



Incorporated in Labuan, Malaysia

Company Registration No. LL07968

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## PROPOSED ACQUISITION OF ENTIRE EQUITY INTEREST IN B.A.C.S. PRIVATE LIMITED

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### 1. Introduction

The Board of Directors ("**Board**") of ZICO Holdings Inc. (the "**Company**" and together with its subsidiaries and associated companies, the "**Group**") wishes to announce that the Company has on 27 January 2015 entered into a binding term sheet ("**Term Sheet**") with June Song Pte. Ltd. ("**Vendor**"), pursuant to which the Company shall acquire the entire equity interest of B.A.C.S. Private Limited ("**Target Company**") from the Vendor ("**Proposed Acquisition**"), further details of which are set out below in this announcement.

### 2. Information on Target Company

Incorporated in Singapore, the Target Company is principally involved in the business of share registrar and transfer agent in Singapore.

The Target Company provides a comprehensive suite of services for both listed and non-listed companies, including:

- Maintaining registers of members and warrant holders;
- Processing share transfers and exercise of warrants, share options and performance shares;
- Allotting shares and processing bonus and rights issues;
- Preparing share and warrant certificates and dividend warrants;

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**ZICO Holdings Inc.**

*(formerly known as ZICOlaw Holdings Inc.)*

(Incorporated in the Federal Territory of Labuan, Malaysia with limited liability on 9 December 2010)  
(Company Registration No. LL07968)

**Corporate Headquarters:**  
**ZICO Holdings Inc. Singapore Branch**  
8 Robinson Road  
#03-00 ASO Building  
Singapore 048544  
GL: +65 6438 7929 Fax: +65 6438 7926  
(UEN: T14FC0130G)

- Distributing annual reports, circulars and other ad-hoc documents to shareholders;
- Shareholder and proxy registration, poll voting and scrutineer services for company meetings; and
- Managing all correspondence with shareholders, Singapore Exchange and The Central Depository.

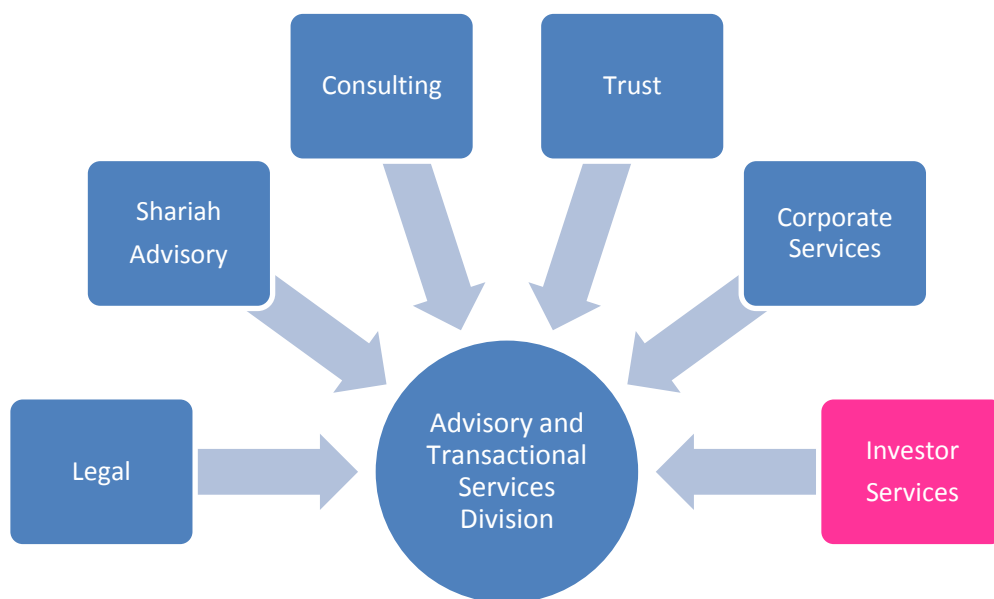
Established in 1969, the Target Company is one of the major players in the share registrar business in Singapore, currently with a customer base of 103 listed companies on the Singapore stock exchange.

The Target Company is led by Mr Goh Eck Meng and Ms Helen Tan, who have extensive experience in the share registration business.

### **3. Rationale of the Proposed Acquisition**

The Board believes the Proposed Acquisition:

- (a) will provide stable stream of recurrent revenue to the Group and enlarge the recurrent income base of the Group;
- (b) will complement the Company's existing businesses;
- (c) will result in several potential areas of synergies such as economies of scale, more efficient usage of resources through sharing of backroom operations and cross selling of other managed services and technology services through a larger customer base;
- (d) the Target Company is an established brand name, having been in the share registrar business in Singapore since 1969 and has a wide customer base. The Proposed Acquisition will enable the Company to establish a new business under its Advisory and Transactional Services division as follows:  
and



- (e) the systems and capabilities offered by Target Company are portable, and can be extended to other jurisdictions in ASEAN where the Group operates.

#### 4. Consideration

The purchase price for the Proposed Acquisition will be approximately S\$8.6 million (“**Consideration**”).

The Consideration is based on a price-to-earnings multiple of 12.2 times on the adjusted profit after tax of the Target Company on a 12 month trailing basis up to 31 December 2014 of S\$706,000. The Consideration is subject to adjustment dependent on the results of a financial due diligence on the Target Company.

58.3% of the Consideration will be satisfied by cash using the proceeds from initial public offering and 41.7% of the Consideration will be satisfied by the allotment and issuance of new ordinary shares of the Company (“**Consideration Shares**”) pursuant to the general share issue mandate. The issue price for the Consideration Shares shall be at the volume weighted average price of all active trades done (excluding married deals) in the 5 preceding market days from the date of the Term Sheet.

#### 5. Salient Terms of the Term Sheet

The Proposed Acquisition shall be conditional upon, *inter alia*:

- a) execution of the sale and purchase agreement and such other definitive agreements as may be required by 31 March 2015 (“**Definitive Agreements**”);
- b) the results of a financial and legal due diligence review of the Target Company, which are reasonably satisfactory to the Company; and
- c) all necessary approvals, consents, licences, permits, authorisations and/or registrations with or from all relevant governmental, regulatory or other authorities, in relation to the Target Company remaining valid and in force, and not having been withdrawn, revoked or amended, nor made subject to additional conditions not acceptable to the Company.

## **6. Moratorium**

The Vendor (and any persons nominated to receive the Consideration Shares) shall provide a written undertaking not to, *inter alia*, sell, transfer, assign, dispose of, or realise or enter into any agreement that will directly or indirectly constitute or will be deemed as a disposal of any part of their Consideration Shares for a period commencing from the date of receipt of the Consideration Shares, and which shall, in respect of one-half of the Consideration Shares, expire on 10 November 2015, and in respect of the remainder, on 10 November 2016.

## **7. Service agreement**

The Company will enter into a service agreement with Ms Helen Tan (an executive director of the Target Company) for a period up to 3 years commencing from the date of the completion of the Proposed Acquisition.

## **8. Interest of Directors and Substantial Shareholders**

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, save for their shareholdings in the Company.

## **9. Documents for Inspection**

A copy of the Term Sheet will be made available for inspection during normal business hours at the office of the Company at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, for 3 months from the date of this announcement.

#### **10. Further Announcement**

The Company will make such further announcement to disclose the details of the Proposed Acquisition upon the execution of the Definitive Agreements and/or appropriate update announcement(s) on the Proposed Acquisition at the relevant time.

#### **11. Cautionary Statement**

Shareholders of the Company and potential investors should exercise caution when trading in the Shares of the Company in relation to this announcement as there is no certainty that the Proposed Acquisition will be completed as it is subjected to the fulfilment of terms and conditions set out in the Term Sheet. When in doubt as to the action they should take, shareholders and potential investors should consult their financial, tax or other advisors.

#### **BY ORDER OF THE BOARD**

Chew Seng Kok

Managing Director

27 January 2015

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*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 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.*