ZICO

Integrated Provider Of Multidisciplinary Professional Services

2Q2017 RESULTS PRESENTATION

August 2017

Important Notice

This Presentation is given to you solely for your information and its content may not be copied, reproduced, redistributed, quoted, referred to or otherwise disclosed, in whole or in part, directly or indirectly, to any third party. No copy of this document shall be taken or transmitted to any country where distribution or dissemination of this Presentation is prohibited.

The Presentation is for discussion purposes only and is incomplete without reference to, and should be viewed solely in conjunction with, the oral briefing provided by ZICO. Neither this Presentation nor any of its contents may be disclosed or used for any other purpose without the prior written consent of ZICO. Nothing in this Presentation should be considered as a solicitation, offer or invitation in any place where, or to any person to whom, it would not be lawful to make such an offer or invitation. Nor anything contained herein shall form the basis of, nor can it be relied on in connection with, or act as an inducement to enter into any contract or commitment whatsoever.

The information, opinions and estimates in this Presentation are not directed at, or intended for distribution to or use by, any person or entity in any jurisdiction where doing so would be contrary to law or regulation or which would subject ZICO to any additional registration or licensing requirement within such jurisdiction.

The information contained in the Presentation is being delivered for informational purposes only. Although the information contained in the Presentation, or on which the Presentation is based, has been obtained from sources which ZICO believes to be reliable, it has not been independently verified, may not contain all material information concerning ZICO and its subsidiaries and is subject to change without notice. ZICO does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information. As a result, the Recipient agrees that no liability of any form is, or will be, accepted by ZICO or any of its respective subsidiaries or affiliates or any of its respective directors, officers, agents or employees to any person or entity for any direct or consequential loss, damage, cost, charge, expense or other liability whatsoever arising out of, or in connection with the use of, or reliance upon, the information contained in the Presentation.

Nothing contained in the Presentation is a promise or a representation of the future or ZICO and its subsidiaries as to the achievement or reasonableness of any future projections, estimates, management targets or prospects, if any. This Presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of ZICO and its subsidiaries and certain of the plans and objectives of the management of ZICO and its subsidiaries. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of ZICO and its subsidiaries to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements were made based on assumptions regarding the present and future business strategies of ZICO and its subsidiaries and the political and economic environment in which ZICO and its subsidiaries will operate in the future. Reliance should not be placed on these forward-looking statements, which reflect the view of the management of ZICO and its subsidiaries as of the date of this Presentation only.

In providing this Presentation, ZICO does not undertake to update the information contained in the Presentation or to correct any inaccuracies therein which may become apparent.

Presentation Outline

1. Corporate Overview
2. Financial Review
3. Recent Corporate Developments
4. Prospects and Outlook
5. Growth Plans
6. Why Invest in Us

Corporate Overview

ZICO Holdings Inc.

An integrated provider of multi-disciplinary services in ASEAN

"We are **innovative entrepreneurs** riding on disruptions in legal services"

Cross selling & integrated services

Framework to facilitate referrals and cross-selling of clients incl. public sector entities, government-linked companies, public-listed and private companies, MNCs, SMEs, law firms, and individuals.

Multi-disciplinary practice (MDP)

An integrated services housed under a regional brand synonymous with quality solutions. Resource sharing ensures efficient delivery of comprehensive services to clients.

ZICO

Listed on Catalist of the Singapore Exchange Securities Trading Ltd on 11 November 2014.

Strong relationship with ZICO Law

Framework to facilitate referrals and cross-selling of clients incl. public sector entities, government-linked companies, public-listed and private companies, MNCs, SMEs, law firms, and individuals.

Focus on the ASEAN Region

Integrated collective of ASEAN-based professional services firms, offering advisory and transactional services, management and support services, and licensing services.

ZICO

Multidisciplinary Professional Services

ZICO Holdings Inc.

Advisory & Transactional Services ("ATS") Segment

- Legal Services (Laos & Myanmar)
- Shariah Advisory
- Trust Services
- Corporate Services
- Consulting Services
- Investor Services
- Multi-Family Office
- Corporate Finance
- Online Professional Services

Management & Support Services ("MSS") Segment

Regional Management Services

Services

- Strategic advisory
- Market intelligence
- Business relations
- Public sector relations
- Risk management

Business Support Services

Services

- Accounting, finance and budgeting
- Information technology
- Human resource
- Knowledge management & training
- Business development & corporate communications

Licensing Services ("LS") Segment

Services

- Licensing of the "ZICO", "ZICOlaw" and "ZICOlaw Trusted Business Advisor" trade marks

Business Agreements

Cross-promotion and integration of services

ZICOlaw network

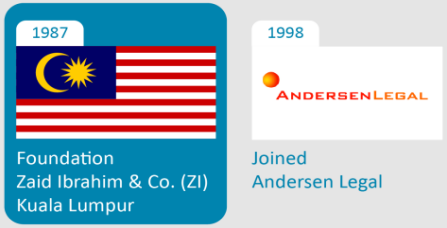
- Insights Abogado Philippines*
- Roosdiono & Partners*
- Rozaiman Abdul Rahman*
- Sok Siphana & Associates*
- Zaid Ibrahim & Co*
- ZICOlaw Sabah*
- ZICOlaw Sarawak*
- ZICOlaw Singapore*
- ZICOlaw Thailand*
- ZICOlaw Vietnam*
- ZICOlaw Laos*
- ZICOlaw Myanmar*

***Note:** These members of the ZICOlaw network are legally separate from our Group

ZICO

ZICO History: 3 Decades Of Innovation And Growth

From inception to #1 Malaysian law firm



From Malaysia to ASEAN

From law firm to MDP platform

ZICO

Innovative Business Model

ZICO | law

Partnership Model

- Focus on core competence of practising law
- Maintain professional independence and autonomy
- Compliant with regulatory rules on law forms

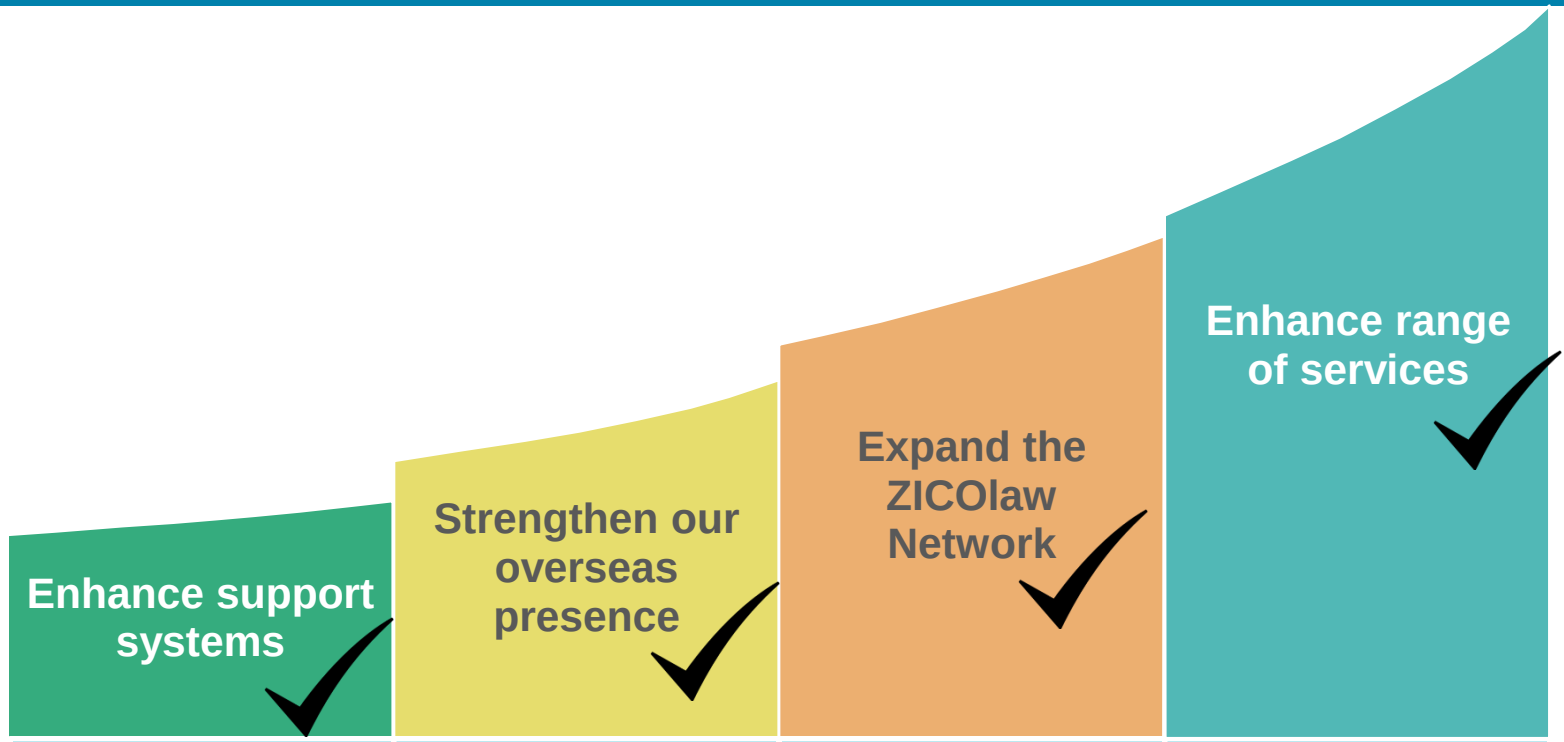
Integration & cross-selling of services

ZICO

Corporate Structure

- External capital to fund business expansion
- Incentivise perfomance and talent rentation via share schemes
- Venture into new services
- Centralise management and support functions

Growth Plans As Per Offer Document, 30 Oct 2014



- Enhance support infrastructure, including human resources, IT, marketing, and knowledge management

- Expand existing services to other geographical areas
- Capitalise on regional network and relationships with existing clients to rapidly achieve economies of scale and scope

- License “ZICOlaw” and "ZICOlaw Trusted Business Advisor" trademarks to suitable law firms
- Provide regional management and support services to such firms

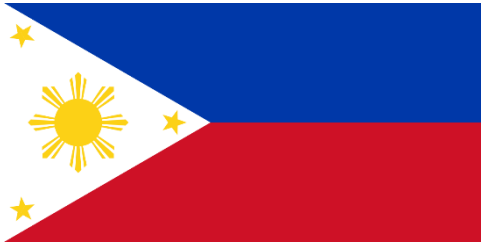
- Attract wider range of clients by diversifying range of professional services through M&A, JVs, strategic alliances or start-ups
- Seek opportunities to build recurring income

ZICO

Update on Expansion

Full Services Coverage In ASEAN

ZICO's presence now extends across whole of ASEAN with new services in the Philippines and Brunei



ZICO Corporate Services expands to the Philippines

- Established associated company – ZICO Corporate Services, Inc. – in the Philippines to provide office, business, management, corporate, and consultancy services

New member firm of ZICOlaw network in Brunei

- Extends ZICO's management support services to new Brunei member firm within ZICOlaw network

ZICO Asset Management – Expanding Suite Of Financial Services

ZICO Asset Management Pte. Ltd.

28 February 2017

Registered as a Fund Management Company with:

MAS Monetary Authority of Singapore

Expands suite of professional services, in particular, financial services:

- **Wealth Management** & **Family Office** Services
- **Multi Asset Management** Services

Officially launched on 6 March 2017

Management team:

- Mr Lim Khoon Siong, Chief Executive Officer and Ms Elaine Long, Executive Director
- Team with over 20 years of established track record in banking, money management and client development

Key rationale for new services:

- Opportunities to expand pool of clients
- Cross-selling and referral opportunities across ZICO and ZICOlaw network

ZICO

ShakeUp Online – Online Legal Services Platform

Launch of ShakeUp Online Sdn. Bhd. on 16 February 2017

- New source of revenue from online legal services platform
- Collaboration with Epoq Legal Ltd of the U.K. ("Epoq") through Licence and Support Agreement to utilize Epoq's pioneering and proven document automation system
- ShakeUp Online's target clients:

Large companies and institution

- Partnerships to provide innovative products and services to their customers
- Improve quality and cost efficiency of their in-house support services
- Leverage on ZICO's existing client base of large multi-ASEAN corporations

Small Medium Enterprises (SMEs)

- Provision of affordable online legal services to SMEs in ASEAN
- Access to high quality legal documents that are easy to understand and simple to use

About Epoq Legal Ltd

epoq making law easy

- **One of the world's largest** providers of online and assisted legal services
- Track record of **over 20 years**
- Trusted by over **60 global brands** and provides over **500,000** legal document services annually
- Pioneer of document automation system – Rapidocs®

ZICO

ZICO Capital – Corporate Finance Advisory

ZICO Capital Pte. Ltd. (90% owned subsidiary)

22 July 2016

Granted Capital Markets Services license by:

MAS Monetary Authority of Singapore

10 August 2016

Approved as accredited issue manager and full sponsor by:

SGX

Officially launched on 8 September 2016; has begun generating revenue

Expands suite of professional services to include, amongst others:

- Advising on **corporate finance** (including listings on both the Mainboard and Catalist of the SGX-ST)
- **Continuing sponsorship** of Catalist-listed issuers

Management team:

- Mr Alex Tan, Chief Executive Officer and Mrs Karen Soh-Tham, Managing Director
- Each with over 20 years in banking, corporate finance and the capital markets

Key differentiator:

- Leverage on regional network in ASEAN region and pool of clients from integrated services within ZICO group
- Part of an independent, non-bank-owned and publicly-listed parent company

ZICO

Placement

Placement Shares	▪ 15,000,000 new ordinary shares issued on 24 March 2017
Subscribers	▪ Island Asset Management Pte. Ltd ▪ Lee Chee Seng ▪ Lee Choong Onn ▪ Koh Eng Kheng Victor ▪ Pacific & Orient Distribution Sdn. Bhd.
Placement Price	▪ S$0.27
Aggregate Consideration	▪ S$4,050,000
Key Rationale	▪ 25% – business expansion ▪ 40% – capital expenditure and maintenance of information technology infrastructure ▪ 35% – general working capital requirements

ZICO

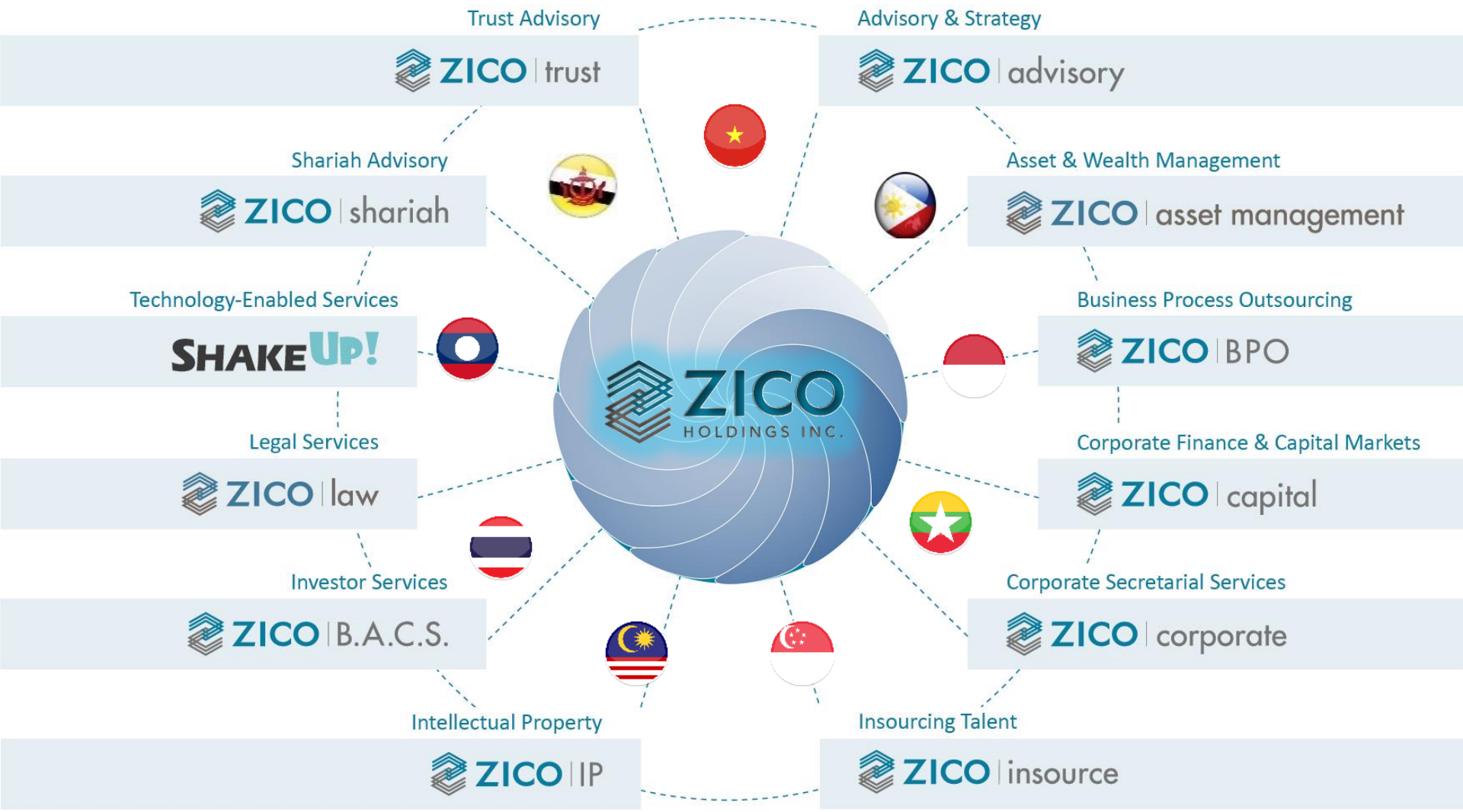
Our Unique MDP Platform for Integrated Services

ZICO

Covering The Entire Business Life Cycle

ZICO

Multiple Points Of Entry Across All ASEAN Jurisdictions



ZICO

ZICO: "BEST OF ALL WORLDS IN A LEGAL SERVICES BUSINESS MODEL"

- "A high quality, low cost, complete back office based on economies of scope and scale and jurisdiction,
- Stronger corporate, i.e. firm, branding to add to your personal brands and those of your partners,
- Building real equity on your balance sheet and having access to external capital to invest in the future without sacrificing income now,
- Providing a growing list of adjacent services that includes trust, company secretarial, consulting, investor and wealth management services and benefit financially from doing so,
- The Zico model is a perfect example of the hallmarks of a NewLaw firm… "

George Beaton, Remaking Law Firms: Why & How
28 June 2016

ZICO

Succinct Analysis Of ZICO Business Model

"ZICO has adopted an innovative business model to capitalise on developments in the Asean region. The ZICO Law Network, supported by ZICO Holdings, listed on SGX Catalist market, operates under a multi-disciplinary structure supported by a shared service company, which facilitates cross-selling of services. This unique platform provides our clients with a dynamic range of integrated services in a more efficient and cost-effective manner, throughout the life cycle of their business."

The new spectrum of legal services
Patrick Dransfield and David Miles
ASIAN-MENA COUNSEL, October 2016

ZICO

Stock Information

Listing	▪ Catalist of the SGX-ST on 11 November 2014
Sponsor	▪ Stamford Corporate Services Pte. Ltd.(1)
Market Capitalisation	▪ S$83.7 million(2)
Share Price	▪ S$0.28(2) (closing price on 14 August 2017)
PE Ratio	▪ 28 times based on trailing 12 months EPS of 0.01 Singapore dollar(3)
Number of outstanding shares	▪ 299.0 million
Public Float	▪ 46.6%(2)
Use of Listing Proceeds (Other than listing expenses)	▪ Expansion of business operations including potential acquisitions ▪ Capital expenditure on information technology infrastructure ▪ General working capital

(1) Appointed with effect from 7 September 2016, in place of PrimePartners Corporate Finance Pte. Ltd.
(2) Source: Bloomberg, 14 August 2017
(3) Based on 1.6 sens using average exchange rate of S$1.00 to RM3.0778 from 1 July 2016 to 30 June 2017 (Source: Bloomberg)

ZICO

Financial Review

Financial Review – 2Q2017

2Q2017

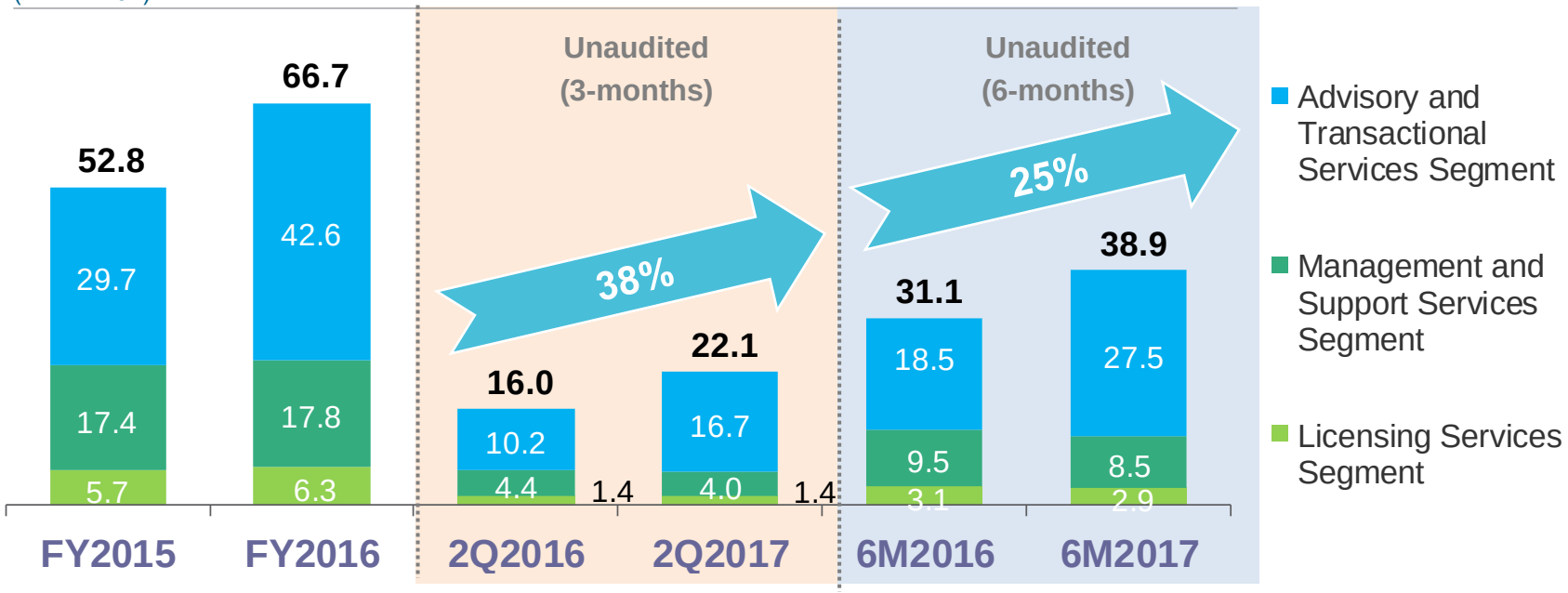
- Revenue grew **38.0%** to **RM22.1 million**
- Topline driven by strong growth from ATS segment
- Profit **doubles to RM2.6 million**, notwithstanding a RM3.4 million increase in employee benefits expenses
  - Increase in headcount in ATS arising from the expansion of new businesses, such as ZICO Capital and ZICO Asset Management

Shareholders equity of **RM111.2 million,** (↑ by 16.3% from RM95.6 million)

Financial Review – Revenue

Revenue

(RM 'million)

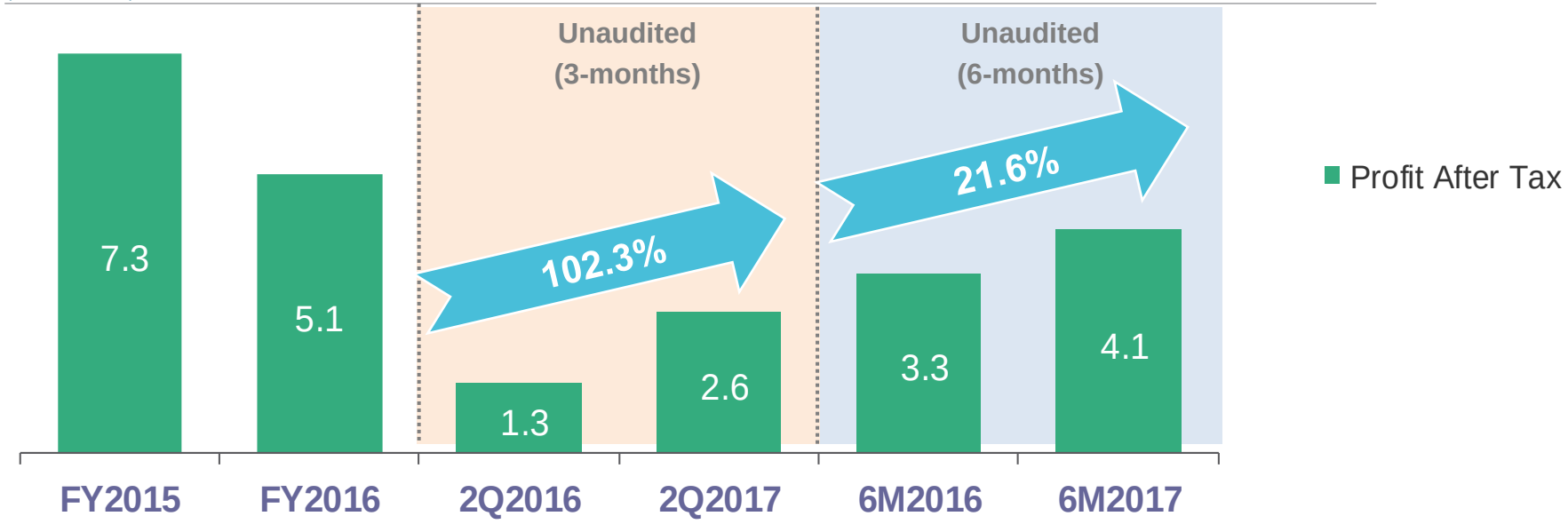


- ATS segment growth boosted by:
  - Additional revenue contribution from advisory service on corporate finance under ZICO Capital Pte. Ltd.
  - Higher revenue from business advisory services under ZICOInsource
  - Growth of investor services under B.A.C.S. Pte Ltd
- Lower revenue from MSS segment due to a change in invoicing arrangements
- Stable LS segment revenue

Financial Review – Profit After Tax

Profit After Tax ("PAT")

(RM 'million)



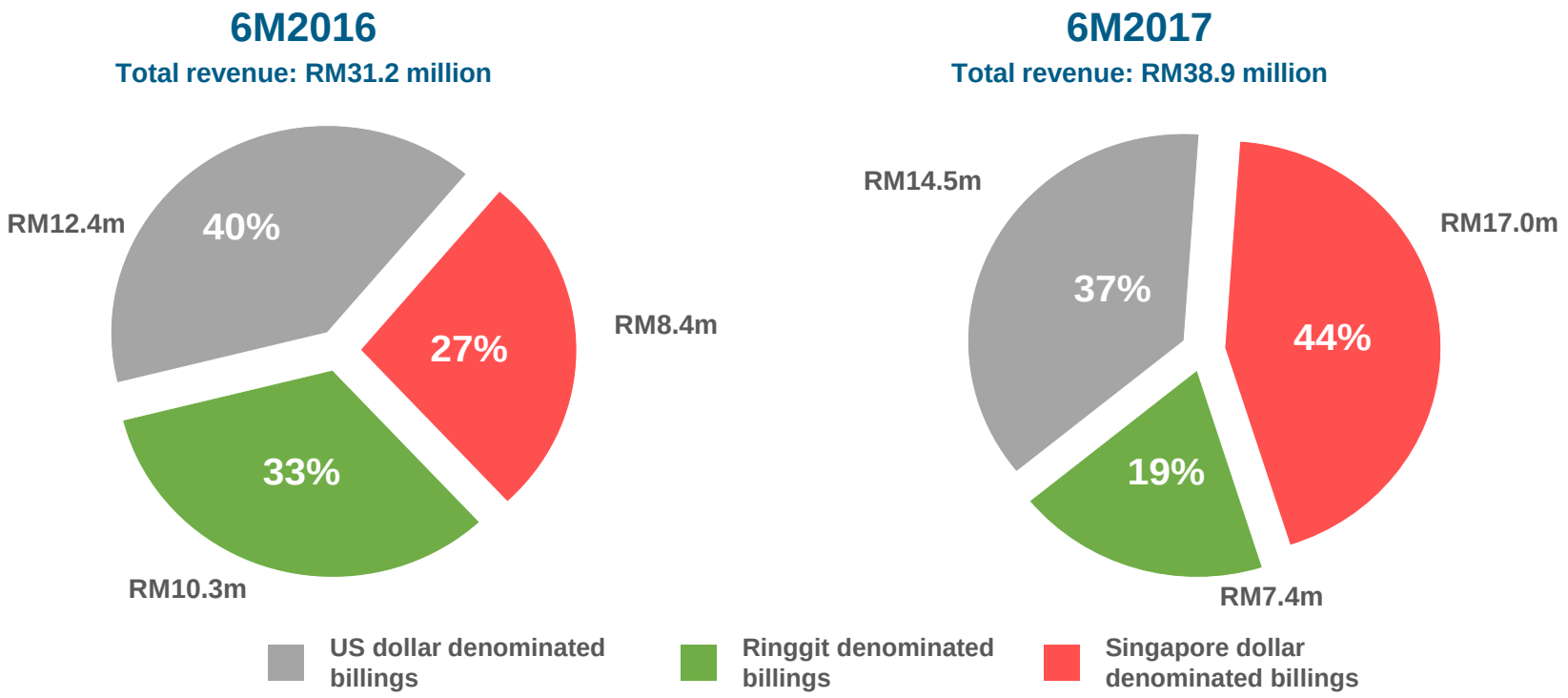
	FY2015	FY2016	2Q2016	2Q2017	6M2016	6M2017
Profit after tax margin	14%	8%	8%	12%	11%	11%

- Harvesting the fruits of our investments. Profit in 2Q2017 doubles notwithstanding:
  - Rise in employee benefits expense largely due to increase in headcount for ATS from the expansion of new businesses – ZICAP and ZICO Asset Management Pte. Ltd. – which commenced operations in July 2016 and February 2017 respectively

ZICO

Financial Review – Currency Denomination

Revenue breakdown by currency denomination

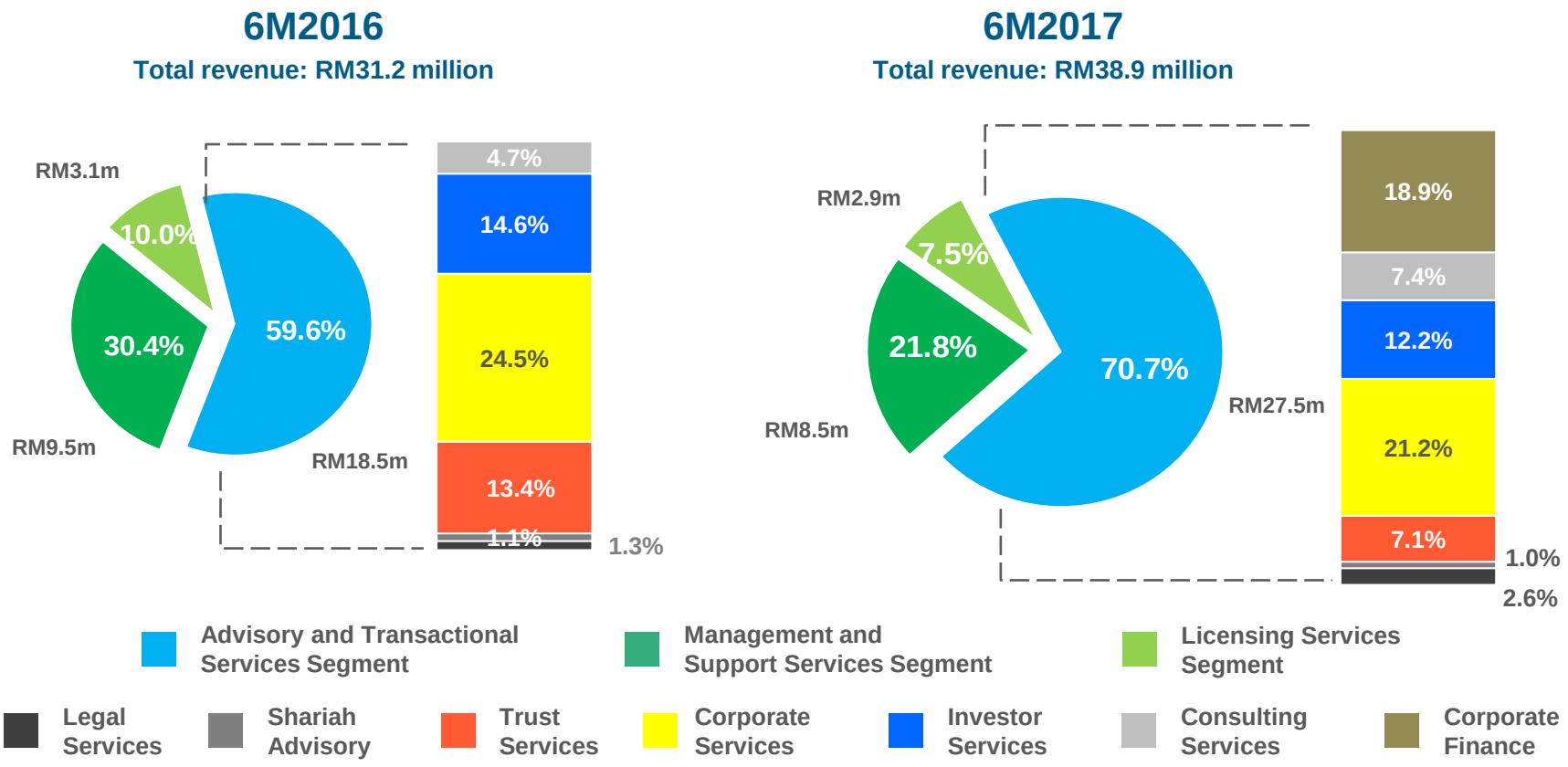


- Continued reduction in exposure to Ringgit, with growth (absolute-terms) experienced in SGD and USD-denominated billings
- Diversified currency denomination mitigates effects of Ringgit fluctuations against other major currencies

ZICO

Financial Review – Business Segments

Breakdown of Revenue by Business Segments



- Newly established division – Corporate Finance services – contributes to ATS segment
- Increase in contribution from Consulting Services and Legal Services under Advisory and Transactional Services business segment

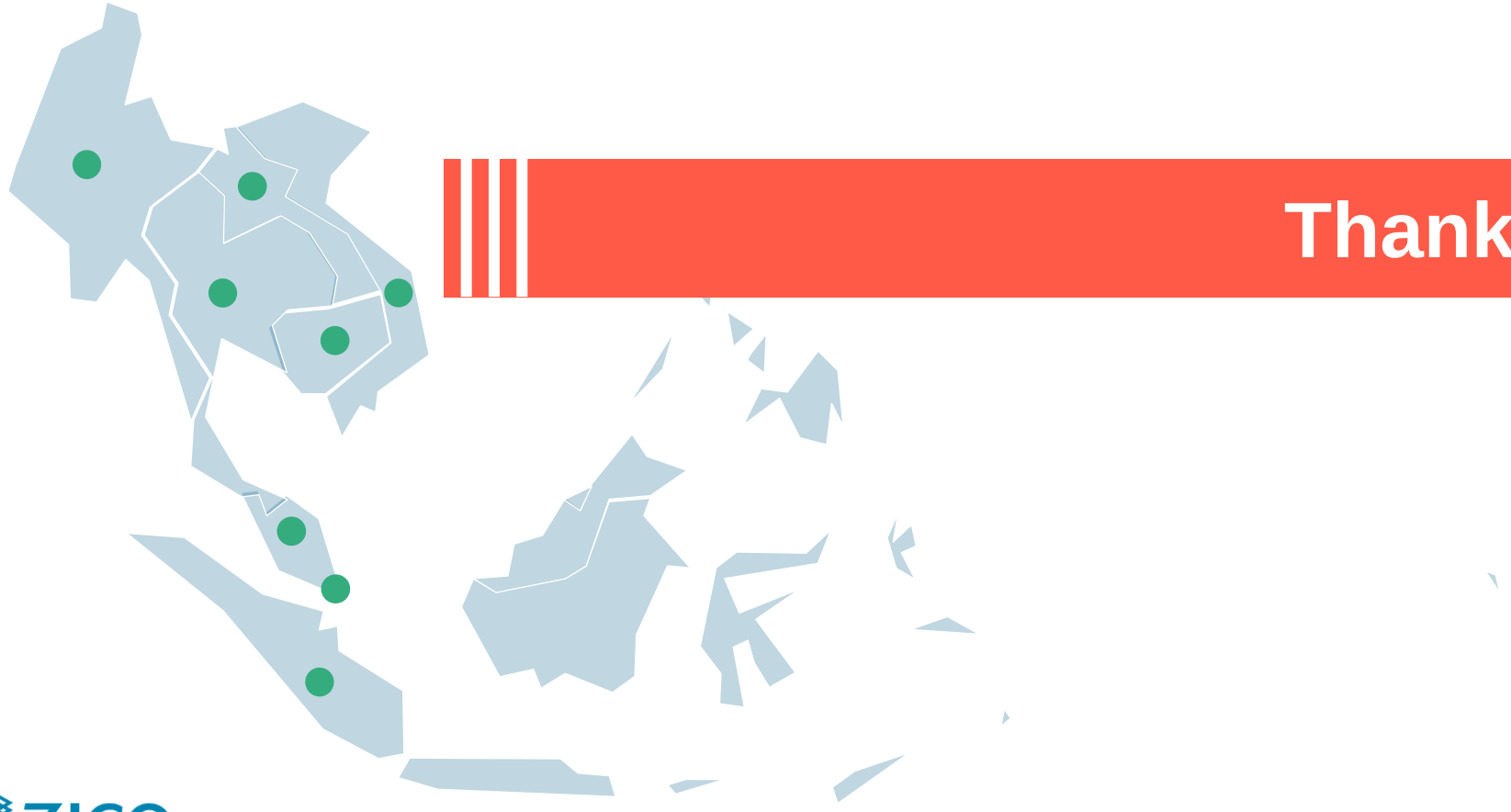
Financial Review – Key Financial Indicators

Profitability Ratios	Trailing 12-month period ended 30 June 2017	31 December 2016
Earnings Per Share ("EPS") (RM cents)(1)	1.6	1.5
Return On Assets (%)	2.6	2.5
Return On Equity (%)	4.3	4.5
Financial Position	**30 June 2017**	**31 December 2016**
Net Asset Value ("NAV") Per Share (RM cents)(2)	37.2	33.8
Cash and cash equivalent at end of period (RM'm)	25.8	19.6
Current ratio	1.5	1.4
Net Gearing	0.4	0.4
Cash ratio	0.4	0.3
Quick ratio	1.3	1.0

(1) The EPS has been computed based on profit attributable to our Shareholders and the existing total issued share capital of 299,045,708 and 282,754,063 shares for 30 June 2017 and 31 December 2016 respectively.

(2) NAV per share has been computed based on the existing total share capital of 299,045,708 shares and 282,754,063 shares for 30 June 2017 and 31 December 2016 respectively.

ZICO



Thank You

ZICO