

**ZICO HOLDINGS INC.**  
(Company Registration No. LL07968)

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**Unaudited Financial Statements and Dividend Announcement  
For the Financial Year Ended 31 December 2020**

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**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.**

	<b>Group</b>		
	<b>Full Year Ended</b>		
	<b>31 December 2020 (Unaudited) RM'000</b>	<b>31 December 2019 (Audited) RM'000</b>	<b>Change %</b>
Revenue	64,217	77,834	(17.5)
<b>Other items of income</b>			
Interest income	1,488	2,271	(34.5)
Other income	7,662	4,577	67.4
	<b>73,367</b>	<b>84,682</b>	<b>(13.4)</b>
<b>Other gains and losses</b>			
Others	(176)	(4,431)	(96.0)
Loss allowance on trade and other receivables	(5,442)	(147)	3,602
	<b>67,749</b>	<b>80,104</b>	<b>(15.4)</b>
<b>Items of expense</b>			
Amortisation and depreciation expenses	(9,202)	(11,718)	(21.5)
Employee benefits expense	(49,537)	(54,929)	(9.8)
Operating lease expenses	(1,121)	(229)	389.5
Retainer fees and consultancy fees	(5,820)	(6,820)	(14.7)
Other expenses	(9,030)	(13,204)	(31.6)
Finance costs	(2,184)	(3,740)	(41.6)
	<b>(76,894)</b>	<b>(90,640)</b>	<b>(15.2)</b>
	<b>(9,145)</b>	<b>(10,536)</b>	<b>13.2</b>
Share of results of associates, net of tax	40	14	185.7
Share of results of joint venture, net of tax	3,094	2,021	53.1
<b>Loss before income tax</b>	<b>(6,011)</b>	<b>(8,501)</b>	<b>29.3</b>
Income tax credit	155	649	(76.1)
<b>Loss for the financial year</b>	<b>(5,856)</b>	<b>(7,852)</b>	<b>25.4</b>
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation differences arising on consolidation	67	(844)	107.9
Reclassification of currency translation reserve to profit or loss on disposal of foreign subsidiaries	-	(2,417)	100.0
	<b>67</b>	<b>(3,261)</b>	<b>102.1</b>
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair value losses on financial assets, at FVOCI	(1)	(723)	99.9
Foreign currency translation differences	220	(207)	206.3
<b>Other comprehensive income/(loss) for the financial year, net of tax</b>	<b>286</b>	<b>(4,191)</b>	<b>106.8</b>
<b>Total comprehensive (loss)/income for the financial year</b>	<b>(5,570)</b>	<b>(12,043)</b>	<b>53.7</b>
<b>Loss attributable to:</b>			
Owners of the parent	(7,406)	(7,659)	(3.3)
Non-controlling interests	1,550	(193)	903
	<b>(5,856)</b>	<b>(7,852)</b>	<b>25.4</b>

**Total comprehensive loss attributable to:**

Owners of the parent	(7,340)	(11,643)	(37.0)
Non-controlling interests	1,770	(400)	542.3
	<u>(5,570)</u>	<u>(12,043)</u>	<u>53.7</u>

**1(a)(ii) Loss for the financial year is stated after charging/(crediting) the following:**

	Full Year Ended	
	31 December 2020 (Unaudited) RM'000	31 December 2019 (Audited) RM'000
<b><i>Other gains and (losses)</i></b>		
Bad debts written off	(2,181)	(131)
Loss on disposal of subsidiaries	-	(4,447)
Others	(142)	(21)
Unrealised foreign exchange gain, net	44	281
Realised foreign exchange loss, net	(78)	(113)
	<u></u>	<u></u>
<b><i>Amortisation and depreciation expenses</i></b>		
Amortisation of intangible assets	2,916	3,482
Amortisation of right-of-use assets	5,035	6,784
Depreciation of plant and equipment	1,251	1,452
	<u></u>	<u></u>
<b><i>Employee benefits expense</i></b>		
Share based payment expenses	154	1,062
	<u></u>	<u></u>
<b><i>Operating lease expenses</i></b>		
Rental of premises	988	140
Rental of accommodation	133	89
	<u></u>	<u></u>
<b><i>Other expenses</i></b>		
Intangible assets written off	266	-
Loss on disposal of plant and equipment	18	-
	<u></u>	<u></u>
<b><i>Income tax credit, net</i></b>		
Under / (over) provision of income tax expense in respect of prior year	279	(125)
	<u></u>	<u></u>

**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 2020 (Unaudited) RM'000	31 December 2019 (Audited) RM'000	31 December 2020 (Unaudited) RM'000	31 December 2019 (Audited) RM'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Plant and equipment	3,893	4,929	55	70
Right-of-use assets	7,078	12,274	443	887
Intangible assets	33,126	36,259	1,040	1,742
Subsidiaries	-	-	39,102	39,028
Associates	39	17	2	2
Joint venture	13,014	12,897	9,336	9,342
Investments	2,312	2,085	-	-
Deferred income tax assets	9,384	7,520	-	-
Trade and other receivables	54,190	34,282	70,022	62,320
	<b>123,036</b>	<b>110,263</b>	<b>120,000</b>	<b>113,391</b>
<b>Current assets</b>				
Trade and other receivables	44,808	64,693	39,649	48,145
Prepayments	652	409	89	59
Current income tax recoverable	240	620	-	-
Cash and cash equivalents	13,125	19,423	290	233
Other current assets	3,414	4,065	5	5
	<b>62,239</b>	<b>89,210</b>	<b>40,033</b>	<b>48,442</b>
<b>Total assets</b>	<b>185,275</b>	<b>199,473</b>	<b>160,033</b>	<b>161,833</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	95,014	94,328	95,014	94,328
Retained earnings	9,297	16,703	10,084	15,528
Share based-reserve	2,350	2,882	2,350	2,882
Currency translation reserve	443	376	10,130	10,112
Fair value reserve	(2,019)	(2,018)	-	-
<b>Equity attributable to owners of the parent</b>	<b>105,085</b>	<b>112,271</b>	<b>117,578</b>	<b>122,850</b>
Non-controlling interests	152	(1,618)	-	-
<b>Total equity</b>	<b>105,237</b>	<b>110,653</b>	<b>117,578</b>	<b>122,850</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities	6,757	2,486	6,757	2,486
Lease liabilities	4,268	8,471	-	470
Provisions	230	235	-	-
Deferred income tax liabilities	1,365	1,470	-	-
	<b>12,620</b>	<b>12,662</b>	<b>6,757</b>	<b>2,956</b>
<b>Current liabilities</b>				
Trade and other payables	14,729	20,482	2,931	1,147
Interest-bearing liabilities	42,553	44,947	32,065	34,428
Lease liabilities	4,883	5,314	618	446
Contract liabilities	2,462	2,756	-	-
Provisions	20	20	-	-
Current income tax payable	2,771	2,639	84	6
	<b>67,418</b>	<b>76,158</b>	<b>35,698</b>	<b>36,027</b>
<b>Total liabilities</b>	<b>80,038</b>	<b>88,820</b>	<b>42,455</b>	<b>38,983</b>
<b>Total equity and liabilities</b>	<b>185,275</b>	<b>199,473</b>	<b>160,033</b>	<b>161,833</b>

**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 2020 (Unaudited)		As at 31 December 2019 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
47,436	-	50,261	-

**Amount repayable after one year**

As at 31 December 2020 (Unaudited)		As at 31 December 2019 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
11,025	-	10,957	-

**Details of any collateral**

The secured borrowings comprised:

	As at 31 December 2020 (Unaudited) RM'000	As at 31 December 2019 (Audited) RM'000	Secured by
Finance lease facilities	-	2	Not applicable
Term loan	9,987	3,417	1) Letter of undertaking by a director; and 2) Assignment of dividends due to the Company by a subsidiary 3) Corporate guarantee by certain subsidiaries
Revolving credit	30,842	35,543	Corporate guarantee for all moneys owing by certain subsidiaries
Bank overdraft	8,481	8,473	Corporate guarantee by a subsidiary
Lease liabilities	9,151	13,783	Secured over the rights and benefits to lease the office units
	<u>58,461</u>	<u>61,218</u>	

**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 2020 (Unaudited) RM'000	31 December 2019 (Audited) RM'000
<b>Operating activities</b>		
Loss before income tax	(6,011)	(8,501)
Adjustments for:		
Loss allowance on trade and other receivables	3,261	147
Amortisation of intangible assets	2,916	3,482
Bad debts written off	2,181	131
Depreciation of plant and equipment	1,251	1,452
Depreciation of right-of-use	5,035	6,784
Intangible assets written off	266	-
Interest income	(1,488)	(2,271)
Interest expense	2,014	3,475
Loss on disposal of subsidiaries	-	4,447
Loss on disposal of plant and equipment	18	-
Provisions	(5)	106
Share of results of associates, net of tax	(40)	(14)
Share of results of joint venture, net of tax	(3,094)	(2,021)
Unrealised foreign exchange gain, net	(44)	(281)
Share based payment expenses	154	1,062
<b>Operating cash flows before working capital changes</b>	<b>6,414</b>	<b>7,998</b>
<b>Working capital changes:</b>		
Trade and other receivables	(1,506)	(547)
Prepayments	(243)	407
Trade and other payables	(5,394)	1,409
Cash generated from operations	(729)	9,267
Income tax paid	(1,199)	(2,362)
<b>Net cash (used in) / generated from operating activities</b>	<b>(1,928)</b>	<b>6,905</b>

	Full Year Ended	
	31 December 2020	31 December 2019
	(Unaudited) RM'000	(Audited) RM'000
<b>Investing activities</b>		
Advances to associates	(788)	(2,621)
(Advances to) / Repayment from third parties	(65)	1,054
Dividend received	1,397	25
Disposal of a subsidiary, net of cash disposed of	-	12,615
Interest received	52	468
Proceeds from disposal of financial assets, FVOCI	89	186
Purchase of plant and equipment	(139)	(133)
Purchase of intangible assets	(130)	(91)
<b>Net cash generated from investing activities</b>	<b>416</b>	<b>11,503</b>
<b>Financing activities</b>		
Dividends paid to non-controlling interests	-	(1,770)
Interest paid	(2,014)	(3,740)
Issuance of ordinary shares	-	9,030
Net repayments from revolving credit facility	(4,680)	(11,675)
Proceeds from term loan facility	7,038	3,060
Repayments of term loan facility	(551)	(3,258)
Repayments of lease liabilities	(4,409)	(6,585)
<b>Net cash used in financing activities</b>	<b>(4,616)</b>	<b>(14,938)</b>
Net change in cash and cash equivalents	(6,128)	3,470
Cash and cash equivalents at beginning of financial year	10,950	7,456
Effect of exchange rate changes on cash and cash equivalents	(178)	24
<b>Cash and cash equivalents at end of the financial year</b>	<b>4,644</b>	<b>10,950</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and cash equivalents as shown in the Consolidated Statement of Financial Position	13,125	19,423
Less: Bank overdraft	(8,481)	(8,473)
	<b>4,644</b>	<b>10,950</b>

**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-based reserve	Retained earnings	Currency translation reserve	Fair value 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	RM'000
Balance as at 1 January 2020	94,328	2,882	16,703	376	(2,018)	112,271	(1,618)	110,653
<b>Loss for the financial year</b>	-	-	(7,406)	-	-	(7,406)	1,550	(5,856)
<b>Other comprehensive loss:</b>								
Fair value loss on financial assets, at FVOCI	-	-	-	-	(1)	(1)	-	(1)
Foreign currency translation differences	-	-	-	67	-	67	220	287
<b>Total comprehensive (loss)/income for the financial year</b>	-	-	(7,406)	67	(1)	(7,340)	1,770	(5,570)
<b>Contributions by and distributions to owners of the parent</b>								
Exercise of share awards	686	(686)	-	-	-	-	-	-
Forfeiture of share awards	-	(83)	-	-	-	(83)	-	(83)
Grant of share awards	-	237	-	-	-	237	-	237
<b>Total transactions with owners of the parent</b>	686	(532)	-	-	-	154	-	154
Balance as at 31 December 2020	95,014	2,350	9,297	443	(2,019)	105,085	152	105,237



<b>(Audited)</b>	<b>Share capital</b>	<b>Share-based reserve</b>	<b>Retained earnings</b>	<b>Currency translation reserve</b>	<b>Fair value reserve</b>	<b>Equity attributable to owners of the parent</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 January 2019	84,132	3,294	25,705	3,637	(1,295)	115,473	552	116,025
Adoption of IFRS 16	-	-	(1,343)	-	-	(1,343)	-	(1,343)
	<b>84,132</b>	<b>3,294</b>	<b>24,362</b>	<b>3,637</b>	<b>(1,295)</b>	<b>114,130</b>	<b>552</b>	<b>114,682</b>
<b>Loss for the financial year</b>	-	-	(7,659)	-	-	(7,659)	(193)	(7,852)
<b>Other comprehensive loss:</b>								
Fair value loss on financial assets	-	-	-	-	(723)	(723)	-	(723)
Foreign currency translation differences arising on consolidation	-	-	-	(844)	-	(844)	(207)	(1,051)
Foreign currency translation differences	-	-	-	(2,417)	-	(2,417)	-	(2,417)
<b>Total comprehensive income/(loss) for the financial year</b>	-	-	(7,659)	(3,261)	(723)	(11,643)	(400)	(12,043)
<b>Contributions by and distributions to owners of the parent</b>								
Issuance of ordinary shares	9,030	-	-	-	-	9,030	-	9,030
Exercise of share awards	1,166	(1,166)	-	-	-	-	-	-
Grant of share awards	-	1,062	-	-	-	1,062	-	1,062
Impact on disposal of subsidiaries	-	(308)	-	-	-	(308)	-	(308)
<b>Total transactions with owners of the parent</b>	<b>10,196</b>	<b>(412)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,784</b>	<b>-</b>	<b>9,784</b>
<b>Transactions with non-controlling interests</b>								
Dividend paid to non-controlling interests	-	-	-	-	-	-	(1,770)	(1,770)
<b>Total transactions with non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,770)</b>	<b>(1,770)</b>
Balance as at 31 December 2019	<b>94,328</b>	<b>2,882</b>	<b>16,703</b>	<b>376</b>	<b>(2,018)</b>	<b>112,271</b>	<b>(1,618)</b>	<b>110,653</b>

**Statement of Changes in Equity  
Company**

(Unaudited)	Share capital	Share-based reserve	Retained earnings	Currency translation reserve	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2020	94,328	2,882	15,528	10,112	122,850
<b>Loss for the financial year</b>	-	-	(5,444)	-	(5,444)
<b>Other comprehensive loss:</b> Foreign currency translation differences	-	-	-	18	18
<b>Total comprehensive income for the financial year</b>	-	-	(5,444)	18	(5,426)
<b>Contributions by and distributions to owners of the parent</b>					
Issuance of ordinary shares	-	-	-	-	-
Exercise of share awards	686	(686)	-	-	-
Forfeited share awards	-	(83)	-	-	(83)
Grant of share awards	-	237	-	-	237
<b>Total transactions with owners of the parent</b>	686	(532)	-	-	154
Balance as at 31 December 2020	95,014	2,350	10,084	10,130	117,578

<b>(Audited)</b>	<b>Share capital</b>	<b>Share-based reserve</b>	<b>Retained earnings</b>	<b>Currency translation reserve</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 January 2019	84,132	3,294	3,491	9,908	100,825
Adoption of IFRS 16	-	-	(8)	-	(8)
	84,132	3,294	3,483	9,908	100,817
<b>Profit for the financial year</b>	-	-	12,045	-	12,045
<b>Other comprehensive loss:</b> Foreign currency translation differences	-	-	-	204	204
<b>Total comprehensive income for the financial year</b>	-	-	12,045	204	12,249
<b>Contributions by and distributions to owners of the parent</b>					
Issuance of ordinary shares	9,030	-	-	-	9,030
Exercise of share awards	1,166	(1,166)	-	-	-
Grant of share awards	-	1,062	-	-	1,062
Impact on disposal of subsidiaries	-	(308)	-	-	(308)
<b>Total transactions with owners of the parent</b>	10,196	(412)	-	-	9,784
Balance as at 31 December 2019	94,328	2,882	15,528	10,112	122,850

**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 and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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**

	<b>Number of issued shares</b>	<b>Issued and paid-up share capital (RM)</b>
Balance as at 1 January 2020	324,250,742	94,328,342
Issue of new ordinary shares <sup>(1)</sup>	675,020	306,352
Issue of new ordinary shares <sup>(2)</sup>	1,020,300	379,628
<b>Balance as at 31 December 2020</b>	<b>325,946,062</b>	<b>95,014,322</b>

Notes:-

- (1) The issuance of new shares is in relation to the vesting of 675,020 share awards new shares pursuant to the New Awards on 21 April 2020 under the ZICO Holdings Performance Share Plan (“PSP”).
- (2) The issuance of new shares is in relation to the vesting of 793,319 share awards and 226,981 new shares pursuant to the New Awards on 26 May 2020 under the ZICO Holdings Performance Share Plan (“PSP”).

There were 3,500,000 outstanding options (31 December 2019: 3,500,000 options) and 760,028 share awards granted but unvested under the PSP as at 31 December 2020 (31 December 2019: 2,785,045). There were 323,336 unvested PSP shares that had expired as at 31 December 2020.

Save for the above, the Company did not have any convertibles or treasury shares as at 31 December 2020 and 31 December 2019.

The Company did not have any subsidiary holdings as at 31 December 2020 and 31 December 2019.

**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 2020	As at 31 December 2019
Total number of issued shares	325,946,062	324,250,742

The Company did not have any treasury shares as at 31 December 2020 and 31 December 2019.

**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.

**1(d)(v) A statement showing all sales, transfers, disposals, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no subsidiary holdings 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.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group's financial statements for the financial year ended 31 December 2020 was prepared in accordance with the International Financial Reporting Standards ("IFRSs"). The Group has performed a detailed analysis of the transition options and other requirements of IFRSs and has determined that there are no changes to the Group's current accounting policies under the IFRSs or material adjustments on the initial transition to the new framework.

Other than the adoption of the new IFRSs, amendments and interpretations of IFRSs which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting year as compared to the most recent audited financial statements.

**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**

Please refer to paragraph 4 above.

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	
	31 December 2020 (Unaudited)	31 December 2019 (Audited)
<b>Earnings per share ("EPS")</b>		
Loss attributable to owners of the parent (RM'000)	(7,406)	(7,659)
Weighted average number of ordinary shares in issue (in thousands)	325,334 <sup>(1)</sup>	318,904 <sup>(2)</sup>
Basic EPS (RM cents)	(2.28)	(2.40)
Weighted average number of ordinary shares in issue on fully diluted basis (in thousands)	328,362 <sup>(3)</sup>	323,072 <sup>(4)</sup>
Fully diluted EPS (RM cents)	(2.26)	(2.37)

Note:-

- (1) Adjusted for 1,695,320 ordinary shares allotted and issued pursuant to the vesting of share awards under the PSP.

- 675,020 shares on 21 April 2020
- 1,020,300 shares on 26 May 2020

and; the issuance of new 226,981 shares pursuant to the New Award under the PSP on 26 May 2020.

- (2) Adjusted for 2,463,322 ordinary shares allotted and issued pursuant to the vesting of share awards under the PSP.

- 788,352 shares on 21 March 2019
- 771,653 shares on 22 April 2019
- 903,317 shares on 21 May 2019

and; the issuance of new 217,957 shares pursuant to the New Award under the PSP on 21 March 2019; and subscription of 20,000,000 placement shares on 25 March 2019.

- (3) Adjusted for 4,260,028 ordinary shares which may be allotted and issued upon the exercise of 3.5 million outstanding options and vesting of 760,028 outstanding share awards as at 31 December 2020.

- (4) Adjusted for 6,285,045 ordinary shares which may be allotted and issued upon the exercise of 3.5 million outstanding options and vesting of 2,785,045 outstanding share awards as at 31 December 2019.

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 2020 (Unaudited)	31 December 2019 (Audited)	31 December 2020 (Unaudited)	31 December 2019 (Audited)
NAV (RM'000)	105,085	112,271	117,578	122,850
Number of ordinary shares in issue (in thousands)	325,946	324,251	325,946	324,251
NAV per ordinary share (RM cents)	32.24	34.62	36.07	37.89

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 2020 ("FY2020") as compared to the full year ended 31 December 2019 ("FY2019").***

Revenue

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

	FY2020 (RM million)	FY2019 (RM million)	% change
Advisory and Transactional Services (" <b>ATS</b> ")	53.2	65.5	(18.7)
Management and Support Services Business & Licensing Services ( (" <b>MSSL</b> ")	11.0	12.3	(10.7)
<b>Total</b>	<b>64.2</b>	<b>77.8</b>	<b>(17.5)</b>

The decrease in the Group's revenue was due to both lower revenue from ATS and MSSL segments.

The decrease of revenue in ATS segment mainly to (i) the disposal of subsidiaries Finova Singapore Pte. Ltd. ("**FINOVA**") and ZICO BPO Pte. Ltd. ("**BPO**") in Oct 2019 and (ii) lower contribution from consultancy services division during FY2020.

The decrease in revenue from MSSL was mainly due to the lower revenue contributions from management and support services under ZICO Knowledge Services Sdn. Bhd. ("**ZIKS**") and ZICO RMC Pte. Ltd. ("**ZICO RMC**").

## Other items of income

### *Interest income*

The interest income decreased by RM0.8 million due to lower interest income charged on trade debtors outstanding.

### *Other income*

Other income increased by RM3.1 million mainly due to wage subsidies received from the Singapore and Malaysia Government.

## Items of expense

### *Amortisation and depreciation expenses*

Amortisation and depreciation expenses decreased by RM2.5 million mainly due to decrease in amortisation of computer software as certain computer software have been fully amortised and decrease in amortisation of customer relationship due to the disposal of subsidiaries, FINOVA and BPO in FY2019.

### *Employee benefits expense*

Employee benefits expense decreased by RM5.4 million due to (i) reduction of employee expenses due to the disposal of subsidiaries, FINOVA and BPO in FY2019; (ii) decrease in headcount; (iii) Management has taken cost-cutting measures in FY2020 by reducing the remuneration of Directors, Key Management Personnel and Senior Management as a mitigating measure against the financial crisis brought on by the COVID-19 pandemic.

### *Operating lease expenses*

Operating lease expenses increased by RM0.9 million mainly due to no renewal of Tenancy Agreements for Malaysia entities, therefore IFRS16 impact is not applicable as compared to previous financial year.

### *Retainer fees and consultancy fees*

Retainer fees and consultancy fees had reduced by RM1.0 million mainly due to lower consultancy fees incurred by ZICO Shariah Advisory Sdn. Bhd. and ZICOInsource Inc.

### *Other losses*

Other losses decreased by RM4.3 million mainly due to (i) unrealized forex losses of RM0.5 million and realized forex losses of RM35k in FY2020; and (ii) recognition of the loss on disposal of subsidiaries, FINOVA and BPO in FY2019.



#### *Loss allowance on trade and other receivables*

The loss on allowance on trade and other receivables is higher by RM5.3 million due to additional allowance for doubtful debts provided during the financial year under review.

#### *Other expenses*

Other expenses decreased by RM4.2 million mainly due to (i) decrease in other expenses due to the disposal of subsidiaries, FINOVA and BPO amounted to RM2.2 million; (ii) lower travelling related expenses by RM1.4 million; (iii) lower postage fees incurred by B.A.C.S Pte Ltd ("BACS") by RM0.5 million, and (iv) lower IT maintenance by ZICO Knowledge Sdn Bhd ("ZIKS") amounted to RM0.5 million.

#### *Finance Costs*

Finance costs decreased by RM1.6 million being mainly reduction in revolving credit and overdraft interest due to the moratorium of finance costs granted by the bankers in lieu of the COVID-19 pandemic.

#### *Share of associates results*

Share of associate results increased by RM26k mainly due to higher income generated by the associate.

#### *Share of joint venture results*

Share of joint venture results is higher by RM1.1 million due to higher income generated by a joint venture company.

#### Loss before income tax

Loss before income tax is RM6.0 million despite lower revenue which was offset by lower expenses in FY2020.

#### Income tax credit

Income tax credit decreased by RM0.5 million in FY2020 mainly due to lower deferred tax assets recognized for the unutilised tax losses of the subsidiaries as compared to FY2019.

#### Fair value losses on financial assets at OCI

The fair value losses on financial assets were due to the fair value adjustment resulting from the revaluation of available-for-sale investments.

#### Foreign currency translation difference

The foreign currency translation difference was mainly due to the fluctuation of foreign currency from US Dollars and Singapore Dollars to Ringgit Malaysia.

#### Loss for the financial year

Loss for the financial year is RM5.9 million despite lower revenue which was offset by lower expenses and higher other income in FY2020.

## Consolidated Statement of Financial Position

***The comparative performance for both the assets and liabilities are based on the financial statements as at 31 December 2020 and 31 December 2019.***

### Non-current assets

Plant and equipment decreased by RM1.0 million mainly due to (i) depreciation charge for the current financial year; and (ii) translation of plant and equipment at different closing rate as compared to 31 December 2019.

Right-of-use assets decreased by RM5.2 million mainly due to the amortization charge for the current financial year and the Tenancy Agreements not being renewed for certain Malaysian entities.

Intangible assets decreased by RM3.1 million mainly due to (i) translation of goodwill and identifiable assets arising from the acquisition of B.A.C.S., as well as the corporate secretarial portfolio under ZICO-Stamford Corporate Services Pte. Ltd. at a different closing rate as compared to 31 December 2019, (ii) amortisation of the computer software and identifiable assets for the current financial year and (iii) the intangible assets written off during FY2020.

Investment in associates increased by RM22k mainly due to the shares of associate's profit offset by the dividend income received in FY2020.

Investment in a joint venture increased by RM0.1 million mainly due to the share of joint venture's profit during the current financial year ended 31 December 2020.

Investments increased by RM0.2 million mainly due to the fair value adjustments of shares held by ZICO Capital Pte. Ltd. ("ZICAPSG").

Deferred tax assets increased by RM1.9 million mainly due to recognition of deferred tax assets for the unutilised tax losses of certain subsidiaries.

The non-current trade and other receivables increased by RM19.9 million due to the reclassification of the long term portion of a repayment plan entered into with ZICOlaw Network firms.

### Current assets

Current trade and other receivables decreased by RM19.9 million mainly due to repayment from clients during the current financial year.

Prepayments increased by RM0.2 million mainly due to prepayment of insurance.

Current income tax recoverable decreased by RM0.4 million mainly due to the higher 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 RM6.3 million mainly due to cash used in financing and investing activities.

Other current assets (comprising clients' monies held in trust and fixed deposit with maturity of more than 90 days) decreased by RM0.7 million mainly due to the disbursement of monies held in trust for clients during financial year ended 31 December 2020.

### Non-current liabilities

The increased in non-current interest-bearing liabilities by RM4.3 million was mainly due to the disbursement of new term loan facility from our existing banker.

Lease liabilities decreased by RM4.2 million mainly due to Tenancy Agreements not being renewed for certain Malaysian entities.

The decrease in the provisions due to fluctuation of the foreign exchange rate as compared to 31 December 2019.

The decrease in deferred tax liabilities (“DTL”) by RM0.1 million was mainly due to the fluctuation of foreign currency from US Dollars and Singapore Dollars to Ringgit Malaysia on the DTL recognized by certain subsidiaries.

### Current liabilities

Trade and other payables decreased by RM5.8 million mainly due to the repayment of other payables in relation to the payroll related costs and reduction in clients’ monies held in trust during financial year ended 31 December 2020.

Current interest-bearing liabilities decreased by RM2.4 million mainly due to the repayment for the short term facilities and increase of long term loan.

Lease liabilities decreased by RM0.4 million mainly due to Tenancy Agreements not being renewed for certain Malaysian entities.

Contract liabilities decreased by RM0.3 million mainly due to decreased billings to the clients under the corporate secretarial and trust business and offset with the translation of deferred revenue at a different closing rate as compared to 31 December 2019.

There is no movement on the provision for leave benefits as compared to 31 December 2019.

The increase in current income tax payable by RM0.1 million was mainly due to the provision of tax on profits generated being higher as compared to tax installment payments.

### Consolidated Statement of Cash Flow

The net cash used in operating activities of RM1.9 million in FY2020 was mainly due to the loss before income tax of RM6.0 million added back adjustments items and set off with (i) decrease in trade and other payables towards end of December 2020 and (ii) income tax paid of RM1.2 million.

Net cash generated from investing activities of RM0.4 million in FY2020 was mainly due to dividend received and partially offset by advances to associates and purchases of Plant and Equipment and Intangible assets.

Net cash used in financing activities of RM4.6 million in FY2020 was mainly due to the repayment of revolving credit facilities and lease liabilities offset by proceeds from term loan.

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

The Group's unaudited results for the financial year ended 31 December 2020 are in line with the Company's profit warning announcement on 19 February 2021.

**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.**

The Group's financial performance has been adversely impacted by the global economic downturn triggered by COVID-19. Nevertheless, we have managed to weather the disruptions brought about by the pandemic over the last 12 months. As for the next 12 months' reporting period, the Company is cautiously optimistic in line with an improving business outlook. Vaccine rollouts, which are crucial to economic recovery, have started in the ASEAN region where the Group's businesses are located. Nevertheless, any recovery is expected to be gradual given the different pace of immunisations in each country and the risk of potential emergence of new variants of the virus. The Company will continue to focus on sustaining revenue streams, reducing costs and preserving cash by deferring non-essential capital expenditures, availing itself of government support schemes, if any, and adopting other cost-saving measures.

**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 for the reason(s) for the decision.**

No dividend has been declared or recommended for FY2020 in view of the current phase of growth and the need to consolidate cash resources for business purposes.

**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 FY2020.

IPT below S\$100,000 comprise the following:

- 1) Advances to the Company's associated entity ShakeUp Online Sdn Bhd ("Shakeup") for operational requirements. Each transaction is below S\$100,000. Shakeup is an interested person under Chapter 9 of the Catalist Rules, as it is an associate of Mr Chew Liong Kim, a director of the Company. He holds 80% equity interest in Shakeup.

**14. Use of IPO proceeds**

As announced on 13 August 2018, the proceeds from IPO have been fully utilised.

**15. Use of Placement proceeds**

As announced on 13 May 2019, the proceeds from placement exercise announced on 14 March 2019 and completed on 25 March 2019 have been fully utilised. The utilisation is consistent with the announcement on 13 May 2019.

**16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

17. **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.**

<b>Business Segment</b>	<b>Advisory and transactional services RM'000</b>	<b>Management and support services business &amp; licensing services RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>FY2020</b>				
<b>Revenue</b>				
External revenue	53,234	10,983	-	64,217
Inter-segment revenue	3,283	5,426	(8,709)	-
	<u>56,517</u>	<u>16,409</u>	<u>(8,709)</u>	<u>64,217</u>
<b>Results</b>				
Segment profit/(loss)	6,086	(3,550)	-	2,536
Interest income	137	1,058	-	1,195
Finance costs	(701)	(181)	-	(882)
	<u>5,522</u>	<u>(2,673)</u>	<u>-</u>	<u>2,849</u>
Unallocated expenses				(11,994)
Share of results of associates, net of tax				40
Share of results of joint venture, net of tax				3,094
Loss before income tax				(6,011)
Income tax credit				155
Loss for the financial year				<u>(5,856)</u>

<b>Business Segment</b>	<b>Advisory and transactional services RM'000</b>	<b>Management and support services business &amp; licensing services RM'000</b>	<b>Total RM'000</b>
<b>Non-cash items</b>			
Loss allowance on trade and other receivables	3,074	187	3,261
Bad debts written off	629	1,552	2,181
Amortisation of intangible assets	581	1,822	2,403
Depreciation of plant and equipment	914	323	1,237
Depreciation of right-of-use assets	4,126	464	4,590
Intangible assets written off	266	-	266
Share-based payment expenses	(10)	11	1
Unrealised foreign exchange gain, net	(292)	(289)	(581)
<b>Unallocated non-cash item</b>			
Amortisation of intangible assets	-	-	513
Depreciation of plant and equipment	-	-	14
Depreciation of right-of-use assets	-	-	445
Share-based payment expenses	-	-	153
Unrealised foreign exchange gain, net	-	-	537
<b>Capital expenditure</b>			
Plant and equipment	139	-	139
Intangible assets	8	122	130
<b>As at 31 December 2020</b>			
<b>Assets and Liabilities</b>			
Segment assets	76,984	68,640	145,624
-Current income tax recoverable	231	9	240
-Deferred tax assets	5,741	3,643	9,384
	<u>82,956</u>	<u>72,292</u>	<u>155,248</u>
Unallocated assets			<u>30,027</u>
			<u>185,275</u>
Segment liabilities	25,993	7,403	33,396
- Current income tax payable	3,017	(246)	2,771
- Deferred tax liabilities	923	442	1,365
	<u>29,933</u>	<u>7,599</u>	<u>37,532</u>
Unallocated liabilities			<u>42,506</u>
			<u>80,038</u>

<b>Business Segment</b>	<b>Advisory and transactional services RM'000</b>	<b>Management and support services business &amp; licensing services RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>FY2019</b>				
<b>Revenue</b>				
External revenue	65,526	12,308	-	77,834
Inter-segment revenue	4,372	6,431	(10,803)	-
	<u>69,898</u>	<u>18,739</u>	<u>(10,803)</u>	<u>77,834</u>
<b>Results</b>				
Segment profit	8,326	(5,159)	-	3,167
Interest income	1,739	532	-	2,271
Finance costs	(3,474)	(266)	-	(3,740)
	<u>6,591</u>	<u>(4,893)</u>	<u>-</u>	<u>1,698</u>
Unallocated expenses				(12,234)
Share of results of associates, net of tax				14
Share of results of joint venture, net of tax				<u>2,021</u>
Loss before income tax				(8,501)
Income tax expenses				<u>649</u>
Loss for the financial year				<u>(7,852)</u>



<b>Business Segment</b>	<b>Advisory and transactional services RM'000</b>	<b>Management and support services business &amp; licensing services RM'000</b>	<b>Total RM'000</b>
<b>Non-cash items</b>			
Loss allowance on trade and other receivables	147	-	147
Amortisation of intangible assets	901	2,112	3,013
Bad trade and other receivables written off	131	-	131
Depreciation of plant and equipment	941	386	1,327
Depreciation of right-of-use assets	6,784	-	6,784
Loss on disposal of subsidiaries	4,447	-	4,447
Share-based payment expenses	343	230	573
Unrealised foreign exchange gain, net	(247)	-	(247)
<b>Unallocated non-cash item</b>			
Amortisation of intangible assets	-	-	569
Depreciation of plant and equipment	-	-	25
Share-based payment expenses	-	-	489
Unrealised foreign exchange gain, net	-	-	(34)
<b>Capital expenditure</b>			
Plant and equipment	112	21	133
Intangible assets	47	44	91
<b>As at 31 December 2019</b>			
<b>Assets and Liabilities</b>			
Segment assets	116,488	62,644	179,132
-Current income tax recoverable	264	356	620
-Deferred tax assets	4,696	2,824	7,520
	<u>121,448</u>	<u>65,824</u>	<u>187,272</u>
Unallocated assets			<u>12,201</u>
			<u>199,473</u>
Segment liabilities	34,962	11,860	46,577
- Current income tax payable	2,376	-	2,639
- Deferred tax liabilities	1,388	442	1,470
	<u>38,384</u>	<u>12,302</u>	<u>50,686</u>
Unallocated liabilities			<u>38,134</u>
			<u>88,820</u>

<b>Geographical</b>										
	<b>Singapore</b>	<b>Malaysia</b>	<b>Thailand</b>	<b>Indonesia</b>	<b>China</b>	<b>Hong Kong</b>	<b>United States of America</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>FY 2020</b>										
<b>External revenue</b>	20,210	17,930	2,944	6,612	1,010	1,350	1,158	13,003	-	64,217
<b>Inter-segment revenue</b>	774	5,548	-	-	-	-	-	2,387	(8,709)	-
	<u>20,984</u>	<u>23,478</u>	<u>2,944</u>	<u>6,612</u>	<u>1,010</u>	<u>1,350</u>	<u>1,158</u>	<u>15,390</u>	<u>(8,709)</u>	<u>64,217</u>
<b>Non-current assets</b>	<u>48,404</u>	<u>68,939</u>	<u>253</u>	<u>4,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>597</u>	<u>-</u>	<u>123,036</u>

<b>Geographical</b>										
	<b>Singapore</b>	<b>Malaysia</b>	<b>Thailand</b>	<b>Indonesia</b>	<b>China</b>	<b>Hong Kong</b>	<b>United States of America</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>FY 2019</b>										
<b>External revenue</b>	25,910	21,428	2,591	6,567	845	1,357	793	18,343	-	77,834
<b>Inter-segment revenue</b>	867	6,707	-	-	-	-	-	3,229	(10,803)	-
	<u>26,777</u>	<u>28,135</u>	<u>2,591</u>	<u>6,567</u>	<u>845</u>	<u>1,357</u>	<u>793</u>	<u>21,572</u>	<u>(10,803)</u>	<u>77,834</u>
<b>Non-current assets</b>	<u>50,515</u>	<u>58,380</u>	<u>349</u>	<u>715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>559</u>	<u>-</u>	<u>110,518</u>

- 18. 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.

- 19. A breakdown of sales as follows:**

	Group		
	FY2020 (Unaudited) RM'000	FY2019 (Audited) RM'000	Increase / (Decrease) %
(a) Sales reported for first half year	32,850	42,787	(23.2)
(b) (Loss)/Profit after tax before deducting non-controlling interest reported for first half year	(30)	2,003	(101.5)
(c) Sales reported for second half year	31,367	35,047	(10.5)
(d) Loss after tax before deducting non-controlling interest reported for second half year	(5,826)	(9,855)	(40.9)

- 20. 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, as well as the previous financial year.

- 21. 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

1 March 2021

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's ("Sponsor"), Asian Corporate Advisors Pte. Ltd., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("Exchange") Listing Manual Section B: Rules of Catalist for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Foo Quee Yin.  
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