



ZICO HOLDINGS INC.

Incorporated in Labuan, Malaysia

Company Registration No. LL07968

DISPOSAL OF THE SALE SUBSIDIARIES (AS DEFINED BELOW) – CORRECTION TO AMOUNT OF ADDITIONAL CONSIDERATION

Unless otherwise defined, all capitalised terms used herein shall have the same meanings ascribed to it in the Announcement (as defined below).

The board of directors (“**Board**”) of ZICO Holdings Inc. (“**Company**”) refers to (i) the Company’s announcement dated 9 October 2019 (“**Announcement**”) in relation to the proposed disposal of the entire issued and paid-up share capitals of Finova Singapore Pte. Ltd. and ZICO BPO Pte. Ltd (collectively the “**Sale Subsidiaries**”) to Mune Investments Pte. Ltd. (“**Proposed Disposal**”), (ii) the Company’s clarification on 10 October 2019 on an article published by the Business Times, (iii) the Company’s circular to shareholders dated 18 October 2019 (“**Circular**”); (iv) the Company’s responses to queries from the Singapore Exchange Securities Trading Limited on the Proposed Disposal, announced on 16 October 2019 and 21 October 2019; (v) the results of the Company’s extraordinary general meeting held on 4 November 2019; (vi) the Company’s announcement dated 4 November 2019 in relation to the completion of the Proposed Disposal; and (vii) the Company’s announcement dated 23 December 2019 (“**Latest Announcement**”).

The Board wishes to issue a correction to the amount of Additional Consideration as set out in paragraph 2.4.2 of the Announcement, paragraph 2.5.2 of the Circular, and the Latest Announcement.

As stated in paragraph 2.4.2 of the Announcement and paragraph 2.5.2 of the Circular, the Additional Consideration is arrived based on the following formula:

$$\text{Additional Consideration} = \text{Sale Subsidiaries Profit After Tax and Total Comprehensive Income} \times (\text{Adjusted PE Ratio} - \text{PE Ratio})$$

“**Adjusted PE Ratio**” means the price earnings ratio of 6.5.

“**PE Ratio**” means the agreed price earnings ratio of 6.

“**Sale Subsidiaries Profit After Tax and Total Comprehensive Income**” means the profits of the Sale Subsidiaries after the income tax expenses of US\$648,299.00 for the financial year ended 31 December 2018,



consisting of US\$17,699.00 as the profit after the income tax expenses for ZICO BPO Pte. Ltd. and US\$630,600.00 as the profit after the income tax expenses for Finova Singapore Pte. Ltd.

Based on the above formula, the correct amount of Additional Consideration should be **US\$324,149.50**. The wrong amount of US\$340,150 was arrived at due to a clerical error in computation. As such, the Company will be issuing a refund of US\$16,000.50 to the Purchaser, the amount of which has been acknowledged by the Purchaser.

None of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in the sale of the Relevant Shares.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the correction to the amount of the Additional Consideration for the Disposal of Sale Subsidiaries, the Group and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Chew Seng Kok

Managing Director

31 December 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The 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.

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