinary shares which may be allotted and issued upon the conversion of 3.5 million outstanding options as at 30 September 2015.

(3) The basic and fully diluted earnings per share were the same as there were no dilutive ordinary shares in issue as at 30 September 2014.

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	
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2015 (Unaudited)	31 December 2014 (Audited)
NAV (RM'000)	88,260	57,894	81,313	52,014
Number of ordinary shares in issue	282,089,177	267,078,800	282,089,177	267,078,800
NAV per ordinary share (RM cents)	31.29	21.68	28.83	19.48

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 three months ended 30 September 2015 ("3Q2015") as compared to the three months ended 30 September 2014 ("3Q2014").

Consolidated Statement of Comprehensive Income

Revenue

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

	3Q2015 (RM million)	3Q2014 (RM million)	% change
Advisory and Transactional Services ("ATS")	8.5	3.9	117.9
Management and Support Services business ("MSS")	5.8	2.1	176.2
Licensing Services ("LS")	1.2	1.4	-14.3
Total	15.5	7.4	109.5

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

Higher revenue from ATS was due to the additional revenue contributions from the acquisition of corporate secretarial business, B.A.C.S. and FINOVA as well as the growth in revenue of the trust business in Singapore under ZICO Allshores Trust ("ZAT") whilst revenue increased in MSS was due to upward revision of the fees for the provision of support services as such fees are reviewed and adjusted every 6 months.

However, the above was offset by lower royalty fees from LS on the back of softening economic activities within some of the ASEAN countries.

Other items of income

Interest income

The interest income increased by RM11,000 was mainly due to interest income derived from new placement of time deposit by the Company.

Other income

Other income increased by RM0.3 million was mainly due to management fee, rental income, gain on foreign exchange arising from the fluctuation of the foreign currency, allowance for doubtful debts written back and additional disbursement income in relation to recovery from clients in the ATS arising from the recent acquisition.

Items of expense

Amortisation and depreciation expenses

The amortisation and depreciation expenses increased by RM429,000 was mainly due to the addition of plant and equipment arising from the renovation of MSS's office and additional computer hardware and software being installed during the current financial year.

Employee benefits expense

The Company has expanded and augmented its management team and business since its listing in preparation for future growth. As a result, employee benefits expense increased significantly.

The increase in employee benefits expense by RM4.4 million was mainly due to the following:

(a) increase in headcount in MSS and ATS which included the new businesses, such as ZICO Corporate Services Pte Ltd which commenced operations in January 2015, ZICOInsource in July 2015 and the acquired businesses such as B.A.C.S. and FINOVA in the preceding quarter;

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

(c) the remuneration of the executive directors of the Company, that commenced from 11 November 2014 (the date the Company was listed on the Catalist of SGX-ST).

Rental expense

Rental expense increased by RM0.2 million mainly due to additional office space taken up by MSS for ZICO Consultancy and PT ZICO Konsultan Indonesia (formerly known as PT ZICOlaw Indonesia) and recently acquired businesses in preceding quarter.

Retainer fees and consultation fees

Retainer fees and consultation fees was higher by RM1.9 million mainly due to professional and consultation fees incurred by the Group for business development and for ZAT in Singapore.

Other expenses

Other expenses were higher by RM2.3 million in tandem with the Group's business development plan mainly due to the following:

(a) disbursement expenses of RM1.0 million from the ATS as a result of the acquisitions of B.A.C.S. and FINOVA;

(b) increase in travelling expenses by RM0.5 million;

(c) increase in loss on foreign exchange of RM0.3 million;

(d) increase in staff welfare by RM0.3 million;

(e) increase in printing and stationeries by RM0.1 million; and

(f) RM0.1 million incurred by other newly acquired businesses.

Finance Costs

The finance costs increased by RM153,000 was mainly due to the interest incurred arising from the revolving credit facility and drawdown of term loan for expansion of business during the current financial year.

Share of associates results

Share of associate results decreased by RM397,000 due to the absence of profit generated by its former associated company, ZICOlaw (Thailand) Limited which had been disposed of on 4 August 2014.

Profit before income tax

Profit before income tax was lowered by RM1.4 million mainly due to higher expenses incurred by the Group as indicated above.

Tax expense

Tax expense increased by RM543,000 was mainly due to higher tax expense arising from the profit before tax for its Malaysia subsidiaries which are subject to higher effective tax rates compared to its foreign subsidiaries.

Consolidated Statement of Financial Position

The comparative performance for both the assets and liabilities are based on the financial statements as at 30 September 2015 and 31 December 2014.

Non-current assets

Plant and equipment increased by RM1.8 million was mainly due to renovation of new offices and the additions of computer hardware for MSS.

Intangible assets increased by RM43.6 million mainly due to goodwill and identifiable assets arising from the acquisition of B.A.C.S. and FINOVA in 2Q2015.

Investment of RM3.1 million was mainly in relation to the acquisition of corporate secretarial portfolio under ZICO-Stamford Corporate Services Pte Ltd.

Investment in associates increased by RM9,000 was mainly due to higher share of associate's profit.

Deferred tax assets remained unchanged at RM7,000.

Current assets

Trade and other receivables increased by RM28.7 million mainly due to the trade and other receivables arising from the acquisition of new businesses in ATS and additional billings recognized at the end of September 2015 by ATS, MSS and LS.

Prepayments remained unchanged at RM1.0 million.

Current income tax recoverable increased by RM0.4 million mainly due to the lower tax expense incurred for its Malaysia subsidiary, ZICO Shariah, as compared to the actual tax installment paid to the Malaysia tax authorities.

Cash and cash equivalents were lower by RM8.4 million mainly due to cash being utilized for the acquisitions in the first half of 2015.

Other current assets comprised clients' monies held in trust and fixed deposit with maturity of more than 90 days which remained unchanged at RM3 million.

Non-current liabilities

The increase in non-current interest bearing liabilities by RM 11.2 million mainly due to the term loan obtained for the acquisition of FINOVA.

The decrease in other payables by RM0.3 million mainly due to progressive repayment of other payables in relation to the acquisition of ZICO Corporate Services Sdn Bhd in January 2012.

The increase in deferred tax liabilities by RM1.5 million mainly due to deferred tax liabilities on amortization of identifiable intangible assets arising from the acquisition of B.A.C.S. and FINOVA.

Current liabilities

Trade and other payables increased by RM9.8 million mainly due to the addition of other payables arising from the acquisition of B.A.C.S. and FINOVA.

The current interest bearing liabilities increased by RM15.9 million mainly due to additional drawdown of revolving credit facility and current portion of term loan for working capital purposes and acquisition of FINOVA respectively.

The decrease in current income tax payable by RM0.2 million was mainly due to repayment of tax in 3Q2015.

Consolidated Statement of Cash Flow

The net cash used in operating activities of RM0.3 million was mainly due to the increase in trade and other payables which was partially offset by the increase in trade and other receivables arising from the consolidation of the accounts of B.A.C.S. and FINOVA.

Net cash used in investing activities of RM4.0 million was mainly due to advances to third party in relation to the start-up cost of a regional Intellectual Property practice, partial payment for acquisition of corporate secretarial portfolio under ZICO-Stamford Corporate Services Pte Ltd and purchase of fixed assets.

Net cash generated from financing activities of RM8.2 million was mainly due to additional drawdown of term loan and revolving credit facility for acquisition of FINOVA and working capital purposes respectively.

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

The current results are in line with the Company's discussion presented in Note 10 of the unaudited results announcement dated 11 August 2015.

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 low oil prices, uncertain interest rate environment and slowing growth in China which has some impact in Asia at large and ASEAN in particular. These recent developments have negatively impacted different sectors of the markets where our clients operate in, thereby impacting our Group's operations and profitability.

In the short term, we continue to anticipate there would be challenges arising from these uncertainties in which have resulted in a slowdown in business activities in countries where we and our clients operate in, especially in the more established legal markets of the ZICOlaw network. However, the related services provided by the Group such as corporate secretarial and trusts, appear to be more resilient. The Management continues to work to convert the investments made in the human and IT infrastructure to improve profitability.

The Company has expanded and augmented its management team to focus on integrating the businesses of B.A.C.S. and FINOVA into the Group.

The Group continues to invest resources in pursuing growth both organically and through acquisitions.

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 (%)

Interim tax-exempt dividends of RM10,736,000 paid for the financial period ended 30 September 2014.

(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 3Q2015.

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:

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	6,308[(1)]	1,692
Capital expenditure on information technology infrastructure	1,000	61	939
General working capital	3,521	3,521[(2)]	-
Listing expenses	1,879	1,879	-
Total	14,400	11,769	2,631

Note:

(1) S$0.34 million was utilized in 1Q2015, S$5.29 million was utilized in 2Q2015 S$0.65 million was utilized in 3Q2015 and the balance of S$0.02 million was utilized in 4Q2015 for acquisition of remaining issued and paid-up share capital of Vientiane Law. Of the S$0.65 million utilized in 3Q2015, S$0.23 million was in relation to the consultation fees incurred for business acquisition.

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

15. Negative Confirmation by the Board Pursuant to Rule 705(5) of the Catalist Listing Manual

The Board of Directors of the Company confirms, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the 3 months and 9 months financial periods ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Chew Seng Kok
Managing Director

12 November 2015