



For Immediate Release

NEWS RELEASE

ZICO Holdings Inc. Announces Results for FY2020

Singapore, 1 March 2021 – ZICO Holdings Inc. (“ZICO” and together with its subsidiaries and associated companies, the “Group”) announced today its full year results for the financial year ended 31 December 2020 (“FY2020”).

Revenue declined 17.5% to RM64.22 million compared to RM77.83 million in the corresponding period of FY2019. Loss after tax improved by RM2.00 million (25.4%), resulting in a loss after tax of RM5.86 million in FY2020 compared to a loss after tax of RM7.85 million in the corresponding period of FY2019.

The decrease in revenue is mainly due to the disposal of ZICO’s subsidiaries, Finova Singapore Pte. Ltd. and ZICO BPO Pte. Ltd., in October 2019; lower contribution from the Group’s consultancy services; and lower revenue contributions from the Management and Support Services segment during Year 2020 due to the COVID-19 pandemic. Improvement in after tax losses in FY2020 is attributable to cost cutting measures taken by the Group to mitigate the reduction in revenue brought on by the COVID-19 pandemic. Total expenses reduced by RM13.75 million (15.2%) and with the increase in joint venture profit of RM1.07 mil (53.1%), the Group’s loss after tax is RM5.86 million (FY2019: loss after tax of RM7.85 million).

ZICO’s net asset value per share as at FY2020 declined to 32.24 RM cents compared to 34.62 RM cents as at 31 December 2019. Cash and cash equivalents decreased by RM6.1 million from RM19.4 million as at 31 December 2019 to RM13.1 million as at 31 December 2020 mainly due to cash being utilised for operations.

Mr Chew Seng Kok, Managing Director of ZICO, commented, “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.”

****End of News Release****

About ZICO Holdings Inc.

ZICO, an integrated provider of multidisciplinary professional services focused on the ASEAN region, provides advisory and transactional services, management and support and licensing services.

Through its multidisciplinary services, regional capabilities and local insights, ZICO enables its clients to capitalise on opportunities across Southeast Asia.

The Group currently operates two key business segments: (i) Advisory and Transactional Services (“ATS”); and (ii) Management Support Services Business and Licensing Services (“MSSL”).

Within the ATS, ZICO provides legal services, Shariah advisory, trust advisory, corporate services, consulting services, investor services, wealth management services, corporate finance advisory services and immigration services. ZICO provides legal services only to the extent permitted in the relevant jurisdictions. In other jurisdictions, ZICO cooperates with and supports independent and autonomous law firms who are members of the ZICOLaw Network, in compliance with local professional regulations. Presently, ZICO provides legal services in Myanmar, Lao PDR, and Thailand.

For the MSSL segment, the Group provides regional management services and business support services to members of the ZICOLaw Network and certain entities within the Group.

ZICO also engages in the licensing of the “ZICO”, "ZICOLaw" and "ZICOLaw Trusted Business Advisor" trademarks to members of the ZICOLaw Network and certain entities within the Group.

ZICO has business operations in Indonesia, Lao PDR, Malaysia (including Labuan), Myanmar, Singapore and Thailand. The Group augments its existing regional presence with that of the ZICOLaw network to extend its reach to 10 out of 10 countries in Southeast Asia.

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