

NEWS RELEASE

ZICO HOLDINGS INC. REPORTS 20.0% GROWTH IN REVENUE TO RM13.9 MILLION¹ IN 2Q2015

- ***Increase in revenue driven by Advisory and Transactional Services segment following three recent acquisitions***
- ***Profit after tax impacted mainly by business expansion costs, down 55.5% to RM2.8 million²***
- ***Completes acquisitions of Stamford Law's (now known as "Morgan Lewis Stamford LLC") corporate secretarial portfolio, B.A.C.S. and Finova***
- ***Completes integration of Stamford Law's corporate secretarial portfolio while integration of B.A.C.S. and Finova remains smooth***
- ***Named by the Financial Times as a "global first" for its unique multidisciplinary model***

Singapore, 11 August 2015 – ZICO Holdings Inc. ("ZICO" and together with its subsidiaries and associated companies, the "Group"), an integrated provider of multidisciplinary professional services, announced today its unaudited results for the three months ended 30 June 2015 ("2Q2015"). ZICO's revenue rose 20.0% to RM13.9 million in 2Q2015 from RM11.5 million in the previous corresponding period ("2Q2014").

¹ Approximately S\$4.9 million based on an exchange rate of S\$1.00 to RM2.8572

² Approximately S\$1.0 million based on an exchange rate of S\$1.00 to RM2.8572

During the quarter, the Group completed the acquisitions of the corporate secretarial portfolio of Stamford Law Corporation (now known as Morgan Lewis Stamford LLC) (“SLC”); B.A.C.S. Private Limited (“B.A.C.S.”); as well as Finova Singapore Pte. Ltd. and Finova Associates Pte. Ltd. (now known as ZICO BPO Pte. Ltd.) (collectively known as “Finova”).

Mr Chew Seng Kok (周成国), Managing Director of ZICO, said, “We are pleased that our value accretive acquisitions have contributed to our Advisory and Transactional Services or ATS segment, which achieved the strongest revenue growth amongst our three business segments, during the quarter. The acquisitions have also contributed to an increase in foreign currency billings from approximately 46% to 70% with Ringgit denominated billings reducing from 54% to 30% when compared to the previous corresponding period.

“As a Group, we have grown and transformed tremendously during this quarter that sets us apart from what ZICO was like just a year ago. This was also achieved on the back of our strategy to invest heavily in ZICO’s growth by expanding ZICO’s management team and hiring talented employees in light of our enlarged operations. Although it may have some short-term impact on our financials, we believe that by investing in one of our most important assets – human capital, it will pay off in the long run by reinforcing ZICO’s sustainable business which enhances shareholders’ value.

Elaborating on ZICO’s recent acquisitions, Mr Chew said, “Having successfully integrated SLC’s corporate secretarial portfolio, we are seeing a smooth ongoing integration process of our two other strategic acquisitions – B.A.C.S. and Finova – and have experienced cross-referral opportunities within just a short few months of the acquisitions. Finova, which is our third and latest set of acquisition, has core competencies that complement our spectrum of existing services and enlarge our base of recurring income streams. As a provider of business and management consultancy services to high-net-worth individuals and SME owners, Finova’s complementary skill set establishes itself as part of our corporate services business under our ATS segment.”

“Apart from strategic M&As, we continue to enhance our capabilities and widen the scope of our services on the organic front during the quarter. A new subsidiary, ZICO Knowledge Services Sdn Bhd, has been formed to provide services in knowledge management, training and outsourcing. In July 2015 and April 2015, to further expand our existing suite of services, we also established two subsidiaries in order to kick-start our ZICOInsource brand to provide legal insourcing and advisory services to our clients.

“We are honoured to be recognised for our first-mover advantage and we were recently named by the Financial Times in June 2015 as a “*global first*”, in recognition of our unique multidisciplinary model which provides the functional advantages of an Alternative Business Structure. Having such an innovative business model allows mutual benefits of tapping on the capital markets for growth to accrue to both the Group and members of the ZICOlaw network.”

FINANCIAL REVIEW

ZICO recorded a 20.0% increase in revenue to RM13.9 million in 2Q2015 as compared to RM11.5 million in 2Q2014. This increase was due mainly to a strong growth of the ATS segment, boosted by the growth of the trust business in Singapore as well as the additional revenue contributions from the recently completed acquisitions of B.A.C.S. and Finova. B.A.C.S. and Finova contributed to ZICO's 2Q2015 revenue for three months and one month, respectively. The growth in the ATS segment was offset by lower regional management and royalty fees from both Management and Support Services (“MSS”) and Licensing Services (“LS”) divisions due to the seasonality of our clients' business and the softer economy of several countries within ASEAN.

On a revenue segment basis for 2Q2015, ZICO's ATS, MSS and LS accounted for RM9.4 million, RM3.1 million and RM1.4 million respectively. Revenue for ATS rose 74.1% from RM5.4 million while MSS and LS declined 27.9% and 22.2% respectively from 2Q2014.

Overall, expenses rose by RM7.0 million in 2Q2015 to RM11.6 million, primarily due to an increase in headcount related expenses. This was due to ZICO embarking on new businesses as well as the expansion of existing operations for future growth opportunities, which required the augmentation of its management team. In addition, executive directors' remuneration commenced only after the Company's public listing on 11 November 2014.

As a result, the Group registered a 55.5% decrease in profit after tax to RM2.8 million in 2Q2015 from RM6.2 million in 2Q2014.

As at 31 June 2015, ZICO's cash and cash equivalents position stood at RM22.7 million.

OUTLOOK

ZICO expects the depressed oil prices, volatilities in the equities market in China that has affected sentiments across Asia and especially in ASEAN, as well as currency fluctuations to continue impacting operations, particularly in markets where the Group and its clients operate in.

Although there are near-term challenges arising from macro uncertainties in the global and regional markets which could lead to a slowdown in countries where ZICO as well as its clients' have a presence in, ASEAN's combined gross domestic product was nearly US\$2.5 trillion in 2014 according to the Monetary Authority of Singapore and this is likely to bode well for the Group. Within the region, the ASEAN-4 – Indonesia, Malaysia, Thailand and the Philippines – are anticipated to see an annual minimum growth of 4% and up to 6%, over the next five years³. This augurs well for the Group, given the opportunities for ZICO to scale up, along with the growth of its clients which have well-established presence in the region.

³ Asean 'among fastest growing in the mid to long term' – *Business Times Weekend*, Jun 13 – 14, 2015

Mr Chew said, “Going forward, with our investment in ZICO’s management infrastructure largely completed, apart from focusing our attention on integrating our recently acquired businesses, we also intend to enhance our ecosystem of service offerings. Our strategies include investing in resources to pursue organic growth opportunities and synergistic strategic acquisitions. By doing so, we seek to improve our cross-selling capabilities and broaden our suite of services, thereby bolstering our competitive position in the regional market. Our efforts also serve to build on our income streams, including recurring ones.”

The Group expects its recently completed acquisitions to have a positive contribution to its financial results for the rest of the year.

ABOUT THE GROUP

ZICO, an integrated provider of multidisciplinary professional services focused on the ASEAN region, provides advisory and transactional services, management and support services 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 in three key business segments: (i) advisory and transactional services; (ii) management and support services; and (iii) licensing services.

Within the advisory and transactional services business segment, ZICO provides legal services, Shariah advisory, trust advisory, corporate services and consulting 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 and Lao PDR.

For the management and support services business segment, the Group provides regional management services and business support services to members of the ZICOLaw Network and to 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 and Singapore. The Group augments its existing regional presence with that of the ZICOLaw network to extend its reach to 8 out of 10 countries in Southeast Asia. These 8 countries include those where ZICO has business operations in as well as Cambodia, Thailand and Vietnam where ZICO does not presently have business operations.

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

*ZICO 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 was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").*

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.

ISSUED ON BEHALF OF : ZICO Holdings Inc.
BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd
55 Market Street
#02-01
SINGAPORE 048941
CONTACT : Ms Dolores Phua / Mr Han Zhongchou
at telephone
DURING OFFICE HOURS : 6534-5122 (Office)
AFTER OFFICE HOURS : 9750-8237 / 9154-3765 (Handphone)
EMAIL : dolores.phua@citigatedrimage.com
zhongchou.han@citigatedrimage.com

071/15/004/ZICO

11 August 2015