

CIRCULAR DATED 5 NOVEMBER 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by ZICO Holdings Inc. (the “**Company**”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular (together with the enclosed Notice of Extraordinary General Meeting and the enclosed Proxy Form) may be accessed on SGX-ST’s website at the URL: <https://www.sgx.com/securities/company-announcements>. A printed copy of this Circular will NOT be despatched to Shareholders.

This Circular has been reviewed by the Company’s Sponsor, Stamford Corporate Services Pte. Ltd. (“**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms. Vanessa Ng, Telephone: +65 6389 3065, Email: vanessa.ng@morganlewis.com.



(Incorporated in Labuan, Malaysia)
(Company Registration No. LL07968)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL OF 50% EQUITY INTEREST IN FRAGOMEN ZICO INC AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	19 November 2022 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	21 November 2022 at 11.00 a.m.
Place of Extraordinary General Meeting	:	77 Robinson Road #06-03 Robinson 77 Singapore 068896

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:-

“Agreement”	:	The conditional agreement entered between the Company and the Purchaser in relation to the Proposed Disposal by the Company of the 100 Sale Shares dated 19 October 2022.
“Board” or “Director(s)”	:	The board of Directors of the Company as at the date of this Circular.
“Catalist Rules”	:	The SGX-ST Listing Manual Section B: Rules of the Catalist, as amended, modified or supplemented from time to time.
“CDP”	:	The Central Depository (Pte) Limited.
“Circular”	:	This circular to Shareholders dated 5 November 2022 in relation to the Proposed Disposal.
“Company”	:	ZICO Holdings Inc.
“Completion Date”	:	Has the meaning ascribed in Section 2.7 of this Circular.
“Condition Period”	:	60 days from the date of the Agreement (i.e. 18 December 2022) or such other date as the Company and Purchaser may agree in writing to extend.
“Conditions Precedent”	:	Has the meaning ascribed in section 2.6 of this Circular.
“EGM” or “Extraordinary General Meeting”	:	The extraordinary general meeting of the Company to be held on 21 November 2022 at 11 a.m., notice of which is set out in the Notice of EGM on pages 16, 17 and 18 of this Circular.
“EPS”	:	Means earnings per share.
“JV Co”	:	Fragomen ZICO Inc., a company incorporated in Labuan, Malaysia.
“Group”	:	The Company and its subsidiaries.
“Latest Practicable Date”	:	1 November 2022, being the latest practicable date prior to the dissemination of this Circular.
“Notice of EGM”	:	The notice of the EGM as set out on pages 16, 17 and 18 of this Circular.
“NTA”	:	Means net tangible assets.
“Proceeds”	:	Has the meaning ascribed in section 5 of this Circular.

“Proposed Disposal”	:	The disposal of 100 Sale Shares held by the Company in the JV Co to the Purchaser in accordance with the terms and conditions of the Agreement.
“Purchase Consideration”	:	The consideration to be paid to the Company by the Purchaser, amounting to USD2,022,873.
“Purchaser”	:	Fragomen Global Immigration Services, LLC.
“Ringgit Malaysia” or “RM”	:	The legal tender of Malaysia. Each Ringgit Malaysia comprises 100 “Sen”.
“Sale Share(s)”	:	Ordinary issued and fully-paid up shares in the capital of the JV Co which are to be sold by the Company to the Purchaser.
“SFA”	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“SHA”	:	the shareholders’ agreement dated 6 September 2018 entered into between the Company, the Purchaser and the JV Co governing and regulating their respective relationship with regards to the JV Co.
“Shares”	:	Ordinary issued and fully-paid up shares in the capital of the Company.
“Shareholders”	:	Registered holders of shares in the register of members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the depositors in the depository register maintained by the CDP and whose securities accounts are credited with those Shares. Any reference to shares held by or shareholdings of Shareholders shall include shares standing to the credit of their respective securities accounts.
“Singapore Companies Act”	:	Companies Act, 1967 of Singapore, as amended or modified from time to time.
“United States Dollar” or “USD”	:	The legal tender of the United States of America. Each United States Dollar comprises 100 cents.

The term **“subsidiary”** shall have the meaning ascribed to it under Section 5 of the Singapore Companies Act.

The terms **“Depositor”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Singapore Companies Act or the Catalist Rules, or any statutory modification thereof, and used in this Circular shall, where applicable, have the meaning ascribed to it under the Singapore Companies Act or the Catalist Rules, or such modification thereof, as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be the arithmetic aggregation of the figures that precede them.

ZICO HOLDINGS INC.
(Incorporated in Labuan, Malaysia)
(Company Registration No. LL07968)

LETTER TO SHAREHOLDERS

Board of Directors

Dato' T. Jasudasen (Independent Chairman)
Mr. Chew Seng Kok (Managing Director)
Datuk Ng Hock Heng (Executive Director)
Mr. John Lim Yew Kong (Independent Director)
Mr Chew Liong Kim (Non-Independent Non-Executive Director)

Registered Office

Unit Level 13(A),
Main Office Tower,
Financial Park Labuan,
Jalan Merdeka,
87000 Federal Territory of
Labuan, Malaysia

5 November 2022

To: The Shareholders of ZICO Holdings Inc.

Dear Sir/Madam

PROPOSED DISPOSAL OF 50% EQUITY INTEREST IN FRAGOMEN ZICO INC

1 INTRODUCTION

The Directors are proposing to convene the EGM to seek Shareholders' approval in relation to the Proposed Disposal. Pursuant to the Agreement and in accordance with the terms of the SHA, the Company has agreed to sell to the Purchaser, and the Purchaser has agreed to acquire from the Company, 100 Sale Shares on the terms and subject to the conditions of the Agreement. Following the completion of the Proposed Disposal, the Company will no longer hold any equity in the JV Co.

The Proposed Disposal constitutes a major transaction under Chapter 10 of the Catalyst Rules.

The purpose of this Circular is to provide Shareholders with information in respect of and the rationale for the Proposed Disposal, and to seek the approval of Shareholders at the EGM for the ordinary resolution set out in the Notice of EGM, notice of which is set out on pages 16, 17 and 18 of this Circular.

The SGX-ST assumes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained in this Circular.

2 THE PROPOSED DISPOSAL

2.1 Introduction

On 19 October 2022, the Company announced that it had entered into a conditional sale and purchase agreement with the Purchaser in relation to the proposed disposal of its entire equity in the JV Co (amounting to 50% of the JV Co's entire equity) to the Purchaser for the Purchase Consideration ("**Proposed Disposal**").

As the relative figure in respect of the Proposed Disposal calculated pursuant to Rule 1006(b) of the Catalist Rules exceeds 50%, the Proposed Disposal is classified as a “major transaction” within the meaning of Rule 1014 of the Catalist Rules and is subject to the approval of the Shareholders.

The Directors are convening the EGM to be held at 11.00 a.m. on 21 November 2022 at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 to seek Shareholders’ approval for the Proposed Disposal. The Notice of EGM is set out on pages 16, 17 and 18 of this Circular.

This Circular has been prepared to provide Shareholders with information relating to and the rationale for the Proposed Disposal, and to seek Shareholders’ approval at the EGM for the Proposed Disposal.

No external legal counsel has been appointed as legal adviser to the Company for this Circular.

2.2 Information on the JV Co

The JV Co is a directly held, 50% joint venture entity of the Company. The JV Co was incorporated on 30 July 2018. It is a company limited by shares and in turn wholly-owns its only subsidiary, Fragomen Malaysia Sdn. Bhd (“**Fragomen Malaysia**”).

The Company and the Purchaser had entered into a Heads of Agreement dated 22 January 2018 before entering into a share purchase agreement dated 29 June 2018, for the acquisition of 50% equity interest of Fragomen Malaysia from the Purchaser (with the Purchaser holding the remaining 50% equity of Fragomen Malaysia), pending the establishment of a joint venture company to be held by the Company and the Purchaser in a tax efficient jurisdiction. Thus, the JV Co was incorporated on 30 July 2018 in Labuan to achieve this purpose and the acquisition of Fragomen Malaysia by the Company was completed the next day on 31 July 2018.

Following the acquisition of Fragomen Malaysia by the Company, the Purchaser and the Company transferred their respective shareholdings in Fragomen Malaysia to the JV Co on 6 September 2018 such that Fragomen Malaysia became wholly-owned by the JV Co. The JV Co was used by the Purchaser and the Company as a holding company while Fragomen Malaysia was principally engaged in the business of undertaking inbound and outbound immigration work in Malaysia, the Philippines, Indonesia, Vietnam, and Thailand. This shareholding structure was then designed to enable the Company and Purchaser to collectively (via the JV Co) hold further subsidiaries should the need arise. However, to-date, Fragomen Malaysia is the only subsidiary held by the JV Co.

Please refer to the Company’s announcements dated 22 January 2018, 29 June 2018, 30 July 2018, 31 July 2018 and 6 September 2018 in respect of the joint venture, the JV Co and Fragomen Malaysia.

Details of the JV Co as at the date of this Circular are as follows:

Name of JV Co	Fragomen ZICO Inc
Principal activity	Holding company for Fragomen Malaysia.
Principal place of business/ Country of incorporation	Labuan, Malaysia
Issued and paid-up share capital	US\$125,000 consisting of 200 ordinary shares
JV Co's Shareholders	(i) Fragomen Global Immigration Services, LLC (holding 100 ordinary shares, representing 50% equity interest in the JV Co); and (ii) The Company (holding 100 ordinary shares, 50% equity interest in the JV Co)
JV Co's Directors	(i) Ng Hock Heng (<i>The Company's nominee director who will resign on Completion</i>); (ii) Hanim binti Hamzah (<i>The Company's nominee director who will resign on Completion</i>); (iii) Robert John Walsh; and (iv) Mark Buchanan
JV Co's Subsidiary	Fragomen Malaysia (a Malaysian incorporated entity, wholly owned by the JV Co) incorporated on 24 April 2014

Details of Fragomen Malaysia as at the date of this Circular are as follows:

Name of Company	Fragomen Malaysia Sdn. Bhd.
Principal activity	Fragomen Malaysia is principally in the business of undertaking inbound and outbound immigration work in Malaysia, the Philippines, Indonesia, Vietnam, and Thailand
Principal place of business	Level 3A-2, Tower 7, Avenue 3, The Horizon Phase 1, Bangsar South, No. 8 , Jalan Kerinchi, 59200 Kuala Lumpur
Issued and paid-up share capital	RM500,000 comprising 500,000 ordinary shares of RM1.00 each
JV Co's Shareholders	JV Co holding 500,000 ordinary shares, representing 100% equity interest in Fragomen Malaysia
JV Co's Directors	(i) Ng Hock Heng (<i>The Company's nominee director who will resign on Completion</i>); (ii) Hanim binti Hamzah (<i>The Company's nominee director who will resign on Completion</i>); (iii) Robert John Walsh; and (iv) Mark Buchanan

In connection with the joint venture, the Company, the Purchaser and the JV Co are parties to SHA, which contains certain termination provisions which are now being invoked by the Purchaser and resulting in the Proposed Disposal having to be undertaken by the Company.

Under Clause 14.3(a) of the SHA, a party may terminate the SHA, by giving 180 days' notice to the other party. The Purchaser shall have the first right to acquire the 100 Sale Shares. In the event that the Purchaser declines to acquire the 100 Sale Shares, the Company may acquire the shares in the JV Co held by the Purchaser.

The Purchaser gave notice to terminate the SHA on 26 August 2022 and on further discussion, the Company has agreed to shorten the Purchaser's notice period and crystallise the sale and purchase of the 100 Sale Shares by way of executing the Agreement.

2.3 Information on the Purchaser

Shareholders should note that the information relating to the Purchaser in this section and elsewhere in this Circular were provided by the Purchaser. The Company and Directors have not independently verified the accuracy and correctness of such information and neither does this Circular purport to be used as a representation to the Purchaser's corporate information. The sole responsibility of the Directors and the Company for the purpose of such information has been to ensure that the information has been accurately and correctly extracted and reproduced in this Circular in its proper form and context.

The Purchaser is a company incorporated under the laws of Delaware, United States of America as a limited liability company. It provides immigration and related services and advice.

The managing partners of the Purchaser are (i) Mark Buchanan and (ii) Magdalene Tenant and the members are Fragomen Global LLP holding 94% of the equity of the Purchaser and David Crawford, Saju James, Murtaza Khan and Magdalene Tennant collectively holding the remaining 6% of the equity of the Purchaser.

The Purchaser is not an interested person within the meaning of Chapter 9 of the SGX-ST Catalist Rules. The Proposed Disposal is not an interested person transaction as defined in the Catalist Rules.

The Purchaser, its directors, shareholders and ultimate beneficial owners are not related to the Company, any Director, or substantial shareholder of the Company, other than through their interest in the JV Co. The Purchaser, its directors, shareholders and ultimate beneficial owners do not have shareholding interest, direct or indirect in the Company.

2.4 Sale Shares

The Company agrees to sell, and the Purchaser agrees to purchase 100 Sale Shares, representing 50% of the total issued share capital of the JV Co free from all liens, charges, pledges, equities, mortgages, and any encumbrances whatsoever and with all rights and advantages attaching thereto or accruing thereon as at the Completion Date, at the Purchase Consideration on and subject to the terms and conditions of the Agreement.

The 100 Sale Shares represent all of the Company's equity interest in the JV Co.

2.5 Purchase Consideration

2.5.1 Pursuant to the Agreement, the consideration for the 100 Sale Shares shall be USD\$2,022,873 (“**Purchase Consideration**”), to be fully paid in a single tranche on the Completion Date.

The Purchase Consideration is arrived at based on the following agreed formula between the Company and Purchaser as enshrined in the SHA and on a “willing-buyer and willing-seller” basis. The Purchase Consideration is determined in accordance with clause 14.3(b) of the SHA which reads:

The purchase price for purchasing the other Party’s shares will be determined as follows: 1.03×12 months total trailing billing revenue \times 50% whereby trailing billing revenue is the total billing revenue for the JV Co and all of the JV Co’s subsidiaries.

2.5.2 The Purchase Consideration formula set out in the SHA was mutually agreed as it was the same formula agreed on for the calculation of the purchase price at which the Company acquired Fragomen Malaysia. Please refer to our announcements dated 22 January 2018, 29 June 2018, 30 July 2018 and 31 July 2018 in respect of the earlier transactions culminating to the Company’s ownership of the 100 Sale Shares as described in Section 2.2 above.

2.5.3 There is no open market value for the Sale Shares as they are not publicly traded. The Directors, in evaluating the Proposed Disposal have considered a few factors, particularly the fact that there is a termination clause in the SHA (namely Clause 14.3(a) of the SHA which gives the Purchaser the right to terminate the SHA and acquire the 100 Sale Shares with 180 days’ notice), which the Company is contractually required to honour, and the reasons stated in Section 4 below.

2.5.4 No valuation was conducted for the Proposed Disposal as it is a disposal of shares and not assets, and Catalist Rules 1014(2) and (5) therefore do not apply. Further, any valuation will also not change the Purchase Consideration which is a contractual computation under the SHA.

2.6 Conditions Precedent

2.6.1 The sale and purchase of the 100 Sale Shares are subject to the waiver or fulfillment of the following conditions on or prior to the end of the Condition Period (“**Conditions Precedent**”):

- (a) The Company procuring the approval of its shareholders to sell the 100 Sale Shares to the Purchaser at the EGM, and the passing of the resolution of the shareholders of the Company for the execution of the Agreement;
- (b) The JV Co and/or Fragomen Malaysia, as the case may be, declaring and paying to the Company its portion of dividend entitlement for the financial year ending 2021, by 14 October 2022; and
- (c) The JV Co and/or Fragomen Malaysia, as the case may be, declaring and paying to the Company its portion of dividend entitlement for the financial period ending 30 September 2022 by 21 October 2022 or such later time as the Company may exclusively determine.

2.6.2 The day where all the Conditions Precedent has been fulfilled shall be referred to as the “**Fulfilment Date of Conditions Precedent**”.

2.6.3 The Company wishes to confirm that two (2) of the three (3) Conditions Precedent as set out in Section 2.6.1 (b) and (c) have been completed by 12 October 2022 and on 21 October 2022 respectively. The Shareholders' approval at the EGM for the Proposed Disposal will be the final Condition Precedent to be satisfied.

2.6.4 The Agreement will not be able to be completed if all Conditions Precedent are not waived or fulfilled within the Condition Period. However, the SHA will still have to be terminated (on the lapse of 180 days from the notice date), as the Purchaser has served its notice on 26 August 2022 indicating their wish to terminate the SHA and acquire the 100 Sale Shares ("**Notice**"). On the lapse of the 180 days period, the SHA will be terminated and the Company may run the risk of having legal proceedings instituted against the Company by the Purchaser to enforce the sale of the 100 Sale Shares in accordance with the terms of the SHA.

2.7 **Completion**

Subject to the terms and conditions of the Agreement, completion of the Agreement and payment of the Purchase Consideration ("**Completion**") shall take place on the date falling 10 days or such date as the Parties may agree in writing, after the Fulfilment Date of Conditions Precedent ("**Completion Date**").

2.8 **Material conditions**

Save as disclosed in this Circular, there are no other material conditions including a put, call or other option attached to the Proposed Disposal.

3 **SERVICE CONTRACTS**

No person is proposed to be appointed as a Director in connection with the Proposed Disposal and the Company's nominee directors in the JV Co shall resign as directors from the JV Co effective from Completion. Accordingly, no service contract is proposed to be entered into by the Company in connection with the Proposed Disposal.

4 **RATIONALE FOR THE PROPOSED DISPOSAL**

4.1 The Proposed Disposal has been initiated by the Purchaser by their Notice invoking their right to terminate under the SHA. Notwithstanding that the Proposed Disposal represents the disposal of a profit-making business and will result in a loss on disposal as described in Sections 6.1 and 6.2 below, by virtue of clause 14.3(a) of the SHA, the Company is contractually required to effect a sale of the 100 Sale Shares to the Purchaser as described in Section 2.1 above.

4.2 The Proposed Disposal is also in-line with the Group's decision further focus and to pivot towards supporting the growing wealth management industry in Asia, leveraging on the Group's trust and asset management services in addition to the usual incorporation and nominee services.

4.3 With the disposal of the JV Co, despite the loss in earnings/revenue which will result from the Proposed Disposal, the Group will still have the contributions from other businesses including capital markets, corporate secretarial, trust and custodian services, asset management, and also fees from the provision and management of shared services. These existing services will continue and may likely be expanded in the near future.

- 4.4 The Group's strategy going forward is to ensure that the remaining businesses are more resilient and sustainably profitable. The Company will also be taking steps to strengthen the cash flow position with the disposal of the JV Co. The restructuring and streamlining of central management support services to reduce costs will be accelerated. The Group is also exploring expansion into service areas such as fund management, private equity, wealth management and mergers & acquisitions in collaboration with leading international firms, who are interested to expand via the Company's multi-disciplinary platform and regional presence in ASEAN.
- 4.5 In view of the above, the Board is of the view that the Proposed Disposal is in the interests of the Company by avoiding any breaches to the SHA and that the Proposed Disposal will benefit the Company's shareholders.

5 USE OF PROCEEDS

The estimated net proceeds from the Proposed Disposal attributable to the Company is USD\$2,022,873 ("**Proceeds**"). The Board intends to utilize the Net Proceeds for general working capital.

Pending deployment, the Net Proceeds may be deposited with banks, or used for any other purposes on a short-term basis, as the Board may deem appropriate in the interests of the Group.

6 FINANCIAL INFORMATION OF THE JV CO

The key financials for the financial year ended 31 December 2021 and for the six months period ended 30 June 2022 of the JV Co are as set out below:

6.1 Profit and loss

The net profit before tax of the JV Co is RM6,189,653 for the financial year ended 31 December 2021 (audited) and RM3,748,585 for the financial period ended 30 June 2022 (unaudited) respectively.

6.2 Financial position

The net tangible assets of the JV Co is RM5,360,399 as at 31 December 2021 (audited) and RM5,151,633 as at 30 June 2022 (unaudited) respectively.

The Company's carrying book value of 50% of the JV Co as at 31 December 2021 and 30 June 2022 is RM12,308,611 and RM12,607,482 respectively.

Therefore, the loss on disposal of the JV Co being the excess of the proceeds over the carrying book value of the JV Co as at 31 December 2021 and 30 June 2022 is RM2,831,454 and RM3,130,325 accordingly.

7 RELATIVE FIGURES FOR THE PROPOSED DISPOSAL UNDER RULE 1006 OF THE CATALIST RULES

As at the Latest Practicable Date, the relative figures for the Proposed Disposal, computed on the bases set out in Rule 1006 of the Catalist Rules are set out below. The computations are based on (a) the latest announced consolidated financial statements for 30 June 2022 of the Group; and (b) unaudited financial statements as at 30 June 2022 of the JV Co.

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the JV Co, compared with the Group's net asset value	2.31 ⁽¹⁾
(b)	Net profits attributable to the JV Co, compared with the Group's net profits	279.14 ⁽²⁾
(c)	Aggregate value of the consideration given compared with the market capitalisation of the Company	10.97 ⁽³⁾
(d)	Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in issue	Not applicable
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Company's proved and probable reserves	Not applicable

Notes:

- (1) Computed based on 50% of the JV Co net assets value of approximately RM2.576 million as at 30 June 2022, compared to the Group's unaudited net assets value of approximately RM111.49 million as at 30 June 2022.
- (2) Computed based on 50% of the JV Co unaudited profit before tax of approximately RM1.496 million for 6M2022, compared to the Group's unaudited profit before tax of approximately RM0.536 million for the first 6 months of 2022.
- (3) Computed based on the Purchase Consideration (approximately RM9.477 million) and the market capitalisation of the Company of approximately RM83.016 million, which is determined by multiplying the issued share capital of the Company of 349,461,791 Shares with the volume weighted average price of S\$0.075 per share of such shares transacted on 19 October 2022 (as there were no trades subsequent to 19 October 2022 up to the full market day immediately preceding the date of the Agreement)). The exchange rates used as extracted from the website of the Monetary Authority of Singapore ("MAS") are S\$1 : RM3.32347 and USD1 : RM4.7218.

The relative figure for the Proposed Disposal computed on the base set out in Rule 1006(b) of the Catalist Rules exceeds 50%. Accordingly, the Proposed Disposal constitutes a "major transaction" under Rule 1014 of the Catalist Rules and requires the approval of the Shareholders of the Company.

8 FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

8.1 Bases and assumptions

The financial effects of the Proposed Disposal are prepared based on the Group's latest audited consolidated financial statements for the financial year ended 31 December 2021 ("FY2021"). The financial effects of the Proposed Disposal set out below are purely for illustrative purposes and do not reflect the actual future actual financial results or positions of the Group after the completion of the Proposed Disposal.

8.2 Effect on NTA

Assuming that the Proposed Disposal had been completed on 31 December 2021, the effect on the NTA of the Group would have been:

	Before the Proposed Disposal	After the Proposed Disposal (based on the Purchase Consideration)
NTA (RM'000)	74,868	72,111
Number of shares ('000)	349,462	349,462
NTA per Share (RM Sen)	21.42	20.63

8.3 Effect on EPS

Assuming that the Proposed Disposal had been completed on 1 January 2021, the effect on the EPS of the Group would have been:

	Before the Proposed Disposal	After the Proposed Disposal (based on the Purchase Consideration)
Profit/(Loss) after tax (RM'000)	882	(4,195)
Number of Shares ('000)	349,462	349,462
EPS (RM Sen)	0.25	(1.20)

The Proposed Disposal will be material for the Group in terms of EPS and NTA per share for the Group in terms of EPS and NTA per share for the current financial year ending 31 December 2022. The Company proposes to mitigate this by focusing on additional revenue generated from our existing business streams as elaborated in Section 4. An example would be, the Company has recently announced the grant of a placement and underwriting licence from MAS, to which the Group is looking forward to gain further income.

8.4 Share Capital

The Proposed Disposal will not have any impact on the issued and paid-up share capital of the Company.

9 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽ⁱ⁾	No. of Shares	% ⁽ⁱ⁾
Directors				
Dato' T. Jasudasen	240,000	0.07	–	–
Mr. Chew Seng Kok	80,699,688	23.09	5,293,737	1.51
Datuk Ng Hock Heng	6,620,000	1.89	–	–

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽ⁱ⁾	No. of Shares	% ⁽ⁱ⁾
Mr. John Lim Yew Kong	300,000	0.09	–	–
Mr. Chew Liong Kim	2,138,087	0.61	–	–
Substantial Shareholders				
Mr. Chew Seng Kok	80,699,688	23.09	5,293,737 ⁽ⁱⁱ⁾	1.51
Dynac Sdn. Bhd.	34,000,000	9.73	–	–

Notes:

- (i) Based on our total issued and paid-up capital of 349,461,791 Shares as at the Latest Practicable Date.
- (ii) Mr Chew Seng Kok is deemed interested in the 5,293,737 Shares held by Leandar Pte. Ltd., a company wholly owned by Mr Chew Seng Kok.

None of the Directors or the controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings in the Company.

10 DIRECTORS' RECOMMENDATIONS

Having considered the rationale of the Proposed Disposal, the Directors are of the opinion that the Proposed Disposal is in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the ordinary resolution in respect of the Proposed Disposal at the EGM.

11 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 16, 17 and 18 of this Circular, will be held on 21 November 2022 at 11.00 a.m. at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 for the purpose of considering and, if thought fit, passing, with or without any modification, the ordinary resolution set out in the Notice of EGM.

12 ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the proxy form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company's Singapore Branch at 77 Robinson Road #06-03 Robinson 77 Singapore 068896, not less than 48 hours before the time fixed for the EGM. The completion and return of the proxy form by such Shareholder will not prevent him from attending and voting in person at the EGM in place of his proxy should he subsequently wish to do so.

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the EGM.

13 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Group and the JV Co, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in the Circular has been extracted from publishing 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 the Circular in its proper form and context.

14 CAUTION IN TRADING

Shareholders and potential investors should note that the Proposed Disposal is subject to the fulfilment of the Conditions Precedent, and there is no certainty or assurance that the Proposed Disposal will be completed. The Company will make further announcements, in compliance with the Catalist Rules, as and when there are material developments in respect of the Proposal Disposal. Shareholders are advised to read this Circular and any further announcements by the Company carefully and should exercise caution when trading in their Shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax, or other professional advisors.

15 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company's Singapore Branch at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 during normal business hours from 9.00 a.m. to 5.00 p.m. on weekdays (public holidays excepted) from the date of this Circular and up to and including the date of the EGM:

- (a) the Agreement;
- (b) the Memorandum and Articles of Association of the Company;
- (c) the Memorandum and Articles of Association of the JV Co;
- (d) the annual report for the financial year ended 31 December 2021; and
- (e) the latest unaudited consolidated financial statements of the Group for six months period ended 30 June 2022.

Yours faithfully
For and on behalf of the Board of Directors of
ZICO HOLDINGS INC.
Chew Seng Kok
Managing Director

5 November 2022

ZICO HOLDINGS INC.
(Incorporated in Labuan, Malaysia)
(Company Registration No. LL07968)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (“EGM”) of ZICO Holdings Inc. (the “Company”) will be held on 21 November 2022 at 11.00 a.m. at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:-

All capitalized terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular to the shareholders of the Company dated 5 November 2022.

ORDINARY RESOLUTION: PROPOSED DISPOSAL OF 50% EQUITY INTEREST IN FRAGOMEN ZICO INC

RESOLVED THAT:

- (a) pursuant to Rule 1014 of the Catalist Rules, approval be and is hereby given for the Company to enter and complete the Proposed Disposal pursuant to the terms and conditions of the Agreement;
- (b) the execution of the Agreement by the Company be and is hereby confirmed, approved and ratified; and
- (c) the Directors and any one of them be and are hereby authorised and empowered to approve and complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver the Agreement and all such documents as may be required) as they or he may consider expedient, desirable, necessary or in the interests of the Company to give effect to the Proposed Disposal and/or this ordinary resolution.

BY ORDER OF THE BOARD

Chew Seng Kok
Managing Director
5 November 2022

NOTES:

Access to Documents or Information Relating to the EGM

1. Printed copies of this Notice of EGM, Proxy Form, and Circular will NOT be sent to members. These documents are available to members by electronic means only via publication on the SGX website at <https://www.sgx.com/securities/company-announcements> or at www.zicoholdings.com under the “Newsroom and Press Releases” tab from the date of this Notice of EGM, **5 November 2022**. Any reference to a time of day refers to Singapore time.

Submission of Proxy Forms to Vote

2. A member of the Company entitled to attend and vote at the extraordinary general meeting (“EGM”) is entitled to appoint not more than 2 proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. A member who is not a relevant intermediary (as defined in section 181 of the Singapore Companies Act) is entitled to appoint not more than 2 proxies and where 2 proxies are appointed, shall specify the proportion of shareholding to be represented by each proxy.
4. A member who is a relevant intermediary is entitled to appoint more than 2 proxies and where such member’s proxy form appoints more than 1 proxy, the number of and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Each proxy must be appointed to exercise the rights attached to the different share or shares held by such member.

5. In any case where more than 1 proxy is appointed, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
6. Investors holding shares under the Central Provident Fund Investment Schemes (“**CPF Investors**”) and/or Supplementary Retirement Scheme (“**SRS Investors**”) should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the EGM (i.e. by **11.00 am on 10 November 2022**). CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the EGM.
7. The instrument appointing a proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, must be submitted in the following manner:
 - (a) if submitted by post, be deposited to the registered office of the Company’s Singapore branch at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or
 - (b) if submitted by email, be sent to main@zicoholdings.com using a clear scanned signed form in PDF,in each case, by **11.00 a.m. on 19 November 2022** being not less than 48 hours before the time appointed for the holding of the EGM.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register (as defined in Section 130A of the Singapore Companies Act), the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the EGM (i.e. by 11.00 a.m. on 19 November 2022), as certified by The Central Depository (Pte) Limited to the Company.
9. A corporation which is a member of the Company may authorise by resolutions of its directors or other governing body, such person as it thinks fit to act as its representative at the meeting.
10. The instrument appointing a proxy must be signed by the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy, failing which the instrument may be treated as invalid.

IMPORTANT INFORMATION

The EGM is being convened and will be held physically pursuant to the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 (“**Physical Meeting**”).

1. Attendance

Due to the COVID-19 situation, the Company may restrict the number of attendees at the Physical Meeting to such number as the Directors may determine in compliance with the prevailing Ministry of Health (“**MOH**”) advisory.

2. Voting

Voting on the resolution tabled at the EGM will be by poll in accordance with the Memorandum and Articles of Association of the Company.

3. Submission of Questions in Advance

Members may submit their questions in relation to the business of the EGM by email to main@zicoholdings.com. All questions must be submitted within 7 calendar days from the date of this Notice of EGM, i.e. by **11.00 a.m. on 12 November 2022** (“**Cut-Off Time**”).

The Company will endeavor to address questions which are substantial and relevant and received from members who are verifiable against the Depository Register or the Register of Members. The Company’s responses to members’ questions will be posted on the SGXNet and the Company’s website not later than 48 hours before the closing date and time for the lodgement of the Proxy Forms, i.e. by **11.00 a.m. on 17 November 2022**.

Verified members and Proxy(ies) attending the Physical Meeting will be able to ask questions in person at the EGM venue. The Company will, within one month after the date of the EGM, publish the minutes of the EGM on SGXNET and the Company’s website and the minutes will include the responses to the questions referred to above.

4. Precautionary measures to minimise the risk of COVID-19

The following steps will be taken for the members and others attending the EGM to help to minimise the risk of community spread of the virus:

- (a) All attendees must comply with the prevailing guidelines on safe distancing and wearing of face masks at the EGM Venue.
- (b) Members and Proxy(ies) who are feeling unwell on the date of the EGM are advised not to attend the Physical Meeting.
- (c) Members and Proxy(ies) who intend to attend the EGM are advised to arrive at the Physical Meeting earlier, as the measures mentioned above may cause delay in the registration process.

The Company seeks the understanding and co-operation of all Members to safeguard public health and safety and minimise the risk of community spread of COVID-19.

Further Updates

Members should note that the manner of conducting the EGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conducting the EGM will be announced by the Company on SGXNET. Members are advised to check SGXNET and the Company's website regularly for any further updates.

Personal Data Privacy

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representatives(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representatives(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representatives(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice. The contact person for the Sponsor is Ms Vanessa Ng. Tel: 6389 3065, Email: vanessa.ng@morganlewis.com.*

ZICO HOLDINGS INC.
(Incorporated in Labuan, Malaysia)
(Company Registration No. LL07968)

IMPORTANT:

This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Singapore Companies Act), including CPF/SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF/SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS investors should approach their respective CPF Agent Banks or SRS Operators at least 7 working days before the EGM to specify voting instructions.

PROXY FORM – EXTRAORDINARY GENERAL MEETING

I/We, _____ (full name in capital letters), NRIC No./Passport No./Company No. _____ of _____ (full address) being a member/members of ZICO HOLDINGS INC. (the “Company”), hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the extraordinary general meeting (“EGM”) of the Company, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM to be held on Monday, 21 November 2022, at 11.00 a.m. at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the EGM as indicated hereunder. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matters arising at the EGM.

The resolution put to vote at the EGM shall be decided by way of poll.

Ordinary Business	For*	Against*	Abstain*
To approve the proposed disposal of 100 ordinary shares in Fragomen ZICO Inc. held by the Company			

* If you wish to exercise all your votes “For” or “Against” or “Abstain”, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

Dated this _____ day of _____ 2022

Total Number of Shares held in:	
CDP Register	
Register of Members	

(Signature(s) of Member(s) or Common Seal



NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Singapore Companies Act), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy form will be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at the EGM is entitled to appoint 1 or 2 proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than 1 proxy, the member must specify the proportion of shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100% of the shareholdings of his/her appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
3. If the instrument appointing a proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstained as he/she thinks fit. If the instrument appointing a proxy is returned without the name of the proxy indicated, the instrument appointing a proxy shall be invalid.
4. If the appointor is an individual, the instrument appointing a proxy shall be signed by the appointor or his/her attorney. If the appointor is a corporation, the instrument appointing a proxy shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM.
5. The signature on the instrument appointing a proxy need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy, failing which the instrument may be treated as invalid.
6. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM in order to allow sufficient time for their respective relevant intermediaries to submit a proxy form to vote on their behalf by the cut-off date. "Relevant intermediary" has the meaning as defined in section 181 of the Companies Act 1967.
7. The instrument appointing a proxy must be deposited, not less than 48 hours before the time appointed for holding of the EGM, (a) if submitted by post, be deposited to the registered office of the Company's Singapore branch at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or (b) if submitted by email, be sent to main@zicoholdings.com using a clear scanned signed form in PDF.

GENERAL

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the EGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 5 November 2022.

