ZICO HOLDINGS INC.
(Company Registration No. LL07968)

Unaudited Financial Statements and Dividend Announcement
For the Financial Year Ended 31 December 2015

*ZICO Holdings Inc. (the "**Company**") has been listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") since 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 financial year ended 31 December 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		
	Full Year Ended		
	31 December 2015 (Unaudited) RM'000	31 December 2014 (Audited) RM'000	Change %
Revenue	52,777	35,684	47.9
Other items of income			
Interest income	173	103	68.0
Other income	5,382	4,091	31.6
	58,332	39,878	46.3
Items of expense			
Amortisation and depreciation expenses	(2,900)	(1,250)	132.0
Employee benefits expense	(24,887)	(11,617)	114.2
Rental expense	(2,997)	(1,502)	99.5
Retainer fees and consultancy fees	(7,590)	(2,416)	214.2
Other expenses	(10,504)	(9,095)	15.5
Finance costs	(577)	(196)	194.4
Share of results of associates, net of tax	63	(342)	n.m.
Profit before income tax	8,940	13,460	(33.6)
Income tax expense	(1,653)	(2,766)	(40.2)
Profit for the financial year	7,287	10,694	(31.9)
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss			
Exchange differences arising from translation of foreign operations	6,768	172	n.m
Reclassification arising from disposal of foreign subsidiary	-	(239)	n.m.
Other comprehensive income for the year	6,768	(67)	n.m.
Total comprehensive income for the financial year	14,055	10,627	32.3
Profit attributable to:			
Owners of the parent	6,617	10,738	(38.4)
Non-controlling interests	670	(44)	n.m.
	7,287	10,694	(31.9)
Total comprehensive income attributable to:			
Owners of the parent	13,293	10,669	24.6
Non-controlling interests	762	(42)	n.m.
	14,055	10,627	32.3

n.m. – not meaningful

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

Profit for the financial year is stated after charging/(crediting) the following:	Full Year Ended 31 December 2015 (Unaudited) RM'000	31 December 2014 (Audited) RM'000
Amortisation and depreciation expenses		
Amortisation of intangible assets	1,577	447
Depreciation of plant and equipment	1,323	803
Employee benefits expense		
Share option expenses	271	34
Rental expense		
Rental of premises	2,806	1,381
Rental of accommodation	191	121
Other expenses		
Allowance for impairment loss on doubtful trade receivables	-	305
Bad trade receivables written off	258	163
Intangible assets written off	7	-
Plant and equipment written off	17	-
Allowance for impairment loss on doubtful trade receivables written back	(42)	(218)
Current income tax		
- overprovision in prior years	(395)	(32)
Unrealised foreign exchange gain, net	(954)	(310)

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 2015 (Unaudited) RM'000	31 December 2014 (Audited) RM'000	31 December 2015 (Unaudited) RM'000	31 December 2014 (Audited) RM'000
ASSETS				
Non-current assets				
Plant and equipment	6,166	4,426	125	122
Intangible assets	61,516	6,588	3,939	-
Investment in a subsidiary	-	-	51,787	32
Investment	30	-	-	-
Associates	61	38	-	-
Deferred tax assets	7	7	-	-
Trade and other receivables	18,722	-	15,033	19,971
	86,502	11,059	70,884	20,125
Current assets				
Trade and other receivables	33,507	28,755	37,001	3,096
Prepayments	813	994	84	-
Current income tax recoverable	903	62	-	-
Cash and cash equivalents	26,447	34,424	7,815	31,090
Other current assets	4,349	2,949	829	-
	66,019	67,184	45,729	34,186
Total assets	152,521	78,243	116,613	54,311
EQUITY AND LIABILITIES				
Equity				
Share capital	68,092	51,219	68,092	51,219
Share options reserve	305	34	305	34
Retained earnings	13,293	6,676	3,025	731
Foreign currency translation account	6,641	(35)	9,871	30
Equity attributable to owners of the parent	88,331	57,894	81,293	52,014
Non-controlling interests	1,143	330	-	-
Total equity	89,474	58,224	81,293	52,014
Non-current liabilities				
Interest bearing liabilities	10,984	83	10,812	-
Other payables	680	1,316	-	-
Provisions	69	60	-	-
Deferred tax liabilities	2,034	96	-	-
	13,767	1,555	10,812	-
Current liabilities				
Trade and other payables	19,994	13,503	3,314	1,081
Provisions	60	-	-	-
Interest bearing liabilities	21,264	1,294	21,180	1,204
Deferred revenue	6,063	1,478	-	-
Current income tax payable	1,899	2,189	14	12
	49,280	18,464	24,508	2,297
Total liabilities	63,047	20,019	35,320	2,297
Total equity and liabilities	152,521	78,243	116,613	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 31 December 2015 (Unaudited)		As at 31 December 2014 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
4,718	16,546	90	1,204

Amount repayable after one year

As at 31 December 2015 (Unaudited)		As at 31 December 2014 (Audited)	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
10,984	-	83	-

Details of any collateral

The secured borrowings comprised:

	As at 31 December 2015 (Unaudited) RM'000	As at 31 December 2014 (Audited) RM'000	Secured by
Finance Lease Facilities	257	173	RM236,000 mortgage over the leased motor vehicles and RM21,000 mortgage over the leased photocopy machine.
Term loan	15,445	-	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.
	15,702	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

	Full Year Ended	
	31 December 2015 (Unaudited) RM´000	**31 December 2014 (Audited) RM´000**
Operating activities		
Profit before income tax	8,940	13,460
Adjustments for:		
Allowance for impairment loss on doubtful trade receivables	-	305
Allowance for impairment loss on doubtful trade receivables written back	(42)	(218)
Amortisation of intangible assets	1,577	447
Bad trade and other receivables written off	258	163
Depreciation of plant and equipment	1,323	803
Gain on disposal of a subsidiary	-	(239)
Gain on disposal of plant and equipment	(21)	(70)
Intangible assets written off	7	-
Interest income	(173)	(103)
Interest expense	451	28
Notional finance cost	126	168
Loss on disposal of an associate	-	96
Plant and equipment written off	17	-
Provisions	69	60
Share of results of associates, net of tax	(63)	342
Unrealised foreign exchange gain	(954)	(310)
Share based payment expenses	271	1,460
Operating cash flows before working capital changes	11,786	16,392
Working capital changes		
Trade and other receivables	(19,320)	(12,545)
Prepayments	273	(942)
Trade and other payables	5,098	1,073
Cash generated from operations	(2,163)	3,978
Income tax paid	(1,651)	(1,171)
Net cash (used in)/generated from operating activities	(3,814)	2,807

	Full Year Ended	
	31 December 2015	31 December 2014
	(Unaudited)	(Audited)
	RM´000	RM´000
Investing activities		
Acquisition of subsidiaries, net of cash acquired	(20,566)	104
Disposal of a subsidiary	-	(130)
Advances to associate	(37)	-
Repayment to third parties	(4,790)	(2,735)
Dividend received	40	45
Interest received	169	103
Payment for deferred consideration to acquire intangible assets	-	(240)
Payment for deferred consideration to acquire a subsidiary	(720)	(720)
Placement of fixed deposits with a bank	-	(2)
Proceeds from disposal of plant and equipment	503	70
Purchase of plant and equipment	(2,959)	(2,589)
Payment for intangible assets	(5,170)	(641)
Net cash used in investing activities	(33,530)	(6,735)
Financing activities		
Dividends paid	-	(10,736)[(1)]
Interest paid	(451)	(28)
Repayment to shareholders	-	(1,355)
Repayment to directors	-	(10)
Proceeds from issuance of ordinary shares	-	48,641
Share issuance expense	-	(2,129)
Proceeds from term loan facility	15,446	-
Proceeds from revolving credit facility	15,342	1,204
Redemption of preference shares	-	(1,178)
Repayments of finance lease payables	(77)	(57)
Net cash generated from financing activities	30,260	34,352
Net change in cash and cash equivalents	(7,084)	30,424
Cash and cash equivalents at beginning of financial period	34,424	3,998
Effect of exchange rate changes on cash and cash equivalents	(893)	2
Cash and cash equivalents at end of the financial year	26,447	34,424

Note:-
(1) Interim tax-exempt dividends of RM10,736,000 paid prior to IPO for the financial year ended 31 December 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 January 2015	51,219	34	6,676	(35)	57,894	330	58,224
Profit for the financial year	-	-	6,617	-	6,617	670	7,287
Other comprehensive income:							
Exchange differences arising from translation of foreign operations	-	-	-	6,676	6,676	92	6,768
Total comprehensive income for the year	-	-	6,617	6,676	13,293	762	14,055
Contributions by and distributions to owners of the parent							
Issuance of ordinary shares	16,873	-	-	-	16,873	-	16,873
Grant of share options	-	271	-	-	271	-	271
Total transactions with owners of the parent	16,873	271	-	-	17,144	-	17,144
Transaction with non-controlling interests							
Subscription of share capital in a subsidiary	-	-	-	-	-	51	51
Total transaction with non-controlling interests	-	-	-	-	-	51	51
Balance as at 31 December 2015	68,092	305	13,293	6,641	88,331	1,143	89,474

(Audited)	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 January 2014	3,281	-	7,852	34	11,167	-	11,167
Profit for the financial year	-	-	10,738	-	10,738	(44)	10, 694
Other comprehensive income:							
Reclassification arising from disposal of foreign subsidiary	-	-	-	(239)	(239)	-	(239)
Exchange differences arising from translation of foreign operations	-	-	-	170	170	2	172
Total comprehensive income for the year	-	-	10,738	(69)	10,669	(42)	10,627
Contributions by and distributions to owners of the parent							
Issuance of ordinary shares	50,067	-	-	-	50,067	-	50,067
Share issuance expense	(2,129)	-	-	-	(2,129)	-	(2,129)
Issuance of preference shares	-	-	(1,493)	-	(1,493)	-	(1,493)
Cancellation of preference shares	-	-	315	-	315	-	315
Grant of share options	-	34	-	-	34	-	34
Dividends	-	-	(10,736)	-	(10,736)	-	(10,736)
Total transactions with owners of the parent	47,938	34	(11,914)	-	36,058	-	36,058
Transaction with non-controlling interests							
Subscription of share capital in a subsidiary	-	-	-	-	-	372	372
Total transaction with non-controlling interests	-	-	-	-	-	372	372
Balance as at 31 December 2014	51,219	34	6,676	(35)	57,894	330	58,224

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 January 2015	51,219	34	731	30	52,014
Profit for the financial year	-	-	2,294	-	2,294
Other comprehensive income: Exchange differences arising from translation of the Company's financial statements	-	-	-	9,841	9,841
Total comprehensive income for the year	-	-	2,294	9,841	12,135
Contributions by and distributions to owners of the parent					
Issuance of ordinary shares	16,873	-	-	-	16,873
Grant of share options	-	271	-	-	271
Total transactions with owners of the parent	16,873	271	-	-	17,144
Balance as at 31 December 2015	68,092	305	3,025	9,871	81,293

(Audited)	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 January 2014	3,281	-	783	37	4,101
Profit for the financial year	-	-	11,862	-	11,862
Other comprehensive income:					
Exchange differences arising from translation of the Company's financial statements	-	-	-	(7)	(7)
Total comprehensive income for the year	-	-	11,862	(7)	11,855
Contributions by and distributions to owners of the parent					
Issuance of ordinary shares	50,067	-	-	-	50,067
Share issuance expense	(2,129)	-	-	-	(2,129)
Issuance of preference shares	-	-	(1,493)	-	(1,493)
Cancellation of preference shares	-	-	315	-	315
Grant of share options	-	34	-	-	34
Dividends	-	-	(10,736)	-	(10,736)
Total transactions with owners of the parent	47,938	34	(11,914)	-	36,058
Balance as at 31 December 2014	51,219	34	731	30	52,014

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 September 2015 to 31 December 2015.

There were 3,500,000 outstanding options as at 31 December 2015 (31 December 2014: 3,500,000).

Save for the above, the Company did not have any convertibles or treasury shares as at 31 December 2015 and 31 December 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 31 December 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 31 December 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 year 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	
	Full Year Ended	
Earnings per share ("EPS")	**31 December 2015 (Unaudited)**	**31 December 2014 (Audited)**
Profit attributable to owners of the parent (RM'000)	6,617	10,738
Weighted average number of ordinary shares in issue[(1)]	276,802,852	222,647,328
Basic EPS (RM cents)	2.39	4.82
Fully diluted EPS[(2)] (RM cents)	2.36	4.75

Notes:-

(1) The weighted average number of ordinary shares in issue for full year ended 31 December 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. Private Limited ("B.A.C.S.") on 20 April 2015 and Finova Singapore Pte. Ltd. and Finova Associates Pte. Ltd. (now known as ZICO BPO Pte. Ltd.) (collectively, "FINOVA") on 29 May 2015 respectively.

The weighted average number of ordinary shares in issue for the full year ended 31 December 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 New Shares to Leandar Pte Ltd, 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. For details, please refer to the Company's offer document dated 30 October 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 31 December 2015 and 31 December 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	
	31 December 2015 (Unaudited)	31 December 2014 (Audited)	31 December 2015 (Unaudited)	31 December 2014 (Audited)
NAV (RM'000)	88,331	57,894	81,293	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)	31.31	21.68	28.82	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

Consolidated Statement of Comprehensive Income

Review for the performance of the Group for the full year ended 31 December 2015 ("FY2015") as compared to the full year ended 31 December 2014 ("FY2014").

Revenue

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

	FY2015 (RM million)	**FY2014 (RM million)**	**% change**
Advisory and Transactional Services ("ATS")	29.7	17.6	68.8
Management and Support Services business ("MSS")	17.4	12.1	43.8
Licensing Services ("LS")	5.7	6.0	-5.0
Total	**52.8**	**35.7**	**47.9**

The increase in the 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 (i) corporate secretarial portfolio under ZICO-Stamford Corporate Services Pte Ltd ("ZSCS") acquired from Stamford Law (now known as Morgan Lewis Stamford LLC), (ii) the acquisition of corporate secretarial business under FINOVA and investor services under B.A.C.S. as well as (iii) the growth in revenue from the trust business in Singapore under ZICO Allshores Trust ("ZAT"). The increase in revenue from MSS was due to the higher fees generated from the provision of support services in FY2015.

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

Interest income increased by RM70,000 was mainly due to interest income derived from new placement of time deposit by the Company.

Other income

Other income increased by RM1.3 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 acquisition in FY2015.

Items of expense

Amortisation and depreciation expenses

Amortisation and depreciation expenses increased by RM1.7 million was mainly due to (i) the addition of plant and equipment arising from the renovation of MSS's office, (ii) the installation of additional computer hardware and software, as well as (iii) amortisation of intangible assets arising from the acquisition of corporate secretarial portfolio under ZSCS, B.A.C.S. and FINOVA.

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 RM13.3 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. ("ZCS") which commenced operations in January 2015, ZICOInsource Inc. in July 2015 and the acquired businesses such as B.A.C.S. and FINOVA in the second quarter of FY2015;

(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, which commenced from 11 November 2014 (the date the Company was listed on the Catalist of SGX-ST).

Rental expense

Rental expense increased by RM1.5 million mainly due to additional office space taken up by ZICO Consultancy Sdn Bhd under MSS as well as by the businesses acquired in FY2015.

Retainer fees and consultancy fees

Retainer fees and consultancy fees were higher by RM5.2 million mainly due to professional and consultancy fees incurred by the Group for business development and for ZAT in Singapore.

Other expenses

Other expenses were higher by RM1.4 million mainly due to the disbursement expenses from the ATS as a result of the acquisitions of B.A.C.S. and FINOVA.

Finance Costs

Finance costs increased by RM381,000 mainly due to the interests incurred from the drawdown of the revolving credit facility and term loan for expansion of business.

Share of associates results

Share of associate results was a profit of RM63,000 as compared to a loss of RM342,000 mainly due to the absence of losses incurred 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 RM4.5 million mainly due to higher expenses incurred by the Group as indicated above.

Income tax expense

Income tax expense decreased by RM1.1 million mainly as a result of lower effective tax rate of 18.5% in FY2015 as compared to 20.5% in FY2014 as higher proportion of profit before tax was generated from Singapore subsidiaries, which are subject to lower effective tax rates as compared to the subsidiaries in some of the other jurisdictions.

Consolidated Statement of Financial Position

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

Non-current assets

Plant and equipment increased by RM1.7 million mainly due to renovation of new offices and the additions of computer hardware for MSS.

Intangible assets increased by RM54.9 million mainly due to goodwill and identifiable assets arising from the acquisition of B.A.C.S. and FINOVA, as well as the corporate secretarial portfolio under ZSCS.

Investment of RM30,000 was mainly in relation to corporate club membership arising from the acquisition of B.A.C.S.

Investment in associates increased by RM23,000 mainly due to higher share of associate's profit.

Deferred tax assets remained unchanged at RM7,000.

Non-current trade and other receivables of RM18.7 million were related to a payment plan agreed with certain debtors for the provision of services under MSS and LS.

Current assets

Current trade and other receivables increased by RM4.8 million mainly due to the trade and other receivables from new businesses acquired in ATS and additional billings recognized at the end of December 2015 by ATS, MSS and LS.

Prepayments decreased by RM181,000 mainly due to the change in the payment period of some referral fees from yearly to monthly basis.

Current income tax recoverable increased by RM0.8 million mainly due to the lower tax expense incurred for its Malaysia subsidiary, ZICO Shariah Advisory Services Sdn. Bhd., as compared to the actual tax installment paid to the Malaysia tax authorities.

Cash and cash equivalents were lower by RM8.0 million mainly due to cash being utilized for the acquisitions in the first half of FY2015 and higher expenses incurred in tandem with the Group's expansion.

Other current assets (comprised clients' monies held in trust and fixed deposit with maturity of more than 90 days) increased by RM1.4 million due to the receipt of additional clients' monies held in trust towards end of FY2015 and the pledging of additional fixed deposits.

Non-current liabilities

The increase in non-current interest bearing liabilities by RM10.9 million was mainly due to the term loan obtained for the acquisition of FINOVA.

The decrease in other payables by RM0.6 million was 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 provisions by RM9,000 was mainly due to the translation of provision for reinstatement costs and provision for retirement benefits at different closing rate as compared to 31 December 2014.

The increase in deferred tax liabilities by RM1.9 million was mainly due to deferred tax liabilities on amortisation of identifiable intangible assets arising from the acquisition of B.A.C.S. and FINOVA.

Current liabilities

Trade and other payables increased by RM6.5 million mainly due to the addition of other payables arising from the acquisition of B.A.C.S. and FINOVA and the commencement of the operations for ZSCS and ZCS.

Provisions of RM60,000 were related to the provision for leave benefits arising from the acquisition of B.A.C.S..

Current interest bearing liabilities increased by RM20.0 million mainly due to additional drawdown of revolving credit facility for working capital purposes and term loan to finance the acquisition of FINOVA respectively.

Deferred revenue increased by RM4.6 million mainly due to advance billings to the customers of newly acquired FINOVA as well as ZSCS and ZCS which commenced operations in FY2015.

The decrease in current income tax payable by RM0.3 million was mainly due to repayment of tax in FY2015.

Consolidated Statement of Cash Flow

The net cash used in operating activities of RM3.8 million in FY2015 was mainly due to the increase in trade and other receivables arising from the consolidation of the accounts of B.A.C.S. and FINOVA, partially offset by the increase in trade and other payables.

Net cash used in investing activities of RM33.5 million in FY2015 was mainly due to costs incurred for the acquisition of B.A.C.S. and FINOVA, advances to a third party in relation to the start-up cost of a regional Intellectual Property practice, partial payment for acquisition of corporate secretarial portfolio under ZSCS and purchase of fixed assets and intangible assets.

Net cash generated from financing activities of RM30.3 million in FY2015 was mainly due to 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

It was mentioned in Note 10 of the Company's unaudited results announcement dated 11 August 2015 that "*We expect that these new acquisitions will contribute positively to the Group's results for the remainder of this year.*"

The actual financial results are in line with the above statement.

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 low oil and commodities prices coupled with volatility in the global stock markets and exchange rates have led to depressed sentiments in ASEAN. These factors have adversely impacted different sectors of the markets where our clients operate in, thereby impacting our Group's operations and profitability.

In the short term, we anticipate these uncertainties to continue and to result in a slowdown in business activities in countries where we and our clients operate, especially in the more established legal markets of the ZICOlaw network. However, the business environment related to corporate services and trusts operated under ATS appear to be more resilient. The Management continues to work to convert the investments made in the human and information technology infrastructure to improve profitability.

The Group continues to invest resources in pursuing growth both organically and through acquisitions of services which are synergistic with the existing services and provide opportunities for cross selling and integration.

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 FY2015.

(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 were paid prior to IPO for FY2014.

(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 FY2015.

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 FY2015.

14. Use of IPO proceeds

The Company refers to the net proceeds amounting to S$12.521 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	6,816[(1)]	1,184
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	12,277	2,123

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$0.54 million was utilized in 4Q2015. Of the S$0.54 million utilized in 4Q2015, S$0.38 million was in relation to the acquisition of the corporate secretarial portfolio, S$0.03 million was in relation to the increase in investment for ZICO Knowledge Services Sdn Bhd, S$0.03 million was utilized for the acquisition of the remaining issued and paid-up share capital of ZICOlaw (Laos) Sole Co., Ltd (formerly known as Vientiane Law Co., Ltd) and the remaining S$0.09 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. 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.

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Elimination RM'000	Total RM'000
FY2015					
Revenue					
External revenue	29,709	17,410	5,658	-	52,777
Inter-segment revenue	2,822	1,927	1,082	(5,831)	-
	32,531	19,337	6,740	(5,831)	52,777
Results					
Segment results	9,390	(2,393)	5,310	-	12,307
Interest income	113	-	-	-	113
Finance costs	(3)	(5)	-	-	(8)
	9,500	(2,398)	5,310	-	12,412
Unallocated expenses					(3,535)
Share of results of associates, net					63
Profit before income tax					8,940
Income tax expense					(1,653)
Profit for the financial year					7,287

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Total RM'000
Non-cash items				
Allowance for impairment loss on trade receivables written back	(42)	-	-	(42)
Amortisation of intangible assets	650	712	-	1,362
Bad trade and other receivables written off	258	-	-	258
Depreciation of plant and equipment	548	702	-	1,250
Gain on disposal of plant and equipment	-	(21)	-	(21)
Intangible assets written off	7			7
Plant and equipment written off	17	-	-	17
Provisions	69	-	-	69
Unrealised foreign exchange gain,net	(376)	(15)	(108)	(499)
Unallocated non-cash item				
Amortisation of intangible assets	-	-	-	215
Depreciation of plant and equipment	-	-	-	73
Share-based payment expenses	-	-	-	271
Unrealised foreign exchange gain,net	-	-	-	(455)
Capital expenditure				
Plant and equipment	1,932	1,159	-	3,091
Intangible assets	4,259	1,930	-	6,189
As at 31 December 2015				
Assets and Liabilities				
Segment assets	98,043	24,902	11,548	134,493
-Current income tax recoverable	757	144	-	901
-Deferred tax assets	7	-	-	7
	98,807	25,046	11,548	135,401
Unallocated assets				17,120
				152,521
Segment liabilities	17,659	4,281	315	22,255
- Current income tax payable	941	-	945	1,886
- Deferred tax liabilities	1,677	357	-	2,034
	20,277	4,638	1,260	26,175
Unallocated liabilities				36,872
				63,047

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Elimination RM'000	Total RM'000
FY2014					
Revenue					
External revenue	17,554	12,102	6,028	-	35,684
Inter-segment revenue	-	1,277	981	(2,258)	-
	17,554	13,379	7,009	(2,258)	35,684
Results					
Segment results	10,529	3,120	5,631	-	19,280
Interest income	93	-	-	-	93
Finance costs	(18)	-	-	-	(18)
	10,604	3,120	5,631	-	19,355
Unallocated expenses					(5,553)
Share of results of associates, net					(342)
Profit before income tax					13,460
Income tax expense					(2,766)
Profit for the financial year					10,694

Business Segment	Advisory and transactional services RM'000	Management and support services RM'000	Licensing RM'000	Total RM'000
Non-cash items				
Allowance for impairment loss on doubtful trade receivables	305	-	-	305
Allowance for impairment loss on trade receivables written back	(218)	-	-	(218)
Amortisation of intangible assets	-	397	-	397
Bad trade and other receivables written off	163	-	-	163
Depreciation of plant and equipment	226	503	-	729
Gain on disposal of plant and equipment	(70)	-	-	(70)
Provisions	60	-	-	60
Unrealised foreign exchange (gain)/ loss,net	(47)	(119)	378	212
Unallocated non-cash item				
Amortisation of intangible assets	-	-	-	50
Depreciation of plant and equipment	-	-	-	74
Gain on disposal of a subsidiary	-	-	-	(239)
Loss on disposal of an associate	-	-	-	96
Share-based payment expenses	-	-	-	1,460
Unrealised foreign exchange gain,net	-	-	-	(522)
Capital expenditure				
Plant and equipment	1,516	2,398	-	3,914
Intangible assets	735	2,324	-	3,059
As at 31 December 2014				
Assets and Liabilities				
Segment assets	23,662	12,752	6,312	42,726
-Current income tax recoverable	60	-	-	60
-Deferred tax assets	7	-	-	7
	23,729	12,752	6,312	42,793
Unallocated assets				35,450
				78,243
Segment liabilities	8,847	4,927	4	13,778
- Current income tax payable	125	674	1,378	2,177
- Deferred tax liabilities	25	71	-	96
	8,997	5,672	1,382	16,051
Unallocated liabilities				3,968
				20,019

Geographical information

Revenue is based on the country in which the customer is located. Non-current assets comprise primarily plant and equipment, intangible assets, investment, associates and trade and other receivables. Non-current assets are shown by the geographical area in which the assets are located.

Geographical	Singapore	Malaysia	Thailand	Indonesia	China	Hong Kong	United States of America	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FY 2015										
External revenue	11,209	24,249	4,261	7,130	162	392	371	5,003	-	52,777
Inter-segment revenue	2,643	2,660	-	-	-	-	-	528	(5,831)	-
	13,852	26,909	4,261	7,130	162	392	371	5,531	(5,831)	52,777
Non-current assets	55.054	20,280	3,984	5,500	-	-	-	1,684	-	86,502

Geographical	Singapore	Malaysia	Thailand	Indonesia	China	Hong Kong	United States of America	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FY 2014										
External revenue	1,462	24,501	2,612	2,801	1,067	115	460	2,666	-	35,684
Inter-segment revenue	129	1,856	-	-	-	-	-	273	(2,258)	-
	1,591	26,357	2,612	2,801	1,067	115	460	2,939	(2,258)	35,684
Non-current assets	259	9,743	-	506	-	-	-	551	-	11,059

16. 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.

17. A breakdown of sales as follows:

	Group		
	FY2015 (Unaudited) RM'000	**FY2014 (Audited) RM'000**	**Increase / (Decrease) %**
(a) Sales reported for first half year	23,786	17,565	35.4
(b) Profit after tax before deducting minority interests reported for first half year	4,903	7,953	(38.4)
(c) Sales reported for second half year	28,991	18,119	60.0
(d) Profit after tax before deducting minority interests reported for second half year	2,384	2,741	(13.0)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY2015 RM'000	**FY2014 RM'000**
(a) Ordinary (Tax-exempt)	-	10,736*
(b) Preference	-	-
Total	**-**	**10,736**

*Paid prior to IPO

19. 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

26 February 2016