



ZICO HOLDINGS INC.

Incorporated in Labuan, Malaysia

Company Registration No. LL07968

TRANSFER OF SHAREHOLDING INTEREST IN SHAKEUP ONLINE SDN. BHD.

1. ANNOUNCEMENT PURSUANT TO RULE 704(17)(c) OF THE CATALIST RULES

The board of directors (the “**Board**”) of ZICO Holdings Inc. (the “**Company**”, and together with its subsidiaries and associate companies, the “**Group**”) refers to the Company’s announcements dated 15 February 2017, 7 July 2017, and 10 November 2017 in relation to its indirect wholly-owned subsidiary, ShakeUp Online Sdn. Bhd. (“**ShakeUp**”). ShakeUp is an online platform providing small-medium enterprises affordable legal and professional services.

The Board wishes to announce that on 27 December 2017, ZICO Malaysia Sdn. Bhd., the Company’s direct wholly-owned subsidiary, had transferred 80 ordinary shares in ShakeUp representing 80% of its equity interest to Mr Chew Liong Kim (“**CLK**”), an independent director of the Company for a consideration of RM80 (“**Transfer**”).

The consideration was satisfied in cash and arrived at on a willing-buyer willing-seller basis, after taking into account the net asset value of Shakeup as at 30 September 2017.

Following the completion of the Transfer, the Company’s interest in ShakeUp has been diluted from 100% to 20%. Pursuant to the Transfer, ShakeUp is no longer an indirect wholly-owned subsidiary of the Company but remains as the Company’s associated company.

2. INTERESTED PERSON TRANSACTION PURSUANT TO CHAPTER 9 OF THE CATALIST RULES

CLK is an independent director of the Company and is therefore an “interested person” pursuant to Chapter 9 of the Catalist Rules. Transactions entered between the Group and any “interested person(s)” are known as “interested person transaction(s)”. Accordingly the Transfer is an “interested person transaction” for the purposes of Chapter 9 of the Catalist Rules.

Save for the Transfer, the Group has not entered into any other “interested person transaction” with CLK during the financial year.

3. VALUE OF THE INTERESTED PERSON TRANSACTION

Under Rule 905(1) of the Catalist Rules, an issuer is required to make an immediate announcement of any “interested person transaction” of a value equal to or more than 3% of the group’s latest audited net tangible assets (“**NTA**”). Under Rule 905(2) of the Catalist Rules, if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited NTA, an issuer is required to make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

Further, pursuant to Rule 906(1) and (2) of the Catalist Rules, the Company shall obtain shareholder approval for any “interested person transaction” of a value equal to, or more than (i) 5% of the Group’s latest audited NTA or (ii) 5% of the Group’s latest audited NTA when aggregated with other transactions entered into with the same interested person in the same financial year.

Rules 905(1), 905(2), 906 (1) and 906 (2) of the Catalist Rules do not apply to any transaction below \$S100,000.

The value of the Transfer is RM80 or approximately S\$26 (“**Transaction Value**”), representing 0.0003% of the Group’s latest audited NTA as at 31 December 2016 of RM31,433,00 or approximately S\$10,332,000.

The Transaction Value is less than 3% of the Group’s latest audited NTA and is less than S\$100,000. Accordingly, the Transfer is a non-discloseable “interested person transaction”. Further pursuant to Rule 906 of the Catalist Rules, the Company is not required to obtain the approval of its shareholders for the Transfer.

4. RATIONALE FOR TRANSFER

ShakeUp is loss making and affects the profit of the Group as a result. The Transfer is undertaken as part of the Company’s continuous effort to strengthen its balance sheet.

5. APPOINTMENT OF MR CHEW LIONG KIM AS DIRECTOR OF SHAKEUP

Mr Chew Liong Kim has been appointed as a director of ShakeUp on 27 December 2017.

6. NON-DISCLOSEABLE TRANSACTION PURSUANT TO CHAPTER 10 OF THE CATALIST RULES

The relative figures in relation to the Transfer computed on the applicable bases set out in Rule 1006 of the Catalist Rules, based on the latest announced unaudited financial statements of the Group for the 9 months financial period ended 30 September 2017 and Shakeup’s management accounts from 14 February 2017 (date of incorporation) to 30 September 2017 are as follow:

	Relative Figures (%)
Rule 1006 (a)	
Net asset value of Shakeup, compared with the Group’s net asset value	Not meaningful ⁽¹⁾

Rule 1006 (b) Net profits attributable to Shakeup, compared with the Group's net profits	Not meaningful ⁽²⁾
Rule 1006 (c) Aggregate value of consideration given, compared with the market capitalisation of the Company	0.00 % ⁽³⁾
Rule 1006 (d) Number of equity securities issued by the Company as consideration for the Transfer, compared with the number of equity securities previously in issue	Not applicable
Rule 1006 (e) Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable

Notes:

- (1) Not meaningful, as 80% of the net asset value of Shakeup is negative SGD156,000 and the audited Group's net asset value is as at 31 December 2016 is SGD31,422,000.
- (2) Not meaningful, as the Group had profit of SGD1,819,000, whereas 80% of Shakeup's losses is negative SGD156,000.
- (3) Based on the consideration of RM80 and the Company's market capitalisation of approximately S\$74,405,000, which is determined by multiplying the issued share capital of the Company of 299,417,440 shares with the volume weighted average price of such shares transacted on 20 December 2017 of S\$0.2485 per share. There were no trades after 20 December 2017 till the date of this announcement.

As each of the relative figures computed on the applicable bases set out in Rule 1006 of the Catalist Rules is less than 5%, the Transfer is a non-discloseable transaction for the purposes of Chapter 10 of the Catalist Rules. Notwithstanding, the Transfer is disclosed pursuant to Rule 704(17)(c) of the Catalist Rules, as the Transfer resulted in Shakeup ceasing to be an indirect wholly-owned subsidiary of the Company (please refer to Section 1 of this announcement).

7. FINANCIAL EFFECTS

The Transfer is not expected to have any adverse impact on the earnings per share and/or net tangible assets of the Group for the financial year ending 31 December 2017.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Transfer, save for their shareholdings in the Company.

BY ORDER OF THE BOARD

Chew Seng Kok

Managing Director

28 December 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Continuing Sponsor, Stamford Corporate Services Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of



this announcement, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

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