



ZICO
HOLDINGS INC.



CONNECTING THE **FUTURE**
WITH **INNOVATION**

ANNUAL
REPORT
2024

CONTENTS



CORPORATE PROFILE	01	SUSTAINABILITY REPORT	19
OUR BUSINESS SEGMENTS	02	CORPORATE GOVERNANCE REPORT	58
INNOVATIVE BUSINESS MODEL	03	DIRECTORS' STATEMENT	90
OUR SERVICES ACROSS THE ENTIRE BUSINESS LIFE CYCLE	04	INDEPENDENT AUDITOR'S REPORT	96
OUR PRESENCE	05	CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	101
OUR MISSION	06	STATEMENTS OF FINANCIAL POSITION	102
FINANCIAL HIGHLIGHTS	08	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	103
CHAIRMAN'S MESSAGE	10	CONSOLIDATED STATEMENT OF CASH FLOWS	105
GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE	12	NOTES TO THE FINANCIAL STATEMENTS	107
BOARD OF DIRECTORS	14	SHAREHOLDER INFORMATION	193
KEY MANAGEMENT	17	NOTICE OF ANNUAL GENERAL MEETING	195
CORPORATE INFORMATION	18	PROXY FORM	

This annual report has been prepared by ZICO Holdings Inc. (the "Company") and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr. Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.

CORPORATE PROFILE

AN INTEGRATED PROVIDER OF MULTIDISCIPLINARY SERVICES IN ASEAN

"We are innovative entrepreneurs riding on disruptions in legal services."



LISTED ON THE CATALIST BOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LTD ON
11 NOVEMBER 2014



CROSS SELLING & INTEGRATED SERVICES

Framework to facilitate referrals and cross-selling of clients including public sector entities, government-linked companies, public-listed and private companies, MNCs, SMEs, law firms, and individuals.



TRUSTED ADVISORS

Trusted advisors across with regional expertise to serve clients across the ASEAN region.



FOCUS ON THE ASEAN REGION

Integrated collective of ASEAN-based professional services firms, offering advisory and transactional services and management, support services.



MULTIDISCIPLINARY PRACTICE (MDP)

An integrated services provider housed under a regional brand synonymous with quality solutions. Resource sharing ensures efficient delivery of comprehensive services to clients.

TRUSTED ADVISORS

ZICO Holdings Inc. ("**ZICO**" and together with its subsidiaries and associated companies, the "**Group**") is an integrated provider of multidisciplinary professional services. ZICO was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited on 11 November 2014.

ZICO is widely regarded as the Trusted Advisors and Go-To Professional Services Provider of 'cradle-to-grave' business lifecycle solutions in the ASEAN region. Through its multidisciplinary services, regional capabilities and local insights, ZICO creates a unique brand offering that enables its clients to capitalise on opportunities across Southeast Asia.

The Group's clients include governments and government-linked companies, law firms, private and public listed companies, multinational corporations and high-net-worth individuals. The

Group offers its client collective expertise derived from its legal professionals and consultants, led by a management team of Executive Directors who have, in total, more than seven decades of experience in the professional services industry.

The Group has business operations in Indonesia, Laos, Malaysia, Myanmar, Singapore, Thailand and the Philippines. ZICO's key business segment is the provision of advisory and transactional services.

Please refer to "Our Business Segments" for a detailed overview of the extensive range of advisory and transactional services offered by the Group.

OUR BUSINESS SEGMENTS

ADVISORY & STRATEGY

ZICO Advisory provides strategic business solutions and M&A advisory in the ASEAN region to clients from both the public and private sectors internationally.

- Our key areas include:
 - ✓ Facilitating foreign investment across ASEAN
 - ✓ Mergers & Acquisitions
 - ✓ Projects & Public Private Partnerships

CORPORATE FINANCE

ZICO Capital provides corporate finance and capital markets advisory services for companies in Southeast Asia.

- Our services include:
 - ✓ Advise on M&A and other corporate transactions
 - ✓ Manage public-private equity fund-raises
 - ✓ Handle financial advisory, management consulting, and other strategic advisory work

ASSET & WEALTH MANAGEMENT

ZICO Asset Management provides wealth solutions and fund management services for Accredited and Institutional Investors.

- Our services include:
 - ✓ External Asset management
 - ✓ Fund Management
 - ✓ Family Office Support
 - ✓ Capital Markets Solutions

INVESTOR SERVICES

ZICO B.A.C.S Share Registrar provides share registrar services to businesses in Singapore.

- Our services include:
 - ✓ Initial Public Offerings (IPO)
 - ✓ Upkeep of register of members
 - ✓ Corporate action
 - ✓ Shareholder Communications
 - ✓ General meetings

INTELLECTUAL PROPERTY

ZICO IP is a regional network offering a full-range of legal services in intellectual property (IP) practice with presence across Southeast Asia.

- Our services include:
 - ✓ IP Prosecution and Registration
 - ✓ IP Enforcement and Litigation
 - ✓ IP Advisory and IP Portfolio Management
 - ✓ IP Commercialization and Transactions

TRUST ADVISORY

ZICO Trust offers seamless counsel across Singapore and Malaysia (including Labuan) to handle complex, high value estate matters, as well as trust and advisory related solutions.

- Our trust practitioners cover the full spectrum of trust related services from initial trust advisory to practical solution implementation and maintenance.

INSOURCING TALENT & ESG ADVISORY

ZICO Insource provides insourcing and consultancy services for Commercial Transactions, Human Capital, Corporate Communication.

- ZICO Insource also provides ESG advisory services such as setting up ESG framework, improving existing ESG practices and preparing sustainability report.

CORPORATE SECRETARIAL SERVICES

ZICO Corporate Services is a dedicated, one-stop service provider operating from offices in Singapore, Malaysia (including Labuan) and the Philippines.

- We provide incorporation & corporate secretarial services (including advisory) to private, public, listed (pre- & post-IPO), and unlisted companies, licensing applications/registrations, immigration advisory and other related services.

SHARIAH SERVICES

ZICO Shariah is a leading Shariah advisory service provider that offers a full suite of services ranging from Islamic finance to Shariah family matters.

- ZICO Shariah Malaysia is a Shariah advisory and auditor licensed by the Securities Commission of Malaysia and approved by the Central Bank of Malaysia.

LEGAL SERVICES (LAOS)

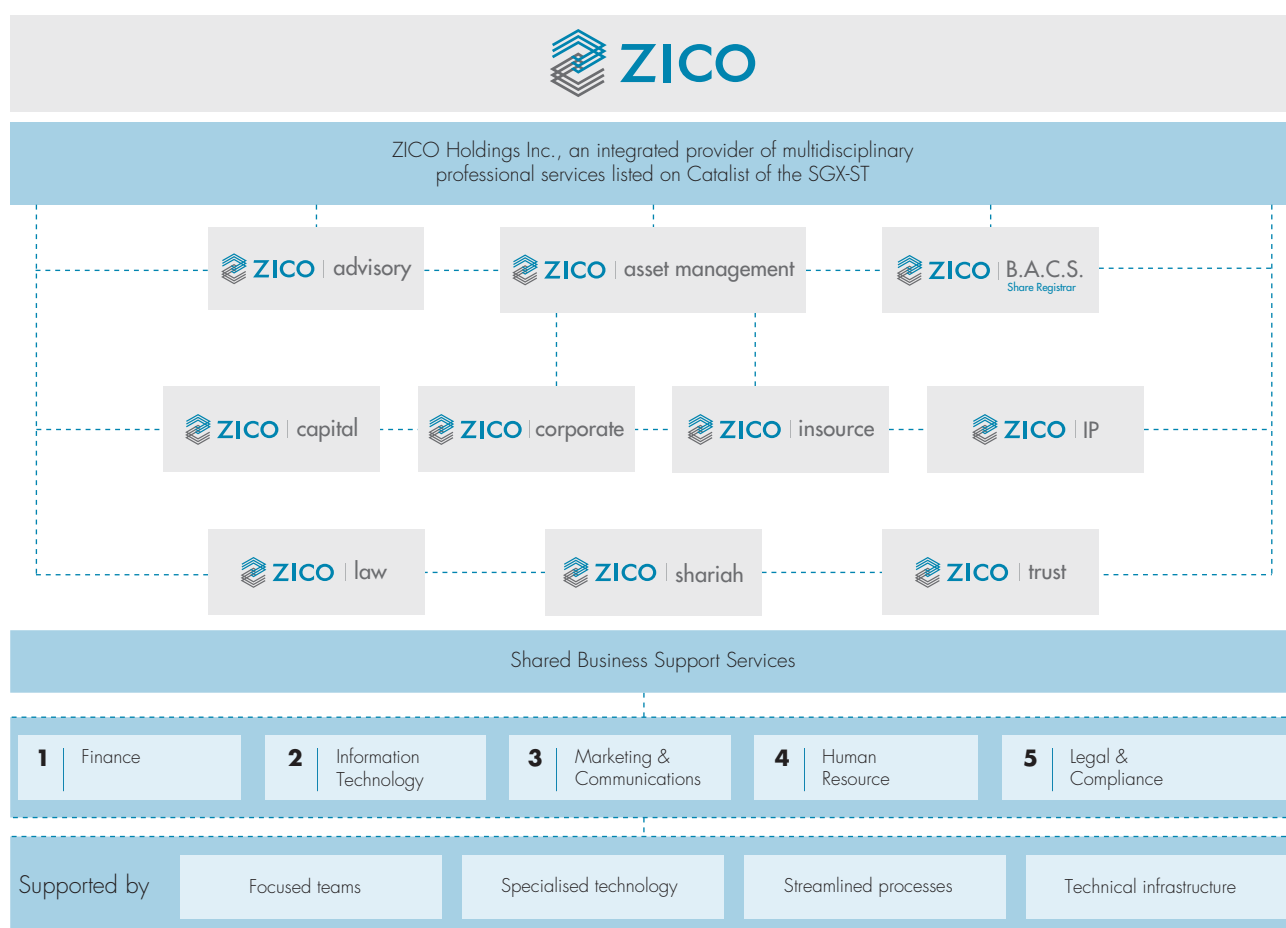
ZICO Law in Laos provides innovative and workable solutions to satisfy the complex corporate & commercial needs of our clients encompassing Banking & Finance, Intellectual Property, Corporate, Projects, Infrastructures & Utilities, Employment & Human Capital Services, Real Estate.

INNOVATIVE BUSINESS MODEL

A MULTIDISCIPLINARY INTEGRATED SERVICES PLATFORM

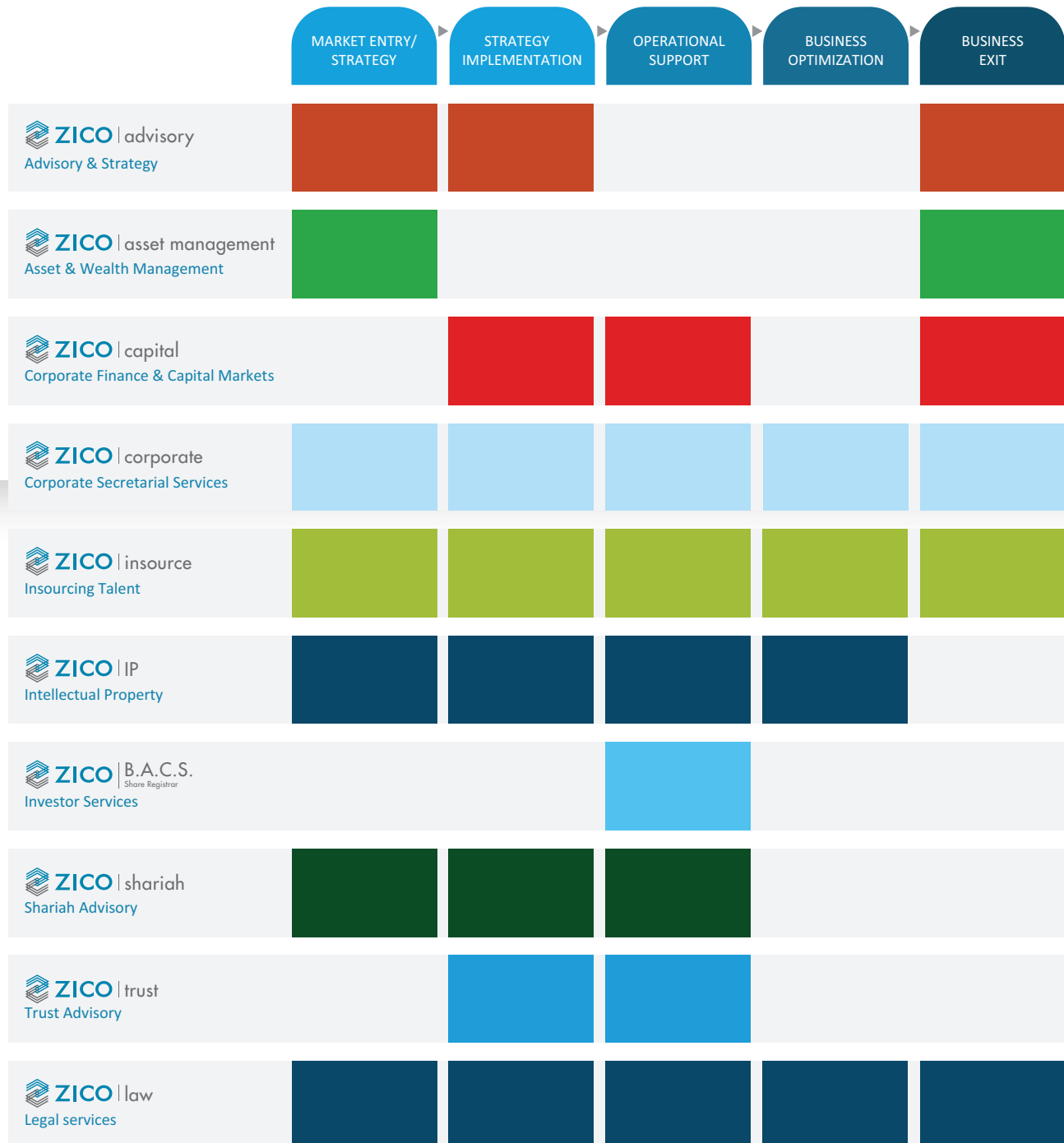
ZICO's foundations are ZICO Holdings Inc., an ASEAN multidisciplinary professional services firm listed on the Catalist of the Singapore Exchange Securities Tracing Limited (SGX-ST). Recognized for our innovative hybrid business model that prioritizes convergence and our client's needs, we provide streamlined and cost effective one-stop solution for integrated services.

The Group's clientele include governments, government-linked companies, global multinational corporations, multi-ASEAN companies, public listed companies, private companies, small and medium enterprises, family offices, and high-net-worth individuals.



OUR SERVICES ACROSS THE ENTIRE BUSINESS LIFE CYCLE

A hub of integrated services: from market entry to exit, we deliver leading-edge solutions to help our clients grow, take-off into emerging economies, and defend against risks, thereby consolidating our regional position within the ASEAN market.



OUR
PRESENCE



OUR MISSION

At ZICO, our commitment revolves around fostering enduring connections and trust with our clients.

The essence of our approach is captured in the phrase “**Building Trusting Relationships through Innovative Solutions.**” We prioritize your needs, emphasizing open and transparent interactions to establish a foundation of trust. Our dedication to innovative solutions reflects our agility and a commitment to delivering personalized services that go beyond the ordinary. With a profound understanding of the intricacies within the ASEAN market and a strategic presence in key countries, we aim to be your reliable partner.



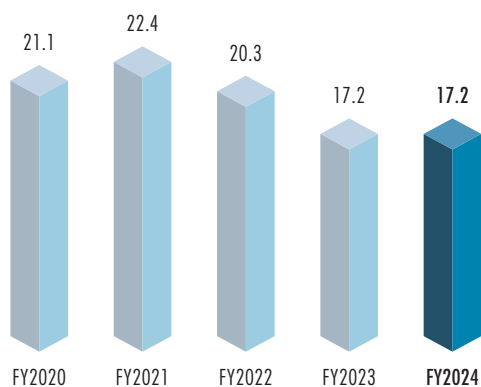
OUR MISSION



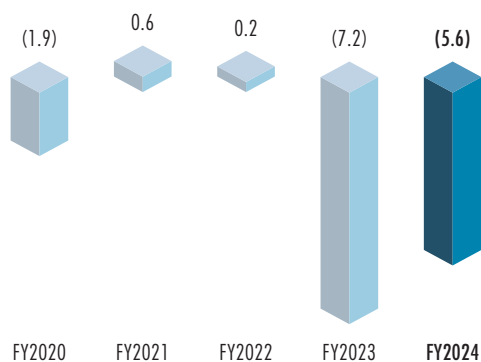
**“BUILDING TRUSTING
RELATIONSHIPS
THROUGH INNOVATIVE
SOLUTIONS”**

FINANCIAL HIGHLIGHTS

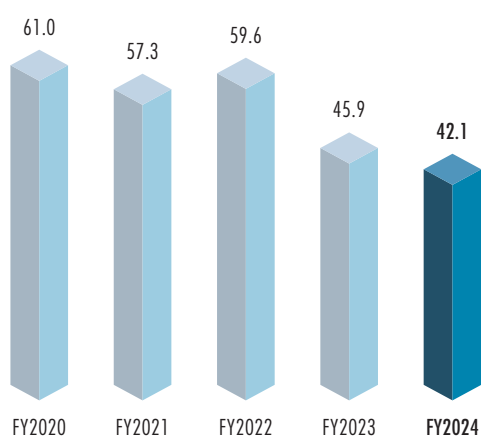
REVENUE (SGD MILLIONS)



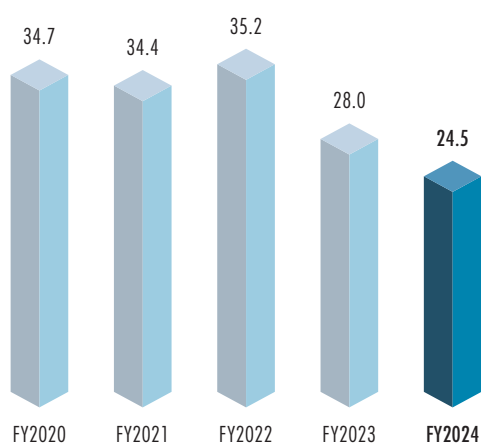
PROFIT/(LOSS) AFTER INCOME TAX (SGD MILLIONS)



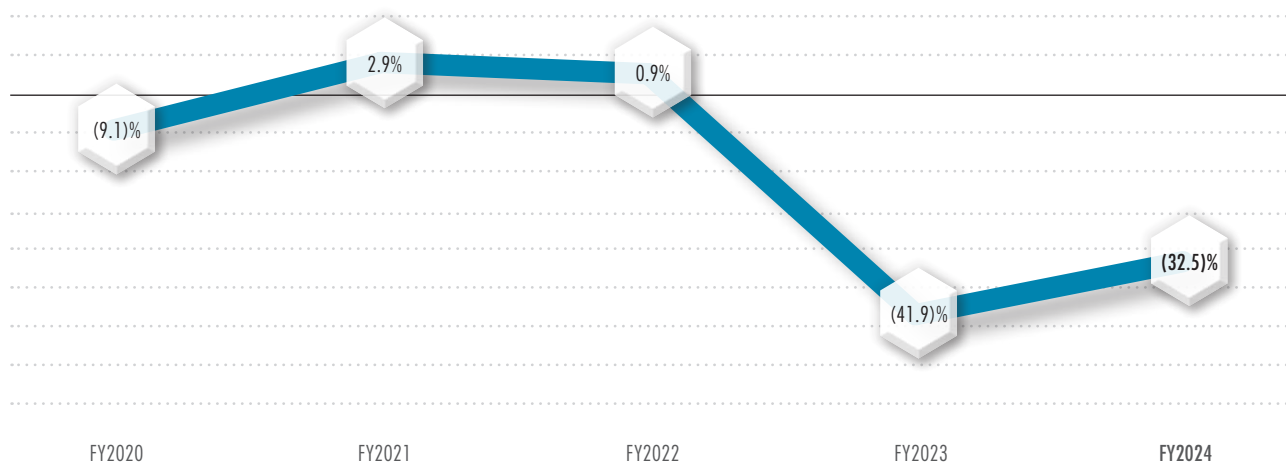
TOTAL ASSETS (SGD MILLIONS)



TOTAL EQUITY (SGD MILLIONS)



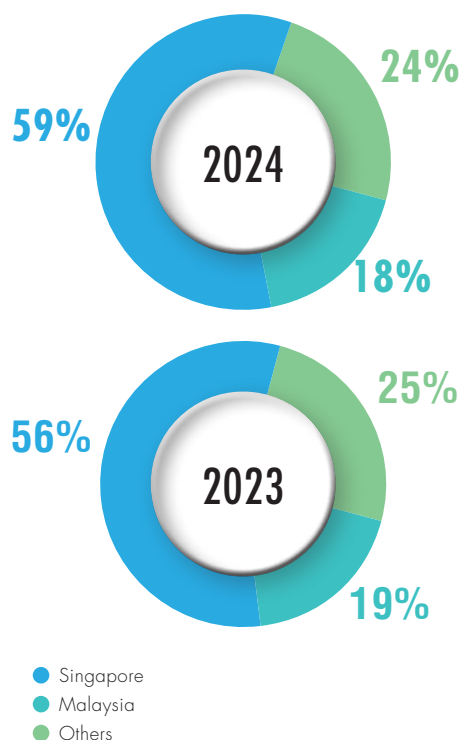
PROFIT/(LOSS) AFTER INCOME TAX MARGIN



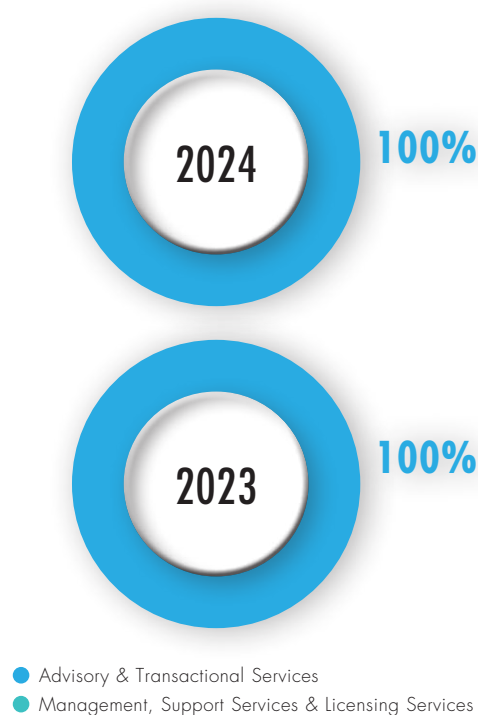
FINANCIAL HIGHLIGHTS

REVENUE BREAKDOWN

REVENUE BY GEOGRAPHICAL (%)



REVENUE BY SEGMENT (%)



	FY2020	FY2021	FY2022	FY2023	FY2024
REVENUE AND PROFITABILITY					
Revenue (SGD millions)	21.1	22.4	20.3	17.2	17.2
Profit/(Loss) after income tax (SGD millions)	(1.9)	0.6	0.2	(7.2)	(5.6)
FINANCIAL POSITION					
Current ratio	0.9	1.1	1.4	1.1	0.8
Total assets (SGD millions)	61.0	57.3	59.6	45.9	42.1
Total equity (SGD millions)	34.7	34.4	35.2	28.0	24.5
KEY FINANCIAL RATIOS					
Return on assets	-3.2%	1.1%	0.3%	-15.6%	-13.3%
Return on equity	-5.6%	1.9%	0.5%	-25.0%	-22.6%
Debt to equity	0.6	0.5	0.4	0.5	0.5
REVENUE BY GEOGRAPHICAL					
Singapore		49%	53%	56%	59%
Malaysia		23%	11%	19%	18%
Others		28%	36%	25%	24%
REVENUE BY SEGMENT					
Advisory & Transactional Services		89%	97%	100%	100%
Management, Support Services & Licensing Services		11%	3%	0%	0%
PROFIT/(LOSS) AFTER INCOME TAX MARGIN	-9.1%	2.9%	0.9%	-41.9%	-32.5%

CHAIRMAN'S MESSAGE

DEAR VALUED SHAREHOLDERS,



On behalf of the Board of Directors of ZICO Group, I am pleased to share ZICO Group's annual report for the financial year ended 31 December 2024 ("FY2024") in my first year as Chairman of the Group. I would like to extend my sincere gratitude to our shareholders and clients for their invaluable support which has tide us through the challenging business environment that we experienced in FY2024.

Year 2024 was notably exciting and transformative for the Group. Disruptions in our business environment remain constant, most notably artificial intelligence, Mr. Donald Trump's re-election as president of the United States and the Gaza-Israel conflict.

Despite these global trade tensions, the Group maintains its focus and continues to grow its advisory and transactional services ("**ATS**"), in particular the wealth management sector. The Group forged ahead with strategic partnerships and implemented considered cost saving measures in line with the Group's business plans.

FY2024 PERFORMANCE REVIEW

The Group's capital markets advisory arm continued to experience slower growth in a market where fundraising in FY2024 was a new low of below SGD50 million in the history of the SGX-ST.

The Group's domestic trust business in Singapore has faced increasing competition and challenges as more trust companies have emerged in the market, some of which have merged to secure a bigger market share of the industry.

Despite the prevailing market sentiments, the Group recorded revenue of SGD17.2 million for FY2024, a slight increase of 0.2% compared to FY2023. The higher revenue contributions were mainly from the investor services division under B.A.C.S Pte Ltd and corporate finance services division under ZICO Capital Pte Ltd.

In this sphere of unprecedented challenges, I am proud to say that the Group has responded with agility in business strategies and focus in ensuring efficient operations and cost structures.

MR MOHAMED NASSER BIN ISMAIL
Independent Chairman

CHAIRMAN'S MESSAGE

The Group reported a reduction in overall expenses by SGD3 million in FY2024. The main expense categories that incurred significantly lower expenses were: (a) retainer and consultancy fees which were reduced by SGD0.9 million; and (b) bad debts written off which were reduced by SGD1.7 million.

Share of profit of associates increase by SGD0.4 million in FY2024 due to a higher share of profits generated by ZICO Trust (M) Bhd.

The Group also recorded a decrease in income tax expense by SGD0.5 million in FY2024 mainly attributed to lower provision of tax expense for the profit making subsidiaries during FY2024.

Due to the factors listed out above, the Group experienced an overall reduction in loss for the financial year by SGD1.6 million, from SGD7.2 million in FY2023 to SGD5.6 million in FY2024.

OUTLOOK AND FORWARD STRATEGIES

In this sphere of unprecedented challenges, I am proud to say that the Group has responded with agility in business strategies and focus in ensuring efficient operations and cost structures.

This is reflected in the Group's efforts to position itself forward in the capital markets and corporate finance sector, with the Group's subsidiary, ZICO Capital Sdn Bhd, having entered into a strategic partnership with Evolve Capital Advisory Pte. Ltd, a leading corporate finance advisory firm licensed by the Monetary Authority of Singapore ("**MAS**"). As part of the collaboration, both firms will work together to tap into the rapidly growing mergers and acquisitions and capital markets landscape across Southeast Asia.

The Group will continue strengthening its existing businesses in the wealth management sector and corporate sector services. In view of the worldwide digital transformation with artificial intelligence ("**AI**"), the Group's corporate services have now adopted innovative AI digital solutions and client retention strategies to secure a competitive edge in the market.

Our largely recurring revenue from trust services and corporate sector services within our ATS segment collectively formed more than half of the Group's total revenue in FY2024 and will place us on a sustainable path of business growth for FY2025.

Lastly, we completed a placement of SGD2 million in June 2024 which enabled us to fund our growth plans and hopefully will bring the Group on a better journey that will increase the value for our shareholders.

IN APPRECIATION

I would like to take this opportunity to extend my gratitude to all our current and past Board members for their invaluable counsel and efforts for the Group's success.

The Board of Directors would also like to extend our sincere thanks to Ms. Shweta Nandy for her contributions during her tenure on the Board.

I also thank the Management and the entire ZICO family for their commitment and dedication to the Group. Together with the Board, I look forward to steering the Group forward in 2025 and beyond.

MR MOHAMED NASSER BIN ISMAIL

Independent Chairman

“ Our largely recurring revenue from trust services and corporate sector services within our ATS segment collectively formed more than half of the Group's total revenue in FY2024 and will place us on a sustainable path of business growth for FY2025. ”

GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

DEAR VALUED SHAREHOLDERS,

This year, we continue to navigate in an environment of rising geopolitical risks, economic uncertainty and tremendous expansion of digital technology.

These volatilities affect the equities market and regional currencies, which in turn affect the Group's clients and ultimately the Group's operations and profitability. In this challenging capital markets landscape, I am proud to say that the Group remains resilient and adaptable to remain relevant and sustainable.

While the short-term disruptions were undeniable, we remain steadfast to our long-term mission statement of "Building trusting relationships through innovative solutions".

The current market conditions have provided us with an opportunity to reevaluate our strategies to position our Group for a stronger future. As we reflect on the past year, I am pleased to share the lessons and steps we have taken to ensure financial resilience and our road map for the coming year to capitalise on new opportunities and reinforce our strengths.

FY2024 Performance Review

Overall, the Group's revenue has increased by 0.2% due to higher revenue contributions from the Group's investor services under B.A.C.S Pte Ltd and corporate finance services under ZICO Capital Pte Ltd. However, the economic situation in Singapore remains challenging.

The Group remains focused on prudent financial management and cost saving measures. The Group managed to decrease its expenses by SGD3 million and as a result saw a reduction in loss before tax by SGD1 million. The reduction in loss would have been bigger if not for non-cash impairments of an aggregate of SGD2.3 million in relation to loss allowance on receivables and bad debts written off.

The Group implemented stringent cost saving measures particularly in the first half of 2024. This included reshaping the services offered by ZICO Corporate Services Inc., by ceasing provision of immigration services to its clients in April 2024. ZICO Corporate Services Inc. continued to provide corporate secretarial services and contribute towards building our portfolio of recurring income streams. Our prudent financial strategies coupled with disciplined expense management have safeguarded the Group's financial stability.



The Group strives to equip itself against challenges in digital technology expansion. In this regard, our compliance team has enhanced fraud prevention and anti-corruption frameworks in Malaysia and aims to implement across the Group in the coming year.

We have accelerated our digital initiatives to streamline our operations to be more cost efficient and hence create more value for our stakeholders. These investments will reduce operational cost and enhance our competitiveness to differentiate us in the marketplace.

DATUK NG HOCK HENG

Group CEO, Executive Director

GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

OUTLOOK

In line with the Group's focus on advisory and transactional services, the Group's subsidiary, ZICO Capital Sdn Bhd, had in October 2024 signed a strategic partnership with Evolve Capital Advisory Pte. Ltd. With this partnership, the Group aims to boost its presence in capital markets and its strength in corporate finance services, leading to more client engagement in cross-border capital market activities.

Going forward, the Group will seek to continuously grow its strength in the wealth management sector in Singapore and Malaysia. With the appointment of our new CEO in ZICO Asset Management Pte Ltd, we strive to build on traditional fund management initiatives to fully utilise the potential of our license. The Group's capital markets and ATS segments hope to benefit from the recent announcements by the MAS Review Group of policies and measures to strengthen the Singapore's equities markets.

The continued growth in the number of clients in the Group's investor services, company secretarial and trust services as well as a stronger demand for ZICO Shariah and ZICO Insource services augur well for a turnaround of the Group's performance towards renewed success in the coming years.

We will continue to explore new markets and diversify our services offerings. This strategic expansion will allow us to create new revenue streams and expand our market presence in the ASEAN region.

Our people are the foundation of our success and key to our future. We will continue to invest in talent development and leadership training as well as maintain the well-being of our employees.

We have also strengthened our environmental, social and governance (ESG) commitment by adopting more sustainable business practices and reinforcing ethical corporate governance to build a more responsible future-proof business.

IN APPRECIATION

On behalf of the Group, I would like to express our heartfelt appreciation to our clients, business partners, staff and shareholders for the continued trust in us.

Finally, I thank my fellow Board of Directors for their continued diligence in meeting current challenges and their commitment to deliver shareholders' value. Together, we will emerge stronger to build a future defined by resilience, innovation and success.

DATUK NG HOCK HENG

Group CEO, Executive Director

BOARD OF DIRECTORS



MR. MOHAMED NASSER BIN ISMAIL

Independent Chairman

Mr. Mohamed Nasser Bin Ismail, our Independent Director, was appointed to the Board on 8 April 2024 and was re-elected on 27 April 2024.

Mr Nasser has had 18 years' experience with the Singapore Exchange ("SGX"), first joining as Head of Enforcement in 2005 and holding various regulatory roles before assuming his role as Global Head of Equity Capital Markets from October 2014 to October 2023.

Responsible for promoting the bourse as a global listing and fundraising venue, Mr Nasser spearheaded the development of various equity capital market initiatives to facilitate greater fundraising services as well as deepen Singapore's capital markets ecosystem.

He joined the Board of Catalyst-listed Sim Leisure Group Limited in March 2024. Mr. Nasser serves as the Deputy CEO of HydraX Pte Ltd since November 2023 and has been appointed as the director in February 2024. Mr. Nasser has also been recently appointed as a director with a Singapore-based Fintech company, namely SURFIN Meta Technologies Pte Ltd since 1 November 2023. Mr Nasser's other appointments include being the Chairman of the DBS Digital Exchange Conflicts and Appeals Committee and a Senior Advisor at Singapore-based law firm WongPartnership.

He is also a Member of the Singapore Islamic Religious Council Appeal Board and the Treasurer of Madrasah Alsagoff Al-Arabiah School Board.

Mr Nasser graduated with a Bachelor of Laws from the National University of Singapore. Prior to joining SGX in 2005, Mr Nasser was State Counsel with the Attorney General's Chambers.



DATUK NG HOCK HENG

Group Chief Executive Officer

Datuk Ng Hock Heng, our Group Chief Executive Officer, was appointed to the Board on 9 December 2010 and was last re-elected on 27 April 2024.

Following his appointment as Group Chief Executive Officer on 12 May 2023, he assumes primary responsibility for the overall strategic direction and management of the Group's business plans. In this capacity, he diligently oversees the Advisory and Transaction Services segment, ensuring alignment with organizational goals and objectives. Additionally, he spearheads the development and management of innovative new services, further enhancing the Group's value proposition and market positioning. This steadfast leadership underscores our commitment to driving sustainable growth and delivering exceptional value to our stakeholders.

Datuk Ng started his career in KPMG (Australia) as a tax consultant before joining Deloitte Touche Tohmatsu (Australia & Hong Kong) as a senior tax consultant in 1993. In 1995, Datuk Ng joined Zaid Ibrahim & Co. and became a partner in 1999. Datuk Ng is an Independent Non-Executive Director of Ecofirst Consolidated Bhd., which is listed on the Main Board of Bursa Malaysia. He is also a Non-Executive director of Posco-Malaysia Sdn. Bhd. On 5 November 2017, he was conferred the honorific title "Datuk" by the TYT Yang di-Pertua Negeri of Malacca, Malaysia.

Datuk Ng graduated with a Bachelor of Economics (double major in Banking & Accountancy) in 1990, a Bachelor of Laws and a Masters of Laws (Distinctions) from Monash University in 1992 and 1995, respectively. He was a Notary Public, Registered Tax Agent and an associate of Certified Practising Accountants, Australia. Datuk Ng was an Advocate and Solicitor of the High Court of Malaya and was a Registered Foreign Lawyer of the Law Society of New South Wales, Australia.

BOARD OF DIRECTORS



MR. CHEW SENG KOK

Executive Director

Mr Chew Seng Kok, our Executive Director, was appointed to the Board on 9 December 2010 and was last re-elected on 29 April 2022.

Following his redesignation as the Executive Director on 12 May 2023, he assumes the role of overseeing and driving the Advisory & Transactional Services business of the Group. He is responsible for originating, coordinating and executing the delivery of integrated services to clients through a multi-disciplinary platform of the group.

Mr Chew graduated with a LLB (Honours) in 1984 and a LLM (First Class Honours) from Victoria University of Wellington, New Zealand in 1990. He previously practised as a lawyer in Malaysia in 1985 before moving to work with Chapman Tripp in Wellington, New Zealand, and Baker & McKenzie, Singapore. In 1991, he joined Zaid Ibrahim & Co. where he rose up the ranks to become its managing partner in 2004. He founded ZICOLaw, a network of independent law firms in ASEAN region in 2003 and assumed the role of regional managing partner of the ZICO Law network in 2011. In November 2014, Mr Chew left practice to take up a full-time role as the Managing Director of ZICO Holdings Inc, a position which he held until 12 May 2023 before he was redesignated as Executive Director of Zico Holdings Inc.

Mr Chew is acknowledged as a leading transactions and projects lawyer in advising the public and private sectors in Malaysia and in the ASEAN region on the development and financing of large infrastructure projects, law reforms and complex M&A transactions. He has an extensive network of contacts in Malaysia, the ASEAN region and overseas.

Mr Chew is very active in supporting the public and private sectors in promoting trade and investments in the ASEAN region.



MS. SHWETA NANDY*

Non-Independent Non-Executive Director

Ms. Shweta Nandy, our Non-Independent Non-Executive Director, was appointed to the Board on 2 April 2024.

Ms. Shweta Nandy holds a Bachelor of Laws (LL.B.) from the University of Liverpool and was subsequently called to the Bar of England & Wales before being admitted as an Advocate & Solicitor of the High Court of Malaya. She was subsequently awarded a Master of Science in Islamic Finance from the International Centre for Education in Islamic Finance (INCEIF) in 2021.

Ms. Shweta began her career at Limra Capital Berhad, a pioneering non-bank institution specialising in Shari'ah-compliant financing solutions in Malaysia. She later served as the Managing Partner of a Malaysian legal firm founded by the honourable ex-Judicial Commissioner, YBhg. Dato' George Varughese, where she led the corporate and commercial practice until 2023. Following her transition from firm management, she continues to be in legal practice and serves as a Director at Manor Capital Sdn Bhd, a private consultancy and investment-holding firm in Malaysia, where she oversees and undertakes legal and compliance advisory engagements.

In 2024, Ms. Shweta was appointed as an Executive Director of Turiya Berhad, a multi-segment operator listed on the Main Market of Bursa Malaysia, where she plays a key role in stakeholder engagement, operations development, and executive decision-making across its diversified business segments and foreign subsidiaries.

With extensive leadership experience in alternative finance, corporate governance, and wealth management, Ms. Shweta offers a diverse and forward-looking perspective, reinforcing our commitment to responsible transactional frameworks and sustainable governance strategies.

* Ms Shweta Nandy will be retiring at the upcoming Annual General Meeting on 28 April 2025 and will not be seeking re-election.

BOARD OF DIRECTORS



DR. VEERINDERJEET SINGH A/L TEJWANT SINGH

Independent Director

Dr. Veerinderjeet Singh, our Independent Director, was appointed to the Board on 8 April 2024 and was last re-elected on 27 April 2024.

With over 40 years of experience in tax matters, Dr Veerinderjeet is a noted authority on Malaysian taxation, with wide experience across the public sector, academia, private practice and the corporate sector on various tax matters including incentives, restructuring and listing exercises and has also been involved in providing input to the Malaysian Ministry of Finance on various tax reforms and initiatives.

Dr Veerinderjeet currently serves as Senior Adviser on Tax Policy for KPMG Malaysia. Prior to this, he has served on the boards of several Malaysian entities including a listed entity. He was the Non-Executive Chairman of Tricor Services Sdn Bhd from May 2020 until February 2024 and was an Independent Non-Executive Director as well as Senior Independent Director of UMW Holdings Berhad from June 2017 till February 2024.

Currently, he is an Independent Non-Executive Director of AmBank (M) Bhd, as well as Malaysian Rating Corporation Berhad where he is also Chairman of the Audit Committees in both entities. He was also Executive Chairman/CEO of Catalist-listed Axcelasia Inc. (now known as Axington Inc.) and later Non-Executive Chairman until 14 July 2020.

On the international front, he is a member of the Paris-based Global Tax Commission of the International Chamber of Commerce (ICC). He was a long-serving member of the Board of Trustees of the International Bureau of Fiscal Documentation (a tax research and consultancy body) based in Amsterdam until December 2024.

An accomplished author and tax observer, he has published books and numerous articles in local and international tax, law and accounting journals. He has spoken at various local and international events on tax policy, tax reforms and corporate governance, and is featured in media programmes on tax as well as corporate governance topics.

He is a qualified accountant and is a member of the Malaysian Institute of Certified Public Accountants as well as the Malaysian Institute of Accountants, of which he was also a Past President. He is also a member and Past President of the Chartered Tax Institute of Malaysia.

He is also a member of the Institute of Corporate Directors of Malaysia, the Malaysian Institute of Corporate Governance and the Singapore Institute of Directors.

Dr. Veerinderjeet graduated with a Bachelor of Accounting (First Class Hons) from University of Malaya and he received his doctorate from University Putra Malaysia.

KEY MANAGEMENT

MS. ADELINE CHEAH LI MENG

Chief Financial Officer

Ms. Adeline Cheah is our Chief Financial Officer and is responsible for all finance-related functions of the Group. She joined the Group on 1 January 2014.

Ms. Cheah started her career in KPMG Peat Marwick as an auditor in 1992 and joined Pengkalen Holdings Bhd in 1996 as a treasury accountant. In 1997, Ms Cheah joined Asteria Group as its group financial controller, and in 2006, she joined SEG International Bhd as its financial controller. She subsequently joined Zaid Ibrahim & Co. in 2008 as the financial controller and was designated as the chief financial officer in 2009 before joining ZICO Consultancy Sdn. Bhd. in January 2014 as the Group's Chief Financial Officer.

Ms. Cheah graduated with a Bachelor of Business from the Curtin University of Technology, Perth, Western Australia in 1992 and is also a Certified Practising Accountant of CPA Australia and a Chartered Accountant of the Malaysian Institute of Accountants.

MR. PAUL SUBRAMANIAM

Chief Risk Officer (retired on 29 February 2024)

Mr Paul Subramaniam, our Chief Risk Officer, is responsible for the overall risk management and mitigation measures for the Group. He also assists the Regional Director of Knowledge Management and the Regional Director of Training in designing and implementing knowledge management and training initiatives for the Group and the clients of the Group, including the ZICOLaw network. He joined Zaid Ibrahim & Co. in 1998 as the head of litigation and was the knowledge management and training partner of Zaid Ibrahim & Co. from 2008 until assuming the post of Chief Risk Officer of the Group.

Mr Subramaniam graduated with a Bachelor of Science in Applied Mathematics and a Bachelor of Laws from Monash University, Australia in 1983 and 1985 respectively. He has been a member of the Malaysian Bar since 1986 and is the author of a number of legal reference books and articles.

CORPORATE INFORMATION



BOARD OF DIRECTORS

Mohamed Nasser Bin Ismail
(Independent Chairman)

Datuk Ng Hock Heng
(Group Chief Executive Officer)

Chew Seng Kok
(Executive Director)

Dr. Veerinderjeet Singh
(Independent Director)

Shweta Nandy*
(Non-Executive Non-Independent Director)

AUDIT AND RISK• COMMITTEE

Dr. Veerinderjeet Singh (Chairman)
Mohamed Nasser Bin Ismail
Shweta Nandy

NOMINATING COMMITTEE•

Mohamed Nasser Bin Ismail (Chairman)
Dr. Veerinderjeet Singh
Shweta Nandy

REMUNERATION• COMMITTEE

Mohamed Nasser Bin Ismail (Chairman)
Dr. Veerinderjeet Singh
Shweta Nandy

COMPANY SECRETARY ZICO Secretarial Limited

REGISTERED OFFICE

Unit Level 13(A),
Main Office Tower,
Financial Park
Labuan, Jalan
Merdeka,
87000 Federal Territory of Labuan,
Malaysia
Tel: (6087) 451688/452688
Fax: (6087) 453688

SINGAPORE SHARE REGISTRAR AND SHARE TRANSFER OFFICE

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

SPONSOR

Novus Corporate Finance Pte. Ltd.[^]
7 Temasek Boulevard,
#04-02 Suntec Tower 1,
Singapore 038987

AUDITOR

PKF-CAP LLP

Partner-in-charge:
Chew Wei Jim (a member of
the Institute of Singapore Chartered
Accountants) Date of appointment:
(6 October 2022) since financial year
ended 31 December 2024)

PRINCIPAL BANKER

Malayan Banking Berhad
2 Battery Road
#16-01 Maybank Tower
Singapore 049907

RHB Bank Berhad

90 Cecil Street
#12-00 RHB Bank Building Singapore
069531

* Ms Shweta Nandy will be retiring at the upcoming Annual General Meeting on 28 April 2025 and will not be seeking re-election.

[^] Novus Corporate Finance Pte. Ltd., was appointed on 21 May 2024

SUSTAINABILITY REPORT



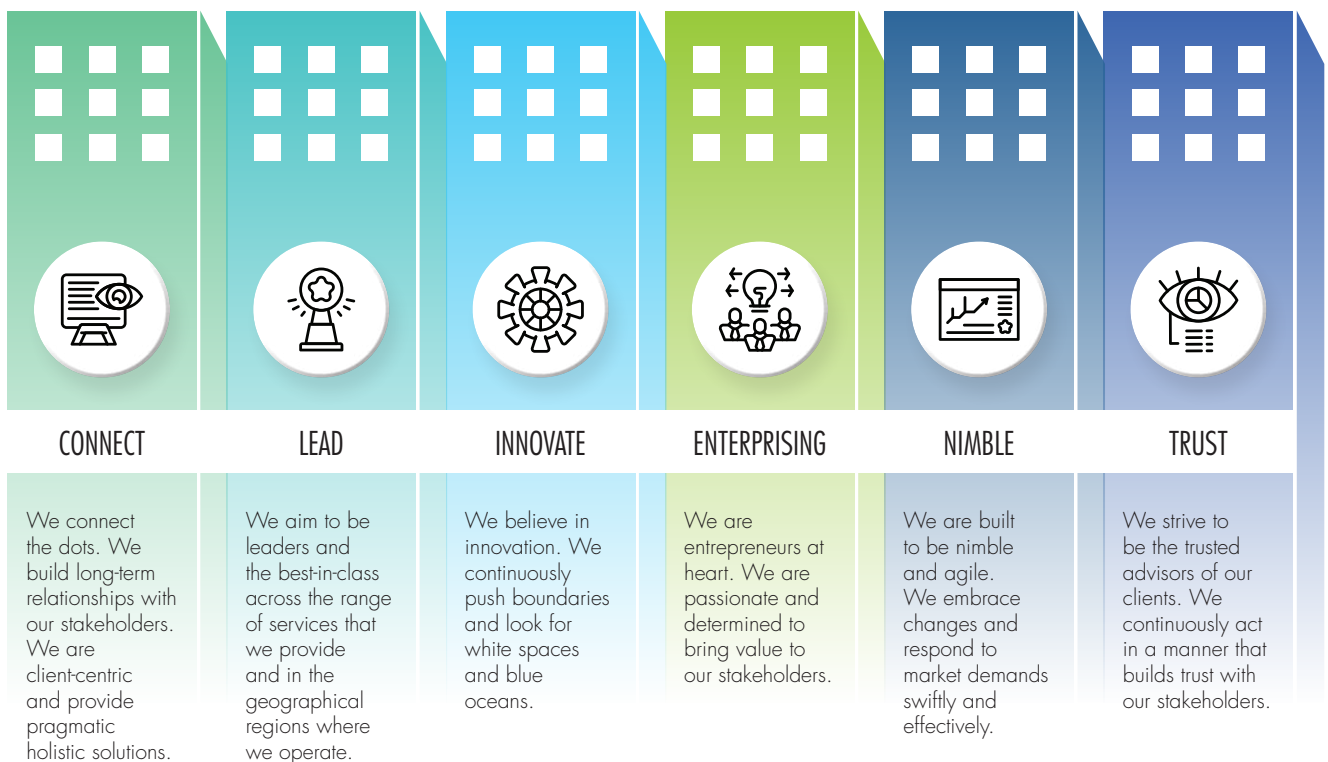
CONTENTS

ABOUT ZICO	20	OUR SUSTAINABILITY APPROACH	24
BOARD STATEMENT	21	2024 SUSTAINABILITY SCORECARD	33
GOVERNANCE ON ESG MATTERS (INCLUDING CLIMATE RELATED MATTERS)	21	GRI CONTENT INDEX	47
2024 KEY HIGHLIGHTS	22	APPENDIX 1	49
REPORT OVERVIEW	23	APPENDIX 2	53

SUSTAINABILITY REPORT



To be the **Go-To Professional Services Advisor** in the ASEAN region



ABOUT ZICO

ZICO is a multidisciplinary professional ("**MDP**") services provider listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and is incorporated under the laws of the Federal Territory of Labuan, Malaysia. The Group has operations in Malaysia, Singapore, Thailand, Laos, Myanmar, Indonesia and the Philippines. Its main geographical focus is on Southeast Asia i.e. the Association of Southeast Asian Nations ("**ASEAN**") bloc of countries, with its largest offices being in Singapore and Kuala Lumpur, Malaysia.

ZICO's principal activity is the provision of advisory and transactional services. For details on ZICO's operations, please refer to the chapter entitled "Our Business Segments" on page 2 of this Report.

The Group's current client base includes public sector entities, government-linked companies, global multinational corporations, multi-ASEAN companies, publicly listed companies, private companies, small and medium enterprises, family offices, and high-net-worth individuals.

ZICO aims to be the leading provider of professional services, deeply rooted in and committed to the ASEAN region. Its comprehensive offerings support clients throughout every stage of their business journey, guided by the six pillars of the C.I.I.E.N.T. corporate values framework.

SUSTAINABILITY REPORT

BOARD STATEMENT

ZICO is committed to responsible corporate conduct across its operations. The board of directors of the Company (the “**Board**”) integrates sustainability into strategic planning, using reporting for risk management. It works with senior management to determine, assess and address key environmental, social and governance (“**ESG**”) factors outlined in this Report. Oversight of these factors rests with the Board, which holds ultimate responsibility for sustainability management and reporting. The ESG Committee, reporting to the Board 2-3 times a year via the Head of Risk and Compliance¹, continuously monitors the said material ESG factors. The membership of the ESG Committee is detailed below.

For the financial year ended 31 December (“**FY**”) 2024, the Company is subject to mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”) as the Company is within the financial industry. The Company has therefore taken active steps to incorporate the TCFD recommendations within this sustainability report (“**SR2024**”).

No primary components of a typical sustainability report, as set out in Rule 711B and paragraph 4.1 of Practice Note 7F Sustainability Reporting Guide of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), were excluded in this SR2024.

As of the date of publication of this SR2024, all members of the Board have completed the mandatory training on sustainability matters as prescribed by the SGX-ST.

GOVERNANCE ON ESG MATTERS (INCLUDING CLIMATE RELATED MATTERS)

In line with the Company’s commitment to ensure a more structured reporting and governance process for sustainability matters, the Company has established an ESG Committee. The terms of reference of the ESG Committee includes (among others) the following:

1. Reviewing the Group’s sustainability strategy, to ensure that they are relevant to evolving local and global sustainability trends and developments;
2. Overseeing climate-related matters and compliance with applicable climate-related reporting frameworks;
3. Reviewing annually the reasons for and the process of selecting the ESG material factors, taking into account business strategy, market conditions and stakeholder concerns;
4. Reviewing annually the processes for identifying, assessing, and managing climate-related risks and opportunities across the 4 pillars of governance, strategy, risk management, and metrics and targets, and related reporting aligned with the TCFD recommendations;
5. Overseeing the adoption of the Company’s sustainability goals and targets, as well as management’s plans and progress towards achieving the goals and targets; and
6. Monitoring the Group’s performance against previously disclosed targets in relation to identified material ESG factors.

The ESG Committee currently comprises the heads of the various departments in the Group (including human resource, legal, information technology (“**IT**”) and the compliance and risk functions), the Group Chief Executive Officer, ZICO AA Sdn. Bhd. and ZICOInsource Sdn. Bhd. ZICO AA Sdn. Bhd. and ZICOInsource Sdn. Bhd. are subsidiaries of the Group and are responsible for performing advisory functions within the ESG Committee.

¹ Following the retirement of Mr. Paul Subramaniam on 29 February 2024, the functions and responsibility of the CRO will be overseen and managed by the current Head of Risk and Compliance, who will ensure continuity until a suitable replacement is identified.



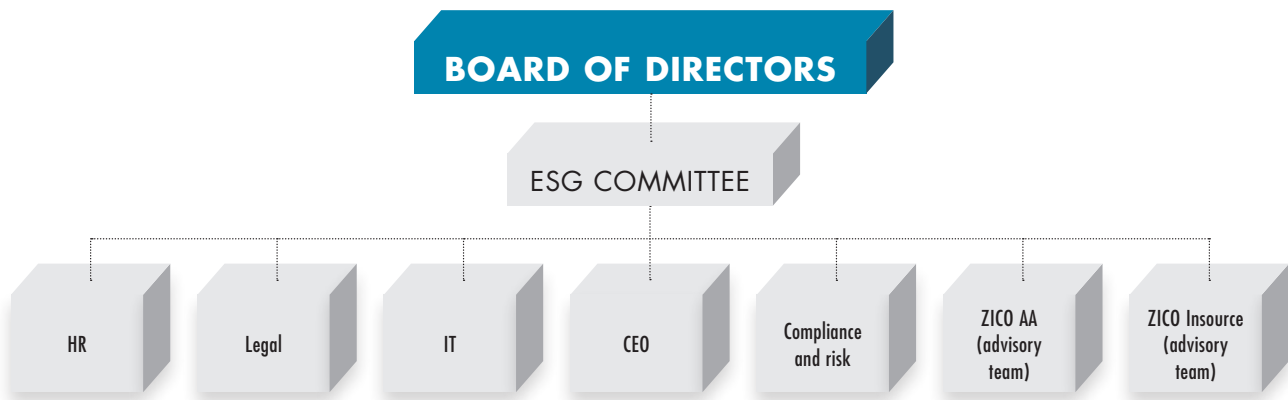
SUSTAINABILITY REPORT

The ESG Committee reports to the Board and the Board's terms of reference in relation to ESG and sustainability includes:

1. Integrating sustainability considerations into the Company's strategic planning;
2. Reviewing and approving the framework used for reporting on ESG matters;
3. Reviewing and approving material matters and sustainability targets for each year's sustainability report;
4. Considering the ESG Committee's proposals and recommendations on sustainability related policies and practices; and

5. Reviewing and considering reports from independent auditors on ESG matters.

The ESG Committee will oversee climate-related matters, regularly assessing the Group's adherence to relevant reporting frameworks and implementing strategies to maintain compliance. Meeting quarterly each financial year, the ESG Committee will report to the Board, whereby these reports highlight any climate-related risks and issues that could affect the Group in the short, medium, and long term, along with their significance and material impact.



FY2024 KEY HIGHLIGHTS

The Group continues to demonstrate its commitment to sustainability-related goals and processes, particularly in climate change initiatives and reporting. In FY2023, the Group began collecting data for Scope 3 greenhouse gas ("GHG") emissions, using the data gathered as a baseline for tracking future emissions. This effort continues in FY2024, with an increased focus on improving data accuracy, particularly in measuring distances travelled for business travel and employee commutes. Additionally, the ESG Committee continuously monitors progress toward climate-related targets throughout the year.

In FY2024, compared to the baseline set in FY2023, total Scope 3 GHG emissions decreased by 6%, while Scope 2 GHG emissions declined by approximately 5%. Energy consumption was also reduced by 5% year-on-year. These improvements reflect the Group's steady progress toward its long-term climate goals.

From a governance perspective, ZICO maintains its strong compliance record, with no breaches or license withdrawals and zero reported incidents of non-compliance with anti-bribery and corruption laws and regulations. The IT department has also established a cybersecurity framework, and a comprehensive disaster recovery test was conducted during the reporting period.

The Group remains committed to fostering gender diversity and inclusivity across all levels of its workforce. Women represent approximately 65% of the total workforce, underscoring the Group's dedication to equal employment opportunities. This commitment extends to leadership positions, with women holding 65% of management roles at the corporate office and 50% of business leadership positions. These figures reflect the Group's efforts to create an equitable workplace where talent and leadership opportunities are accessible to all, regardless of gender. Through inclusive policies and initiatives, the Group continues to empower and support women in advancing their careers.

SUSTAINABILITY REPORT

In FY2024, the Group continued to organize employee engagement events across its offices in Malaysia and Singapore, including festive celebrations, year-end parties, and team-building activities. Additionally, an employee engagement survey was conducted to assess engagement levels and identify areas for improvement. For transparency, the survey results were presented during the Town Hall session.

The Group remains dedicated to upholding its sustainability commitments, fostering an inclusive workplace, and maintaining high standards of governance. By continuously improving environmental initiatives, strengthening compliance measures, and enhancing employee engagement, the Group strives to build a more sustainable and responsible future for all stakeholders.

REPORT OVERVIEW

SR2024 primarily covers the Group's business operations in Malaysia and Singapore, which are the core markets of the Group. More than 80% of the Group's subsidiaries are located in Singapore and Malaysia. Singapore and Malaysia collectively contributed 77%² of the Group's turnover for FY2024 and house approximately 87% of the Group staff. Unless otherwise stated, all data and information reported herein are in relation to FY2024.

SR2024 has been prepared in accordance with Catalist Rule 711B; the Sustainability Reporting Guide of the SGX-ST (Practice Note 7F of the Catalist Rules); and with reference to the Global Reporting Initiative ("**GRI Standards**") 2021. The required GRI content index can be found in the GRI Content Index on pages 47 – 48 of this annual report.

The GRI Standards were used as the reporting framework for this SR2024 due to its reach, usage, and comparability as the first and most widely adopted global standard for sustainability reporting. The Company further aligns itself with the selected pillars under the United Nations Sustainable Development Goals ("**UNSDG**") as described below in this SR2024.

The Company also takes note of the standardised set of core ESG metrics recommended by the Singapore Exchange Regulation ("**SGX RegCo**") and the mandatory climate-reporting requirements based on the recommendations of the TCFD effective since FY2023.

The Group's processes for stakeholder identification and engagement (as set out in Appendix 1) have been updated and approved by the Board in FY2023. In FY2024, management has refined and streamlined the identification of material factors to ensure a clear alignment with the Company's sustainability objectives. This process involved assessing and prioritizing key ESG factors that are most relevant to the Company's long-term strategy and stakeholder expectations. By doing so, each material factor directly supports the achievement of the Company's sustainability goals, enhancing transparency, accountability, and overall impact.

This SR2024 has been reviewed internally by the risk and compliance department of the Group and the Group has appointed an internal auditor to review the Company's sustainability reporting process. The internal audit was performed through a phased approach with the review being carried out for the material factors of (i) energy and (ii) emissions in FY2023 and (iii) customer privacy in FY2024. The review by the internal auditor is conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. No external assurance was sought for this SR2024. The SR2024 can be accessed and downloaded via the SGX website at <https://www.sgx.com/securities/company-announcements> or the Company's corporate website at <https://www.zicoholdings.com/>. The Group welcomes feedback from its stakeholders regarding the SR2024. Any queries, feedback, and comments may be forwarded to hui.ling.wong@zicoholdings.com.

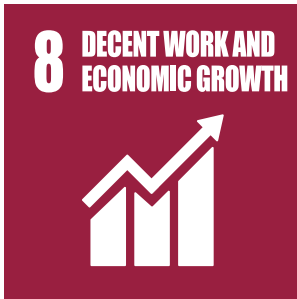
² See page 9 of this annual report.

SUSTAINABILITY REPORT

OUR SUSTAINABILITY APPROACH

Current focus

Within the overarching framework of the 2030 Agenda for Sustainable Development, the United Nations identified 17 Sustainable Development Goals³ that are targeted at addressing the most pressing global issues such as poverty eradication, reducing inequality and climate change. Assessing these in the context of ZICO's business, ZICO has identified the following six Sustainable Development Goals which guide its corporate values and decisions.



Since the launch of the Singapore Green Plan 2030⁴ in 2021, ZICO also supports the call to action for a whole-of-nation movement to build a sustainable future. Encompassing a broad spectrum of sectors, the plan outlines a strategic framework to address key environmental challenges and promote sustainable practices across various industries.

Stakeholders' requirements

Key stakeholders (who are identified through the materiality assessment process described in Appendix 1) are those who have an impact on ZICO's ability to achieve its short- and long- term business goals. Through meaningful engagement with various stakeholder groups and a careful consideration of their relationships with ZICO, the Group has identified the essential requirements and priorities of each stakeholder. This understanding guides the operational approach of the Group, especially in the development and delivery of its services. This stakeholder-centric strategy reflects the Group's commitment to fostering positive relationships, promoting transparency, and delivering services that meet the expectations of its diverse stakeholder community.



³ For more information on the 17 Sustainable Development Goals identified in the 2030 Agenda for Sustainable Development, shareholders may refer to: <https://sdgs.un.org/goals>

⁴ For more information on the Singapore Green Plan 2030, shareholders may refer to: <https://www.greenplan.gov.sg/>

SUSTAINABILITY REPORT

For the purpose of identifying stakeholders' needs and concerns, the Company has carried out a materiality assessment exercise which was approved by the Board in FY2023. This process involved the identification of material factors through active engagement with key stakeholders. Feedback obtained from each stakeholder group has been instrumental in shaping measures taken to address identified material factors. In FY2024, the Group has further streamlined the material factors based on feedback during internal audit processes.



SUSTAINABILITY REPORT

Identification of material factors

In line with ZICO's business model and its vision of becoming the "Go-To Professional Services Provider in ASEAN", the Group has distilled and identified its key risks, opportunities, and value drivers which guide the identification of material sustainability factors. In conjunction with identifying key concerns raised during interactions with stakeholders, the company identified and ranked material sustainability factors. This prioritization was based on ZICO's influence within each sustainability area-such as governance, social responsibility, economic practices, and environmental considerations-as well as its impact on stakeholders.



Governance

Corporate governance remains a top sustainability priority for ZICO. Upholding regulatory compliance, robust internal governance, and strong business ethics is essential to maintaining the Group's licenses and service quality. As a highly regulated professional services provider with one of the most extensive suites of licenses, ZICO places significant emphasis on governance as a key value driver. This commitment not only supports business continuity through compliance but also strengthens brand value and long-term growth.

With its broad geographic presence in ASEAN, ZICO strives to promote good governance practices beyond its immediate clients. This commitment extends to all stakeholders-including regulators, employees, shareholders, partners, clients, and the wider community-who depend on ZICO to uphold the highest standards of integrity and professionalism. As a result, key material factors such as ethical governance practices including business ethics/anti-bribery and whistleblowing remain priorities for the Group.



SUSTAINABILITY REPORT

The TCFD has four recommendations on climate-related financial disclosures that are structured around four thematic areas, namely: Governance, Strategy, Risk Management and Metrics and Targets. The following table sets out the disclosures that are included in this Report.

TOPIC	CURRENT STATE	NEXT STEPS	REFERENCE
1. Governance			
Recommended Disclosure (a) – Describe the board's oversight of climate-related risks and opportunities	- The Board has formed an ESG Committee since FY2023 and the ESG Committee has oversight of climate-related matters. This includes targets and goals setting, climate scenario analysis with the relevant risks and opportunities, and compliance with sustainability-related regulations. - The ESG Committee will meet quarterly each year. The Head of Risk and Compliance will update the audit and risk committee ("ARC") about climate related issues discussed in the ESG Committee meetings 2-3 times a year. - The ESG Committee will continuously monitor the implementation and performance of strategies and measures to ensure compliance with applicable climate-related reporting frameworks for climate-related issues. - During FY2024, the Board also approved the terms of reference for the Board with respect to ESG matters. - The ESG Committee actively monitors steps taken to achieve sustainability goals. - Currently management incentives and remuneration are not linked to ESG metrics.	- Continue addressing climate related matters in ESG Committee meetings and updates to the Board. - Continued Board oversight in reviewing climate-related matters such as climate scenario analysis, the associated risks and opportunities identified, and monitoring climate-related strategies. - Continued tracking by ESG Committee of climate related targets and metrics.	21 – 22
Recommended Disclosure (b) – Describe management's role in assessing and managing climate-related risks and opportunities	- As mentioned above, the Group has assigned climate-related reporting responsibility to the ESG Committee which includes the members described in page 22. - The Head of Risk and Compliance will update the ARC about climate related issues discussed in the ESG Committee meetings 2 – 3 times a year. This periodic reporting requirement is also included in the terms of reference for the Board. - At the ESG Committee meetings, climate related issues are discussed including climate related targets and metrics and progress in achieving those targets.		21 – 22

SUSTAINABILITY REPORT

TOPIC	CURRENT STATE	NEXT STEPS	REFERENCE
2. Strategy			
Recommended Disclosure (a) – Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	- The Group's business strategy and planning consider key climate-related risks in the short, medium and long-term and ways to manage the impact on its operations. - The Company's climate risk assessment in FY2023 identified transition and physical risks and opportunities over the short (≤ 1 year), medium (>1 year and < 5 years) and long term (≥ 5 years). - Please refer to the Company's climate risk assessment in Appendix 2 for a description of the specific climate-related issues identified. - The risks and opportunities that could have a material financial impact on the organisation were discussed and determined by the ESG Committee and the climate-risk assessment was prepared by the ESG Committee and approved by the Board.	- Conduct engagement with stakeholders to understand the climate related risks and opportunities that will have a significant impact on stakeholders. - ESG Committee will consider how climate-related issues may be relevant to the financial planning process and how to incorporate such issues into the organisation's strategy and financial planning. - ESG Committee to continuously monitor GHG emission targets and achievement of those targets.	Appendix 2
Recommended Disclosure (b) – Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	This is included in the Company's climate risk assessment document.		Appendix 2
Recommended Disclosure (c) – Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	This is included in the Company's climate risk assessment document.		Appendix 2

SUSTAINABILITY REPORT

TOPIC	CURRENT STATE	NEXT STEPS	REFERENCE
3. Risk Management			
Recommended Disclosure (a) – Describe the organization’s processes for identifying and assessing climate-related risks	The Company has adopted and implemented a climate change policy setting out the role of the ESG Committee in addressing climate related risks.	Conduct engagement with stakeholders to understand the climate related risks and opportunities that will have a significant impact on stakeholders.	Appendix 2
Recommended Disclosure (b) – Describe the organization’s processes for managing climate-related risks	- The Company has identified the relevant transition risks (such as policy and legal and/or technological risks), and physical risks (such as acute and chronic changes in weather or temperatures) in its climate risk assessment. - Management of climate related risks will be under the purview of the ESG Committee and materiality determinations are made through deliberation with members of the ESG Committee and where required, approval from the Board. - The Group has also set targets for reduction of GHG emissions and monitors progress towards achieving those targets on a half yearly basis.	Continue to identify and introduce potential mitigation measures to reduce exposure to the Company’s climate-related risks.	21 – 22, Appendix 2
Recommended Disclosure (c) – Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	The Head of Risk and Compliance will consider how climate related risks are integrated into the overall risk management framework and update the ARC accordingly.		21 – 22

SUSTAINABILITY REPORT

TOPIC	CURRENT STATE	NEXT STEPS	REFERENCE
4. Metrics and Targets			
Recommended Disclosure (a) – Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	- Currently the Group does not produce emissions directly but contributes to emissions indirectly from consumption of energy produced from carbon-based fuels. The metric used to measure such emissions is metric tons of CO₂ emitted based on grid emission factors in Malaysia and Singapore. - The Group has collected data for Scope 3 emissions in 2023 for disclosure in SR 2023. This was used as a baseline for comparison against data in FY2024. - The Group has set two key climate targets: (1) reduce electricity usage as follows: (a) 0.5% reduction in the short term; (b) 1% reduction in the medium term; and (c) 1.5% reduction in the long term; (2) reduce Scope 2 and Scope 3 emissions as follows: (a) 1% reduction in the short term; (b) 2% reduction in the medium term; (c) 3% in the long term. - The ESG Committee and the Board continues to review the continued relevance and applicability of these targets as well as whether the targets should be revised.	- Improve the process for collecting Scope 3 emissions. Currently the data for business travel is being collected and converted to GHG equivalent values using the spend-based method. The Group will focus efforts on its data collection process to transition to calculations using a distance based method moving forward. - The ESG Committee is looking to streamline the process for collecting data relating to employee commute by conducting an employee commute survey half yearly.	44 – 46
Recommended Disclosure (b) – Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	- There is no Scope 1 GHG emissions for the Group. - Scope 2 and Scope 3 GHG emissions are disclosed in this Report.		44 – 46
Recommended Disclosure (c) – Describe the targets used by the organization to manage climate-related risks and opportunities and performance targets	The targets are as described above.		44 – 46

Time periods for sustainability goals

Where a goal is described as a short-term goal or target in this Report, these are goals that the Group intends to achieve within the next year. Where goals are described as medium-term, these refer to goals to be achieved in the next 2-5 years, while long-term goals are those goals which the Group intends to achieve beyond the next 5 years.

SUSTAINABILITY REPORT

Summary

Based on the risk ranking and prioritisation approach outlined above, ZICO has identified the ESG factors that are material to its operations as set out in the table below. The high impact/risk factors listed below are being prioritised as ZICO deems them to be critical to its business and operations. As compared to FY2023, the ESG Committee and Board have agreed to streamline the material factors so that they better reflect the sustainability targets of the Company.

IMPACT/RISK	AREA	MATERIAL FACTORS	SUB-TOPICS	GRI STANDARD
High	Governance	Ethical governance practices	Corporate governance	Non-GRI
			Business ethics/anti-bribery	Non-GRI
			Whistleblowing	Non-GRI
High	Social	Workforce Development and Engagement	Cybersecurity/data privacy	GRI 418
			N/A	
		Occupational health and safety	Employment	GRI 401
			Training and education	GRI 404
		Diversity and equal opportunity	N/A	GRI 403 and Non-GRI
			N/A	GRI 405
Medium	Economic	Economic performance	N/A	Non-GRI
			N/A	GRI 201
Low	Environmental	Environmental	Materials	GRI 301
			Energy	GRI 302
			Emissions	GRI 305



SUSTAINABILITY REPORT

FY2024 SUSTAINABILITY SCORECARD

Overview of key material factors and achievement of targets

The table below sets out the performance of the FY2024 targets and FY2025 targets presented and approved by the Board.

Where there is a reference in this Report to a target which is for the short-long term, this means that it is a target which should be met continuously in the short, medium and long terms.

AREA	FY2024 TARGETS	ACHIEVEMENT OF FY2024 TARGETS	FY2025 TARGETS
 Governance	Uphold zero corruption, unethical behavior and fraud incidents across the Company's operations (short – long term)	No reported incidents of corruption, unethical behavior or fraud in FY2024	Uphold zero corruption, unethical behaviour and fraud incidents across the Company's operations (short – long term)
	Establish a cybersecurity framework to ensure data privacy protection and embrace industry best practices for data protection (short – long term)	The cybersecurity framework has been established by the IT department	Achieve no reported breach or revocation of any licences held by subsidiaries of the Company (short – long term)
	Achieve no reported breach or revocation of any licences held by subsidiaries of the Company (short – long term)	No reported breach or revocation of any licences held by subsidiaries of the Company in FY2024	Achieve zero data privacy breaches (short – long term)
	Appoint one female director to the Board (short term)	This target has been achieved with the appointment of one female director to the Board in 2024	To maintain the appointment of at least one female director on the Board (short – long term)
 Social	Maintain zero fatalities and injuries in the workplace (short – long term)	No fatalities or major injuries in the workplace for FY2024	Carrying out yearly employee engagement survey (short – long term)
	Carrying our continuous employee engagement by organising employee centered initiatives (short – long term)	The Group organised a range of employee engagement events for employees throughout FY2024 as further described on page 38 of this Report.	Regular organization of learning and development initiatives to enhance workforce skills and capabilities (short – long term)
	Maintain at least 50% women representation at management level (short – long term)	Workplace gender diversity maintained with 65% of women representation at management level in FY2024	- Maintain zero fatalities and achieve zero major work-related injuries in the workplace (short – long term) - Maintain at least 50% women representation at management level (short – long term) - Progressively develop community engagement programmes to address community needs in meaningful ways (short – long term)

SUSTAINABILITY REPORT

AREA	FY2024 TARGETS	ACHIEVEMENT OF FY2024 TARGETS	FY2025 TARGETS
 Environmental	Reduce paper usage from 2023 baseline as follows: 1% reduction in the short term; 2% reduction in the medium term and 3% reduction in the long term as we move towards a more paperless era FY2023: 2,037.5kg	Reduced paper used in FY2024 by 32% from 2037.5kg to 1,385kg (Note: This reduction is largely attributed to the reduction of paper usage in one of our Singapore subsidiaries and is treated as a one-off event. It is unlikely that such reduction rate will recur in future.)	Reduce paper usage from 2023 baseline as follows: 1% reduction in the short term; 2% reduction in the medium term and 3% reduction in the long term as we move towards a more paperless era
	Reduce electricity usage from 2023 baseline as follows: 0.5% reduction in the short term; 1% reduction in the medium term and 1.5% reduction in the long term FY2023: 110,986 kWh in energy used (9% decrease from previous year)	FY2024: 105,766 kWh in energy used (5% decrease from previous year)	Reduce electricity usage from 2023 baseline as follows: 0.5% reduction in the short term; 1% reduction in the medium term and 1.5% reduction in the long term
	Reduce emissions which are derived from (a) electricity usage (Scope 2 emissions) and (b) business travel and employee commute (Scope 3 emissions) with 2023 as a baseline as follows: 1% reduction in the short term; 2% reduction in the medium term and 3% in the long term 2023 Scope 2 emissions: 71.13 tonnes of CO₂ produced (8% decrease from previous year)* 2023: Scope 3 emissions: 192.94 tonnes of CO₂ produced	2024 Scope 2 emissions: 67.76 tonnes of CO₂ produced (5% decrease from previous year) 2024 Scope 3 emissions: 178.99 tonnes of CO₂ produced (7% decrease from previous year)	- Reduce emissions which are derived from (a) electricity usage (Scope 2 emissions) and (b) business travel and employee commute (Scope 3 emissions) with 2023 as a baseline as follows: 1% reduction in the short term; 2% reduction in the medium term and 3% in the long term - While the Group had recorded a higher reduction rate in electricity usage, as well as Scope 2 and 3 emissions for FY2024, the Board (with the recommendation of the ESG Committee) is of the view that the aforementioned targets are achievable and sustainable, and that it would not be realistic to adjust the targets solely based on a single year's achievements

* Restated from the figure reported in SR2023, please refer to page 45 for more details.

SUSTAINABILITY REPORT

Performance across specific material factors

ETHICAL GOVERNANCE PRACTICES

CORPORATE GOVERNANCE

ZICO, as a publicly traded professional services firm with a full range of licenses, is committed to maintaining high corporate governance standards. This is essential for the company's long-term sustainability, protecting shareholder interests, and maximizing shareholder value. There were no reported breaches of any licenses held by the Group in FY2024, and ensuring continued compliance remains a key governance objective for FY2025. For more details on ZICO's corporate governance practices, including Board composition, independence, and performance, please refer to the Corporate Governance Report on pages 58 to 89.

ZICO has strategically optimized its operations by acquiring businesses that enhance its core services while divesting non-core assets. Throughout the year, the Company maintained strong governance standards, reinforcing its commitment to effective corporate practices.

ZICO, as a group, continues to be licensed by various authorities in Malaysia and Singapore as shown in the table below:

COMPANY	REGULATING BODY
ZICO Trust (S) Ltd	Monetary Authority of Singapore
ZICO Trust Limited	Labuan Financial Services Authority (Malaysia)
ZICO Shariah Advisory Services Sdn. Bhd.	Securities Commission of Malaysia
ZICO Asset Management Pte. Ltd.	Monetary Authority of Singapore
ZICO Capital Pte. Ltd.	Monetary Authority of Singapore
ZICO Capital Sdn. Bhd.	Securities Commission of Malaysia Bursa Malaysia Berhad
ZICO Trust (M) Bhd	Companies Commission of Malaysia

2025 TARGETS

Short – long term • Achieve no reported breach or revocation of any licences held by subsidiaries of the Company

SUSTAINABILITY REPORT

BUSINESS ETHICS/ANTI-BRIBERY

ZICO enforces a strict zero-tolerance policy on bribery and corruption and is committed to conducting business professionally, fairly, and with integrity in all its operations. This is critical to maintaining business continuity, protecting the brand, and upholding its role as a trusted advisor. The Group regularly reviews its controls to ensure compliance with ethical standards and anti-corruption laws, with the goal of preventing any incidents of non-compliance.

Certain licensed subsidiaries within the Group are subject to specific statutory anti-bribery and corruption requirements. As a result, these subsidiaries have implemented their own anti-bribery policies and procedures tailored to their operational and regulatory needs. These policies are designed to align with applicable legal obligations while addressing the unique risks and business activities of each subsidiary, ensuring effective and compliant anti-bribery measures across the Group.

In FY2024, the Group's risk and compliance function conducted an Anti-Bribery Management System (ABMS) workshop for all operational Malaysian subsidiaries to enhance awareness of Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The workshop covered the legal implications of corporate liability for corruption offenses and the necessity of implementing adequate procedures as a defense against liability. Following this, the Group introduced the ABMS framework, outlining comprehensive measures to prevent bribery and ensure compliance with the Act.

Any instance of suspected or alleged bribery is included in the monthly reporting to the Escalation Committee. The Escalation Committee consists of the management heads and is tasked with carrying out investigations into any reported instance of suspected or alleged bribery and/or corruption within the Group and to determine appropriate reporting and/or rectification measures in the event of such non-compliance/concerns. In FY2024, there were no reported instances of suspected or alleged bribery.

2025 TARGETS

Short – long term • Uphold zero corruption, unethical behavior and fraud incidents across the Company's operations

WHISTLEBLOWING

Given the confidential nature of ZICO's business operations, maintaining integrity and propriety is essential. Any activity that threatens ethical conduct, the company's listing status, or its licenses is strictly prohibited. This includes corruption, conflicts of interest, breaches of internal controls, collusion with competitors, insider trading, and disciplinary misconduct, all of which can severely impact the Group's operations and stakeholder interests. Such violations not only risk legal and regulatory consequences but also undermine trust in the Group's governance and business practices.

The Group Whistleblowing Policy was reviewed in FY2024 and updated to ensure continued relevance. Based on the register maintained by the Head of Risk and Compliance, there were no reported instances of whistleblowing in FY2024.

SUSTAINABILITY REPORT

CYBERSECURITY/DATA PRIVACY

With the growing reliance on digital technologies, data privacy is a critical concern, especially for professional service providers like ZICO. Protecting client confidentiality and data security is a top priority, as it is essential to maintaining client trust. The Group is committed to ensuring compliance with data protection regulations while fostering strong, long-term business relationships and supporting new opportunities.

For FY2024, and consistent with previous years, the Group has not received any complaints regarding breaches of customer privacy or from regulatory bodies, based on the register maintained by the risk and compliance function. No data leaks, thefts, or losses have been identified. To ensure compliance with data protection laws, the Group has also implemented a Group-wide personal data protection policy.

In FY2024, Group IT has implemented a cybersecurity framework to strengthen protection of data privacy in an effort to embrace industry best practices for data protection. The Group has also taken steps to ensure compliance with regulatory requirements in Singapore and Malaysia regarding appointment of a Data Protection Officer for our operational subsidiaries, in line with data protection laws requiring the same.

Group IT also conducted a comprehensive disaster recovery test in FY2024, focusing primarily on our file servers, risk database, and financial systems hosted in the virtual private cloud to safeguard the Group's operations and data in the event of unforeseen disruptions.

2025 TARGETS

Short – long term • Achieve zero data privacy breaches

EMPLOYMENT

As a professional services provider, the Group recognizes that its employees are essential to the success of each subsidiary and serve as key revenue generators. To attract and retain talent, ZICO upholds fair, progressive, and non-discriminatory employment policies covering hiring practices, remuneration, and other key aspects of employment. The following table presents the number of new hires and employee turnover statistics for 2024, alongside a comparison with 2023 figures:

NEW HIRES								
YEAR	TOTAL	AGE GROUP			GENDER		REGION	
		<30	30-50	>50	 Male	 Female	 Singapore	 Malaysia
2024	39	11	24	4	17	22	21	18
2023	35	14	16	5	16	19	17	18

EMPLOYEE DEPARTURES									
YEAR	TOTAL	AGE GROUP			GENDER		REGION		ETR*
		<30	30-50	>50	 Male	 Female	 Singapore	 Malaysia	
2024	36	8	23	5	17	19	23	13	24%
2023	27	9	10	8	13	14	14	13	18%

* ETR = total Employee Turnover Rate

SUSTAINABILITY REPORT



ZICO's employee turnover rate in FY2024 has increased compared to that of FY2023, with 39 new hires and 36 departures, as compared to 35 new hires and 27 departures that were recorded in FY2023. Throughout FY2023, ZICO has implemented a full work from office policy with options for employees to sign up for flexible working timings where appropriate.



During the reporting period, the Group conducted a range of employee engagement events across our offices in Malaysia and Singapore. Festive celebrations such as Chinese New Year events were a highlight, bringing employees together to participate in traditional activities such as "Lou Sang" and lion dances. These festivities reflect the Group's appreciation and respect for cultural diversity in the workplace.

The Hari Raya celebration in Kuala Lumpur and Singapore, Mid Autumn Festival in the Kuala Lumpur office, Halloween in the Singapore office as well as Deepavali in the Kuala Lumpur office showcased the Group's commitment to embracing cultural diversity. The Year End Party in 2024 involving all offices and subsidiaries within the Group highlighted global unity and shared accomplishments.



To foster a vibrant and engaging workplace culture, the Group organized a variety of team-building activities across our offices last year. In the Malaysian office, employees participated in exciting Pictionary and Taboo sessions, promoting creativity, collaboration, and quick thinking. Additionally, a Bowling Tournament was held, bringing employees together in a friendly yet competitive atmosphere. These initiatives reflect our ongoing commitment to enhancing employee engagement and fostering a strong sense of community within the organization.

In FY2024, the Group also conducted an employee engagement survey to measure, among others, employee satisfaction, engagement level and to understand where improvements were needed. The results of the survey were presented during the Town Hall session.

2025 TARGETS

Short – long term • Carrying out yearly employee engagement survey

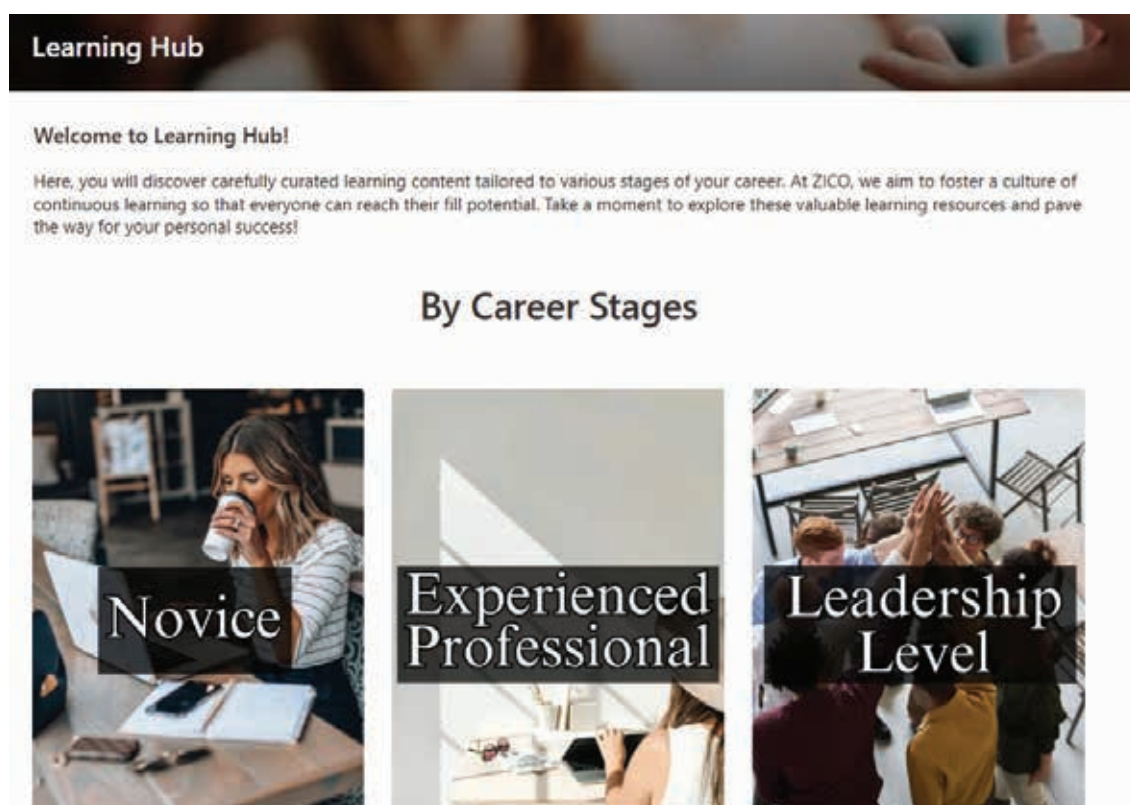
SUSTAINABILITY REPORT

TRAINING AND EDUCATION

ZICO believes that providing employees with learning and development opportunities is a crucial part of the Group's investment in its human capital. The average number of training hours per employee in 2024 increased slightly to 12.3 hours. A further breakdown is provided below:

LEARNING HOURS BY GENDER, CATEGORY AND TYPE							
YEAR	GENDER		CATEGORY			TYPE	
	Male	Female	Management	Executives	Non-Executives	Technical	Soft Skills
2024	↑12.0	↓12.4	↑14.1	↓11.9	↑4.3	↓58%	↑42%
2023	9.5	12.8	12.8	12.1	2.3	70%	30%

The Group launched Learning Hub in FY2024, which is an internal hub to access curated learning resources and programmes.



In addition, the Group also launched Career Connections, an internal platform where job vacancies and application links are published. This initiative enhances internal mobility by providing employees with greater visibility on available career opportunities within the organization, supporting career growth and talent development.

SUSTAINABILITY REPORT

Career Connections

In The Driver's Seat: Empowering Our Employees' Journey In ZICO

Welcome to Career Connections!

This unique platform aims not only to encourage you to consider internal opportunities, but also to invite you to tap into your personal networks to recommend exceptional candidates who share our vision and passion for success.

Your role extends beyond being an advocate for talent, it's an opportunity to shape ZICO's culture with fresh perspectives and skills.

As a token of gratitude, we offer enticing rewards for successful referrals, acknowledging the invaluable role you play in our growth. Seize this chance to contribute to the evolution of our company, fostering collaboration, camaraderie and success.

Join us in crafting something truly extraordinary!

Current Job Openings:

COMPANY	POSITION	LOCATION	CLOSING DATE
ZICO Asset Management	Advisor	Singapore	-
ZICO Asset Management	Investment Operations Manager	Singapore	31 March 2025
ZICO Knowledge	Intern – Human Resources	Kuala Lumpur	31 March 2025

2025 TARGETS

- Short – long term**
- Regular organisation of learning and development initiatives to enhance workforce skills and capabilities

SUSTAINABILITY REPORT

OCCUPATIONAL HEALTH AND SAFETY

ZICO is committed to continuously improving its occupational health and safety standards despite being a relatively low-risk workplace environment.

In 2024, there were no fatalities as a result of work-related injury, no high-consequence work-related injuries, no recordable work-related injuries, and no recordable work-related illnesses or health conditions arising from exposure at work in the reporting period across the Group. ZICO also participated in fire drills organised by the building management of its offices to familiarise employees with the proper evacuation routes and practices.

Group HR expanded our wellness efforts by organizing two key webinars in collaboration with KPJ Healthcare. The "Feast On Health" wellness webinar focused on nutrition and healthy eating habits, equipping employees with practical knowledge to make informed dietary choices. Meanwhile, the "Ergonomics in the Workplace" health and safety webinar provided valuable insights on posture, workstation setup, and movement techniques to prevent workplace-related injuries. These initiatives reflect our ongoing commitment to promoting a culture of health, safety, and well-being across our workforce.

The Group has also broadened the scope of medical benefits to include mental health therapy in Malaysia and Singapore as well as optical care in Singapore.

2025 TARGETS

Short – long term • Maintain zero fatalities and achieve zero major work-related injuries in the workplace

DIVERSITY AND EQUAL OPPORTUNITY

The Group is committed to diversity and equal opportunity, ensuring no discrimination based on race, religion, gender, or political beliefs. Our hiring and career advancement are based solely on merit, promoting fairness for all. We strictly prohibit employing individuals under 18, reinforcing our stance against child labor. To support work-life balance, we offer flexible working hours where appropriate, allowing employees to manage their schedules to meet personal and family needs. By fostering a supportive and sustainable work environment, we encourage employees to maintain a healthy balance between work and personal life.

EMPLOYEE COMPOSITION BY GENDER AND AGE

CATEGORY	GENDER		Total	AGE GROUP			Total
	Male 	Female 		<30	30-50	>50	
 Management	22	41	63	1	33	29	63
 Executives	24	51	75	21	46	8	75
 Non-Executives	6	5	11	2	7	2	11
Total	52	97	149	24	86	39	149

As of 31 December 2024, 65% of the Group's workforce is female which is slightly above the 63% figure reported in SR2023. Approximately 65% of the corporate office's management and 50% of the business leaders within the Group's subsidiaries are female. This is comparable to the figures reported for FY2023 where 63% of corporate office management and 50% of business leaders were female. The Group continues to encourage female leadership and promotion of female participation in management by facilitating conversations and raising awareness on community issues such as female empowerment.

SUSTAINABILITY REPORT

ZICO celebrated International Women's Day ("IWD") across all offices where all female employees received a small gift. The Group also participated in the IWD 2024 global campaign #InspireInclusion by having all offices send in photos of them holding up the #InspireInclusion poster.



2025 TARGETS

Short – medium term • Maintain at least 50% women representation at management level

COMMUNITY INVESTMENT

ZICO recognises the importance of prioritising comprehensive education initiatives to instil a deeper understanding of sustainability principles within its employees.

The Group participated in the Earth Hour movement by having offices in all countries switch off their lights for an hour during lunch.



Beyond our participation in the Earth Hour movement, the Group also engaged in various community and sustainability initiatives across our offices.

In Malaysia, we organized a donation drive for the Megah Orang Asli Children's Home, gathering essential supplies such as food, clothing, and school materials. This effort was driven by our dedication to supporting underprivileged communities and ensuring that children in need have access to basic necessities and educational resources.

In Singapore, our employees volunteered at a soup kitchen, assisting in meal preparation and distribution for the less fortunate. Through this initiative, we aimed to address food insecurity and provide support to vulnerable individuals, fostering a culture of empathy and social responsibility within our workforce.

SUSTAINABILITY REPORT

These initiatives reflect our commitment to corporate social responsibility, reinforcing our efforts to make a positive impact on both the environment and the communities we serve.

2025 TARGETS

- Short – long term**
- Progressively develop community engagement programmes to address community needs in meaningful ways

ECONOMIC PERFORMANCE

In FY2024, there was a slight increase in revenue from SGD 17.21 million in FY2023 to SGD 17.25 million. The Group reported a net loss of SGD 5.61 million in FY2024 which is an improvement from the net loss of SGD 7.17 million in the previous year. The losses in FY2024 were primarily due to slower corporate finance, consultancy and asset management activities resulting from softer market conditions and impairment and write-off of certain trade receivables. There was also a slight reduction in employee benefits expenses from SGD 14.81 million in FY2023 to SGD 14.56 million in FY2024. For more information on the Group's economic performance, please refer to pages 8 – 9. The main target for this material matter is to enhance the revenue base of the Group and increase profitability of the Group as a whole.

Economic performance in SGD ('000)	2023	2024
<u>Economic value generated</u>		
Revenue	17,208	17,249
<u>Economic value distributed</u>		
Employee benefits expense	14,808	14,561

MATERIALS

ZICO continues to uphold its Green Office Initiative ("GOI") to minimize the environmental impact of its business activities. As paper is the primary material used in the Group's services, efforts have been directed towards reducing paper consumption, including adopting paperless practices where feasible and setting printer defaults to double-sided printing to minimize paper and ink waste. In 2023, the Group's Singapore and Malaysian offices used approximately 2,037.5 kg of paper. However, in 2024, this figure dropped significantly to 1,385.0 kg, representing a drop of 32%, largely due to reduced paper usage in some of the Singapore offices. Moving forward, management will assess current initiatives and implement further measures to optimize paper usage.

Due to confidentiality and record-keeping requirements, management estimates that only 30% of the purchased paper is available for recycling, of which nearly 85% is successfully recycled. Moving forward, the Group will continue to enhance its efforts under the GOI by promoting employee awareness on paper conservation and implementing targeted reductions in paper usage.

SUSTAINABILITY REPORT

2025 TARGETS

Short term	Reduce paper usage by 1% from 2023 baseline
Medium term	Reduce paper usage by 2% from 2023 baseline
Long term	Reduce paper usage by 3% from 2023 baseline

ENERGY

Being a business rooted in the ASEAN region, where all member nations are committed to the Paris Agreement⁵, ZICO is committed to mitigate the potential negative environmental impact arising from its operations. The Group is therefore actively engaged in endeavours to diminish its carbon footprint. As part of its ongoing efforts, the Group actively promotes energy conservation practices, such as turning off lights during lunch hours and when workstations are unoccupied. Additionally, employees are encouraged to shut down office equipment and computers when not in use.

In 2024, there was a reduction in the in-office energy consumption by approximately 5% from FY2023. Since FY2022, the Group has migrated from on-premise servers to cloud servers to reduce high consumption of air-conditioning used to maintain the server rooms. ZICO's efforts towards reducing its carbon footprint will continue in 2025 and beyond. A comparison of the total electricity consumed across our Singapore and Malaysian offices is set out in the table below.

Energy consumption & intensity		2023	2024
Singapore 	Total electricity consumption (kWh)	40,813	38,962
Malaysia 	Total electricity consumption (kWh)	70,173	66,804
Total	Total energy consumption (kWh)	110,986	105,766
	Energy intensity (kWh per SGD)*	0.00645**	0.00613

* Energy intensity is calculated by taking the total energy consumption divided by each dollar of sales.

** This figure is restated as the reporting currency for SR2023 was RM whereas the reporting currency for FY2024 is SGD.

2025 TARGETS

Short term	• Reduce electricity usage by 0.5% from 2023 baseline
Medium term	• Reduce electricity usage by 1.0% from 2023 baseline
Long term	• Reduce electricity usage by 1.5% from 2023 baseline

⁵ For more information on the Paris Agreement, please refer to the website for the United Nations Framework Convention on Climate Change at <https://unfccc.int/process-and-meetings/the-paris-agreement>.

SUSTAINABILITY REPORT

EMISSIONS

Although the Group does not produce emissions directly from its business operations, it does contribute to emissions indirectly from the consumption of energy produced from carbon-based fuels (see above under the disclosure for Energy) i.e. Scope 2 emissions as well as Scope 3 emissions in the categories of business travel and employee commute. In accordance with the GRI Standards, the Group's GHG emissions are disclosed with reference to the guidelines of the Greenhouse Gas Protocol ("GHG Protocol").⁶

For the purposes of SR2024 the Group's reported energy usage is confined to its Singapore and Malaysia offices, and its GHG emissions are associated with purchased electricity under Scope 2 and business travel and employee commute under Scope 3 of the GHG Protocol.⁷ No other gases besides carbon dioxide (CO₂) are included in the Group's calculation of GHG emissions and the Scope 3 emissions are calculated based on the emission factors set out in the UK Government GHG Conversion Factors for Company Reporting.

Total Scope 2 GHG emissions decreased by 5% contributed by a decrease in energy usage. This is accompanied by a decrease in emissions intensity by approximately 5%.

Energy indirect (Scope 2) GHG emissions & intensity		2023	2024
Singapore* 	CO ₂ emissions (metric tons)	16.81	16.05
Malaysia# 	CO ₂ emissions (metric tons)	54.31	51.71
Total	CO ₂ emissions (metric tons)	71.13	67.76
	Emissions intensity (CO ₂ kg per SGD) [^]	0.00413	0.00393

* Based on Singapore's 2023 Grid Emission Factor (GEF) of 0.412 CO₂/kwh. The 2023 Scope 2 emissions figure has been updated as SR2023 referred to Singapore's 2022 GEF.

Based on Peninsular Malaysia's 2022 GEF of 0.774 CO₂/kwh. The 2023 Scope 2 emissions figure has been updated as SR2023 referred to Peninsular Malaysia's 2022 GEF.

[^] Emissions intensity is calculated by taking the total CO₂ emissions divided by each dollar of sales. The SR2023 figure has been restated as the reporting currency for FY2023 was RM whereas the reporting currency for FY2024 is SGD.

In relation to Scope 3 emissions, the Group has used FY2023 as the baseline year for data collection. There are two areas of data for Scope 3 emissions that are relevant, namely emissions arising from business travel and employee commute. Scope 3 emissions for business travel are calculated using the spend based method by estimating the distance travelled from data on mileage and travel claims by employees. Moving forward, the Group intends to implement a more detailed record keeping process to track distance travelled and enhance accuracy in reporting on emissions for business travel.

⁶ The reporting requirements for GHG emissions are based on the requirements of the 'GHG Protocol Corporate Accounting and Reporting Standard' ('GHG Protocol Corporate Standard') and the 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard' ('GHG Protocol Corporate Value Chain Standard'). These two standards are part of the GHG Protocol developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD).

⁷ The GHG Protocol has established a classification of GHG emissions called 'Scope': Scope 1, Scope 2 and Scope 3. Direct GHG emissions (i.e. emissions from sources directly owned or controlled) are classified under "Scope 1"; energy indirect GHG emissions (i.e. emissions from the generation of purchased energy) are classified as "Scope 2" and; other indirect GHG emissions (i.e. emissions outside the organisation) are classified as "Scope 3".

SUSTAINABILITY REPORT

For employee commute, the Group gathers data through employee surveys of the distance travelled to and from work and mode of transportation to estimate the corresponding Scope 3 emissions. The survey is conducted annually to account for changes in employee numbers, distance travelled and changes in modes of transportation.

Energy indirect (Scope 3) GHG emissions & intensity		2023	2024
Singapore* 	CO2 emissions (metric tons)	78.58	71.43
Malaysia# 	CO2 emissions (metric tons)	114.37	107.56
Total	CO2 emissions (metric tons)	192.94	178.99
	Emissions intensity (CO2 kg per SGD)^^^	0.011	0.010

^^ Emissions intensity is calculated by taking the total CO2 emissions divided by each dollar of sales. The SR2023 figure has been restated as the reporting currency for FY2023 was RM whereas the reporting currency for FY2024 is SGD.

The Group aims to enhance the frequency of data collection to enable better tracking of Scope 3 emissions. This is to be done by increasing the frequency of the employee commute survey. As determined in previous years, the Group will seek to reduce emissions which are derived from (a) electricity usage (Scope 2 emissions) and (b) business travel and employee commute (Scope 3 emissions) as follows: 1% reduction in the short term; 2% reduction in the medium term and 3% in the long term. The ESG Committee will continue to monitor this area and recommend methods to achieve the reduction targets.

2025 TARGETS

Short term	• Reduce emissions (Scope 2 and Scope 3) by 1% from 2023 baseline
Medium term	• Reduce emissions (Scope 2 and Scope 3) by 2% from 2023 baseline
Long term	• Reduce emissions (Scope 2 and Scope 3) by 3% from 2023 baseline

SUSTAINABILITY REPORT

GRI CONTENT INDEX

(Material sustainability factors in **bold**)

ZICO Holdings Inc has reported the information cited in this GRI content index for the period 1 January 2024 – 31 December 2024 with reference to the GRI Standards.

GRI used: GRI 1: Foundation 2021

CATEGORY	GRI STANDARD	DISCLOSURE	REFERENCE
General disclosures	2-1	Organizational details	Page 20
	2-2	Entities included in the organization's sustainability reporting	Page 23
	2-3	Reporting period, frequency and contact point	Page 23
	2-4	Restatements of information	Pages 44 – 46
	2-5	External assurance	Page 23
	2-6	Activities, value chain and other business relationships	Page 20
	2-7	Employees	Pages 37 – 38
	2-9	Governance structure and composition	Pages 58 – 67
	2-10	Nomination and selection of the highest governance body	Pages 67 – 70
	2-11	Chair of the highest governance body	Page 67
	2-12	Role of the highest governance body in overseeing the management of impacts	Pages 21 – 22, 28
	2-13	Delegation of responsibility for managing impacts	Pages 21 – 22, 28
	2-14	Role of the highest governance body in sustainability reporting	Pages 21 – 22, 28
	2-15	Conflicts of interest	Pages 59 – 60
	2-16	Communication of critical concerns	Pages 21 – 22, 28
	2-17	Collective knowledge of the highest governance body	Pages 61 – 62
	2-18	Evaluation of the performance of the highest governance body	Pages 71 – 72
	2-19	Remuneration policies	Pages 72 – 76
	2-20	Process to determine remuneration	Pages 72 – 76
	2-21	Annual total compensation ratio	NA
	2-22	Statement on sustainable development strategy	Page 21
	2-23	Policy commitments	Pages 35 – 46
	2-24	Embedding policy commitments	Pages 35 – 46
	2-25	Processes to remediate negative impacts	NA

SUSTAINABILITY REPORT

CATEGORY	GRI STANDARD	DISCLOSURE	REFERENCE
	2-26	Mechanisms for seeking advice and raising concerns	Pages 21 – 22, 28
	2-27	Compliance with laws and regulations	Page 35
	2-28	Membership associations	NA
	2-29	Approach to stakeholder engagement	Appendix 1
	2-30	Collective bargaining agreements	NA
Governance	Non-GRI	Corporate governance	Pages 35 – 36
		Cybersecurity/data privacy	
	GRI 418	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 37
	1 Non-GRI	Business ethics/anti-bribery	Page 36
	Non-GRI	Whistleblowing	Page 36
Social		Employment	
	401-1	New employee hires and employee turnover	Pages 37 – 38
		Diversity and equal opportunity	
	1405-1	Diversity of employees	Pages 41 – 42
		Occupational health and safety	
	Non-GRI	Occupational health and safety	Page 41
	403-9	Work-related injuries	Page 41
		Training and education	
	404-1	Average hours of training per year per employee	Pages 39 – 40
	Non-GRI	Community investment	Page 42
Economic		Economic performance	
	201-1	Direct economic value generated and distributed	Page 43
Environment		Materials	
	301-1	Materials used by weight or volume	Page 43
	301-2	Recycled input materials used	Page 43
		Energy	
	302-1	Energy consumption within the organization	Page 44
	302-3	Energy intensity	Page 44
		Emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	Page 45
	305-3	Energy indirect (Scope 3) GHG emissions	Page 46
	305-4	GHG emissions intensity	Pages 45 – 46

SUSTAINABILITY REPORT

APPENDIX 1

Stakeholder engagement process

a. Stakeholder identification

The following groups in Diagram 1 below have been identified as key stakeholders for the business of the Group:



Diagram 1: Key stakeholders for the business of the Group

i. Entry

- Upon the launching and continuation of business operations, **regulators** need to be engaged to obtain the necessary licenses while also complying with regulations, guidelines, standards etc. in order for market entry to succeed.
- Four of the Group's business lines (i.e. trust, shariah advisory, corporate finance & capital markets, and asset & wealth management) are licensed businesses with stringent regulatory compliance requirements.
- In addition to these business lines, the Group also provides legal services in Laos, Thailand, and Myanmar according to relevant local laws and requirements.
- Regulators seek, through policy levers and rulings, to achieve public policy goals including service quality, consumer protection, anti-corruption, data regulation, etc. This impacts the Group not only in terms of its licensed businesses but also in terms of its status as a publicly listed company.

SUSTAINABILITY REPORT

ii. Resourcing

1. Human capital is a crucial resource for professional services organizations. Having engaged and effective **employees** is critical to the Group's success, and providing equal opportunities for all employees to succeed also helps ensure that key talent is retained.
2. On the flipside, employees have needs which are met by employers. Beyond adequate wages, the Group's employees depend on it to provide them with a safe, supportive, and non-discriminatory environment that is conducive to their growth as working professionals while also allowing them to pursue other non-work related goals e.g. starting a family and staying healthy during a pandemic.

iii. Funding

1. Business expansion requires capital and a key source of this for ZICO has been **shareholder** funds.
2. Through its listing, ZICO leverages shareholder funds to invest in the Group's expansion into different business lines and different markets as it seeks to establish itself in the professional services sector.
3. In return, shareholders seek to enjoy returns from their investments. As a criteria for investment, shareholders would need to be confident in the governance policies and practices of the Group which ensure transparency, accountability, and sustainability of the business.

iv. Partnerships

1. Having strong **partnerships** acts as a multiplier for the Group's MDP platform. The Group works with a wide range of other advisory firms in the region for the purpose of cross selling its services across the spectrum of professional services demanded by clients. Both the Group and its partners gain from the increased pipeline.
2. ZICO will therefore need to ensure that it continues to maintain and manage close relationships with its collaborators and partner firms to further enhance the Group's presence and marketing channels as well as exposure to potential clientele.

v. Sales

1. As business advisors, the Group provides high quality professional services to meet the needs of its **clients**.
2. Maintaining high standards in the delivery of its services plays an important role in ensuring repeat business, client referrals, and overall brand reputation in the industry.
3. Of equal importance is the need for client data privacy given that the Group is privy to confidential client information due to the nature of its business. Such information is sacrosanct; must be adequately protected to ensure client interests are safeguarded and their confidence in the Group is not misplaced.
4. With the confidence of its clients assured, a sustainable business pipeline can be maintained while also providing opportunities for expansion as more clients benefit from the Group's range of services.

vi. Maturity

1. As the Group's business grows, the impact of its activities on the wider **community** needs to be considered in order to meet societal expectations and demands for companies to go beyond the bottom line.
2. Reputational and image risks need to be managed and indeed, turned into advantages which can bolster the Group's branding and increase community support for its success e.g. more successful hiring and better talent retention.
3. Communities themselves can benefit from the Group's efforts in corporate social responsibility (CSR) that can range from environmental protection programmes (e.g. cutting back on paper usage and single-use plastics) to charitable engagements to aid the under-privileged.

SUSTAINABILITY REPORT

b. Stakeholder engagement process

In order to ensure the sustainability of the Group's business and better understand the concerns of its stakeholders, the Group employs a range of engagement measures with each of them. The method of engagement with each relevant stakeholder group is set out below.

i. For Regulators

1. **Method of engagement:** Ongoing dialogue and consultation with regulators on governance and best practices.
2. The Group places strong emphasis on the need to ensure good governance given the highly regulated business environment within which the Group operates.
3. It is therefore important for the Group to collaborate with and maintain a continuous and ongoing dialogue with regulators, to ensure that the Group continues to build upon its technical knowledge and best practices, and address and mitigate any concerns, particularly from a governance perspective, which may be communicated from the regulators.

ii. For Employees

1. **Method of engagement:** The Group engages its employees through internal communication initiatives like surveys while also seeking to promote employee development through regular training sessions and performance appraisals.
2. During festive occasions and/or company social gatherings, employees are also given the opportunity to interact with management and communicate any feedback they might have.
3. The Group recognises that employee wellbeing is paramount for its business, and the Group seeks to organise employee centred activities and initiatives to further engage with its employees and improve the social environment within its offices.

REGULATORS

- Inspections
- Email communication
- Consultations



EMPLOYEES

- Internal communications
- Internal training
- Social gatherings & events
- Performance appraisals



CLIENTS

- Email updates
- Social media
- Client events & gatherings
- Knowledge publications
- Client feedback



SHAREHOLDERS

- Shareholder meetings
- SGX-Net announcements
- Company website
- Annual reports & circulars
- Analyst briefings & roadshows



PARTNERS

- Joint marketing and business development events



COMMUNITY

- Social media
- Community events
- ZICO initiatives



SUSTAINABILITY REPORT



iii. For Shareholders

1. **Method of engagement:** Through seeking shareholder feedback during annual general meetings and by providing timely updates and announcements on the Group's website in addition to those on SGXNet.
2. Investors are welcome to attend shareholder meetings to interact with ZICO's Management and contribute to discussions on the Group's performance, sustainability, and future plans.

iv. For Partners

1. **Method of engagement:** Through joint marketing and business development events and initiatives which help the Group and its collaborators to understand each other's needs and capabilities which then eases future joint pitches to clients.
2. Based on feedback gathered from partners and collaborators, the Group shall continue to organise targeted joint marketing and business development events to further enhance the cross selling of services, not only within the Group, but also with third party collaborators and advisory firms.

v. For Clients

1. **Method of engagement:** Through client engagements in relation to ongoing projects, and via email updates on industry developments, Group services, and thought leadership articles and publications. Social media is another channel used to reach past and potential clients, and the Group's website serves also to update clients on Group services, events, and publications.
2. Regular client events and gatherings create face-to-face networking opportunities and facilitate deeper cooperation with the Group's clients. After each project, the Group also encourages clients to provide feedback via online survey to better understand their needs and concerns going forward and areas for improvement, if any.
3. In the course of the engagements with its clients, the Group has, in particular, identified the interests and concerns raised by its clients surrounding overall data governance and confidentiality of information. The Group has taken such concerns into consideration, and will continue to strengthen its overall data governance capability by consistently reviewing and updating the Group IT's policy, as well as reviewing document management options to introduce greater file security measures.

vi. For Community

1. **Method of engagement:** Community outreach is conducted through a variety of channels including social media, community events, and firm-wide initiatives.
2. The wider public may reach the Group through its social media channels like Instagram and LinkedIn where outreach efforts are publicized.
3. Community events are also held on a regular basis to support underserved and marginalised groups.
4. The Group has also taken the effort to hold its own initiatives to facilitate conversations and raise awareness on community issues like sexual harassment and female empowerment.

SUSTAINABILITY REPORT

APPENDIX 2

Climate risk assessment

At ZICO, we acknowledge and dedicate ourselves to managing climate related risks, embracing it as both a challenge and an opportunity to foster innovation, fortify resilience, secure the enduring sustainability of our business, and generate value for our stakeholders.

Under the oversight of our Board of Directors with active participation from the Heads of Departments, we have conducted an assessment of climate-related risks affecting our organization. This assessment is aimed at pinpointing the key risks and opportunities from a climate-related perspective. Throughout this assessment, we are focused on aligning ourselves with the 2-degree scenario, serving as a benchmark for climate-related scenario analysis and business sustainability planning. Through this risk assessment, we have managed to identify material areas of risk related to the impact of climate change on our business operations and strategic plans.

To address these risks according to their respective time horizons, we have developed a range of strategies and initiatives aimed at reducing our environmental footprint and increasing our resilience to climate-related risks. Our progress shall be measured and benchmarked through specific metrics and targets which will be reviewed and updated annually. These analyses will also be incorporated into our financial planning and reporting processes to our stakeholders.



SUSTAINABILITY REPORT

Transition Risk and Opportunities

Policy & Legal			
Risk Description	Causes & Consequences	Horizon	Controls/Opportunities
More stringent climate change regulations and ESG reporting requirements imposed by regulators	• Lack of updates/follow-up on the latest legal and regulatory requirements • Lack of resources and commitment to implement sustainability measures within the organisation • Operating in a heavily regulated and licensed industry with a range of professional services, non-compliance with regulatory requirements or directives by the relevant authorities may result in fines/penalties which will have negative effects on the reputation of the Company • Sponsors and internal auditors may express concerns over any potential non-compliance with the ESG reporting requirements	Short Term <=1yr	• To increase frequency of ESG committee meetings to at least 4 times a year to ensure alignment with sustainability practices imposed by the regulators • Integration of Task Force on Climate related Financial Disclosure (TCFD) reporting requirements into the Company's reporting process • Implement internal audit on sustainability topics at least once per year • Regularly update and integrate the latest climate or sustainability-related guidelines and requirements into the Company's practices • Adopt sustainability target setting practices that take into account TCFD reporting
Growing awareness of environmental and climate issues will potentially lead to new reporting requirements. This may necessitate the implementation of updated or enhanced compliance solutions, resulting in increased operational expenses	Profit margins will decrease due to the implementation of new or upgraded compliance solutions to meet updated reporting requirements, leading to higher capital and operational costs for the business. Such costs could stem from the need to appoint external consultants to implement ESG processes and more time spent within the organization to ensure ongoing compliance	Medium Term >1 yr and <5 yrs	• Pre-emptively strengthen ESG reporting standards to ensure alignment with industry trends • Continuous ESG training for heads of departments to ensure awareness and commitment towards an enhanced ESG framework • Continuous updates on achievement of ESG targets (including climate related targets) throughout the year at each ESG Committee meeting

SUSTAINABILITY REPORT

Market			
Risk Description	Causes & Consequences	Horizon	Controls/Opportunities
Failure to implement sustainability practices and comply with reporting requirements may affect the view of (1) clients; and (2) potential investors towards the Company	• Clients and investors are increasingly taking into account climate related practices when deciding whether to engage a service provider or whether to invest in a Company • Reduced demand for the Company's services and reduced ability to attract investors	Medium Term >1yr and <5yrs	• To ensure that the Company fully complies with any requirements imposed by the regulators including reporting in compliance with the TCFD guidelines • To fully integrate the TCFD framework into the Company's business operations and communicate the same to all business units • Regularly update and integrate the most recent climate or sustainability-related guidelines and requirements into the Company's practices • Compliance with reporting requirements and implementation of climate related measures within the organization will create a positive image for the Company amongst potential clients and investors
Lack of ESG considerations implemented by external vendors and suppliers may lead to decreased demand by clients for the Company's services	• This is not currently a significant risk faced by the Company as the Company operates in the professional services industry and there is reduced supply chain sustainability considerations • However, multinational companies and large corporations that comprise a significant portion of the Company's clients are increasingly focused on the implementation by their service providers of sustainability practices, including the implementation of sustainability practices amongst the vendors of such service providers • Failure to focus on sustainability practices may result in lower business revenue from international clients	Long Term >=5 yrs	• Work towards including ESG performance criteria in vendor screening process

SUSTAINABILITY REPORT

Resilience Risk and Opportunities

Acute			
Risk Description	Causes & Consequences	Horizon	Controls/Opportunities
Based on our scenario analysis, rising sea levels in Singapore and Malaysia due to global warming may result in extreme weather occurrences, such as floods, which would have an indirect impact on our operating expenses (OPEX)	- Flash floods in Malaysia affecting employees who reside in flood prone areas. This may lead to business disruptions and unexpected delays if employees are unable to work during such occurrences - Employee safety would also be a prime concern for our organization - There may be electricity and/or water disruptions due to extreme weather events - Possible destruction of company property such as physical servers	Long Term $\geq$ 3yrs	- Migration to cloud servers to reduce impact of severe weather events on physical servers - Implementation of business continuity and disaster recover plans - Adequate insurance coverage - Training and fire drills provided to employees to increase employee awareness and safety - Continuous engagement with building management teams to ensure all information regarding building related risks is disseminated promptly and effectively

Resource Efficiency and Opportunities?

Risk Description	Causes & Consequences	Horizon	Controls/Opportunities
Being a professional services Company, excessive use of paper may create wastage and is not environmentally friendly	- Inadequate awareness, training and engagement among employees regarding the Company's sustainability direction and policy on materials usage - Lack of awareness on the importance of recycling paper and there is no strict policy on recycling	Medium Term >1yr and <5 yrs	- Implementing targets for reduction of paper usage and communicating such targets to employees - Implementing tracking of all climate change related targets & amount of waste paper recycled - To target a baseline of 1% to 3% on reduction of paper consumption - Implement a system for proper documentation of materials and paper usage

SUSTAINABILITY REPORT

Risk Description	Causes & Consequences	Horizon	Controls/Opportunities
Limited avenues to reduce electricity usage and carbon emissions	- As a professional services company, the emissions from the business is predominantly from (1) electricity usage in the office and (2) emissions from business travel and employee commute - There may be limited opportunities to reduce energy and emissions continuously, particularly as the Company implements a work from office policy - The Company can encourage employees to reduce travel for business purposes but as a service provider, its employees will often need to give priority to client preferences on the mode of meetings, increasing the possibility that business travel will be required	Medium Term >1yr and <5yr	- Encourage employees to adopt web based and video conferencing measures for meetings to reduce business travel requirements - Implement a green office initiative to encourage saving of electricity

At ZICO, sustainability is at the core of our values. To solidify our commitment, we are committed to incorporating sustainability objectives and targets into all aspects of our business operations. This ensures that we are able to react quickly to any changes in sustainability trends and climate change regulations that may be imposed in future. In doing so, we are able to aim for high impact sustainability practices and do our part in reducing greenhouse gas (GHG) emissions for a better and more sustainable future. We incorporate the values of transparency and accountability in our climate reporting framework and aim for continuous improvement in our ESG related efforts. We invite you to join us as we collectively contribute to building a more sustainable future together.

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) of ZICO Holdings Inc. (the “**Company**” and together with its subsidiaries and associated companies, the “**Group**”) are committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report outlines the Company’s corporate governance practices that were in place during the financial year ended 31 December 2024 (“**FY2024**”), with specific reference made to the principles of the Code of Corporate Governance 2018 (the “**Code**”), the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) and the disclosure guide developed by the SGX-ST in January 2015 (the “**Guide**”).

COMPLIANCE STATEMENT

The Company has complied with the principles and guidelines as set out in the Code and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code and/or the Guide. The Company did not adopt any alternative corporate governance practices in FY2024.

BOARD MATTERS

Principle 1: The Board’s Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Group.

All Directors understand the business of the Company and the Group, as well as their directorship duties (including their roles as executive, non-executive and independent directors) and objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

Provision 1.1

Provision 1.2

The executive directors are members of the Company’s senior management (“**Management**”) and are involved in the day-to-day running of the business. Their duties are to:

- (a) provide insights to the Company’s day-to-day operations, as appropriate;
- (b) provide Management’s views without undermining management accountability to the Board;
and
- (c) collaborate closely with non-executive directors for the long-term success of the Company.

CORPORATE GOVERNANCE REPORT

The non-executive directors are not part of the Company's Management. They are not employees of the Company and do not participate in the Company's day-to-day management. Their duties are to:-

- (a) be familiar with the business and stay informed of the activities of the Company;
- (b) constructively challenge Management and help develop proposals on strategy;
- (c) review Management's performance in meeting agreed goals and objectives; and
- (d) participate in decisions on the appointment, assessment and remuneration of the executive directors and key management personnel generally.

The independent directors are non-executive directors who are deemed independent by the Board. They have the duties of the non-executive directors and additionally provide an independent and objective check on Management. In certain cases, the Catalist Rules require independent directors to make certain decisions and determinations. However, they should avoid focusing solely on the duties relating to compliance with rules. As with all directors, they are to act in the best interests of the Company as a whole and not of any particular group of shareholders or stakeholders.

The Board's principle functions include:

- (a) To chart broad policies and strategies of the Company;
- (b) To approve annual budgets and financial plans;
- (c) To review and approve acquisitions and disposals;
- (d) To approve material borrowings and fund raising exercises;
- (e) To review performance and succession planning of the key management personnel;
- (f) To advise and counsel key management personnel;
- (g) To monitor and manage potential conflicts of interest between the key management personnel, the Board, and the shareholders;
- (h) To establish a framework of prudent and effective controls which enables risks to be assessed and managed;
- (i) To identify the key stakeholder groups, with the recognition that their perceptions affect the Company's reputation;
- (j) To set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;

CORPORATE GOVERNANCE REPORT

- (k) To consider sustainability issues, e.g., environmental and social factors, as part of its strategic formulation;
- (l) To set appropriate tone-from-the-top and desired organisational culture;
- (m) To provide entrepreneurial leadership; and ensure that the necessary resources are in place for the Company to meet its strategic objectives; and
- (n) To set objectives and goals for Management to ensure proper accountability within the Company, monitor the results, and assess and remunerate Management on its performance.

The Board has clear policies and procedures for dealing with conflicts of interest. Any director who is interested in any matter being considered recuses himself from deliberations and abstains from voting in relation to any such resolution(s) relating to such matter.

The Board works with the Management for the long-term success of the Company. The Management is accountable to the Board for the Group's performance.

To ensure proper accountability within the Group, the Board works with the Management to put in place internal controls governing employee's day-to-day conduct of the Group's business.

The Board's approval is required for certain matters, which include the following:

Provision 1.3

- (a) acquisitions and disposals of assets;
- (b) material borrowings and fund raising exercises;
- (c) share issuance and proposal of dividends;
- (d) budgets, half-yearly and full-year financial results announcements, annual reports and audited financial statements; and
- (e) interested person transactions.

This is communicated to Management in writing.

The Company formally communicates to each of the directors on their appointment and their roles, duties, obligations and responsibilities and the Company's expectations. This includes each director developing his competencies to effectively discharge his duties.

*Provision 1.2 and
Provision 4.5*

The Directors are provided with updates and/or briefings from time to time by professional advisers, the external and internal auditors, Management, the Continuing Sponsor, the Head of Risk and Compliance, and the Legal Manager in areas such as corporate governance practices, risk management matters, changes and updates in financial reporting standards and regulatory requirements and directors' duties and responsibilities.

CORPORATE GOVERNANCE REPORT

The Company also encourages the development and maintenance of the Directors' skills and knowledge. Where appropriate, the Company will arrange for training courses to supplement and keep Directors updated on areas such as accounting, legal, regulatory and industry-specific knowledge. The Company is responsible for funding the training of the Directors.

All newly appointed Directors will undergo an orientation programme where the Director will be briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company. To obtain a better understanding of the Group's business, the Director will also be given the opportunity to visit the Group's operational offices and facilities and meet with key management personnel.

All newly appointed Directors are also required to attend the "Listed Company Director Essentials: Understanding the Regulatory Environment in Singapore – What Every Director Ought to Know" course conducted by the Singapore Institute of Directors. Further to this, for new Directors who do not have prior experience as a director of a public listed company in Singapore, they are required to attend training in the roles and responsibilities of a director of a listed company as prescribed by the SGX-ST within 1 year from the date of their respective appointment to the Board ("**Mandatory Training**"). In this regard, Ms. Shweta Nandy has, pursuant to her appointment as the Non-Executive and Independent Director of the Company on 8 April 2024, attended the following mandatory prescribed courses conducted by the Singapore Institute of Directors ("**SID**") under Rule 406(3)(a) and Practice Note 4D of the Catalist Rules:

S/N	Mandatory Training	Date of Attendance
1.	LED 1 – Listed Entity Director Essentials	9 July 2024
2.	LED 2 – Board Dynamics	11 July 2024
3.	LED 3 – Board Performance	15 July 2024
4.	LED 4 – Stakeholder Engagement	16 July 2024
5.	LED 5 – Audit Committee Essentials	18 July 2024
6.	LED 6 – Board Risk Committee Essentials	21 March 2025
7.	LED 7 – Nominating Committee Essentials	23 July 2024
8.	LED 8 – Remuneration Committee Essentials	24 July 2024
9.	LED 9 – Environmental, Social & Governance Essential	17 July 2024

CORPORATE GOVERNANCE REPORT

The Board does not have a policy and criteria for directors' development. The Company will address the training and professional needs of any director on an ad-hoc basis.

The Board has delegated certain responsibilities to the Audit and Risk Committee (the "**ARC**"), the Remuneration Committee (the "**RC**"), and the Nominating Committee (the "**NC**") (collectively, the "**Board Committees**"). As at the date of this report the compositions of the Board Committees are as follows:

Provision 1.4

Composition of the Board Committees			
	ARC	NC	RC
Chairman	Dr. Veerinderjeet Singh A/L Tejawant Singh	Mohamed Nasser bin Ismail	Mohamed Nasser bin Ismail
Member	Mohamed Nasser Bin Ismail	Dr. Veerinderjeet Singh A/L Tejawant Singh	Dr. Veerinderjeet Singh A/L Tejawant Singh
Member	Shweta Nandy	Shweta Nandy	Shweta Nandy

In FY2023, following the amendment to Rule 705(2) of the Catalist Rules effective on 7 February 2020, the Company has since then reported its financial statements on a half-yearly basis. The Board meets twice a year and as and when circumstances require.

Provision 1.5

During FY2024, the number of the Board and Board Committee meetings held and the attendance of each Board member are shown below.

Board and Board Committee Meetings in FY2024				
	Board	ARC	NC	RC
Number of Meetings Held	3	3	2	2
Name of Director	Number of Meetings Attended			
John Lim Yew Kong	2 ⁽¹⁾	1 ⁽¹⁾	2 ⁽¹⁾	2 ⁽¹⁾
Yap Tien Wei	2 ⁽¹⁾	1 ⁽¹⁾	2 ⁽¹⁾	2 ⁽¹⁾
Chew Liong Kim	2 ⁽¹⁾	1 ⁽¹⁾	2 ⁽¹⁾	2 ⁽¹⁾
Mohamed Nasser bin Ismail	1 ⁽²⁾	2 ⁽²⁾	– ⁽²⁾	1 ⁽⁵⁾
Datuk Ng Hock Heng	3	3 ⁽⁵⁾	2 ⁽⁵⁾	2 ⁽⁵⁾
Chew Seng Kok	3	3 ⁽⁵⁾	2 ⁽⁵⁾	2 ⁽⁵⁾
Dr. Veerinderjeet Singh A/L Tejawant Singh	1 ⁽³⁾	2 ⁽³⁾	– ⁽³⁾	1 ⁽⁵⁾
Shweta Nandy	1 ⁽⁴⁾	2 ⁽⁴⁾	– ⁽⁴⁾	1 ⁽⁵⁾

CORPORATE GOVERNANCE REPORT

- (1) John Lim Yew Kong, Yap Tien Wei and Chew Liong Kim retired as Directors at the conclusion of the AGM held on 27 April 2024.
- (2) Mohamed Nasser bin Ismail was appointed as an Independent Director of the Company on 8 April 2024 and as Chairman of the Board, the RC and the NC with effect from 28 April 2024.
- (3) Dr Veerinderjeet Singh A/L Tejwant Singh was appointed as an Independent Director of the Company on 8 April 2024 and as Chairman of the AC and a member of the RC and NC with effect from 28 April 2024.
- (4) Shweta Nandy was appointed as a Non-Independent Non-Executive Director of the Company on 8 April 2024 and as a member of the AC, RC and NC with effect from 28 April 2024.
- (5) By invitation.

The Company's Articles of Association ("**Articles**") allow meetings to be held through telephone and/or video-conference.

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

The considerations in assessing the capacity of Directors include the following:

- (a) expected and/or competing time commitments of Directors;
- (b) geographical location of Directors;
- (c) size and composition of the Board; and
- (d) nature and scope of the Group's operations and size.

The Management provides the Board with complete, adequate, and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and to discharge their duties and responsibilities.

Provision 1.6

Types of Information Provided by Key Management Personnel to Independent Directors	Frequency
Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Half yearly, and as and when relevant
Updates to the Group's operations and the markets in which the Group operates in	Half yearly and as and when relevant
Half yearly and full year financial results	Half yearly
Reports on on-going or planned corporate actions	As and when relevant
Enterprise risk framework and internal auditors' (" IA ") report(s)	Half yearly
Research report(s)	As and when requested
Shareholding statistics	As and when requested

CORPORATE GOVERNANCE REPORT

The Management also provides additional material or information that may be requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. Management provides information in a timely manner.

Directors have separate and independent access to Management, the Company Secretary, and external advisers (where necessary) at the Company's expense. The Board also has a procedure for Directors, in the furtherance of their duties, to take independent professional advice and at the Company's expense.

Provision 1.7

The appointment and removal of the Company Secretary is a decision of the Board as a whole. The role of the Company Secretary is as follows:

- (a) ensuring that Board procedures are observed and that the Company's memorandum and the Articles, relevant rules and regulations, including requirements of the Securities and Futures Act 2001 of Singapore, the Labuan Companies Act 1990, the Catalist Rules and the Monetary Authority of Singapore, are complied with;
- (b) assisting the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term shareholder value;
- (c) assisting the Chairman to ensure good information flows within the Board and the Board Committees and key management personnel;
- (d) designing and implementing a framework for key management personnel's compliance with the Catalist Rules, including timely disclosure of material information;
- (e) attending and preparing minutes for all Board meetings;
- (f) coordinating and liaising between the Board, the Board Committees and key management personnel; and
- (g) assisting the Chairman, the chairman of each Board Committee and key management personnel in the development of the agendas for the various Board and Board Committee meetings.

CORPORATE GOVERNANCE REPORT

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

As at the date of this annual report, the Board comprises the following members:

*Provision 2.1 and
Provision 2.2*

Name of Director	Designation	Date Appointed
Mr Mohamed Nasser bin Ismail	Independent Director and *Chairman (*with effect from 28 April 2024)	8 April 2024
Datuk Ng Hock Heng	Executive Director and *Group CEO (*with effect from 12 May 2024)	9 December 2010
Mr Chew Seng Kok	Executive Director	9 December 2010
Dr. Veerinderjeet Singh A/L Tejwant Singh	Independent Director	8 April 2024
Ms Shweta Nandy	Non-Independent Non-Executive Director	8 April 2024

During FY2024, after the retirement of Mr John Lim Yew Kong and Mr Yap Tien Wei at the AGM of the Company held on 27 April 2024, there were 2 Board members, namely, Mr Mohamed Nasser bin Ismail and Dr. Veerinderjeet Singh A/L Tejwant Singh, who were independent in accordance with Provision 2.1 of the Code ("**Independent Directors**"). Mr Mohamed Nasser bin Ismail is the Independent Chairman of the Company.

Provision 2.1 provides that an "independent" Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company. Annually and during the financial year under review, the Independent Directors submit declarations on their independence to the NC for assessment. The NC, in its deliberation of the independence of a Director, as part of the annual review process, takes into consideration the relevant provisions of the Catalist Rules, the Code and where relevant, the recommendations set out in the Practice Guidance accompanying the Code ("**Practice Guidance**"). The NC is satisfied that there are no relationships or circumstances which are likely to affect the Independent Directors' objective and independent judgement. The Board has, upon the NC's recommendation, affirmed that both Independent Directors are independent as contemplated by the Catalist Rules and Code.

The Company does not have any alternate directors.

As at the date of this annual report, the majority of the Board members are Non-Executive Directors, i.e., Mr Mohamed Nasser Bin Ismail, Dr. Veerinderjeet Singh A/L Tejwant Singh and Ms. Shweta Nandy, in compliance with Provision 2.3 of the Code. The Non-Executive Directors constructively challenge and assist in the development of business strategies, review the Management's performance against set targets, and monitor the reporting of the performance.

Provision 2.3

The Non-Executive Directors and/or Independent Directors, led by the Independent Chairman or other independent chairman as appropriate, have met several times in FY2024 prior to each of the Company's half-yearly ARC and Board of Directors' meetings in the absence of key management personnel. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

Provision 2.5

CORPORATE GOVERNANCE REPORT

The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender.

Provision 2.4

During the financial year under review, the Company formalised and maintained a Board Diversity Policy that addresses diversity in terms of experience, skills, talents, business experiences, industry discipline, tenure of service, gender, ethnicity, age, tenure, and other distinguishing qualities, as well as any other relevant aspects of diversity. The Board Diversity Policy also sets out the approach which the Company takes towards diversity on its Board.

The Company recognises the need and benefits of embracing diversity at the Board level to enhance the Board's stewardship and decision-making capabilities through perspectives derived from these diversities of its directors.

This is reflected in the current Board composition, which provides a diversity of skills, experience and knowledge to the Company as follows:

Balance and Diversity of the Board		
Core Competencies	Number of Directors	Proportion of Board
Accounting or finance	2	40%
Business management	5	100%
Legal or corporate governance	4	80%
Relevant industry knowledge or experience	5	100%
Strategic planning experience	5	100%
Customer-based experience or knowledge	5	100%

The Board has taken the following steps to maintain or enhance its balance and diversity:

- (a) by assessing the existing attributes and ensuring that core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (b) by evaluating the skill sets the other Directors possess, with a view to understanding the range of expertise which is lacking by the Board.

The Board will seek to incorporate diversity aspects as and when the opportunity arises, instead of adhering to a fixed timeline for diversity targets. The Board will ensure that it has the flexibility to improve its diversity without compromising board efficiency. The NC will deliberately determine, from time to time, the results of its review on rejuvenating and refreshing the Board composition in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors bearing in mind the salient factors set out under the provisions in the Code as well as all other relevant circumstances.

The Board has reviewed its size and is of the opinion that its size (taking into consideration the number of directors is appropriate to facilitate effective decision-making.

CORPORATE GOVERNANCE REPORT

The Board, taking into account the views of the NC, considers that the current Board composition comprises a balance and mix of skills, experiences and individual attributes which promote the effectiveness of the Board as a whole and that of its Board committees. As at the date of this annual report, the Board has achieved its diversity targets including gender diversity, with the appointment of Ms Shweta Nandy as a Director of the Company on 8 April 2024. Ms Shweta Nandy will retire and will not seek re-election as a Director at the Company's Annual General Meeting on 28 April 2025. The Company aims to continue its diversity targets and is in the process of identifying suitable candidates to fill the vacancy as a result of Ms Shweta Nandy's retirement. While the NC is aware of the merits of gender diversity in the Board composition, the NC notes that it is only one of the many aspects of diversity. The NC will continue to make its selection of candidates based on objective criteria which it believes in the best interest of the Company. In relation to skills and experience, the Directors have wide ranging backgrounds and professional experience. In relation to age and tenure, the ongoing Board renewal and refreshment process is phased to ensure that the Company has a group of independent Directors whose ages and tenures span across different groups.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of the Chairman and Group Chief Executive Officer are separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Provision 3.1

The Chairman oversees the business of the Board. He leads the Board discussions, ensures that Board meetings are convened when necessary, and facilitates the effective contribution of the Non-Executive Directors in particular. He sets the Board's meeting agenda in consultation with the Group Chief Executive Officer and ensures the quality, quantity, and timeliness of the flow of information between the Board and key management personnel to facilitate efficient decision-making. The Chairman also assumes the leading role in promoting a culture of openness and debate at Board meetings and high standards of corporate governance. He also ensures effective communication with shareholders.

Provision 3.2

The Group Chief Executive Officer plays a leading role in developing the businesses of the Group and manages the day-to-day operations with the assistance of key management personnel. He also oversees the execution of the business and corporate strategy decisions made by the Board.

The Company did not appoint a lead independent director in FY2024 as the Chairman is an Independent Director, and the Chairman and the Group Chief Executive Officer are not related.

Provision 3.3

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The Company has established an NC, which comprises the following members. As at the date of this annual report, the Chairman of the NC, Mr Mohamed Nasser bin Ismail and the member of the NC, Dr. Veerinderjeet Singh A/L Tejwant Singh are Independent Directors, whereas Ms Shweta Nandy is a Non-Independent Non-Executive Director.

Provision 4.2

Chairman	Mr Mohamed Nasser bin Ismail
Member	Dr. Veerinderjeet Singh A/L Tejwant Singh
Member	Ms Shweta Nandy

CORPORATE GOVERNANCE REPORT

NC's Key Terms of Reference

Provision 4.1

The NC is guided by the key terms of reference below:

- (a) establish criteria for new appointees to the Board and review and recommend the appointment of new Directors to the Board;
- (b) review and recommend the re-appointment of Directors having regard to the Directors' contribution and performance;
- (c) determine on an annual basis whether a Director is independent;
- (d) review and recommend to the Board the succession plans for the Directors, in particular the appointment and/or replacement of the Chairman, the Group Chief Executive Officer and key management personnel;
- (e) review and recommend to the Board the process and criteria for evaluation of the performance of the Board, the Board committees and the Directors; and
- (f) review and recommend to the Board the training and professional development programs for the Board and Directors.

Provision 4.3

Provision 4.5

Process for the Selection and Appointment of New Directors		
1.	Determination of selection criteria	The NC, in consultation with the Board, would identify the current needs of the Board in terms of skills/experience/knowledge/gender to complement and strengthen the Board and increase its diversity.
2.	Search for suitable candidates	The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.
3.	Assessment of shortlisted candidates	The NC would meet and interview the shortlisted candidates to assess their suitability.
4.	Appointment of director	The NC would recommend the selected candidate to the Board for consideration and approval.

In its search and nomination process for new Directors, NC may rely on search companies, personal contacts, and recommendations for the right candidates. The NC would ensure that new directors are aware of their duties and obligations.

Process for the Re-election of Incumbent Directors		
1.	Assessment of director	The NC would assess the performance of the director in accordance with the performance criteria set by the Board. The NC would also consider the current needs of the Board.
2.	Re-appointment of director	Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval.

Provision 4.3

CORPORATE GOVERNANCE REPORT

The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Pursuant to the Articles, at least one-third of the Board (including the Managing Director and Executive Directors) are to retire from office by rotation and be subject to re-election at the Annual General Meeting ("**AGM**") of the Company. Additional Directors appointed by the Board after the AGM but during the financial year, shall only hold office until the next AGM and thereafter be eligible for re-election at the AGM, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

The Directors who are retiring at the forthcoming AGM pursuant to Article 97 are as follows:

Name of Director	Designation	Article
Mr Chew Seng Kok	Executive Director	97
Ms Shweta Nandy	Non-Independent Non-Executive Director	97

Ms Shweta Nandy who will be retiring by rotation at the upcoming AGM pursuant to Article 97 has given notice to the Company that she is not seeking for re-election, to allow for more time to focus on her other work commitments. Ms Shweta Nandy will concurrently relinquish her positions as the member of the Audit and Risk Committee, Remuneration Committee and Nominating Committee.

The Company had released an announcement on information relating to the retirement of Ms Shweta Nandy as required under Rule 704(6) of the Catalist Rules on 5 March 2025.

The Company is in the process of identifying suitable candidate to fill the vacancy following Ms. Shweta Nandy's retirement at the forthcoming AGM and will make the appropriate announcements to update shareholders in due course.

As at the date of this annual report, the Company has complied with the relevant Catalist Rules and the Code on its Board membership and composition.

Mr Chew Seng Kok will be seeking re-election at the upcoming AGM. Please refer to pages 86 to 89 of this annual report for information pursuant to Rule 720(5) of the Catalist Rules on Mr Chew Seng Kok who is retiring at the forthcoming AGM pursuant to Article 97 and is to be nominated for re-election.

CORPORATE GOVERNANCE REPORT

The independence of Directors are reviewed by the NC annually, and as and when circumstances require, having regard to the circumstances under Provision 2.1 of the Code.

Provision 4.4

The NC has, during FY2024, reviewed and confirmed the independence of the Independent Directors in accordance with the Code. The Independent Directors have also confirmed their independence in accordance with the Code. The Board has determined, taking into account the views of the NC, that each of the Independent Director is independent in character and judgment. There are no relationships or circumstances which are likely to affect, or could appear to affect, the Independent Directors' judgments.

Directors would disclose to the Board, their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence. There is no Director who has a relationship as stated in the Code that would otherwise deem him not to be independent and therefore require the Company to determine his independence.

The NC has reviewed and is satisfied that each Director has adequately discharged their duties and has contributed effectively and demonstrated commitment to their respective roles including their commitment of time for the Board and Board Committee meetings, attention given to the Company's affairs and any other duties in FY2024.

As at the date of this annual report, there is no Independent Director who has served the Company for more than 9 years.

The Board has not capped the maximum number of listed company board representations each Director may hold. Where a Director holds a significant number of directorships and principal commitments, the NC will assess his/her ability to diligently discharge his/her duties.

The Board and NC have considered the practicality of multiple directorships and principal commitments. The NC is of the view that the effectiveness of each Director is best assessed by a qualitative assessment of the Director's contributions, after taking into account his or her other listed company board directorships and other principal commitments. The NC also believes that it is for each Director to assess his or her own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively. The NC does not wish to omit from consideration outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board.

Provision 4.5

Each member of the NC abstains from voting on any resolution and making any recommendation and/or participating in respect of matters in which he is interested.

The key information of the Directors, including their appointment dates, their listed company directorships and principal commitments held in the past 3 years (if any), are set out on pages 14 to 16 of this annual report.

CORPORATE GOVERNANCE REPORT

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each Director to the effectiveness of the Board and its Board Committees, are set out below.

Provision 5.1

Board's and Board Committees' Performance Criteria

The performance criteria for the evaluation of the Board and Board Committees are as follows:

- (a) size and composition;
- (b) independence;
- (c) effectiveness in its monitoring role and attainment of the strategic and long-term objectives;
- (d) information and accountability;
- (e) the Board's performance in relation to discharging its principal functions; and
- (f) the Board's committee performance in relation to discharging their responsibilities set out in their respective terms of reference.

Individual Director's Performance Criteria

Individual director's performance is evaluated annually and formally by the NC and the Chairman. In assessing the individual director's performance, the NC takes into consideration the following performance criteria:

- (a) interactive skills (whether the director works well with other directors and participates actively);
- (b) knowledge (the director's industry and business knowledge, functional expertise, whether the director provides valuable inputs, the director's ability to analyse, communicate and contribute to the productivity of meetings, and understanding of finance and accounts, are taken into consideration);
- (c) director's duties (the director's Board Committee work contribution, whether the director takes his role as director seriously and works to further improve his own performance, whether he listens and discusses objectively and exercises independent judgment, and meeting preparation are taken into account);
- (d) availability (the director's attendance at Board and Board Committee meetings, whether the director is available when needed, and his informal contribution via email, telephone, written notes, etc. are considered);
- (e) overall contribution, bearing in mind that each director was appointed for his strength in certain areas which taken together provides the Board with the required mix of skills and competencies; and
- (f) willingness and ability to constructively challenge and contribute effectively to the Board.

The Board uses the guidelines in the Code as a basis for evaluation of the director's performance, hence it does not use peer comparisons and other objective third party benchmarks.

CORPORATE GOVERNANCE REPORT

The NC assesses the performance and effectiveness of the Board as a whole and the Board Committees as well as the contribution of individual Directors to the effectiveness of the entire Board. The evaluation exercise is carried out annually by way of a Board Performance Evaluation checklist, which is circulated to the Board members for completion and thereafter the NC to review and determine the actions required to ensure continuous improvement of the corporate governance of the Company and effectiveness of the Board as a whole and the Board Committees.

Provision 5.2

The performance of each Director is evaluated annually using agreed criteria, aligned as far as possible with appropriate corporate objectives.

Each member of the NC has abstained from voting on any resolutions in respect of the assessment of his/her performance or re-nomination as a Director.

The NC is satisfied that the Board as a whole and Board Committees have met the performance evaluation criteria and objectives in FY2024, and each Director has contributed effectively and demonstrated commitment to their respective roles, including commitment of time for the Board and Board Committee meetings, and any other duties.

The Board has not considered the use of external facilitators as it is of the view that the NC has a sufficient level of objectivity in its evaluation process.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The Company has established an RC, which considers all aspects of remuneration, including termination terms, to ensure that they are fair.

Provision 6.3

During FY2024, the RC comprised the following members, of whom the Chairman, Mr Mohamed Nasser bin Ismail and the member, Dr. Veerinderjeet Singh A/L Tejawant Singh are Independent Directors, whilst the remaining member Ms Shweta Nandy is a Non-Independent Non-Executive Director.

Provision 6.2

Chairman	Mr Mohamed Nasser bin Ismail
Member	Dr. Veerinderjeet Singh A/L Tejawant Singh
Member	Ms Shweta Nandy

RC's Key Terms of Reference

Provision 6.1

The RC is guided by key terms of reference as follows:

- (a) review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel;

CORPORATE GOVERNANCE REPORT

- (b) review and recommend to the Board the service contracts of Executive Directors and key management personnel and ensure that such services contracts are fair and not excessively long or with onerous renewal/termination clauses; and
- (c) review and recommend the compensation arrangements for the loss or termination of office, or dismissal or removal of the Executive Directors and key management personnel.

The Company did not engage any remuneration consultant in FY2024.

Provision 6.4

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

The Company's remuneration policy for the Board and key management personnel seeks to attract, retain and motivate talent to achieve the Company's business vision and long-term success, and to create sustainable value for its stakeholders, in alignment with the interests of shareholders and other stakeholders.

Provision 7.1
Provision 7.3

The policy is tailored to the specific role and circumstances of each Director and key management personnel to ensure an appropriate remuneration level and mix that recognises their performance, potential and responsibilities.

The policy articulates to staff the link on total compensation has to the achievement of organisational and individual performance objectives and benchmarked against relevant and comparative compensation in the market.

The Non-Executive Directors' remunerations are appropriate to their level of contribution, after taking into account their contribution, effort and time spent, and responsibilities. They are not over – compensated, such that their independence is compromised. The Non-Executive Directors are granted share awards under the ZICO Holdings Performance Share Plan ("**PSP**") (see section below).

Provision 7.2

The remuneration received by the Executive Directors and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group in FY2024. Their remuneration comprises fixed and variable compensations. The fixed compensation consists of an annual base salary and annual wage supplement ("**AWS**"). The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

Provision 7.1

The Company has adopted a policy that allows the Company to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances, including for example, a misstatement of financial results or misconduct resulting in financial loss to the Company.

CORPORATE GOVERNANCE REPORT

The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Directors and key management personnel to work in alignment with the goals of all stakeholders:

Performance Conditions	Short-Term Incentives (such as performance bonus)	Long-Term Incentives (such as the ZICO Holdings Employee Share Option Scheme ("ESOS") and PSP)
Executive Directors		
Qualitative	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices 6. Macro-economic factors	1. Cross selling or internal process improvements – measures mutual support and synergies across business units 2. Mentoring – measures ability to support the development of future leaders 3. Professional development and reputation – incentivises the constant upgrading of skills critical to the success of the Group 4. External/internal client satisfaction – measures overall ability to serve key accounts
Quantitative	1. Growth of pre-tax profit	None
Key Management Personnel		
Qualitative	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices 6. Macro-economic factors	1. Cross selling or internal process improvements – measures mutual support and synergies across business units 2. Mentoring – measures ability to support the development of future leaders 3. Professional development and reputation – incentivises the constant upgrading of skills critical to the success of the Group 4. External/internal client satisfaction – measures overall ability to serve key accounts
Quantitative	None	None

Information on the ESOS and PSP are set out on in pages 91 to 94 of this annual report.

The RC has reviewed the performance of the Directors and key management personnel and is satisfied that these performance conditions were met in FY2024.

CORPORATE GOVERNANCE REPORT

Principle 8: Disclosure on Remuneration

Disclosure of Relationships between Remuneration, Performance and Value Creation

For FY2024, the Board does not have a comprehensive written policy that details the relationships between remuneration, performance and value creation. The Company may consider putting such written policy in place in the near future as part of the group-wide corporate governance improvement initiative.

Board however opines that the current remuneration framework has the end objective of value creation for its stakeholders and shareholders. Governance of the process of formulating remuneration policies is as specified in Principle 6 above. Since FY2018, the Group has adopted a policy that allows reclaiming of incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances as specified in Principle 7 above. In addition, as part of the qualitative assessment of the Executive Directors and key management personnel, the RC and the Board have authority to adjust their variable bonus with respect to enterprise value creation and enterprise risk management for the year under review.

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Details of the remuneration paid to the Directors for FY2024 are as follows:

Provision 8.1
Provision 8.3

Name	Salary S\$ ⁽¹⁾	AWS S\$ ⁽¹⁾	Bonus S\$ ⁽¹⁾	Directors Fees S\$	Total Remuneration S\$
Chew Seng Kok	360,000	30,000	153,512	40,000	583,512
Datuk Ng Hock Heng	466,320	38,860	87,467	40,000	632,647
Mr Mohamed Nasser bin Ismail ⁽²⁾	–	–	–	50,687	50,687
Dr. Veerinderjeet Singh A/L Tejwant Singh	–	–	–	43,929	43,929
Ms Shweta Nandy	–	–	–	37,169	37,169
John Lim Yew Kong ⁽³⁾	–	–	–	24,313	24,313
Yap Tien Wei ⁽³⁾	–	–	–	19,451	19,451
Chew Liong Kim ⁽³⁾	–	–	–	19,451	19,451

(1) The salary, AWS and bonus amounts shown are inclusive of Malaysia Employees Provident Fund.

(2) Mr Mohamed Nasser bin Ismail received director's fee from the Company's subsidiary, namely, ZICO Capital Pte. Ltd. during FY2024.

(3) John Lim Yew Kong, Yap Tien Wei and Chew Liong Kim had retired at the conclusion of the AGM held on 27 April 2024.

In FY2024, no stock options were granted to the Directors.

In FY2024, there were no share awards granted and no shares were vested or issued to the Directors pursuant to the PSP.

There were no termination, retirement and post-employment benefits granted to Directors and key management personnel in FY2024.

CORPORATE GOVERNANCE REPORT

As at the date of this annual report, the Company has only 1 top key management personnel following the retirement of Mr Paul Subramaniam, Chief Risk Officer of the Company on 1 March 2024.

Provision 8.1
Provision 8.3

The breakdown for the remuneration of the Company's key management personnel (who are not Directors or the Managing Director) in FY2024 was as follows:

Name	Salary (%) ⁽¹⁾	AWS & Bonus (%) ⁽¹⁾	Total (%)
Below S\$250,000			
Adeline Cheah Li Meng	83	17	100
Paul Subramaniam ⁽²⁾	100	0	100

(1) The salary, AWS and bonus amounts shown are inclusive of Malaysia Employees Provident Fund.

(2) Paul Subramaniam retired on 1 March 2024.

In FY2024, no stock options were granted to the key management personnel.

The total remuneration paid to the 2 top key management personnel in FY2024 was S\$319,276, with Mr Paul Subramaniam's remuneration being pro-rated up to 1 March 2024.

There were no employees of the Company or its subsidiaries who were immediate family members of any Director, the Managing Director or a substantial shareholder of the Company and whose remuneration exceeded S\$100,000 during FY2024. During the year, there were no employees who were substantial shareholders of the Company.

Provision 8.2

Based on the above, the Company complies with Principle 8 of the Code on the relationship between remuneration, performance and value creation.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Board determines the Company's levels of risk tolerance and risk policies, oversees Management in the design, implementation and monitoring of risk management and internal control systems.

Provision 9.1

The Board reviews at least annually the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology control, either internally or with the assistance of competent third parties. The Board delegates risk governance to the ARC.

CORPORATE GOVERNANCE REPORT

The Board with the concurrence of the ARC is of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective in FY2024.

Provision 9.2

The bases for the Board's view are as follows:

- (a) assurance has been received from the Group Chief Executive Officer ("**CEO**") and CFO that the financial records have been properly maintained and the financial statements in respect of FY2024 give a true and fair view of the Company's operations and finances;
- (b) internal controls established and maintained by the Group, work performed by the IA and external auditors ("**EA**"), and reviews performed by the key management personnel and the Board;
- (c) report received from the IA on the audit findings and significant matters highlighted to the ARC and key management personnel were appropriately addressed;
- (d) assurance has been received from the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems;
- (e) key management personnel regularly evaluate, monitor and report to the ARC on material risks; and
- (f) discussion held between the ARC, IA and EA in the absence of the key management personnel to review and address any potential concerns on 27 February 2025.

The Board has also relied on the independent auditors' report as set out in this annual report as assurance that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances.

The Board has additionally relied on reports from its internal auditors ("**IA reports**") issued to the Company since FY2015, including the IA report issued to the Company by CLA Global TS Risk Advisory Pte Ltd for FY2024, as assurances that the Company's risk management and internal control systems are effective.

The Company has implemented appropriate policies and programmes on sustainability.

CORPORATE GOVERNANCE REPORT

Principle 10: Audit Committee

The Board has an Audit Committee which discharges its duties objectively.

As at the date of this annual report, the Company has an ARC which comprises the following members. The Chairman of the ARC, Dr. Veerinderjeet Singh A/L Tejawant Singh and the member of the ARC, Mr Mohamed Nasser bin Ismail are Independent Directors, whereas Ms Shweta Nandy is a Non-Independent Non-Executive Director. Dr. Veerinderjeet Singh A/L Tejawant Singh is a qualified accountant and is a member of the Malaysian Institute of Certified Public Accountants as well as the Malaysian Institute of Accountants. He is also a member and Past President of the Chartered Tax Institute of Malaysia. Mr Mohamed Nasser bin Ismail has had 18 years of experience with the SGX-ST. He held the position of Executive Director and Global Head of Equity Capital Market at SGX from October 2014 to October 2023.

Provision 10.2

Chairman	Dr. Veerinderjeet Singh A/L Tejawant Singh
Member	Mr Mohamed Nasser bin Ismail
Member	Ms Shweta Nandy

Ms Shweta Nandy will retire by rotation pursuant to Article 97 of the Company's Constitution and will not seek re-election as a Director at the upcoming Annual General Meeting on 28 April 2025. Accordingly, Ms Shweta Nandy will relinquish her position as member of the Audit and Risk Committee. At such time, the composition of the ARC would not be in compliance with Provision 10.2 of the Code.

The Company is in the process of identifying suitable candidates to fill the Board vacancy as a result of Ms Shweta Nandy's upcoming retirement and will make the appropriate announcements to update the shareholders in due course.

ARC's Key Terms of Reference

Provision 10.1

The ARC is guided by the key terms of reference below:

- (a) review the assurance from Group CEO and CFO in financial records and financial statements, review the relevance and consistency of the accounting standards, the significant financial reporting issues, recommendations and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance before submission to the Board for approval;
- (b) review and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management system (such review can be carried out internally or with the assistance of any competent third parties);
- (c) review the effectiveness, adequacy, independence, scope and results of the Group's internal audit function, at least on an annual basis;
- (d) review the scope and results of the external audit, and the adequacy, effectiveness, independence and objectivity of the external auditors;
- (e) recommend to the Board on proposals to shareholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors;

CORPORATE GOVERNANCE REPORT

- (f) review the system of internal controls and management of financial risks with the internal and external auditors;
- (g) review the co-operation given by the management to the external auditors and the internal auditors, where applicable;
- (h) review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time;
- (i) review and approve interested person transactions and review procedures thereof;
- (j) review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;
- (k) review the risk management framework, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGXNET;
- (l) investigate any matters within its terms of reference;
- (m) review the policy and arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and
- (n) undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

The ARC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Provision 10.3

Messrs PKF-CAP LLP ("**PKF-CAP**"), an audit firm registered with the Accounting and Corporate Regulatory Authority, was appointed as the external auditors of the Group since the Company's extraordinary general meeting on 6 October 2022. Mr Chew Wei Jim is the audit partner in charge assigned to the audit of the Group since the financial year ended 31 December 2024.

Provision 10.1

The ARC has not considered the Audit Quality Indicators Disclosure Framework ("**Framework**") in its entirety in the appointment and reappointment of PKF-CAP, as the adoption of the Framework is voluntary. The ARC's consideration of PKF-CAP as the external auditors of the Group is based on the Company's internal criteria, which include among others costs, quality and scope of audit, and adequacy of the resources, experience and reputation of the audit firm.

Fees Paid/Payable to the EA for FY2024		
	S\$	% of total
Audit fees	191,241	100.0
Non-audit fees	–	–
Total	191,241	100.0

CORPORATE GOVERNANCE REPORT

The ARC has reviewed the audit services provided by the EA and is satisfied that the EA is independent and has recommended the re-appointment of PKF-CAP as the external auditors of the Company at the forthcoming AGM. There were no non-audit services rendered during FY2024. The Company is in compliance with Catalist Rules 712 and 715.

The Company's internal audit function is outsourced to CLA Global TS Risk Advisory Pte Ltd that reports directly to the ARC Chairman and administratively to the Executive Director. The ARC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The ARC is satisfied that CLA Global TS Risk Advisory Pte Ltd is adequately qualified (given, *inter alia*, its adherence to standards set by internationally recognised professional bodies and its credentials as detailed below) and adequately resourced (as detailed below) and has the appropriate standing in the Company to discharge its duties effectively.

Provision 10.4

By way of background, CLA Global TS Risk Advisory Pte Ltd was established in 1993 and is one of the top 10 largest accounting firms in Singapore. It built its niche expertise with numerous successful listings in regional markets and has serviced over 100 listed companies in the areas of external audit, internal audit and advisory. The Company has engaged CLA Global TS Risk Advisory Pte Ltd since the Company's listing on SGX-ST. The engagement partner has over 15 years of experience in assurance, compliance and other advisory work, and is supported by an engagement team of approximately 5 staff comprising an Associate Director, a Manager and 3 Associates.

The Company cooperates fully with the IA in terms of allowing unfettered access to all the Company's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Company.

The ARC meets with the EA and the IA at least once a year without the presence of the Management to review any matter that might be raised.

Provision 10.5

The Company has a whistle-blowing policy. The whistle-blowing policy sets out the Company's framework to promote responsible and secure whistleblowing by affording protection to the whistleblower against detrimental and unfair treatment. Unless required by law, the identity of the whistleblower will be kept in strict confidence. The ARC is responsible for oversight and monitoring of whistleblowing. The Company's staff and any other persons may in confidence raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the CRO, Mr Paul Subramaniam who will investigate whistleblowing reports made in good faith. Following the retirement of Mr. Paul Subramaniam on 29 February 2024, the functions and responsibility of the CRO have been overseen and managed by the current Head of Risk and Compliance, who will ensure continuity until a suitable replacement is identified. In recognition of Mr. Paul Subramaniam's expertise and contributions, the Company had engaged him as a consultant on a contract basis, wherein he provided valuable guidance and support to the Group during the interim period until the end of his contractual term on 28 February 2025. Any whistleblowing report can be directed to whistleblower@zicoholdings.com.

Provision 10.1

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Principle 12: Engagement with Shareholders

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Company adopts an investor relations policy that allows for an ongoing exchange of views with shareholders and which actively engages and promotes regular, effective, and fair communication with them.

Provision 12.2

The AGM is a principal forum for dialogue and interaction with all shareholders. All shareholders of the Group receive the annual report. They also receive circulars and notices of all shareholders' meetings. The notices are advertised in the newspapers and made available on both SGXNET and on the Company's corporate website. The Company may consider providing longer notice for meetings, especially when dealing with complex transactions, or if the Company has numerous overseas shareholders. The Company would use its best endeavours to avoid scheduling meetings during peak periods.

Provision 11.1

Provision 12.1

If any shareholder is unable to attend, the Articles allow the shareholder to appoint up to two proxies to vote on his behalf at the meeting through proxy forms sent in advance, at least 48 hours prior to the meeting. Attendance by proxies is allowed as stipulated in the Articles.

The Company's Articles allow for absentia voting. However, as the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided not to implement voting in absentia by mail, email or fax until issues on security and integrity are satisfactorily resolved.

Provision 11.4

All Directors, Management, Company Secretary, EA and Continuing Sponsor attend the general meetings. The Company requires all Directors (including the respective Chairman of the Board Committees) to be present at all general meetings of shareholders for the entire duration, except in the case of exigencies. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.

Provision 11.3

The entire Board, including the Chairman, was present at the AGM of the Company held on 27 April 2024.

Separate resolutions on each distinct issue are tabled at general meetings unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company would explain the reasons and material implications in the notice of meeting. The procedures of general meetings provide shareholders the opportunity to ask questions relating to each resolution tabled for approval and open communication are encouraged by the shareholders with the Directors on their views on matters relating to the Company.

Provision 11.2

CORPORATE GOVERNANCE REPORT

The Group encourages shareholder participation at general meetings. Shareholders' views are sought at general meetings via question and answer sessions. They are given the opportunity to air their views and ask the Board and Management questions regarding the proposed resolutions as well as the business and affairs of the Company and the Group. The Company would also inform shareholders of the rules governing the general meetings.

Provision 12.1
Provision 11.1

The Company will conduct poll voting for all resolutions to be passed at all general meeting of shareholders and the detailed results will be announced via SGXNET after the conclusion of the general meeting.

Provision 11.2

All minutes of general meetings will be made available to shareholders upon their request after the general meeting, and will also be published within one month after the general meeting on SGXNET and the Company's corporate website. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

Provision 11.5

Conduct of forthcoming AGM

The Company's forthcoming AGM to be held on 28 April 2025 will be held as a physical meeting. Printed copies of the notice of AGM and proxy form ("**AGM documents**") will be sent to the shareholders. Printed copies of this annual report, will NOT be sent to the shareholders but they are available to shareholders through electronic means via publication on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> or under the "Newsroom and Press Releases" tab of the Company's corporate website at www.zicoholdings.com.

The minutes of the AGM will be published within one month after the AGM on SGXNET and on the Company's corporate website. The Directors and the Company's statutory auditors will be attending the AGM and their attendance and right to be heard will be satisfied by electronic means.

Apart from general meetings, the Company communicates with shareholders through the release of announcements to the SGX-ST through SGXNET, including the Company's financial results announcements, which are published through the SGXNET on a half-yearly basis.

Provision 12.1

As part of its investor relations policy, the Company updates shareholders on its corporate developments through its corporate website at www.zicoholdings.com. Shareholders may make enquiries with the Company via the contact information published on this corporate website.

Provision 12.3

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends that the Directors may recommend or declare in respect of any particular financial year or period will be subject to, *inter alia*, the Group's level of cash and retained earnings, actual and projected financial performance, projected levels of capital expenditure and expansion plans, working capital requirements and general financing condition, and any restrictions on payment of dividends imposed by the Group's financing arrangements.

Provision 11.6 –
Deviation

The Board has not declared or recommended any dividend for FY2024 in view of the current phase of growth and the need to consolidate cash resources for business purposes.

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Company's stakeholder identification and engagement process was set out in the Company's sustainability report for FY2023, which was published together with the annual report on 12 April 2024. The Company's strategy and key areas of focus in managing stakeholder relationships were also set out in the sustainability report.

Provision 13.1

Provision 13.2

There has been no change to the aforesaid stakeholder engagement process and strategy for FY2024. This has been similarly reflected in the Company's SR2024 on pages 19 to 57 of this annual report.

Stakeholders may communicate with the Company via the contact details available on its corporate website at www.zicoholdings.com.

Provision 13.3

COMPLIANCE WITH APPLICABLE CATALIST RULES

Rule	Description	Company's Compliance or Explanation
712, 715 or 716	Appointment of Auditors	The Company confirms its compliance with Catalist Rules 712 and 715. The Board and the ARC are satisfied that the appointment of the different auditors for the Company's subsidiaries and associates would not compromise the standard and effectiveness of the audit of the Company. Hence, the Company further confirms its compliance with Catalist Rule 716.
1204(8)	Material Contracts	There was no material contracts entered into by the Group involving the interest of any Director, or controlling shareholder, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.
1204(10)	Confirmation of Adequacy of Internal Controls	The Board, with the concurrence of the ARC, are of the opinion that the internal controls are effective and adequate to address the financial, operational and compliance and information technology risks in FY2024 based on the following: (a) internal controls and the risk management system established by the Company; (b) works performed by the IA and EA; (c) assurance from the Group CEO, Group CFO and other key management personnel; and (d) reviews done by the various Board Committees and key management personnel.

CORPORATE GOVERNANCE REPORT

Rule	Description	Company's Compliance or Explanation
1204(10A)	Relationship between Chairman and CEO	The Chairman and the CEO are not immediate family members.
1204(10B)	Designations and Roles of Directors	The Directors, their designations and roles are set out on pages 62 and 65 of the annual report.
1204(10C)	ARC confirmation on Internal Audit Function	The ARC is of the opinion that the internal audit function is independent, effective, and adequately resourced. Please refer to Provision 10.4 of this report for details.
1204(17)	Interested Persons Transaction (" IPT ")	The Group has procedures governing all IPTs to ensure that they are properly documented and reported in a timely manner to the ARC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. The Company does not have a general mandate for IPTs. There were no IPTs with value which is equal to or more than S\$100,000 transacted in FY2024.
1204(19)	Dealing in Securities	The Company has adopted an internal policy which prohibits the Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information. The Company, its Directors and officers are also discouraged from dealing in the Company's securities on short term considerations and are prohibited from dealing in the Company's securities during the period beginning one month before the announcement of the Company's half-yearly financial statements and one month before the announcement of the Company's full-year financial statements respectively, and ending on the date of the announcement of the relevant results.
1204(21)	Non-Sponsor Fees	In FY2024, no non-sponsor fees were paid to the Continuing Sponsor, Novus Corporate Finance Pte Ltd and the former Continuing Sponsor, Stamford Corporate Services Pte. Ltd.
1204(22)	Use of IPO Proceeds	The Company refers to the net proceeds amounting to S\$12.52 million (excluding listing expenses of approximately S\$1.88 million raised from the IPO on the Catalist Board of the SGX-ST on 11 November 2014). As announced on 13 August 2018, the proceeds from the IPO have been fully utilised. The use of proceeds from the IPO was consistent with the prospectus dated 30 October 2014. Please refer to page 41 of the Company's annual report for FY2019 on the breakdown of the use of proceeds from the IPO.

CORPORATE GOVERNANCE REPORT

Rule	Description	Company's Compliance or Explanation
1204(22)	Use of Placement Proceeds	The Company refers to the net proceeds amounting to S\$4 million raised from the placement exercise announced on 24 March 2017 and completed on 12 April 2017 ("2017 Placement"). As announced on 13 August 2018, the proceeds from the 2017 Placement have been fully utilised. The use of proceeds from the 2017 Placement was consistent with the announcement dated 24 March 2017. The Company further refers to the net proceeds amounting to S\$3 million raised from the placement exercise announced on 14 March 2019 and completed on 25 March 2019 ("2019 Placement"). As announced on 13 May 2019, the proceeds from the 2019 Placement have been fully utilised. The use of proceeds from the 2019 Placement was consistent with the announcement dated 14 March 2019. Please refer to page 42 of the Company's annual report for FY2019 on the breakdown of the use of proceeds from the 2017 Placement and 2019 Placement. The Company also refers to the net proceeds amounting to S\$2.4 million raised from the placement exercise announced on 3 March 2022 and completed on 25 April 2022 ("2022 Placement"). As announced on 12 August 2022, the proceeds from the 2022 Placement have been fully utilised. The use of proceeds from the 2022 Placement was consistent with the announcement dated 3 March 2022. Please refer to page 79 of the Company's annual report for FY2022 on the breakdown of the use of proceeds from the 2022 Placement. The Company further refers to the net proceeds amounting to S\$2.7 million raised from the placement exercise announced on 14 April 2023, 26 April 2023 and completed on 27 April 2023. The Company had subsequently announced a change in the use of proceeds on 30 June 2023 ("2023 Placement"). As announced on 29 February 2024, the proceeds from the 2023 Placement have been fully utilised. The use of proceeds from the 2023 Placement was consistent with the announcement dated 14 April 2023 and 30 June 2023. Please refer to page 93 of the Company's annual report for FY2023 on the breakdown of the use of proceeds from the 2023 Placement.

CORPORATE GOVERNANCE REPORT

Rule	Description	Company's Compliance or Explanation			
		The Company also refers to the net proceeds amounting to S\$2.037 million raised from the placement exercise announced on 11 June 2024, 19 June 2024 and completed on 24 June 2024 ("2024 Placement"). The use of the net proceeds from the placement exercise is in accordance with the intended use of proceeds stated in the Company's announcement dated 11 June 2024. The Company had subsequently provided an update on the use of net proceeds in respect of the placement exercise on 12 August 2024. In this regard, a further update on the utilisation of the net proceeds from the placement exercise as at the date of this annual report is set out below.			
		Amount allocated (\$\$'000)	Balance brought forward from 12 August 2024 (\$\$'000)	Amount utilized as at the date of this announcement (\$\$'000)	Balance (\$\$'000)
	Working Capital ⁽¹⁾ and General Corporate Purposes	2,037	537	537	–
	Total	2,037	537	537	–
	Note:– The working capital purposes mainly comprise the payment of professional fees and other office expenses.				
	As announced on 27 February 2025, the proceeds from the 2024 Placement have been fully utilised. The use of proceeds from the 2024 Placement was consistent with the announcements dated 11 June 2024 and 12 August 2024.				

Information pursuant to Appendix 7F of the Catalist Rules on the Director who is retiring at the forthcoming AGM pursuant to Article 97 and is to be nominated for re-election:

DETAILS REQUIRED UNDER APPENDIX 7F OF THE CATALIST RULES	
CHEW SENG KOK	
Date of initial appointment	9 December 2010
Date of last re-appointment (if applicable)	29 April 2022
Age	64
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company has accepted the NC's recommendation, who has reviewed and considered Mr Chew Seng Kok to have contributed effectively and demonstrated commitment to his role including commitment of time for the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive. If re-elected, Mr Chew Seng Kok will continue to be primarily responsible for the business development and overall strategy and management of the Group.
Job title (e.g., Lead ID, AC Chairman, AC Member etc.)	Executive Director

CORPORATE GOVERNANCE REPORT

Professional qualifications	– Bachelor of Laws, Victoria University of Wellington, New Zealand – Master of Laws, Victoria University of Wellington, New Zealand – Advocate and Solicitor, High Court of Malaya – Barrister and Solicitor, High Court of New Zealand
Working experience and occupation(s) during the past 10 years	• ZICO Holdings Inc., Managing Director • Zaid Ibrahim Co., Managing Partner • PT Anugerah Sumber Makmur, Non-Executive Director • PT Minamas Gemilang, Non-Executive Director
Shareholding interest in the listed issuer and its subsidiaries	As at the date of this report, Chew Seng Kok holds 84,993,425 ordinary shares amounting to 20.74% of the ordinary shares in the Company. The 84,993,425 ordinary shares consist of 79,699,688 ordinary shares directly held by Mr Chew and 5,293,737 ordinary shares held by Leandar Pte. Ltd., a company wholly owned by him.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Present Principal Commitments* including directorships *"Principal Commitments" has the same meaning as defined in the Code, and includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.	• ZICO Holdings Inc., Executive Director
Past Principal Commitments for the last 5 years, including directorships	Nil

CORPORATE GOVERNANCE REPORT

GENERAL STATUTORY DISCLOSURES	
	Chew Seng Kok
Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
Whether there is any unsatisfied judgment against him?	No
Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

CORPORATE GOVERNANCE REPORT

Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
DISCLOSURE APPLICABLE TO THE APPOINTMENT OF DIRECTOR ONLY	
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable, as this is a re-election of a director

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company as set out on pages 101 to 192 are drawn up in accordance with International Financial Reporting Standards so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Chew Seng Kok
 Datuk Ng Hock Heng
 Mohamed Nasser bin Ismail (Appointed on 8 April 2024)
 Dr. Veerinderjeet Singh A/L Tejwant Singh (Appointed on 8 April 2024)
 Shweta Nandy (Appointed on 8 April 2024)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" and "Share awards" in this statement.

Directors' interests in shares or debentures

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.12.2024	At 1.1.2024	At 31.12.2024	At 1.1.2024
ZICO Holdings Inc.				
(No. of ordinary shares)				
Chew Seng Kok	79,699,688	79,699,688	5,293,737	5,293,737
Datuk Ng Hock Heng	16,869,798	11,110,700	—	—

- (b) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the ZICO Holdings Employee Share Option Scheme ("ESOS") as the ESOS had expired on 18 September 2024.
- (c) In accordance with the continuing listing requirements of the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the directors of the Company state that, according to the register of directors' shareholdings, the directors' interests as at 21 January 2025 in the shares and convertible securities of the Company have not changed from those disclosed in this section as at 31 December 2024.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Share options

ZICO Holdings Employee Share Option Scheme

The ESOS was approved and adopted at the Company's extraordinary general meeting held on 19 September 2014 and remained in force until its expiry on 18 September 2024 ("**ESOS expiry date**"). The ESOS was administered by the Remuneration Committee (the "**Committee**"). The ESOS provided for the grant of incentive share options to employees and directors of the Group.

Under the ESOS, the total number of shares over which the Committee may grant options on any date, when added to the number of shares issued and issuable in respect of (a) all options granted under the ESOS; (b) all awards granted under the PSP; and (c) all outstanding options or awards granted under such other share-based incentive schemes of the Company, shall not exceed 15% of the number of issued shares (including treasury shares) on the day immediately preceding the offer date of the option.

The aggregate number of shares issued and issuable in respect of all options granted under the ESOS available to the controlling shareholders or associates of the controlling shareholders shall not exceed 25% of the total number of shares available under the ESOS.

Options granted with the exercise price set at market price shall only be exercisable, in whole or in part (provided that an option may be exercised in part only in respect of 1,000 shares or any multiple thereof), at any time, by a participant after the first anniversary of the offer date of that option, provided always that the options shall be exercised before the tenth anniversary of the relevant offer date, or such earlier date as may be determined by the Committee, failing which all unexercised options shall immediately lapse and become null and void and a participant shall have no claim against the Company.

Options granted with the exercise price set at a discount to market price shall only be exercisable, in whole or in part (provided that an option may be exercised in part only in respect of 1,000 shares or any multiple thereof), at any time, by a participant after the second anniversary from the offer date of that option, provided always that the options shall be exercised before the tenth anniversary of the relevant offer date, or such earlier date as may be determined by the Committee, failing which all unexercised options shall immediately lapse and become null and void and a participant shall have no claim against the Company.

An option shall, to the extent unexercised, immediately lapse and become null and void and a participant shall have no claim against the Company:

- (a) subject to the rules of the ESOS, upon the participant ceasing to be in employment of the Company or any of the companies within the Group for any reason whatsoever;
- (b) upon the bankruptcy of the participant or the happening of any other event which result in his being deprived of the legal or beneficial ownership of such option; or
- (c) in the event of misconduct on the part of the participant, as determined by the Committee.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Share options (continued)

ZICO Holdings Employee Share Option Scheme (continued)

Activities under the ESOS

The number of unissued ordinary shares of the Company under option in relation to the ZICO Holdings ESOS outstanding up to the ESOS expiry date was as follows:

Exercise price	Grant date	Exercise period	Up to ESOS expiry date Number of options
S\$0.24	31 October 2014	1 November 2016 to 30 October 2024	3,300,000

The table below summarises the number of options that were outstanding, their weighted average exercise price as at the end of the financial year as well as the movements during the financial year.

	2024 Number of options	Weighted average exercise price S\$
Outstanding at 1 January up to ESOS expiry date	3,300,000	0.24
Exercisable at 31 December	-	-

The following table summarises information about directors' share options outstanding as at 31 December 2024:

	No. of unissued ordinary shares of the Company under option				
	Granted in financial year ended 31.12.2024	Aggregate granted since commencement of ESOS to 31.12.2024	Aggregate exercised since commencement of ESOS to 31.12.2024	Expired in financial year ended 31.12.2024	Aggregate outstanding as at 31.12.2024
Directors of the Company					
Datuk Ng Hock Heng	-	200,000	-	(200,000)	-
Total	-	200,000	-	(200,000)	-

(a) Exercise price of S\$0.24. Exercisable from 1 November 2016 to 30 October 2024.

No participant has received 5% or more of the total number of shares under option available under the ESOS.

There were no options granted to (a) controlling shareholders and independent directors of the Company; (b) associates of the controlling shareholders; and (c) independent directors of its subsidiaries, from the commencement of the ESOS up to the end of the financial year.

No options were granted to directors and employees of the parent company and its subsidiaries as the Company does not have any parent company.

No options were granted during the financial year.

There were no options exercised during the financial year.

**DIRECTORS'
STATEMENT**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Share options (continued)ZICO Holdings Employee Share Option Scheme (continued)Activities under the ESOS (continued)

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares under option in the Company or its subsidiaries as at the end of the financial year except for those disclosed above.

Share awardsZICO Holdings Performance Share Plan ("**PSP**")

In conjunction with the Company's listing on the Catalist of SGX-ST, the Group adopted the ZICO Holdings Performance Share Plan which was approved at the Company's extraordinary general meeting held on 19 September 2014. The PSP is administered by the Remuneration Committee. The PSP provides for the grant of incentive share awards to employees and directors.

The selection of participants and number of shares which are subject of each award to be granted to a participant in accordance with the PSP shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as, *inter alia*, the rank, scope of responsibilities, performance, years of service and potential for future development and contribution to the success of the Group.

Under the PSP, the total number of shares which may be delivered pursuant to the vesting of awards on any date, when added to the aggregate number of shares issued and/or issuable in respect of (a) all awards granted under the PSP; and (b) all other shares issued and/or issuable under any other share-based incentive schemes or share plans of the Company, shall not exceed 15% of the total number of issued shares (excluding treasury shares) of the Company from time to time.

The aggregate number of shares available to the controlling shareholders or associates of the controlling shareholder (including adjustments made) shall not exceed 25% of the shares available under the PSP. The number of shares that are available to each controlling shareholder or associates of the controlling shareholder under the PSP shall not exceed 10% of the shares available under the PSP.

Notwithstanding that a participant may have met his performance targets, no awards shall be vested:

- (a) upon the bankruptcy of the participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such award;
- (b) in the event of any misconduct on the part of the participant as determined by the Committee in its discretion;
- (c) subject to the rules of the PSP, upon the participant ceasing to be in the employment of the Group for any reason whatsoever; or
- (d) in the event that the Committee shall, at its discretion, deem it appropriate that such award to be given to a participant shall so lapse on the grounds that any of the objectives of the PSP have not been met.

As at 31 December 2024, there were Nil unissued ordinary shares and 8,789,779 issued ordinary shares granted pursuant to the PSP.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Share awards (continued)

Activities under the PSP

The following table summarises information about directors' share awards outstanding as at 31 December 2024:

	No. of unissued ordinary shares of the Company under award			
	Granted in financial year ended 31.12.2024	Aggregate granted since commencement of PSP to 31.12.2024	Aggregate vested since commencement of PSP to 31.12.2024	Aggregate outstanding as at 31.12.2024
Directors of the Company				
Chew Seng Kok	-	300,000	(300,000)	-
Datuk Ng Hock Heng	-	530,000	(530,000)	-
Chew Liong Kim	-	300,000	(300,000)	-
John Lim Yew Kong	-	300,000	(300,000)	-
Dato' T. Jasudasan (retired on 28 April 2024)	-	240,000	(240,000)	-
Total	-	1,670,000	(1,670,000)	-

No participant has received 5% or more of the total number of shares available under the PSP.

During the financial year under review, there were no shares granted pursuant to the PSP to the controlling shareholders of the Company and their associates. The PSP expired on 18 September 2024.

Audit and Risk Committee

The members of the Audit and Risk Committee at the end of the financial year were as follows:

Dr. Veerinderjeet Singh A/L Tejwant Singh (Chairman)
Mr. Mohamed Nasser Bin Ismail
Ms. Shweta Nandy

All members of the Audit and Risk Committee were non-executive and independent directors except for Ms Shweta Nandy who was a non-executive and a non-independent director.

The Audit and Risk Committee carried out its functions and reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2024 before their submission to the Board of Directors.

The Audit and Risk Committee has recommended to the Board that the independent auditor, PKF-CAP LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Auditor

The independent auditor, PKF-CAP LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Chew Seng Kok
Director

Datuk Ng Hock Heng
Director

24 March 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZICO HOLDINGS INC.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ZICO Holdings Inc. (the "**Company**") and its subsidiaries (the "**Group**") as set out on pages 101 to 192 which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with International Financial Reporting Standards ("**IFRSs**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Recoverability of trade and other receivables and contract assets

As disclosed in Note 20 to the financial statements, the Group had gross trade and other receivables and contract assets of SGD26.58 million (2023: SGD26.71 million) against which loss allowance of SGD3.93 million (2023: SGD2.78 million) were recognised in accordance with IFRS 9 *Financial Instruments*. The carrying amount of trade and other receivables and contract assets of SGD22.65 million (2023: SGD23.93 million) represented 54% (2023: 52%) of the Group's total assets. This mainly comprised trade and non-trade amounts due from ZICOlaw network firms amounting to SGD10.38 million and SGD3.86 million (2023: SGD9.77 million and SGD4.48 million) respectively. The remaining SGD8.42 million (2023: SGD 9.68 million) comprised SGD5.58 million (2023: SGD6.27 million) of trade receivables and contract assets from other third parties, SGD1.97 million (2023: SGD1.78 million) of trade and non-trade amounts due from associated companies and SGD0.87 million (2023: SGD1.63 million) of deposits and other receivables.

The assessment of recoverability of trade and other receivables and contract assets is considered a key audit matter as it requires the application of significant estimates and judgements by management and trade and other receivables and contract assets are significant to the Group's total assets.

For trade receivables and contract assets, the Group applied the simplified approach and determined the lifetime expected credit loss ("**ECL**"). The Group determined the ECL of trade receivables by segregating trade receivables from ZICOlaw network firms which has engaged in a repayment plan with the Group, and using a provision matrix for the remaining trade receivables.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZICO HOLDINGS INC.

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

1. Recoverability of trade and other receivables and contract assets (continued)

The Group applied the general 3-step approach in the determination of ECL for non-trade amounts due from ZICOLaw network firms and associated companies and other receivables.

The significant estimates and judgements applied in the assessment of recoverability of trade and other receivables and contract assets are disclosed in Note 3.2 and Note 33.1 to the financial statements.

Our procedures to address the key audit matter

We obtained an understanding of the Group's credit policy, credit assessment procedures, factors for determination of default event and recoverability assessment for trade and other receivables and contract assets. We tested the ageing of trade receivables at year end on a sample basis and evaluated and challenged the reasonableness of management's estimates and judgements applied in the provision matrix including management's determination of historical credit loss rates and management's consideration of forward-looking information.

We have also evaluated and challenged management's assessment of loss given default and probability of default for trade and non-trade amounts due from ZICOLaw network firms, non-trade amounts due from associated companies, contract assets and other receivables. For ZICOLaw network firms, we checked that the scheduled repayments for the current financial year based on the previous year's repayment plan have been met by checking payments received during the financial year. We also reviewed the historical payment trend, business development, subsequent collection, letter of undertaking and assessed the rapport of the Group with the ZICOLaw network firms. For non-trade amounts due from associated companies, we assessed the recoverability with reference to the business plans and relevant supporting documents for the associated companies provided by management. For contract assets, we discussed with management on their credit impairment assessment of the customer and reviewed the historical payment trend and business developments.

We have also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

2. Impairment assessment of goodwill

As at 31 December 2024, the carrying amount of goodwill amounted to SGD7.52 million (2023: SGD7.56 million). Goodwill had been allocated to certain cash-generating units ("**CGUs**") as disclosed in Note 15 to the financial statements. Management has performed impairment assessment to determine the value-in-use of the respective CGUs taking into account current market conditions.

Impairment assessment of goodwill is considered a key audit matter due to the significance of the assets to the Group's consolidated financial statements and the key estimation involved in the determination of the value-in-use of the CGUs by management. The key estimation relates to the revenue growth rate of the CGUs, pre-tax weighted average cost of capital and terminal growth rate applied to future cash flow projections as disclosed in Note 3.2 and Note 15 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZICO HOLDINGS INC.

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

2. Impairment assessment of goodwill (continued)

Our procedures to address the key audit matter

We obtained an understanding of management's impairment assessment process.

We assessed the key estimates applied in the value-in-use calculations by comparing the cash flow projections to historical data, existing contracts and market trends. We also compared current year actual results to prior year forecast where relevant to assess the reliability of management's estimates. We assessed the sensitivity of the key estimates on the impairment assessment based on reasonably possible changes in the key estimates. We involved our internal valuation specialists in assessing the reasonableness of the terminal growth rates and pre-tax weighted average cost of capital used. We recomputed the comparison between the recoverable amounts based on value-in-use calculation and the carrying value of the CGU in which goodwill is attributable to.

We have also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

3. Impairment of investments in subsidiaries

The Company's carrying amount of investment in subsidiaries amounted to SGD13.85 million (2023: SGD13.99 million) which accounted for 30% (2023: 30%) of the Company's total assets as at 31 December 2024.

When there is an indication of impairment, management is required to assess the recoverable amount of its investment in subsidiaries which is the higher of the fair value less costs of disposal and value in use of the subsidiaries assessed as a CGU.

As disclosed in Note 16 to the financial statements, management has performed an impairment test on the investment in subsidiaries with indicator of impairment. Management estimated the recoverable amount of the investment in subsidiaries by assessing the value in use. As the value in use exceeds the carrying amount, the investment in subsidiaries is assessed to be not impaired and it is not necessary to estimate the fair value less costs of disposal.

The impairment assessment of investment in subsidiaries is considered a key audit matter as it requires management to exercise judgement on the assessment of various key assumptions to estimate the recoverable amount of the investment in subsidiary that are affected by future market and economic conditions. Management made key assumptions in respect of future market and economic conditions such as revenue growth rates, discount rates and long-term economic growth rates when performing the assessment.

Our procedures to address the key audit matter

We assessed the key estimates applied in the value-in-use calculations by comparing the cash flow projections to historical data, existing contracts and market trends. We also compared current year actual results to prior year forecast where relevant to assess the reliability of management's estimates. We assessed the sensitivity of the key estimates on the impairment assessment based on reasonably possible changes in the key estimates. We involved our internal valuation specialists in assessing the reasonableness of the terminal growth rates and pre-tax weighted average cost of capital used. We recomputed the comparison between the recoverable amounts based on value-in-use calculation and the carrying value of the investment in subsidiaries.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZICO HOLDINGS INC.

Report on the Audit of the Financial Statements (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2024 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZICO HOLDINGS INC.

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chew Wei Jim.

PKF-CAP LLP

Public Accountants and
Chartered Accountants

Singapore

24 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group	
		2024 SGD'000	2023 SGD'000
Revenue	4	17,249	(Re-presented) 17,208
Other item of income			
Other income	5	2,475	2,822
Other gains and (losses)			
– Others	6	(382)	495
– Loss allowance on trade and other receivables and contract assets	33.1	(1,468)	(270)
Items of expenses			
Amortisation and depreciation expenses	7	(1,390)	(1,549)
Employee benefits expense	8	(14,561)	(14,808)
Lease expenses		(80)	(200)
Retainer fees and consultancy fees		(1,916)	(2,838)
Bad debt written off		(815)	(2,523)
Other expenses	9	(4,056)	(3,733)
Finance costs	10	(715)	(858)
		(5,659)	(6,254)
Share of results of associated companies, net of tax		501	84
Loss before income tax		(5,158)	(6,170)
Income tax expense	11	(452)	(1,001)
Loss for the financial year		(5,610)	(7,171)
Other comprehensive (loss)/income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences arising on consolidation	25	489	(1,902)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Net fair value change on financial assets, at FVOCI	26	(301)	(144)
Foreign currency translation differences arising on consolidation	25	36	11
Other comprehensive income, net of tax		224	(2,035)
Total comprehensive loss for the financial year		(5,386)	(9,206)
(Loss)/Profit attributable to:			
Equity holders of the Company		(5,572)	(7,282)
Non-controlling interests		(38)	111
		(5,610)	(7,171)
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		(5,384)	(9,328)
Non-controlling interests		(2)	122
		(5,386)	(9,206)
(Losses) per share			
– Basic (SGD)	12	(0.014)	(0.020)
– Diluted (SGD)	12	(0.014)	(0.020)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	2024 SGD'000	Group 2023 SGD'000	Jan 2023 SGD'000	2024 SGD'000	Company 2023 SGD'000	Jan 2023 SGD'000
			(Re-presented)	(Re-presented)		(Re-presented)	(Re-presented)
ASSETS							
Non-current assets							
Plant and equipment	13	564	692	807	16	18	20
Right-of-use assets	14	1,679	2,539	2,838	-	-	-
Intangible assets	15	8,719	8,978	9,451	-	7	50
Investments in subsidiaries	16	-	-	-	13,845	13,991	13,151
Investments in associated companies	17	850	563	245	1	1	1
Investments	18	75	126	270	-	-	-
Deferred income tax assets	19	2,516	2,529	3,421	-	-	-
Trade and other receivables	20	14,497	14,943	14,494	20,640	19,940	20,676
		28,900	30,370	31,526	34,502	33,957	33,898
Current assets							
Trade and other receivables	20	7,406	6,557	13,689	11,307	11,150	9,416
Contract assets	4(b)	745	2,433	2,298	-	-	-
Prepayments		458	590	898	27	22	21
Current income tax recoverable		57	80	77	24	18	5
Cash and bank balances	21	3,439	4,730	5,148	400	861	674
Other current assets	22	1,093	1,172	5,964	2	202	4,752
		13,198	15,562	28,074	11,760	12,253	14,868
Total assets		42,098	45,932	59,600	46,262	46,210	48,766
EQUITY AND LIABILITIES							
Equity							
Share capital	23	41,734	39,670	36,942	41,734	39,670	36,942
Share-based reserve	24	734	734	734	734	734	734
Currency translation reserve	25	(6,450)	(6,939)	(5,037)	774	(633)	(1,005)
Fair value reserve	26(a)	(1,607)	(1,556)	(1,378)	-	-	-
Capital reserve	26(b)	(151)	(151)	(151)	-	-	-
Accumulated losses		(9,659)	(3,837)	3,411	(3,758)	(2,029)	2,732
Equity attributable to equity holders of the Company		24,601	27,921	34,521	39,484	37,742	39,403
Non-controlling interests	16	(75)	124	672	-	-	-
Total equity		24,526	28,045	35,193	39,484	37,742	39,403
Non-current liabilities							
Interest-bearing liabilities	27	348	1,434	1,953	344	1,412	2,053
Lease liabilities	14	1,065	2,042	2,568	-	-	-
Provisions	29	43	29	108	-	-	-
Deferred income tax liabilities	19	167	198	229	-	-	-
		1,623	3,703	4,858	344	1,412	2,053
Current liabilities							
Trade and other payables	28	3,444	2,919	6,526	523	1,211	238
Interest-bearing liabilities	27	9,187	8,350	10,379	5,918	5,850	7,072
Lease liabilities	14	909	759	445	-	-	-
Contract liabilities	4(b)	1,245	1,109	1,164	-	-	-
Provisions	29	6	6	6	-	-	-
Current income tax payable		1,158	1,041	1,029	(7)	(5)	-
		15,949	14,184	19,549	6,434	7,056	7,310
Total liabilities		17,572	17,887	24,407	6,778	8,468	9,363
Total equity and liabilities		42,098	45,932	59,600	46,262	46,210	48,766

The accompanying notes form an integral part of these financial statements.

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Attributable to equity holders of the Company						
		(Accumulated losses)/						
		Share-based reserve	Currency translation reserve	Fair value reserve	Capital reserve	Retained earnings	Total	Non-controlling interests
		SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Share capital	SGD'000	Share-based reserve	Currency translation reserve	Fair value reserve	Capital reserve	Retained earnings	Total	Non-controlling interests
SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
36,942	734	(5,037)	(1,378)	(151)	3,411	34,521	672	35,193
-	-	-	-	-	(7,282)	(7,282)	111	(7,171)
-	-	-	-	(144)	-	(144)	-	(144)
-	-	(1,902)	-	-	-	(1,902)	11	(1,891)
-	-	(1,902)	-	-	-	(1,902)	122	(9,206)
-	-	-	-	(34)	-	34	-	-
2,700	-	-	-	-	-	2,700	-	2,700
28	-	-	-	-	-	28	-	28
2,728	-	-	-	-	-	2,728	-	2,728
-	-	-	-	-	-	-	(425)	(425)
-	-	-	-	-	-	-	(245)	(245)
-	-	-	-	-	-	-	(670)	(670)
39,670	734	(6,939)	(1,556)	(151)	(3,837)	27,921	124	28,045

2023 (Re-presented)

Balance as at 1 January 2023

(Loss)/profit for the financial year
Other comprehensive (loss)/income for the financial year:

Net fair value changes on financial assets, at FVOCI
Foreign currency translation differences arising on consolidation

Total comprehensive (loss)/income for the financial year

Transfer upon disposal of financial assets, at FVOCI

Contributions by and distributions to equity holders of the Company:
Issuance of ordinary shares
Grant of share awards

Total transactions with equity holders of the Company

Transactions with non-controlling interests:

Changes in ownership interest in subsidiaries that do not result in loss of control
Dividends paid

Total transactions with non-controlling interests

Balance as at 31 December 2023

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group	
		2024	2023
		SGD'000	SGD'000
			(Re-presented)
Cash flows from operating activities			
Loss before tax		(5,158)	(6,170)
Adjustments for:			
Loss of allowance on trade and other receivables and contract assets	33	1,468	270
Bad debts written off		815	2,523
Amortisation and depreciation expenses	7	1,390	1,549
Impairment of goodwill		-	147
Interest income	5	(564)	(763)
Interest expense	10	715	858
(Gain)/Loss on disposal of plant and equipment	6	(20)	20
Gain on disposal of investment in subsidiary		(131)	-
Provisions		14	(79)
Disbursements written off		225	200
Share of results of associated companies, net of tax		(501)	(84)
Unrealised gain on foreign exchange loss/(gain), net	6	559	(690)
Share-based payment expense		27	28
Operating cash flows before working capital changes		(1,161)	(2,191)
Working capital changes:			
Trade and other receivables		(1,668)	2,588
Prepayments		132	309
Trade and other payables		486	253
Cash (used in)/generated from operations		(2,211)	959
Income tax paid		(238)	(301)
Net cash (used in)/generated from operating activities		(2,449)	658

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note	Group	
	2024 SGD'000	2023 SGD'000
	(Re-presented)	
Investing activities		
Advances to associated companies	(37)	(69)
Withdrawal of fixed deposits	200	1,219
Dividend received	229	–
Interest received	564	763
Proceeds from disposal of financial assets, FVOCI	18 307	34
Proceeds from disposal of plant and equipment	21	36
Proceeds from disposal of investment in subsidiary	130	–
Purchase of plant and equipment	13 (39)	(201)
Purchase of additional investment in associate	17 –	(230)
Purchase of intangible assets	15 (1)	(1)
Net cash generated from investing activities	1,374	1,551
Financing activities		
Dividends paid to non-controlling interests	(196)	(245)
Issuance of ordinary share	23 2,037	2,700
Interest paid	(715)	(858)
Repayments of revolving credit facilities	27 (958)	(1,300)
Proceeds from revolving credit facilities	27 1,000	500
Repayment of term loan facility	27 (1,042)	(1,062)
Repayment of hire purchase	27 (17)	(12)
Proceeds from hire purchase	27 –	49
Repayment of lease liabilities	14(d) (1,109)	(936)
Acquisition of non-controlling interests	–	(690)
Proceeds from issuance of ordinary shares to non-controlling interests	–	20
Net cash used in financing activities	(1,000)	(1,834)
Net change in cash and bank balances	(2,075)	375
Cash and bank balances at beginning of financial year	21 2,906	2,613
Effect of exchange rate changes on cash and bank balances	37	(82)
Cash and bank balances at end of financial year	868	2,906

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

ZICO Holdings Inc. (the “**Company**”) is domiciled in the Federal Territory of Labuan, Malaysia and was incorporated on 9 December 2010 under the Labuan Companies Act 1990 as a Labuan company. The Company’s registration number is LL07968.

The Company was listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 11 November 2014.

The address of the Company’s registered office is Unit Level 13(A), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Federal Territory of Labuan, Malaysia. The principal place of business is 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are set out in Note 16.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements of the Group and Company for the financial year ended 31 December 2023 were previously presented in Malaysia Ringgit (“**RM**”). During the financial year, the Group and Company changed its presentation currency from RM to Singapore Dollar (“**SGD**”) as is it more reflective of the underlying transactions of the Group and is accounted for retrospectively in accordance to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors. Accordingly, all the comparatives are presented in SGD.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and bank balances, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.1 Basis of preparation (continued)

Adoption of new and amended standards and interpretations

In the current financial year, the Group has adopted all the new and revised IFRS and Interpretations of IFRS ("IFRIC") that are relevant to its operations and effective for annual financial period beginning on 1 January 2024. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and IFRIC.

The adoption of these new/revised IFRS and IFRIC did not have any material effect on the financial results or position of the Group and the Company.

Standards issued but not yet effective

New standards, amendments to standards and interpretations that have been issued at the financial position date but are not yet effective for the financial year ended 31 December 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

2.2 Revenue recognition

Advisory and transactional services – Ad hoc services

The Group provides ad hoc services that include business and management consultancy services, corporate finance advisory services, tax administration, payroll and accounting support services. The Group is compensated for these services in the form of a fee which is payable based on event-based milestones, at the end of the project or on a monthly basis. At contract inception, the Group will analyse the scope of works required and assess whether the revenue is to be recognised over time or at a point in time by determining if the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Where the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, such services are recognised as performance obligation satisfied over time by reference to the Group's progress towards completing the performance obligations. Where the fee payable is based on event-based milestones, the measure of progress is determined based on the milestones achieved that corresponds directly with the value to the customer of the Group's performance completed to date. Where the fee is payable on a monthly basis, revenue is recognised at the end of each period for the fees associated with the services performed. It is common for the contract to include success fee clauses, where the fee is only payable upon the successful execution of a specific milestone (such as the completion of a successful IPO). Success fee is included as revenue to the extent that it is highly probable that a significant reversal of the revenue will not occur when the uncertainty associated with the variable consideration is resolved. For contracts where the performance obligation is not satisfied over time, revenue is only recognised when the performance obligation is fulfilled. The customers are required to pay within 14 to 60 days from the invoice date. No element of financing is deemed present.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.2 Revenue recognition (continued)

Advisory and transactional services – Retainer services

The Group provides retainer services such as corporate secretarial, share registrar, trustee, continuing sponsorship and business support services. The Group is compensated for services through a monthly, quarterly, half yearly or yearly fee earned based on the promised consideration in the relevant agreements. All these services represent a series of distinct daily services rendered over time and such services are recognised as a performance obligation satisfied over time as the Group transfers the benefit of the services to the customer as it performs. Consistent with the transfer of control for distinct and daily services to the customers, revenue is recognised at the end of each period for the fees associated with the services performed. The billing cycle varies with each client. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. A contract liability is recognised when the Group has not yet performed under the contract but receives advanced payments from the customer. The customers are required to pay within 14 to 60 days from the invoice date. No element of financing is deemed present.

Royalty income

The Group earns royalties arising from the use by others of the Group's intellectual property. The sales-based royalties (royalties based upon a specified percentage of customer's revenue) are recognised as revenue as the subsequent usage occurs.

Management fee income

The Group provides business and management consultancy services to customers. Such services are recognised as a performance obligation satisfied over time as management services are performed. The customers are required to pay within 14 to 60 days from the invoice date. A receivable is recognised as the consideration is unconditional and only passage of time is required before the payment is due. No element of financing is deemed present as the consideration is repayable on demand.

Other income

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the term of the relevant lease.

2.3 Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

a) **Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee benefits expense when they are due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.3 Employee benefits (continued)

b) *Defined benefit plans*

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period when they arise. The experience adjustments are not to be reclassified to profit or loss in a subsequent period.

Past service costs are recognised immediately in profit or loss.

c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the financial position date.

d) *Share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each financial position date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.4 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.5 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the financial position date; and
- ii) based on the tax consequence that will follow from the manner in which the Group expects, at the financial position date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.6 Group accounting

a) *Subsidiaries*

i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) the fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill on acquisitions" for the subsequent accounting policy on goodwill.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.6 Group accounting (continued)

a) *Subsidiaries (continued)*

iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associated companies, and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

c) *Associated companies and joint ventures*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

i) *Acquisitions*

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.6 Group accounting (continued)

c) Associated companies and joint ventures (continued)

ii) *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income.

Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint ventures equals to or exceeds its interest in the associated company or joint ventures, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint ventures. If the associated company or joint ventures subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associated company or joint venture includes any long-term loans for which settlement is neither planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

iii) *Disposals*

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.7 Plant and equipment

a) *Measurement*

i) *Plant and equipment*

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

ii) *Components of costs*

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

b) *Depreciation*

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Motor vehicles	5
Computer hardware	3
Office equipment	6 ² / ₃
Leasehold improvement	10

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each financial year-end. The effects of any revision are recognised in profit or loss when the changes arise.

c) *Subsequent expenditure*

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

d) *Disposal*

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.8 Intangible assets

a) **Goodwill**

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on joint ventures and associated companies is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

b) **Acquired trademarks**

Trademarks acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 40 years.

c) **Customer relationships**

Customer relationships are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 14.5 years.

d) **Acquired computer software licences**

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.8 Intangible assets (continued)

e) *Customer acquisition costs*

Customer acquisition costs are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 8 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

2.9 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.10 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.11 Impairment of non-financial assets

a) *Goodwill*

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("**CGU**") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.11 Impairment of non-financial assets (continued)

b) *Intangible assets*

Plant and equipment

Investments in subsidiaries, associated companies and joint ventures

Right-of-use assets

Intangible assets, plant and equipment, investments in subsidiaries, associated companies, joint ventures, investments – corporate club membership and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.12 Financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through other comprehensive income ("**FVOCI**").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

Classification and measurement (continued)

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

i) Debt instruments

Debt instruments mainly comprise of cash and bank balances, trade and other receivables (excluding grant receivables) and other current assets.

Based on the Group's business model for managing the asset and the cash flow characteristics of the asset, the Group subsequently measures all its debt instruments at amortised cost.

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. The Group has elected to recognise the changes in fair value of equity investments not held for trading in other comprehensive income as these are strategic investments and the Group considered this to be more relevant. Movement in fair values of investments classified as FVOCI are presented as "net fair value change on financial assets, FVOCI" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained earnings along with the amount previously recognised in other comprehensive income relating to that asset.

2.13 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the financial position date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.16 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short term leases of office (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.16 Leases (continued)

When a Group entity is the lessee (continued)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of use assets are presented as a separate line in the financial position.

The Group applies IAS 36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.11(b).

As a practical expedient, IFRS 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has applied this practical expedient of its leases of office units.

When a Group entity is the lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.17 Provisions

Provisions for reinstatement are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The Group recognises the estimated costs of reinstatement arising from use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value. Changes in the estimated timing or amount of the expenditure or discount rate is adjusted against the cost of the related asset unless the decrease in liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense. Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.18 Currency translation

a) **Functional and presentation currency**

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The functional currency of the Company is Singapore Dollar. The financial statements are presented in Singapore Dollar which is the Group's presentation currency.

b) **Transactions and balances**

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the financial position date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance cost". All other foreign exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "other gains and losses".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.18 Currency translation (continued)

c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.20 Cash and bank balances

For the purpose of presentation in the consolidated statement of cash flows, cash and bank balances include cash on hand, deposits with financial institutions and fixed deposits net of fixed deposits pledged, which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and bank balances.

2.21 Dividends

Interim dividends are recorded during the financial year in which they are approved and declared payable by the Board of Directors.

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (continued)

2.22 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.23 Financial guarantees

A subsidiary of the Company has issued corporate guarantees to a bank for bank borrowings of its associated company. These guarantees are financial guarantees as they require the subsidiary of the Company to reimburse the banks if the associated company fails to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value plus transaction costs and subsequently measured at the higher of:

- The amount determined in accordance with the expected credit loss model under IFRS 9 *Financial Instruments*; and
- The amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 *Revenue from Contracts with Customers*.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associated company are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

3. Critical accounting estimates, assumptions and judgements

3.1 Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the subsequent paragraphs).

Going concern assumption

The Group's net loss of SGD5,610,000 (2023: Net loss SGD7,171,000) for the financial year ended 31 December 2024 is attributable to the increase in revenue by SGD41,000; reduction in retainer and consultancy fees by SGD922,000; bad debts written off is lower by SGD1,708,000 mainly due to a bad debt written off for investment in Philippines in the prior year; share of associate results is higher by SGD417,000 mainly due to higher share of profit generated by ZTM. The Group's net assets as at 31 December 2024 were SGD24,526,000 (2023: SGD28,045,000). Management continues to have a reasonable expectation that the Group has adequate resources to continue in operation for at least the next 12 months from the date of authorisation of these financial statements and that the going concern basis of preparation of these financial statements remains appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Critical accounting estimates, assumptions and judgements (continued)

3.1 Critical judgements in applying the Group's accounting policies (continued)

Going concern assumption (continued)

While the Group continues to operate in a dynamic and challenging industry characterized by inflationary pressure, economic and geo-political uncertainties, the Group has cash and bank balances of SGD3,439,000 (2023: SGD4,730,000) as at 31 December 2024. The Group have a negative net cash used in operating activities of SGD2,449,000 for the financial year ended 31 December 2024 (2023: positive SGD658,000).

The appropriateness of the going concern basis of accounting is dependent on the continued availability of borrowings by compliance with bank loan covenants, the cash flows generated from operations and the Company's plans to strengthen its capital base going forward. As at the date of authorisation of these financial statements, the directors are satisfied that the Group will be able to comply with its financial covenant requirements.

Management has taken many mitigating actions to reduce costs, optimise the Group's cash flows and preserve liquidity which include inter alia, the following:

- Focus on sustaining revenue streams;
- Reduce non-essential spending and capital expenditure;
- Right size the Group's manpower requirements including remuneration adjustments where possible; and
- Right size and optimise office space requirements given the new normal of working from home.

After considering the effectiveness and viability of the mitigating actions described above, the directors believe that the Group and Company have adequate resources to continue their operations as going concerns.

Based on the above factors, the financial statements have been prepared on a going concern basis.

3.2 Critical accounting estimates and assumptions

Estimated impairment of goodwill

Management performs an annual impairment assessment of goodwill. Valuation model based on discounted cash flow analysis of the cash-generating unit ("**CGU**") is used by management to determine the value in use ("**VIU**") for the purposes of the impairment assessment.

Significant judgements are used to estimate the revenue growth rates, pre-tax weighted average cost of capital and terminal growth rates applied in computing the recoverable amounts of the different CGUs. In making these estimates, management has relied on past performance and its expectations of the future business developments in Singapore, Malaysia, Thailand, and Laos PDR. Details of the impairment assessment, sensitivity analysis and the carrying value of the Group's goodwill are disclosed and further explained in Note 15.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Critical accounting estimates, assumptions and judgements (continued)

3.2 Critical accounting estimates and assumptions (continued)

Impairment on trade and other receivables and contract assets

When measuring expected credit loss ("**ECL**"), the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables.

For trade receivables and contract assets, the Group applied the simplified approach and determined the lifetime ECL. The Group determined the ECL of trade receivables by segregating trade receivables from ZICOlaw network firms which has engaged in a repayment plan with the Group and using a provision matrix for the remaining trade receivables. The Group categorizes these trade receivables based on shared credit risk characteristics and days past due. The ECL rates for each category of debtors are estimated based on historical credit loss experience adjusted as appropriate to reflect forward-looking information where relevant which is based on assumptions and forecasts of future economic conditions and how these conditions will affect the Group's ECL assessment.

For trade receivables from ZICOlaw network firms, the Group determined the lifetime ECL, taking into consideration their recent business developments, the historical payment trend, the subsequent collection, the revised repayment plan following the letter of undertaking as disclosed in Note 34.1, the creditworthiness of ZICOlaw network firms and their ability to repay and forecasts of future economic conditions. Contract assets relate to unbilled work in progress for longer term advisory and transactional projects which have substantially different risk characteristics as the trade receivables. The Group determined the loss given default and probability of default of contract assets, taking into consideration the historical payment trend and whether a credit impairment event has occurred.

The Group applied the general 3-step approach in the determination of ECL for non-trade amounts due from ZICOlaw network firms and associated companies and other receivables. For the non-trade amounts due from associated companies, the Group determined the loss given default and probability of default, taking into consideration the future cashflows and business plans of the associated companies.

The carrying amount of trade receivables and other receivables (including contract assets) is disclosed in Note 20. Details of ECL measurement of trade and other receivables are disclosed in Note 34.1.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Critical accounting estimates, assumptions and judgements (continued)

3.2 Critical accounting estimates and assumptions (continued)

Impairment of investments in subsidiaries

The Company assesses at each financial position date whether there are any indicators of impairment for investments in subsidiaries. Investments in subsidiaries are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of the investment exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

When value in use calculations are undertaken, management is required to estimate the expected future cash flows from the business and a suitable terminal growth rate and pre-tax weighted average cost of capital, in order to determine the present value of those cash flows. The carrying amount of investments in subsidiaries is disclosed in Note 16.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For lease of office unit, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group typically includes the extension option in lease liabilities;
- If there are significant penalties to terminate the lease, the Group will typically reasonably certain not to terminate the lease; and
- Otherwise, the Group considers other factors including its historical lease periods and the costs and business disruption required to replace the leased asset.

The assessment of reasonable certainty to exercise extension options is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

Deferred income tax assets

The Group recognises deferred income tax assets on carried forward tax losses to the extent that there are sufficient estimated future taxable profits and/or taxable temporary differences against which the tax losses can be utilised and that the Group is able to satisfy the continuing ownership test. Significant judgement is required in determining the projected revenue and the estimated costs necessary to generate the revenue. These projection and estimates are based on the current market condition and could change significantly as a result of competitor actions. The carrying amount of the deferred income tax assets is disclosed in Note 19.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Revenue

a) Disaggregation of revenue from contracts with customers

	At a point in time SGD'000	Over time SGD'000	Total SGD'000
2024			
Advisory and transactional services			
– Singapore	3,366	6,776	10,142
– Malaysia	2,488	570	3,058
– Thailand	61	68	129
– Indonesia	189	1,375	1,564
– China	56	294	350
– Hong Kong	56	384	440
– United States of America	72	164	236
– Others	365	965	1,330
	6,653	10,596	17,249
Total	6,653	10,596	17,249
	At a point in time SGD'000	Over time SGD'000	Total SGD'000
2023			
Advisory and transactional services			
– Singapore	1,609	9,136	10,745
– Malaysia	680	1,627	2,307
– Thailand	26	567	593
– Indonesia	93	1,314	1,407
– China	47	146	193
– Hong Kong	90	364	454
– United States of America	42	212	254
– Others	351	904	1,255
	2,938	14,270	17,208
Total	2,938	14,270	17,208

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Revenue (continued)

b) Contract assets and liabilities

	31.12.2024 SGD'000	Group 31.12.2023 SGD'000	1.1.2023 SGD'000
<i>Contract assets</i>			
– Advisory and transactional services	2,602	2,920	2,785
Less: Loss allowance	(1,857)	(487)	(487)
Total contract assets	745	2,433	2,298
<i>Contract liabilities</i>			
– Advisory and transactional services	1,245	1,109	1,164

Contract assets relate to advisory and transactional services contracts. The contract assets balance decreased (2023: increased) as the Group provided less (2023: more) services ahead of the agreed payment schedules. On the other hand, there was an increase in loss allowance of SGD1.4 million (2023: SGD28,000) following management's reassessment of the recoverability of the contract assets.

Contract liabilities for service rendered has increased due to more contracts in which the Group billed and received consideration ahead of the provision of services.

i) Revenue recognised in relation to contract liabilities

	Group 2024 SGD'000	2023 SGD'000
Revenue recognised in current financial year that was included in the contract liabilities balance at the beginning of the financial period		
– Advisory and transactional services	1,109	1,164

ii) Transaction price allocated to remaining performance obligations

Management expects that the transaction price allocated to unsatisfied performance obligations as at 31 December 2024 and 2023 may be recognised as revenue in the next reporting periods as follows:

Unsatisfied and partially unsatisfied performance obligations as at:	2024 SGD'000	2025 SGD'000
31 December 2024	–	1,245
31 December 2023	1,109	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. Other income

	Group	
	2024 SGD'000	2023 SGD'000
Disbursement income	1,493	1,158
Interest income on financial assets measured at amortised cost		
– ZICOlaw network firms	461	499
– Associated companies	78	156
– Bank deposits	25	108
Rental income	14	21
Government grant income	167	315
Others	237	565
	2,475	2,822

6. Other gains and (losses) – Others

	Group	
	2024 SGD'000	2023 SGD'000
Gain/(Loss) on disposal of property, plant and equipment	20	(20)
Gain on disposal of investment in subsidiary	131	–
Unrealised (loss)/gain on foreign exchange, net	(559)	690
Realised foreign exchange gain/(loss), net	26	(28)
Impairment of goodwill (Note 15)	–	(147)
	(382)	495

On 11 October 2024, the Group completed the disposal of 10% equity interest in ZICO Capital Sdn Bhd with a third party for a total consideration of S\$130,000. Pursuant to the sale and purchase agreement, the Group transferred the shares and recorded a gain on disposal of investment of S\$131,000.

7. Amortisation and depreciation expenses

	Group	
	2024 SGD'000	2023 SGD'000
Amortisation of intangible assets (Note 15)	223	300
Depreciation of plant and equipment (Note 13)	185	255
Depreciation of right-of-use assets (Note 14)	982	994
	1,390	1,549

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. Employee benefits expense

Salaries, wages, bonuses and other short-term staff benefits
Contributions to defined contribution plans
Share-based payments (Note 24)

	Group	
	2024 SGD'000	2023 SGD'000
	13,267	13,585
	1,267	1,195
	27	28
	14,561	14,808

The above employee benefits expense included the remuneration of directors of the Company and other key management personnel of the Group as set out in Note 31(b).

9. Other expenses

Audit fees
– auditor of the Company
– other auditors*
Disbursements
Postage and courier charges
Printing and stationery
Travelling and entertainment
Insurance
Maintenance and upkeep of office
IT maintenance
Professional fees
Secretarial fees
Registration and processing
Compliance fees
Unbilled Disbursements write off
Telephone and Online Data Services
Others

	Group	
	2024 SGD'000	2023 SGD'000
	156	136
	81	68
	57	33
	285	164
	179	156
	261	362
	591	582
	89	49
	425	439
	45	50
	–	21
	307	301
	490	129
	225	200
	111	111
	754	932
	4,056	3,733

* Included independent member firms of PKF International Network

10. Finance costs

Interest on lease liabilities (Note 14)
Revolving credit facility ("RCF") charges (Note 28)
Overdraft charges
Term loan ("TL") charges (Note 28)
Hire purchase interest

	Group	
	2024 SGD'000	2023 SGD'000
	134	250
	364	411
	177	126
	38	69
	2	2
	715	858

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. Income tax expense

	Group	
	2024 SGD'000	2023 RM'000
Tax expense attributable to profit is made up of:		
– Current income tax	382	341
– Deferred income tax (Note 20)	53	621
	435	962
(Over) /under provision in prior financial years		
– Current income tax	(26)	16
– Deferred income tax (Note 20)	-	-
	-	-
Withholding tax	43	23
	452	1,001

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the domestic statutory income tax rates applicable to the countries where the Group operates due to the following factors:

	Group	
	2024 SGD'000	2023 SGD'000
Loss before income tax	(5,158)	(6,170)
Share of results of associated companies, net of tax	(501)	(84)
Loss before tax and share of results of associated companies	(5,659)	(6,254)
Effects of:		
– different tax rate in other jurisdiction	(1,080)	(1,244)
– expenses not deductible for tax purposes	1,771	1,581
– income not subject to tax	(675)	(759)
– income tax exemption	(375)	(93)
– utilisation of previously unrecognised tax losses	-	(90)
– utilisation of capital allowances	-	(39)
– deferred tax assets not recognised	728	836
– reversal of deferred tax assets	66	702
- (over)/under-provision of tax in prior financial year	(26)	16
– withholding tax	43	23
– others	-	68
Tax charge	452	1,001

In accordance with the Labuan Business Activity Tax Act, 1990, the Company is carrying on an offshore business activity which is an offshore non-trading activity for the basis period for year of assessment and therefore shall not be charged to tax for that year of assessment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. Losses per share

Basic losses per share is calculated by dividing the loss attributable to holder of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	2023
Loss attributable to equity holders of the Company (SGD'000)	(5,572)	(7,282)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	395,369	370,264
Basic losses per share (SGD per share)	(0.014)	(0.020)
Weighted average number of ordinary shares outstanding for basic earnings per share on a fully diluted basis ('000)	397,321	372,998
Diluted losses per share (SGD per share)	(0.014)	(0.020)

Basic losses per share and diluted losses per share are SGD0.014 for the financial years ended 31 December 2024 and SGD0.020 for financial year ended 31 December 2023.

13. Plant and equipment

	Motor vehicles SGD'000	Computer hardware SGD'000	Office equipment SGD'000	Leasehold improvement SGD'000	Total SGD'000
Group 2024					
Cost					
Beginning of financial year	86	1,120	898	811	2,915
Additions	-	29	9	1	39
Disposal	(20)	(28)	(17)	-	(65)
Write off	-	(2)	-	-	(2)
Currency translation differences	7	39	29	15	90
End of financial year	73	1,158	919	827	2,977
Accumulated depreciation					
Beginning of financial year	32	1,063	738	390	2,223
Depreciation charge	13	48	45	79	185
Disposal	(20)	(28)	(16)	-	(64)
Write off	-	(2)	-	-	(2)
Currency translation differences	5	28	27	11	71
End of financial year	30	1,109	794	480	2,413
Net book value					
End of financial year	43	49	125	347	564

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

**Group
2023**

* Less than SGD1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Plant and equipment (continued)

	Computer hardware SGD'000	Office equipment SGD'000	Leasehold improvement SGD'000	Total SGD'000
Company				
2023				
Cost				
Beginning of financial year	–	–	22	22
End of financial year	–	–	22	22
Accumulated depreciation				
Beginning of financial year	–	–	2	2
Depreciation charge	–	–	2	2
End of financial year	–	–	4	4
Net book value				
End of financial year	–	–	18	18

14. Lease

Group as a lessee

Nature of the Group's and the Company's leasing activities

The Group's and the Company's leasing activities comprise the following:

- i) The Group lease office units from non-related parties. The leases have an average tenure of between three to five years; and
- ii) In addition, the Group leases certain office units with contractual terms of 12 months or below. These leases are short-term and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The maturity analysis of the lease liabilities is disclosed in Note 33.3.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. Lease (continued)

Group as a lessee (continued)

Information about leases for which the Group and the Company are a lessee is presented below:

a. Carrying amounts of right-of-use assets

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Office units	1,679	2,539	-	-

b. Lease liability

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Presented in statement of financial position				
– Current	909	759	-	-
– Non-current	1,065	2,042	-	-
	1,974	2,801	-	-

c. Amount recognised in profit or loss

	Group	
	2024	2023
	SGD'000	SGD'000
Depreciation of right-of-use assets	982	994
Short-term lease expenses	80	200
Interest expense on lease liabilities	134	250
	1,196	1,444

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. Lease (continued)

Group as a lessee (continued)

d. Total cash flows

The Group had total cash outflows for leases of SGD1,243,000 (2023: SGD1,186,000) and SGD80,000 (2023: SGD200,000) arising from short term lease.

A reconciliation of liabilities arising from financing activities is as follows:

	Group	
	2024	2023
	SGD'000	SGD'000
Balance at 1 January	2,801	3,013
Changes from financing cash flows:		
– Repayments	(1,109)	(936)
– Interest paid	(134)	(250)
Non-cash changes:		
– Interest expense	134	250
– Additions of new leases	104	633
– Modification of lease liabilities	–	90
Effect of changes in foreign exchange rates	178	1
Balance at 31 December	1,974	2,801

Future cash outflows which are not capitalised in lease liabilities

Extension options

The leases of office units contain extension options, for which the related lease payments had not been included in the lease liabilities as the Group and the Company are not reasonably certain to extend the lease. These are used to maximise operational flexibility in terms of managing the assets used in the Group's and the Company's operations. The majority of extension option held are exercisable only by the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Intangible assets

	Computer software SGD'000	Goodwill SGD'000	Trademark SGD'000	Customer acquisition costs SGD'000	Customer relationships SGD'000	Total SGD'000
Group						
2024						
Cost						
Beginning of financial year	3,814	7,710	574	1,243	2,583	15,924
Additions	1	-	-	-	-	1
Write off	(9)	-	-	-	-	(9)
Currency translation differences	209	-	34	-	-	243
End of financial year	4,015	7,710	608	1,243	2,583	16,159
Accumulated amortisation and impairment						
Beginning of financial year	3,770	147	210	1,235	1,584	6,946
Amortisation	20	-	15	7	181	223
Write off	(9)	-	-	-	-	(9)
Currency translation differences	221	46	13	-	-	280
End of financial year	4,002	193	238	1,242	1,765	7,440
Representing:						
Accumulated amortisation	4,002	-	238	1,160	1,765	7,165
Accumulated impairment	-	193	-	82	-	275
	4,002	193	238	1,242	1,765	7,440
Net book value						
End of financial year	13	7,517	370	1	818	8,719
2023						
Cost						
Beginning of financial year	4,027	7,710	609	1,243	2,583	16,172
Additions	1	-	-	-	-	1
Currency translation differences	(214)	-	(35)	-	-	(249)
End of financial year	3,814	7,710	574	1,243	2,583	15,924
Accumulated amortisation and impairment						
Beginning of financial year	3,916	-	207	1,194	1,403	6,720
Amortisation	63	-	15	41	181	300
Impairment (Note 6)	-	147	-	-	-	147
Currency translation differences	(209)	-	(12)	-	-	(221)
End of financial year	3,770	147	210	1,235	1,584	6,946
Representing:						
Accumulated amortisation	3,770	-	210	1,153	1,584	6,717
Accumulated impairment	-	147	-	82	-	229
	3,770	147	210	1,235	1,584	6,946
Net book value						
End of financial year	44	7,563	364	8	999	8,978

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Intangible assets (continued)

	Computer software SGD'000	Customer acquisition costs SGD'000	Total SGD'000
Company			
2024			
Cost			
Beginning of financial year and end of the financial year	6	1,242	1,248
Accumulated amortisation			
Beginning of financial year	6	1,235	1,241
Amortisation	-	7	7
End of financial year	6	1,242	1,248
Net book value			
End of financial year	-	-	-
2023			
Cost			
Beginning of financial year and end of financial year	6	1,242	1,248
Accumulated amortisation			
Beginning of financial year	5	1,194	1,199
Amortisation	1	41	42
End of financial year	6	1,235	1,241
Net book value			
End of financial year	-	7	7

Trademark

The trademark is amortised on a straight-line basis over a period of forty years. Amortisation expense was included within "amortisation and depreciation expenses" in the statement of comprehensive income.

Goodwill

Goodwill is attributable mainly to the acquired workforce and marketing network and the synergies expected to be achieved from integrating the investees into the Group's existing businesses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Intangible assets (continued)

Goodwill (continued)

Impairment tests for goodwill

For the purposes of impairment testing, goodwill is allocated to the Group's cash-generating units ("CGU") identified according to services provided by the entities and business segments as follows:

	Advisory and transactional services	
	2024	2023
	SGD'000	SGD'000
B.A.C.S. Private Limited ("B.A.C.S.")	5,434	5,434
ZICO Corporate Services Sdn. Bhd.	499	499
ZICO (Labuan) LLP	413	413
ZICOLaw (Laos) Sole Co., Ltd.	123	123
ZICO International Corporation	12	12
ZICOLaw (Thailand) Limited	1,036	1,036
ZICOLaw Myanmar Ltd	193	193
	7,710	7,710
Impairment of goodwill	(193)	(147)
	7,517	7,563

The recoverable amount of the CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rates stated below. The growth rate did not exceed the long-term average growth rate for the business in which the CGU operates.

An impairment charge of NIL (2023: SGD147,000) is included within "Other gains and (losses) – Others" in the statement of comprehensive income. The impairment charge in the current financial year arose from the CGU in Myanmar following a decision to downsize operation due to political instability.

Key estimates used for value-in-use calculations

	Group	
	2024	2023
	%	%
Revenue – Compound Annual Growth Rate		
B.A.C.S. Private Limited	3.98	13.62
ZICO Corporate Services Sdn. Bhd.	5.89	7.74
ZICO (Labuan) LLP	7.92	10.00
ZICOLaw Myanmar Limited	Nil	(46.1)
ZICOLaw (Laos) Sole Co., Ltd.	7.92	17.9
ZICOLaw (Thailand) Limited	9.07	11.29

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Intangible assets (continued)

Goodwill (continued)

Key estimates used for value-in-use calculations (continued)

	Group	
	2024 %	2023 %
<i>Pre-tax weighted average cost of capital</i>		
B.A.C.S. Private Limited	12.0	12.0
ZICO Corporate Services Sdn. Bhd.	13.2	13.2
ZICO (Labuan) LLP	13.2	13.2
ZICOLaw Myanmar Limited	18.5	18.5
ZICOLaw (Laos) Sole Co., Ltd.	21.3	17.5
ZICOLaw (Thailand) Limited	15.0	11.8
<i>Terminal growth rate</i>		
B.A.C.S. Private Limited	2.0	2.0
ZICO Corporate Services Sdn. Bhd.	2.0	2.0
ZICO (Labuan) LLP	2.0	2.0
ZICOLaw Myanmar Limited	2.0	2.0
ZICOLaw (Laos) Sole Co., Ltd.	2.0	2.0
ZICOLaw (Thailand) Limited	2.0	2.0

These assumptions were used for the analysis of each CGU within the business segment. Management determined revenue growth rates based on past performance and its expectations of the future business developments. These key inputs and assumptions were estimated by management based on prevailing market and economic conditions at the financial position date. The discount rates used were pre-tax and reflected specific risks relating to the relevant territories.

As at 31 December 2024 and 31 December 2023, the recoverable amounts of the CGUs were higher than the respective carrying amounts and thus, no impairment charge was recorded, except for the impairment on goodwill of SGD193,000 (2023: SGD147,000) recognised for ZICOLaw Myanmar Limited in the financial year 2024.

Sensitivity to changes in assumptions

For its goodwill attributable to B.A.C.S., ZICO Corporate Services Sdn. Bhd., ZICO (Labuan) LLP, ZICOLaw (Laos) Sole Co., Ltd. and ZICOLaw (Thailand) Limited, if the estimated revenue growth rate in year 2024 used in the value-in-use calculation had been 1.2, 37.3, nil, 59.0 and 24.1 percentage point lower than management's estimates respectively, the respective recoverable amount would have been equal to its carrying amount.

Customer acquisition costs

The balance pertains to the customers acquired by the Group from Stamford Law Corporation for a purchase consideration of S\$1,556,897 (equivalent of RM4,813,422).

The Group has reassessed the useful lives of its intangible assets and determined that a change in useful lives is not required. Amortisation expense has been included within "amortisation and depreciation expenses" in the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Intangible assets (continued)

Customer relationships

The balance pertains to the customers acquired by the Group from the acquisition of B.A.C.S.. The Group has reassessed the useful lives of its intangible assets and determined that a change in useful lives is not required. Amortisation expense has been included within "amortisation and depreciation expenses" in the consolidated statement of comprehensive income.

16. Investments in subsidiaries

	Company	
	2024	2023
	SGD'000	SGD'000
<i>Equity investments, at cost</i>		
Beginning of financial year	13,991	13,151
Additions	91	840
(-) Impairment on investment	(237)	-
End of financial year	13,845	13,991

As at reporting date, the Company's investments in certain subsidiaries were tested for impairment due to impairment indicators noted where the carrying amount of investment costs are higher as compared to net assets of certain subsidiaries.

An impairment loss was recognised on the investment in a subsidiary where the recoverable amount, determined as the higher of fair value less costs to sell and value in use, was lower than its carrying amount. The impairment was primarily due to continued financial losses incurred by the subsidiary and an assessment of future cash flow projections indicating a reduced recoverable amount.

a) Details of subsidiaries held by the Company are:

Name of subsidiary	Principal place of business and country of incorporation	Principal activities	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024	2023	2024	2023
			%	%	%	%
ZICO Malaysia Sdn. Bhd. ⁽¹⁾	Malaysia	Investment holding	100	100	-	-
ASEAN Advisory Pte.Ltd. ⁽²⁾	Singapore	Business and management consultancy services	100	100	-	-
ZICO RMC Pte. Ltd. ⁽²⁾	Singapore	Business and management consultancy services	100	100	-	-
B.A.C.S Sdn. Bhd. ⁽⁶⁾	Malaysia	Business and management consultancy services	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in subsidiaries (continued)

a) Details of subsidiaries held by the Company are (continued):

Name of subsidiary	Principal place of business and country of incorporation	Principal activities	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024 %	2023 %	2024 %	2023 %
ZICO (Labuan) LLP ⁽⁶⁾	Federal Territory of Labuan	Consultancy services	100	100	–	–
ZICO International Corporation ⁽⁶⁾	Federal Territory of Labuan	Investment holding	100	100	–	–
ZICO Consultancy Limited ⁽⁶⁾	Federal Territory of Labuan	Investment holding	100	100	–	–
ZICO Consultancy Sdn. Bhd. ⁽¹¹⁾	Malaysia	Business and management consultancy services	100	100	–	–
ZICO Shariah Advisory Services Sdn. Bhd. ⁽¹¹⁾	Malaysia	Shariah advisory services	100	100	–	–
ZICO Corporate Services Sdn. Bhd. ⁽¹¹⁾	Malaysia	Company secretarial, corporate services and related consultancy services	100	100	–	–
ZICO Trust Limited ⁽¹¹⁾	Federal Territory of Labuan	Trust services, company secretarial, corporate services and related consultancy services	100	100	–	–
ZICO IP Inc. ⁽⁵⁾	British Virgin Islands	Owner of intellectual property rights	100	100	–	–
PT ZICO Konsultan Indonesia ⁽³⁾	Indonesia	Business and management consultancy services	100	100	–	–
ZICOLaw Myanmar Limited ⁽⁴⁾	Myanmar	Legal advisory and consultancy services	100	100	–	–
ZICOLaw (Laos) Sole Co., Ltd. ⁽⁶⁾	Lao PDR	Legal advisory and consultancy services	100	100	–	–
ZICO Secretarial Services Sdn. Bhd. ⁽¹¹⁾	Malaysia	Company secretarial, corporate services and related consultancy services	100	100	–	–
ZICO Corporate Services Pte. Ltd. ⁽²⁾	Singapore	Company secretarial, corporate services and related consultancy services	100	100	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in subsidiaries (continued)

a) Details of subsidiaries held by the Company are (continued):

Name of subsidiary	Principal place of business and country of incorporation	Principal activities	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024 %	2023 %	2024 %	2023 %
ZICO Corporate Advisory Pte Ltd (formerly known as ZICO-Stamford Corporate Services Pte.Ltd.) ⁽²⁾	Singapore	Company secretarial, corporate services and related consultancy services	51	51	49	49
ZICO Trust (S) Ltd. ⁽²⁾	Singapore	Trustee, fiduciary and custody services, business and management consultancy services	51	51	49	49
ZICO Secretarial Limited ⁽⁶⁾	Federal Territory of Labuan	Company secretarial, corporate services and related consultancy services	100	100	–	–
ZICOInsource Sdn.Bhd. ⁽¹⁾	Malaysia	Insourcing, outsourcing and consultancy services	80	80	20	20
ZICOInsource Inc. ⁽⁶⁾	Federal Territory of Labuan	Resourcing and advisory services	80	80	20	20
ZICO Advisory Services Sdn Bhd (formerly known as ZICO Knowledge Services Sdn. Bhd.) ⁽¹⁾	Malaysia	Business support service	100	100	–	–
B.A.C.S. Private Limited ⁽²⁾	Singapore	Share registration services	100	100	–	–
ZICO Regional IP Inc. ⁽⁵⁾	Federal Territory of Labuan	Investment holding	51	51	49	49
ZATS Management Ltd. ⁽⁵⁾	British Virgin Islands	Nominee director company	51	51	49	49

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in subsidiaries (continued)

a) Details of subsidiaries held by the Company are (continued):

Name of subsidiary	Principal place of business and country of incorporation	Principal activities	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024	2023	2024	2023
			%	%	%	%
ZICO AA Sdn. Bhd. ⁽¹⁾	Malaysia	Business and management consultancy services	100	100	–	–
ZICO Capital Pte. Ltd. ⁽²⁾	Singapore	Corporate finance advisory and capital markets services	90	90	10	10
ZICO Asset Management Pte.Ltd. ⁽²⁾	Singapore	Asset, wealth and legacy management	100	100	–	–
ZICO Capital International Inc. ⁽⁶⁾	Federal Territory of Labuan	Investment holding	100	100	–	–
ZICO Evolve Capital Sdn Bhd (formerly known as ZICO Capital Sdn. Bhd.) ⁽¹⁾	Malaysia	Corporate finance advisory services	86	96	14	4
ZICO IP Asean Inc. ⁽⁶⁾	Federal Territory of Labuan	Provide marketing services in relation to intellectual property-related services in ASEAN countries	51	51	49	49
ZICOlaw (Thailand) Limited ^{(7)*}	Thailand	Legal advisory and consultancy services	49	49	51	51
ZICO Trademark Pte. Ltd. ⁽²⁾	Singapore	Leasing of non-financial intangible assets	100	100	–	–

Notes:

(1) Audited by independent overseas member firms of PKF International.

(2) Audited by PKF-CAP LLP.

(3) Audited by Tanubrata Sutanto Fahmi & Rekan, Certified Public Accountants, a member firm of BDO International.

(4) Audited by Win Thin & Associates, Certified Public Accountants.

(5) Not required to be audited as the subsidiary is dormant since the date of its incorporation.

(6) The subsidiary is not material to the Group.

(7) Audited by Moore GSIA (Thailand) Limited.

* Deemed to be a subsidiary of ZICO Holdings Inc. as ZICO Malaysia Sdn. Bhd. has the ability to appoint 3 out of 5 directors on the Board of ZICOlaw (Thailand) Limited.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in subsidiaries (continued)

- b) Summarised financial information of subsidiaries with material non-controlling interests:

Carrying value of non-controlling interests

	Group	
	2024	2023
	SGD'000	SGD'000
ZICO Trust (S) Ltd.	1,036	1,105
ZICOlaw (Thailand) Limited	(1,385)	(1,170)
Other subsidiaries with immaterial non-controlling interest	274	189
Total	(75)	124

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no transactions with non-controlling interests for the financial years ended 31 December 2024 and 31 December 2023, except for dividends as disclosed in Note 31.

Summarised statement of financial position

	ZICO Trust (S) Ltd.		ZICOlaw (Thailand) Limited	
	As at 31 December		As at 31 December	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Current				
Assets	2,996	2,960	995	2,746
Liabilities	(920)	(949)	(3,746)	(4,443)
Total current net assets/(liabilities)	2,076	2,011	(2,751)	(1,697)
Non-current				
Assets	104	310	49	70
Liabilities	(65)	(65)	(14)	(667)
Total non-current net assets	39	245	35	(597)
Net assets/(liabilities)	2,115	2,256	(2,716)	(2,294)
Net assets/(liabilities) attributable to NCI	1,036	1,105	(1,385)	(1,170)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in subsidiaries (continued)

- b) Summarised financial information of subsidiaries with material non-controlling interests (continued):

Summarised statement of profit or loss and other comprehensive income

	ZICO Trust (S) Ltd. For year ended 31 December		ZICOLaw (Thailand) Limited For year ended 31 December	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Revenue	4,424	4,081	114	595
Profit before income tax	388	319	(310)	29
Income tax expense	(129)	(46)	(24)	–
Profit for the financial year	259	273	(334)	29
Other comprehensive (loss)/income	–	–	(89)	30
Total comprehensive income	259	273	(423)	59
Total comprehensive income allocated to non-controlling interests	127	134	(216)	30
Dividends paid to non-controlling interests	196	245	–	–

Summarised statement of cash flows

	ZICO Trust (S) Ltd. For year ended 31 December		ZICOLaw (Thailand) Limited For year ended 31 December	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Cash flows generated from operating activities				
Cash generated from operations	628	594	(204)	287
Income tax paid	(27)	(121)	–	–
Net cash generated from operating activities	601	473	(204)	287
Net cash generated from/ (used in) investing activities	290	(301)	–	(61)
Net cash generated from/ (used in) financing activities	583	(704)	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in subsidiaries (continued)

- c) Company level – impairment review of investments in subsidiaries

During the financial year, the management performed the impairment test for the investment in subsidiaries which displayed indicators of impairment. No impairment charge to cost of investments were made for subsidiaries which recoverable amount of the investment exceeded its carrying amount.

The recoverable amount of the investment in subsidiaries has been determined based on a value-in-use calculation using cash flow projections from forecasts approved by management covering a five-year period. Key estimates are disclosed in Note 15.

- d) Changes in ownership interest in subsidiaries

On 30 June 2023, the Group acquired remaining 25% of the issued shares of ZICO Asset Management Pte Ltd ("**ZAM**") for a purchase consideration of SGD690,000. The Group now holds 100% of equity share capital of ZAM. The carrying amount of non-controlling interest in ZAM on the date of acquisition was SGD313,022. The Group derecognised non-controlling interest of SGD313,022. The effect of change in ownership interest in ZAM on the equity attributable to owner of the Company during the year is summarised as follows:

	Group	
	2024	2023
	SGD'000	SGD'000
Carrying amount of non-controlling interest acquired	-	313
Consideration paid to non-controlling interest	-	(690)
Excess of consideration paid recognised in parent equity	-	(377)

On 13 November 2024, the Company announced that its subsidiary, ZICO Capital Sdn. Bhd. ("**ZICO Capital**"), a licensed corporate finance advisor by the Securities Commission Malaysia had, on 11 October 2024, entered into a strategic partnership with Evolve Capital Advisory Pte. Ltd. ("**Evolve Capital**"), a leading corporate finance advisory firm licensed by the Monetary Authority of Singapore.

As part of the collaboration, a share purchase and covenant agreement was entered into on 11 October 2024 between ZICO Capital, Evolve Capital and ZICO Capital International Inc. Pursuant to the said agreement, Evolve Capital acquired 457,500 ordinary shares ("**Sale Shares**") in the issued share capital of ZICO Capital, representing a 10% shareholding interest, for the cash consideration of S\$130,000. The consideration was arrived at on a willing-buyer, willing-seller basis, after taking into consideration, inter alia:

- (a) the nominal value of RM1 per ordinary share in ZICO Capital;
- (b) the regulatory licenses held by ZICO Capital to operate in the corporate finance advisory sector in Malaysia; and
- (c) the company's well-established brand, strong client base, and the in-depth expertise of its management team.

Based on the interim financial statements of ZICO Capital as of 30 September 2024, the book value and net tangible asset value of ZICO Capital represented by the Sale Shares amounted to approximately RM7,096.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. Investments in associated companies

The Group's investments in associated companies are summarised below:

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Carrying amount:				
Sunflower Villa Sdn. Bhd.	-	-	-	-
Goldfield Alliance Sdn. Bhd.	-	-	-	-
ShakeUp Online Sdn. Bhd.	-	-	-	-
ZICO Corporate Services Inc.	-	-	1	1
ZICO Trust (M) Berhad	850	563	-	-
	850	563	1	1

In FY2023, the Group subscribed for additional 200,000 ordinary shares, representing 40% of the total issued share capital of ZICO Trust (M) Berhad ("**The Company**") for a total consideration of SGD229,000.

The following information relates to associated companies of the Group.

Name of entity	Place of business/ country of incorporation	% of ownership interest	
		2024 %	2023 %
Goldfield Alliance Sdn. Bhd. ⁽¹⁾	Malaysia	50	50
ShakeUp Online Sdn. Bhd. ⁽²⁾	Malaysia	20	20
ZICO Corporate Services Inc. ⁽³⁾	Philippines	40	40
ZICO Trust (M) Berhad. ^{(4) (5)}	Malaysia	40	40

Notes:

(1) Audited by Siew Boon Yong & Associates.

(2) Audited by SBY Partners PLT.

(3) Audited by Palinsad Jimenez & Associates CPA, Philippines.

(4) Audited by Crowe Malaysia PLT.

(5) Formerly known as Platinum Trustee Berhad.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. Investments in associated companies (continued)

Goldfield Alliance Sdn. Bhd. is an investment holding company.

ShakeUp Online Sdn. Bhd. provides online legal services. The associate is currently in start-up phase.

ZICO Corporate Services Inc. provides business, management, corporate and consultancy services.

ZICO Trust (M) Berhad provides trustee, fiduciary and custody services.

There are no contingent liabilities relating to the Group's interest in the associated companies, except as disclosed in Note 35.

Summarised financial information of associated companies

Set out below are the summarised financial information for ZICO Trust (M) Berhad, ShakeUp Online Sdn. Bhd. and ZICO Corporate Services Inc.

Summarised statement of financial position

	ShakeUp Online Sdn.Bhd. As at 31 December		ZICO Corporate Services Inc. As at 31 December		ZICO Trust (M) Berhad As at 31 December	
	2024	2023	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Current assets	43	43	696	504	1,346	352
Current liabilities	(2,665)	(2,433)	(1,998)	(2,031)	(273)	(76)
Non-current assets	13	16	138	159	458	550
Non-current liabilities	-	-	-	-	(26)	(73)
Net (liabilities)/assets	(2,609)	(2,374)	(1,164)	(1,368)	1,505	753

Summarised statement of profit or loss and other comprehensive income

	ShakeUp Online Sdn.Bhd.		ZICO Corporate Services Inc.		ZICO Trust (M) Berhad	
	2024	2023	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Revenue	-	-	123	194	18,018	5,974
Expenses:						
– Depreciation and amortisation	(5)	(35)	(13)	(18)	(159)	(150)
– Interest expense	(81)	(80)	-	(73)	(6)	(8)
(Loss)/Profit before tax	(90)	(131)	236	(161)	1,700	344
Income tax (expense)/credit	-	-	33	34	(452)	(83)
(Loss)/Profit after tax representing total comprehensive (loss)/ income	(90)	(131)	269	(127)	1,248	261

The information above reflects the amounts presented in the financial statements of the associated companies (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated companies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. Investments in associated companies (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in associated companies, is as follows:

	ShakeUp Online Sdn.Bhd.		ZICO Corporate Services Inc.		ZICO Trust (M) Berhad	
	As at 31 December		As at 31 December		As at 31 December	
	2024	2023	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Net assets						
At 1 January	(2,374)	(2,356)	(1,367)	(1,204)	753	102
(Loss)/Profit for the year	(90)	(131)	269	(126)	1,249	261
Currency translation	(145)	113	(66)	(37)	(496)	391
At 31 December	(2,609)	(2,374)	(1,164)	(1,367)	1,506	754
Interest in associated companies (20%; 40%, 40%)	(522)	(475)	(466)	(547)	602	302
Shares of losses not recognised	460	413	466	547	-	-
Other adjustment	-	-	1	1	-	-
- Fair value adjustment	62	62	-	-	-	-

The unrecognised share of losses in Goldfield Alliance Sdn. Bhd., ShakeUp Online Sdn. Bhd., ZICO Corporate Services Inc. and ZICO Trust (M) Berhad amount to Nil, SGD47,000, SGD81,000, Nil (2023: Nil, SGD4,000, SGD65,000, Nil), respectively, in the current financial year and Nil, SGD460,000, SGD506,000 and Nil (2023: Nil, SGD469,000, SGD33,000 and Nil), on a cumulative basis. The Group has stopped recognising its share of losses since there are no further obligations in respect of those losses using the equity method of accounting.

18. Investments

	Group	
	2024	2023
	SGD'000	SGD'000
Financial assets, FVOCI ⁽ⁱ⁾	75	126
	75	126

⁽ⁱ⁾ Financial assets, FVOCI represent the Group's interest in quoted equity investments in Singapore. These instruments are included in Level 1 of the fair value hierarchy (Note 34.5).

During the financial year ended 31 December 2024, the Group disposed a part of its listed equity securities as the underlying investment was no longer aligned with the Group's long-term investment strategy. These investments had a fair value of SGD307,000 (2023: SGD34,000) at the date of disposal, and the cumulative loss on disposal amounted to SGD250,000 (2023: gain of SGD35,000), net of tax. The cumulative gain/(loss) on disposal was reclassified from fair value reserve to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

19. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the financial position as follows:

	Group	
	2024 SGD'000	2023 SGD'000
Deferred income tax assets		
– To be recovered after one year	2,516	2,529
Deferred income tax liabilities		
– To be settled after one year	(167)	(198)
	2,349	2,331

Movement in deferred income taxes account is as follows:

	Group	
	2024 SGD'000	2023 SGD'000
Beginning of financial year	2,331	3,192
Currency translation differences	71	(291)
Charged to profit or loss	(53)	(556)
Others	–	(14)
End of financial year	2,349	2,331

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of SGD14,352,000 (2023: SGD16,725,000) at the financial position date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses have no expiry dates except in Malaysia, where losses amounting to SGD8,371,000 (2023: SGD6,812,000), representing the total losses unrecognised to-date, can be carried forward for a maximum of 10 (2023: 10) consecutive years of assessment and will expire in 2034 to 2035 (2023: 2033 to 2034).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

19. Deferred income taxes (continued)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Deferred income tax assets

	Provisions SGD'000	Tax losses SGD'000	Total SGD'000
Group 2024			
Beginning of financial year	2	2,527	2,529
Currency translation differences	-	(223)	(223)
Credited to profit or loss	-	210	210
End of financial year	2	2,514	2,516
2023			
Beginning of financial year	2	3,418	3,420
Currency translation differences	-	(99)	(99)
Credited to profit or loss	-	(779)	(779)
Others	-	(13)	(13)
End of financial year	2	2,527	2,529

Deferred income tax liabilities

	Accelerated tax depreciation SGD'000	Intangible assets SGD'000	Total SGD'000
Group 2024			
Beginning of financial year	96	(294)	(198)
Currency translation differences	-	294	294
Charged to profit or loss	-	(263)	(263)
End of financial year	96	(263)	(167)
2023			
Beginning of financial year	96	(325)	(229)
Currency translation differences	-	(192)	(192)
Credited to profit or loss	-	223	223
End of financial year	96	(294)	(198)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. Trade and other receivables and contract assets

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Current assets				
Trade receivables				
– other third parties	5,772	5,070	–	–
Less: Loss allowance	(936)	(1,233)	–	–
	4,836	3,837	–	–
– ZICOlaw network firms	366	86	–	–
Less: Loss allowance	(10)	(14)	–	–
	356	72	–	–
– subsidiaries	–	–	6,658	4,334
Less: Loss allowance	–	–	(6)	(6)
	–	–	6,652	4,328
Total current trade receivables	5,192	3,909	6,652	4,328
Non-trade receivables				
– other third parties	494	1,230	116	117
Less: Loss allowance	(49)	(14)	–	–
	445	1,216	116	117
– ZICOlaw network firms	1,227	923	–	–
Less: Loss allowance	(27)	(21)	–	–
	1,200	902	–	–
– associated companies	148	115	–	–
Less: Loss allowance	(1)	(1)	–	–
	147	114	–	–
– subsidiaries	–	–	5,218	7,630
Less: Loss allowance	–	–	(689)	(935)
	–	–	4,529	6,695
Total current non-trade receivables	1,792	2,232	4,645	6,812
Deposits	422	416	10	10
	7,406	6,557	11,307	11,150

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. Trade and other receivables and contract assets (continued)

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Non-current assets				
Trade receivables				
– ZICOlaw network firms	10,206	9,882	–	–
Less: Loss allowance	(185)	(186)	–	–
	10,021	9,696	–	–
Non-trade receivables				
– ZICOlaw network firms	2,706	3,634	33	33
Less: Loss allowance	(51)	(53)	–	–
	2,655	3,581	33	33
– associated companies	2,636	2,435	336	332
Less: Loss allowance	(815)	(769)	(105)	(105)
	1,821	1,666	231	227
– subsidiaries	–	–	20,376	19,680
	4,476	5,247	20,640	19,940
	14,497	14,943	20,640	19,940
Trade and other receivables	21,903	21,500	31,947	31,090
Contract assets				
– third parties	2,602	2,920	–	–
Less: Loss allowance	(1,857)	(487)	–	–
	745	2,433	–	–
Total	22,648	23,933	31,947	31,090

Trade receivables are unsecured and are generally on 14 to 60 days (2023: 14 to 60 days) credit terms.

Current non-trade receivables from other third parties, joint venture, associated companies and subsidiaries are unsecured, interest free, repayable on demand and expected to be settled in cash. Non-current non-trade receivables from associated companies are expected to be received 12 months after the financial position date and are subjected to an interest charge of 4% (2023: 4%) per annum.

Trade and non-trade receivables due from ZICOlaw network firms amounted to SGD10,377,000 (2023: SGD9,768,000) and SGD3,855,000 (2023: SGD4,483,000) after providing for loss allowances. As at 31 December 2023, balances aged more than one year amounting to SGD14,305,000 will be subjected to an interest charge of 4% per annum in subsequent years. During the current financial year, interest of 4% (2023: 4%) per annum had been charged on balances aged more than one year as mutually agreed by the parties.

The non-trade amount of the Company of SGD20,376,000 (2023: SGD19,680,000) due from subsidiaries is considered to be part of the Company's net investment in these subsidiaries.

Deposits mainly relate to the rental deposits of office premises.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Cash and bank balances	3,439	4,730	400	861

For the purpose of presenting the consolidated statement of cash flows, cash and bank balances comprise the following:

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Cash and bank balances (as above)	3,439	4,730	400	861
Less: Bank overdrafts (Note 28)	(2,571)	(1,824)	-	-
Cash and bank balances per statement of cash flows	868	2,906	400	861

22. Other current assets

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Monies held in trust for clients	835	735	-	-
Fixed deposit	256	435	-	200
Bank balances with restricted use	2	2	2	2
	1,093	1,172	2	202

23. Share capital

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares		SGD'000	SGD'000
Issued and fully paid:				
Balance as at 1 January 2024	379,885,557	349,461,791	39,670	36,942
Issue of new ordinary shares ⁽¹⁾	29,100,000	423,766	2,037	28
Balance as at 30 June 2024	408,985,557	349,885,557	41,707	36,970
Issue of new ordinary shares ⁽²⁾	781,737	30,000,000	27	2,700
At end of financial year	409,767,294	379,885,557	41,734	39,670

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

(1) Issuance of 17,500,000 placement shares to Ir. Cher Lee Kiat, 7,600,000 placement shares to John Lim Yew Kong and 4,000,000 placement shares to Yeo Keng Joon on 24 June 2024.

(2) Allotment and issuance of 781,737 ordinary shares to employees pursuant to the vesting of share awards under the PSP on 15 August 2024.

The newly issued shares rank pari passu in all aspects with the previously issued shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. Share-based reserve

	Group and Company	
	2024	2023
	SGD'000	SGD'000
Share options reserve	192	192
Share awards reserve	542	542
	734	734

Share options reserve

ZICO Holdings Employee Share Option Scheme ("**ESOS**")

The ESOS was approved and adopted at the Company's extraordinary general meeting held on 19 September 2014 and remain in force until its expiry on 18 September 2024 ("**ESOS expiry date**"). The ESOS is administered by the Remuneration Committee (the "**Committee**"). The ESOS provides for the grant of incentive share options to employees and directors of the Group.

Under the ESOS, the total number of shares over which the Committee may grant options on any date, when added to the number of shares issued and issuable in respect of (a) all options granted under the ESOS; (b) all awards granted under the PSP; and (c) all outstanding options or awards granted under such other share-based incentive schemes of the Company, shall not exceed 15% of the number of issued shares (including treasury shares) on the day immediately preceding the offer date of the option.

The aggregate number of shares issued and issuable in respect of all options granted under the ESOS available to the controlling shareholders or associates of the controlling shareholders shall not exceed 25% of the total number of shares available under the ESOS.

Options granted with the exercise price set at market price shall only be exercisable, in whole or in part (provided that an option may be exercised in part only in respect of 1,000 shares or any multiple thereof), at any time, by a participant after the first anniversary of the offer date of that option, provided always that the options shall be exercised before the tenth anniversary of the relevant offer date, or such earlier date as may be determined by the Committee, failing which all unexercised options shall immediately lapse and become null and void and a participant shall have no claim against the Company.

Options granted with the exercise price set at a discount to market price shall only be exercisable, in whole or in part (provided that an option may be exercised in part only in respect of 1,000 shares or any multiple thereof), at any time, by a participant after the second anniversary from the offer date of that option, provided always that the options shall be exercised before the tenth anniversary of the relevant offer date, or such earlier date as may be determined by the Committee, failing which all unexercised options shall immediately lapse and become null and void and a participant shall have no claim against the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. Share-based reserve (continued)

Share options reserve (continued)

ZICO Holdings Employee Share Option Scheme ("ESOS") (continued)

An option shall, to the extent unexercised, immediately lapse and become null and void and a participant shall have no claim against the Company:

- a) subject to the rules of the ESOS, upon the participant ceasing to be in employment of the Company or any of the companies within the Group for any reason whatsoever;
- b) upon the bankruptcy of the participant or the happening of any other event which result in his being deprived of the legal or beneficial ownership of such option; or
- c) in the event of misconduct on the part of the participant, as determined by the Committee.

	Group and Company
	2024
	2023
	SGD'000
	SGD'000
Beginning and end of financial year	192
	192

The number of unissued ordinary shares of the Company under option in relation to the ZICO Holdings ESOS outstanding up to the ESOS expiry date was as follow:

Exercise price	Grant date	Exercise period	Up to ESOS expiry date Number of options
S\$0.24	31 October 2014	1 November 2016 to 30 October 2024	3,300,000

The table below summarises the number of options that were outstanding, their weighted average exercise price as at the end of the financial year as well as the movements during the financial year.

	2024
	Weighted average exercise price S\$
	Number of options
Outstanding at 1 January up to ESOS expiry date	3,300,000
Exercisable at 31 December	-

The fair value of options granted on 31 October 2014 was RM556,033. The estimate of the fair value of each option issued on grant date was based on the Black Scholes option pricing model. In order to approximate the expectations that would be reflected in a current market or negotiated exchange price for these options, the calculation takes into consideration factors like behavioural considerations and non-transferability of the options granted.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. Share-based reserve (continued)

Share options reserve (continued)

ZICO Holdings Employee Share Option Scheme ("ESOS") (continued)

The Black Scholes option pricing model used the following assumptions:

	2014
Weighted average share price (RM)	0.78
Weighted average exercise price (RM)	0.62
Dividend yield expected	2.00%
Risk-free annual interest rates	2.5%
Expected volatility	0.10%
Expected life	5 years

Expected volatility was determined by calculating the historical volatility of the Company's share price over a period similar to the expected lives of the option. The expected lives used in the model have been adjusted, based on management best estimates, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Share awards reserve

ZICO Holdings Performance Share Plan

In conjunction with the Company's listing on the Catalist of SGX-ST, the Group adopted the ZICO Holdings Performance Share Plan ("PSP") which was approved at the Company's extraordinary general meeting held on 19 September 2014. The PSP is administered by the Remuneration Committee. The PSP provides for the grant of incentive share awards to employees and directors up to its expiry on 18 September 2024.

The selection of the participants and number of shares which are subject of each award to be granted to a participant in accordance with the PSP shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as, inter alia, the rank, scope of responsibilities, performance, years of service and potential for future development and contribution to the success of the Group.

Under the PSP, the total number of shares which may be delivered pursuant to the vesting of awards on any date, when added to the aggregate number of shares issued and/or issuable in respect of (a) all awards granted under the PSP; and (b) all other shares issued and/or issuable under any other share-based incentive schemes or share plans of the Company, shall not exceed 15% of the total number of issued shares (excluding treasury shares) of the Company from time to time.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. Share-based reserve (continued)

Share awards reserve (continued)

ZICO Holdings Performance Share Plan (continued)

The aggregate number of shares available to the controlling shareholders or associates of the controlling shareholder (including adjustments made) shall not exceed 25% of the shares available under the PSP. The number of shares that are available to each controlling shareholder or associates of the controlling shareholder under the PSP shall not exceed 10% of the shares available under the PSP.

Notwithstanding that a participant may have met his performance targets, no awards shall be vested:

- a) upon the bankruptcy of the participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such award;
- b) in the event of any misconduct on the part of the participant as determined by the Committee in its discretion;
- c) subject to the rules of the PSP, upon the participant ceasing to be in the employment of the Group for any reason whatsoever; or
- d) in the event that the Committee shall, at its discretion, deem it appropriate that such award to be given to a participant shall so lapse on the grounds that any of the objectives of the PSP have not been met.

On 15 August 2024 (2023: 17 March 2023), awards for 781,737 (2023: 423,766) shares were granted pursuant to the ZICO Holdings Performance Share Plan.

The exercise price of the awards is \$0 (2023: \$0). The vesting of the awards is conditional on the employee or director completing 0 (2023: 0) years of service to the Group.

Movement in the number of unissued ordinary shares of the Company under share award for the Group's employees are as follows:

	No. of ordinary shares under award				
	Beginning of financial year	Granted during financial year	Forfeited during financial year	Exercised during financial year	End of financial year
2024					
15 August 2024	-	781,737	-	(781,737)	-
2023					
17 March 2023	-	423,766	-	(423,766)	-

Share awards granted on 15 August 2024 (2023: 17 March 2023) have been fully exercised during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. Share-based reserve (continued)

Share awards reserve (continued)

ZICO Holdings Performance Share Plan (continued)

The movement in the share awards reserve during the year was as follows:

	Group and Company	
	2024	2023
	SGD'000	SGD'000
Beginning of financial year	542	542
Performance share plan		
– Granted during the financial year (Note 8)	27	28
– Exercised during the financial year (Note 24)	(27)	(28)
End of financial year	542	542

25. Currency translation reserve

The foreign currency translation account comprises all foreign exchange differences arising from the translation of the financial statements of the Company and certain foreign operations whose functional currencies are different from that of the Group's presentation currency and is non-distributable.

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Beginning of financial year	(6,939)	(5,037)	(711)	(1,083)
Net currency translation differences of financial statements of foreign subsidiaries	525	(1,891)	–	–
Non-controlling interests	(36)	(11)	–	–
Currency translation differences	–	–	1,407	372
	489	(1,902)	1,407	372
End of financial year	(6,450)	(6,939)	696	(711)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

26. Other reserves

a) Fair value reserve

	Group	
	2024 SGD'000	2023 SGD'000
Beginning of financial year	(1,556)	(1,378)
Financial assets, at FVOCI		
– Fair value losses	(301)	(144)
– Transfer upon disposal	250	(34)
End of financial year	(1,607)	(1,556)

b) Capital reserve

The reserve represents the effects of changes in ownership interests in subsidiaries when there is no change in control (Note 16).

27. Interest-bearing liabilities

	Group		Company	
	2024 SGD'000	2023 SGD'000	2024 SGD'000	2023 SGD'000
Non-current liabilities				
TL facilities (a)	44	1,012	44	1,012
Hire Purchase	4	22	–	–
RCF loan (b)	300	400	300	400
	348	1,434	344	1,412
Current liabilities				
TL facilities (a)	970	1,043	970	1,043
RCF loan (c)	5,628	5,466	4,948	4,807
Bank overdrafts (d)	2,571	1,825	–	–
Hire purchase	18	16	–	–
	9,187	8,350	5,918	5,850
Total	9,535	9,784	6,262	7,262

As at 31 December 2024, the Group and the Company have banking facilities amounting to SGD9,828,000 (2023: SGD8,829,000) and SGD6,562,000 (2023: SGD5,562,000), respectively, of which approximately SGD9,513,000 (2023: SGD9,746,000) and SGD6,262,000 (2023: SGD7,262,000), respectively, have been utilised as at financial position date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. Interest-bearing liabilities (continued)

Reconciliation of liabilities arising from financing activities:

	Revolving credit facilities SGD'000	Term Loan ("TL") facility SGD'000	Hire Purchase SGD'000	Total SGD'000
2024				
Balance at 1 January 2024	5,866	2,055	38	7,959
Changes from financing cash flows:				
– Repayments	(958)	(1,042)	(17)	(2,017)
– Interest paid	(364)	(38)	(1)	(403)
– Proceeds	1,000	–	–	1,000
Non-cash changes:				
– Interest expense	364	38	1	403
Effect of changes in foreign exchange rates	20	1	1	22
Balance at 31 December 2024	5,928	1,014	22	6,964
	Revolving credit facilities SGD'000	Term Loan ("TL") facility SGD'000	Hire Purchase SGD'000	Total SGD'000
2023				
Balance at 1 January 2023	6,679	3,118	–	9,797
Changes from financing cash flows:				
– Repayments	(1,300)	(1,062)	(12)	(2,374)
– Interest paid	(411)	(69)	(2)	(482)
– Proceeds	500	–	49	549
Non-cash changes:				
– Interest expense	411	69	2	482
Effect of changes in foreign exchange rates	(13)	(1)	1	(13)
Balance at 31 December 2023	5,866	2,055	38	7,959

a) *TL facilities*

The TL facilities bears interest at fixed rate of 2.50% (2023: 2.50%) per annum and repayable within 5 years. The TL facilities were secured by corporate guarantee of certain subsidiary companies and mature between year 2025 to 2026.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. Interest-bearing liabilities (continued)

b) *RCF loan – Non-current*

A new RCF loan was disbursed during the financial year and is repayable over 5-years instalments. The RCF bears interest at floating rates, thus exposing the Group to cash flow interest rate risk. Effective interest rate is at 5.90% (2023: 5.90%) per annum. The non-current portion of the RCF loan is classified within long-term liabilities on the balance sheet.

As at 31 December 2024, the RCF loan was secured by the corporate guarantee of certain subsidiary companies.

c) *RCF loan – Current*

The RCF loan is repayable on demand and bears interest at floating rates, thus exposing the Group to cash flow interest rate risk. Effective interest rate is at 4.83% – 7.99% (2023: 5.35% – 7.37%) per annum.

As at 31 December 2024 and 31 December 2023, the RCF loan was secured by the corporate guarantee of certain subsidiary companies.

d) *Bank overdrafts*

The bank overdrafts bear interest rate of 7.45% – 8.15% (2023: 7.14% – 7.71%) per annum and secured by the corporate guarantee of subsidiary company.

28. Trade and other payables

	Group		Company	
	2024 SGD'000	2023 SGD'000	2024 SGD'000	2023 SGD'000
Current				
Trade payables – third parties	625	577	125	–
Non-trade payables				
– third parties	1,244	878	177	1,001
– Director	100	–	–	–
	1,344	878	177	1,001
Accrued expenses	1,475	1,464	221	210
	3,444	2,919	523	1,211

Trade payables are unsecured, non-interest bearing and are normally settled within 60 days (2023: 60 days) payment terms.

Included in the current portion of non-trade payables of the Group is monies held in trust for stakeholders of SGD923,000 (2023: SGD771,000). The balance payable for monies held in trust for stakeholders are unsecured, interest-free and payable upon demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. Provisions

		Group	
		2024	2023
		SGD'000	SGD'000
Current			
Provision for leave benefits	(a)	6	6
Non-current			
Provision for reinstatement costs	(b)	29	29
Provision for retirement benefits	(c)	14	–
		43	29
		49	35

a) *Provision for leave benefits*

	Group	
	2024	2023
	SGD'000	SGD'000
Current		
Beginning and end of financial year	6	6

Provision for leave benefits refers to estimated costs made by management required to compensate its employees for leave benefits.

b) *Provision for reinstatement costs*

	Group	
	2024 SGD'000	2023 SGD'000
Non-current		
Beginning of financial year	29	49
Provision utilised	-	(20)
Currency translation differences	-	-
End of financial year	29	29

Provision for reinstatement costs refers to estimated costs made by the management required to reinstate its office premise to its original state according to the terms and conditions of the respective tenancy agreements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. Provisions (continued)

c) *Provision for retirement benefits*

A subsidiary of the Group operates a defined benefit plan for its eligible employees of which the assets are held in an administered trust. Under this plan, eligible employees are entitled to retirement benefits upon reaching the retirement age of fifty-six (56).

Changes in the present value of the defined benefit obligation are as follows:

	Group	
	2024	2023
	SGD'000	SGD'000
Non-current		
Beginning of financial year	–	59
Provision made	14	–
Reversal made	–	(59)
End of financial year	14	–

The principal actuarial assumptions used are as follows:

	Group	
	2024	2023
Discount rate	7.50%	7.50%
Salary growth rate	10.00%	10.00%
Retirement age	56 years	56 years
Participants (employees) ⁽¹⁾	–	–

(1) There were no employees as of 31 December 2024 and 31 December 2023.

30. Dividends

The directors of the Company did not recommend any final dividend in respect of the financial years ended 31 December 2023 and 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. Significant related party transactions

- a) In addition to the information disclosed elsewhere in the financial statements, the following related party transactions took place between the Group and related parties at terms agreed between the parties:

	Group	
	2024	2023
	SGD'000	SGD'000
<i>Transactions with associated companies</i>		
Corporate guarantee given for banking facilities utilised by an associated company	194	198
Dividend Income	229	–
Interest income	78	156
Advances to associated companies	37	69
Loss allowance on non-trade receivables	–	456

- b) Directors of the Company and other key management personnel compensation

Directors of the Company and other key management personnel compensation is as follows:

	Group	
	2024	2023
	SGD'000	SGD'000
Short-term employee benefits	1,484	1,412
Contribution to defined contribution plan	58	52
	1,542	1,464

32. Segment information

The Executive Committee ("**Exco**") is the Group's chief operating decision maker. The Exco comprises the 2 executive directors and the Chief Financial Officer.

Management has determined the operating segments based on the reports reviewed by the Exco. For management purposes, the Group is organised into business units based on its services, and has two reportable operating segments as follows:

- i) Advisory and transactional services; and
- ii) Management, support services and licensing services.

Expenses relating to the investment holding entities are not allocated to segments as this type of activity is not used by management to evaluate segment performance.

Management monitors the operating results of the segment separately for the purposes of making strategic decisions, allocation of resources and assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Segment information (continued)

The accounting policies of the operating segments are the same as those described in the summary of material accounting policy information. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense not including non-recurring gains and losses.

There is no change from prior years in the measurement methods used to determine reported segment profit or loss.

Sales between segments are carried out at market terms. The revenue from external parties reported to the Exco is measured in a manner consistent with that in the statement of comprehensive income.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment assets comprise primarily of plant and equipment, intangible assets, trade and other receivables, cash and bank balances. Segment liabilities comprise operating liabilities.

Segment capital expenditure is the total cost incurred during the financial year to acquire segment assets that are expected to be used for more than one financial year.

Business segment

	Advisory and transactional services SGD'000	Management, support services and licensing services SGD'000	Elimination SGD'000	Total SGD'000
2024				
Revenue				
External revenue	17,249	-	-	17,249
Inter-segment revenue	991	1,994	(2,985)	-
	18,240	1,994	(2,985)	17,249
Results				
Segment loss	(381)	(2,910)	-	(3,291)
Interest income	78	473	-	551
Finance costs	(130)	(127)	-	(257)
	(433)	(2,564)	-	(2,997)
Unallocated expenses				(2,662)
Share of results of associated companies, net of tax				501
Loss before income tax				(5,158)
Income tax expense				(452)
Loss for the financial year				(5,610)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Segment information (continued)

Business segment (continued)

	Advisory and transactional services SGD'000	Management, support services and licensing services SGD'000	Total SGD'000
2024			
Non-cash items			
Loss of allowance on trade and other receivables	98	–	98
Loss of allowance on contract asset	1,370	–	1,370
Bad debts written off	840	(25)	815
Amortisation of intangible assets	9	192	201
Depreciation of plant and equipment	121	62	183
Depreciation of right-of-use assets	514	468	982
Disbursement written off	225	–	225
Share-based payment expenses	–	27	27
Unrealised foreign exchange loss, net	76	233	309
Unallocated non-cash items			
Amortisation of intangible assets			22
Depreciation of plant and equipment			2
Unrealised foreign exchange loss, net			559
Capital expenditure			
Plant and equipment	38	1	39
Intangible assets	–	–	–
As at 31 December 2024			
Assets and liabilities			
Segment assets	9,035	13,150	22,185
– Current income tax recoverable	–	57	57
– Deferred income tax assets	809	1,707	2,516
	9,844	14,914	24,758
Unallocated assets			17,340
			42,098
Segment liabilities	6,985	3,330	10,315
– Current income tax payable	218	940	1,158
– Deferred tax liabilities	22	145	167
	7,225	4,415	11,640
Unallocated liabilities			5,932
			17,572

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Segment information (continued)

Business segment (continued)

	Advisory and transactional services SGD'000	Management, support services and licensing services SGD'000	Elimination SGD'000	Total SGD'000
2023				
Revenue				
External revenue	17,208	–	–	17,208
Inter-segment revenue	968	1,781	(2,749)	–
	<u>18,176</u>	<u>1,781</u>	<u>(2,749)</u>	<u>17,208</u>
Results				
Segment profit/(loss)	174	(2,202)	–	(2,028)
Interest income	118	531	–	649
Finance costs	(206)	(160)	–	(366)
	<u>86</u>	<u>(1,831)</u>	<u>–</u>	<u>(1,745)</u>
Unallocated expenses				(4,509)
Share of results of associated companies, net of tax				<u>84</u>
Loss before income tax				(6,170)
Income tax expense				<u>(1,001)</u>
Loss for the financial year				<u>(7,171)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Segment information (continued)

Business segment (continued)

	Advisory and transactional services SGD'000	Management, support services and licensing services SGD'000	Total SGD'000
2023			
Non-cash items			
Reversal of allowance on trade and other receivables and contract assets	(186)	–	(186)
Bad debts written off	390	17	407
Amortisation of intangible assets	3	240	243
Depreciation of plant and equipment	141	112	253
Depreciation of right-of-use assets	520	474	994
Disbursement written off	200	–	200
Impairment of goodwill	147	–	147
Share-based payment expenses	–	27	27
Unrealised foreign exchange (gain)/loss, net	(25)	347	322
Unallocated non-cash items			
Amortisation of intangible assets			57
Depreciation of plant and equipment			2
Bad debts written off			2,116
Addition of allowance on trade and other receivables and contract assets			456
Unrealised foreign exchange gain, net			(368)
Capital expenditure			
Plant and equipment	37	164	201
Intangible assets	1	–	1
As at 31 December 2023			
Assets and liabilities			
Segment assets	8,929	21,839	30,768
– Current income tax recoverable	–	80	80
– Deferred income tax assets	602	1,927	2,529
	9,531	23,846	33,377
Unallocated assets			12,555
			45,932
Segment liabilities	6,846	2,820	9,666
– Current income tax payable	97	944	1,041
– Deferred income tax liabilities	22	176	198
	6,965	3,940	10,905
Unallocated liabilities			6,982
			17,887

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Segment information (continued)

Geographical information

Revenue is based on the country in which the customer is located. Non-current assets comprise primarily plant and equipment, right-of-use assets, intangible assets, associated companies and joint venture. Non-current assets are shown by the geographical area in which the assets are located.

	Singapore SGD'000	Malaysia SGD'000	Thailand SGD'000	Indonesia SGD'000	China SGD'000	Hong Kong SGD'000	United States of America SGD'000	Others SGD'000	Total SGD'000
2024									
External revenue	10,142	3,058	129	1,564	350	440	236	1,330	17,249
Non-current assets	8,062	3,732	49	28	-	-	-	16	11,887
2023									
External revenue	10,745	2,307	593	1,407	193	454	254	1,255	17,208
Non-current assets	9,109	3,678	59	38	-	-	-	14	12,898

Major customer

The revenue of the Group is mainly derived from customers which are mainly corporations, both domestic and multinationals. Due to the diverse base of customers to whom the Group renders services in each of the reporting period, the Group is not reliant on any customer for its sales and no one single customer accounted for 10% or more of the Group's total revenue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management

The Group's activities expose it to credit risk, market risk (including foreign currency risk, price risk and interest rate risk), liquidity risk and capital risk arising in the ordinary course of business. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. Management then establishes the detailed policies such as risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, in interest rates and foreign exchange rates.

33.1 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate, to mitigate credit risk.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Chief Financial Officer based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management teams and at the Group level by the Chief Financial Officer.

The Group does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics, except for the amounts due from ZICOlaw network firms and associated companies which comprised 63% and 9% (2023: 59% and 7%) respectively of the total trade and other receivables and contracts assets as at 31 December 2024.

As the Group and the Company do not hold collateral the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the financial position and the amount of SGD194,000 (2023: SGD198,000) relating to corporate guarantees given by a subsidiary of the Company to a bank for an associated company's bank borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
Contractual payments are more than 365 days past due or there is evidence of credit impairment	Lifetime ECL – credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

Significant increase in credit risk (continued)

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if the financial asset has a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the long term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet the following criteria are generally not recoverable.

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 365 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

The movements in credit loss allowance are as follows:

	Trade receivables SGD'000	Contract assets SGD'000	Non-trade receivables SGD'000	Total SGD'000
Group				
Balance at 1 January 2024	1,433	487	858	2,778
Loss allowance recognised/reversed in profit or loss during the financial year on:				
Lifetime ECL				
– Simplified approach	167	43	85	295
– Significant increase in credit risk	–	1,327	–	1,327
– Reversal of unutilised amount	(154)	–	–	(154)
	13	1,370	85	1,468
Currency translation differences	(315)	–	–	(315)
Balance at 31 December 2024	1,131	1,857	943	3,931
Balance at 1 January 2023				
Loss allowance recognised/reversed in profit or loss during the financial year on:	1,381	487	613	2,481
Lifetime ECL				
– Simplified approach	211	–	–	211
– Significant increase in credit risk	281	–	494	775
– Reversal of unutilised amount	(705)	–	–	(705)
	(213)	–	494	281
Currency translation differences	265	–	(249)	16
Balance at 31 December 2023	1,433	487	858	2,778

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

The movements in credit loss allowance are as follows: (continued)

	Trade receivables SGD'000	Non-trade receivables SGD'000	Total SGD'000
Company	6	276	282
Balance at 1 January 2023			
Loss allowance recognised in profit or loss during the financial year on:			
Lifetime ECL			
– Significant increase in credit risk	–	764	764
Balance at 31 December 2023	6	1,040	1,046
Loss allowance recognised in profit or loss during the financial year on:			
Lifetime ECL			
– Significant increase in credit risk	–	–	–
– Reversal of unutilised amount	–	(246)	(246)
Balance at 31 December 2024	6	794	800

Trade receivables and contract assets

The Group determined the ECL of trade receivables by segregating amounts due from ZICOlaw network firms which has engaged in a repayment plan with the Group and using a provision matrix for the remaining trade receivables. In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, adjusts the historical loss rates based on assumptions and forecasts of future economic conditions affecting the ability of the customers to settle the receivables. For trade receivables from ZICOlaw network firms, the Group applied the simplified approach and determined the lifetime ECL, taking into consideration their recent business developments, the historical payment trend, the subsequent collection, the revised repayment plan following the letter of undertaking, the creditworthiness of ZICOlaw network firms and their ability to repay and forecasts of future economic conditions.

Contract assets relate to unbilled work in progress for longer term advisory and transactional projects which have substantially different risk characteristics as the trade receivables. The Group determined the loss given default and probability of default, taking into consideration the historical payment trend and whether a credit impairment event has occurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

Trade receivables and contract assets (continued)

The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 365 days when they fall due. Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

The trade receivables from third parties disclosed in Note 20 comprised amounts due from ZICOlaw network firms, amounting to SGD14,505,000 (2023: SGD14,525,000). The Group has recognised a loss allowance of SGD273,000 (2023: SGD274,000) relating to trade amounts due from ZICOlaw network firms.

The Group's credit risk exposure in relation to trade receivables (excluding ZICOlaw network firms) under IFRS 9, grouped according to their credit characteristics as at 31 December 2024 and 31 December 2023 are set out in the provision matrix as follows:

	← Past due →					
	Within 90 days	91 to 180 days	181 to 270 days	270 to 365 days	More than 365 days	Total
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Group						
As at 31 December 2024						
Professional services rendered						
Expected loss rate	1.06%	4.10%	7.34%	16.00%	75.37%	
Trade receivables	2,900	985	426	450	1,011	5,772
Loss allowance	31	40	31	72	762	936
Significant increase in credit risk	-	-	-	-	-	-
	31	40	31	72	762	936
As at 31 December 2023						
Professional services rendered						
Expected loss rate	0.30%	1.07%	6.85%	54.75%	84.30%	
Trade receivables	2,147	488	375	966	1,094	5,070
Loss allowance	(7)	8	26	422	519	968
Significant increase in credit risk	-	-	-	-	265	265
	(7)	8	26	422	784	1,233

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

Other financial assets at amortised cost

The table below details the credit quality of the Group's financial assets:

Group 2024	12-month or lifetime ECL	Gross carrying amount SGD'000	Loss allowance SGD'000	Net carrying amount SGD'000
Cash and bank balances with financial institutions	N.A. Exposure Limited	3,439	-	3,439
Other current assets	N.A. Exposure Limited	1,093	-	1,093
Trade receivables from ZICOLaw network firms	Lifetime ECL	10,572	(195)	10,377
Non-trade receivables from ZICOLaw network firms	Lifetime ECL	3,933	(78)	3,855
Trade and non-trade receivables from associated companies	Lifetime ECL	2,784	(816)	1,968
Contract assets	Lifetime ECL	2,602	(1,857)	745
Other non-trade receivables	12-month ECL	494	(49)	445
Deposits	12-month ECL	422	-	422
2023				
Cash and bank balances with financial institutions	N.A. Exposure Limited	4,730	-	4,730
Other current assets	N.A. Exposure Limited	1,172	-	1,172
Trade receivables from ZICOLaw network firms	Lifetime ECL	9,968	(200)	9,768
Non-trade receivables from ZICOLaw network firms	Lifetime ECL	4,557	(73)	4,484
Trade and non-trade receivables from associated companies	Lifetime ECL	2,550	(770)	1,780
Contract assets	Lifetime ECL	2,920	(487)	2,433
Other non-trade receivables	12-month ECL	1,230	(14)	1,216
Deposits	12-month ECL	416	-	416

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.1 Credit risk (continued)

Other financial assets at amortised cost (continued)

The table below details the credit quality of the Company's financial assets:

Company 2024	12-month or lifetime ECL	Gross carrying amount SGD'000	Loss allowance SGD'000	Net carrying amount SGD'000
Cash and bank balances with financial institutions	N.A. Exposure Limited	400	-	400
Other current assets	N.A. Exposure Limited	2	-	2
Non-trade receivables from ZICOlaw network firms	Lifetime ECL	33	-	33
Non-trade receivables from associated companies	Lifetime ECL	336	(105)	231
Other non-trade receivables	12-month ECL Lifetime ECL	20,492 5,218	- (689)	20,492 4,529
Deposits	12-month ECL	10	-	10
2023				
Cash and bank balances with financial institutions	N.A. Exposure Limited	861	-	861
Other current assets	N.A. Exposure Limited	202	-	202
Non-trade receivables from ZICOlaw network firms	Lifetime ECL	33	-	33
Non-trade receivables from associated companies	Lifetime ECL	332	(105)	227
Other non-trade receivables	12-month ECL Lifetime ECL	19,797 7,630	- (935)	19,797 6,695
Deposits	12-month ECL	10	-	10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.2 Market risk

Foreign currency risk

The Group incurs foreign currency risk on transactions and balances that are denominated in currencies other than the functional currency of entities within the Group. The Group transacts business in various foreign currencies and therefore is exposed to foreign exchange risk mainly from Ringgit Malaysia ("RM"), United States Dollar ("USD"), Singapore Dollar ("SGD") and Thai Baht ("THB") transactions.

As at the financial position date, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective functional currency of entities within the Group are as follows:

	Cash and bank balances SGD'000	Trade and other receivables SGD'000	Trade and other payables SGD'000	Other current assets SGD'000	Intragroup receivables SGD'000	Intragroup payables SGD'000	Net financial (liabilities)/ assets denominated in foreign currencies SGD'000
Group							
At 31 December 2024							
<i>Denominated in/respective functional currency</i>							
RM/SGD	368	10,619	2,527	791	25,845	(15,144)	25,006
RM/THB	-	(3)	-	-	151	(613)	(465)
RM/USD	43	575	-	-	2,474	(11,135)	(8,043)
RM/IDR	-	(1)	-	-	-	(704)	(705)
RM/LAK	-	(6)	-	-	-	(185)	(191)
USD/RM	32	614	-	46	9,475	(9,894)	273
USD/SGD	728	4,256	99	-	1,944	(3,007)	4,020
USD/IDR	-	-	-	-	27	(382)	(355)
USD/LAK	137	-	-	-	-	(256)	(119)
USD/THB	80	-	-	-	9	(741)	(652)
SGD/USD	12	1	-	-	261	(358)	(84)
SGD/RM	1,751	(9,940)	(624)	258	4,307	(2,290)	(6,538)
SGD/THB	-	-	-	-	-	(741)	(741)
SGD/LAK	-	-	-	-	-	(19)	(19)
KYAT/USD	8	-	-	14	-	-	22
THB/RM	230	-	-	-	-	(683)	(453)
THB/USD	-	-	-	-	14	(36)	(22)
THB/SGD	-	376	971	10	-	-	1,357
LAK/SGD	3	115	53	1	-	-	172
IDR/SGD	1	1,545	318	-	-	-	1,864
Other	17	-	-	-	174	-	191

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.2 Market risk (continued)

Foreign currency risk (continued)

	Cash and bank balances SGD'000	Trade and other receivables SGD'000	Trade and other payables SGD'000	Other current assets SGD'000	Intragroup receivables SGD'000	Intragroup payables SGD'000	Net financial (liabilities)/ assets denominated in foreign currencies SGD'000
Group							
At 31 December 2023							
<i>Denominated in/respective functional currency</i>							
RM/SGD	715	10,689	519	621	1,399	(2,496)	11,447
RM/THB	–	(21)	–	–	36	(745)	(730)
RM/USD	(12)	541	–	–	4,163	(10,303)	(5,611)
RM/IDR	–	(2)	–	–	–	(1,177)	(1,179)
RM/LAK	–	(7)	–	–	–	(345)	(352)
USD/RM	61	562	–	83	10,178	(4,530)	6,354
USD/SGD	806	3,253	75	2	536	(2,990)	1,682
USD/IDR	1	–	–	–	–	(127)	(126)
USD/LAK	97	–	–	–	–	(102)	(5)
USD/THB	135	–	–	–	58	(1,210)	(1,017)
SGD/USD	22	1	–	–	2,850	(869)	2,004
SGD/RM	–	(7,900)	1,469	470	3,818	(7,533)	(9,676)
SGD/THB	–	–	–	–	8	(305)	(297)
SGD/IDR	–	–	–	–	28	–	28
SGD/LAK	–	–	–	–	–	(157)	(157)
KYAT/USD	28	–	–	–	–	–	28
THB/RM	–	–	497	–	374	(308)	563
THB/USD	–	–	–	–	707	(59)	648
THB/SGD	351	37	–	13	190	–	591
LAK/SGD	2	224	30	1	–	–	257
IDR/SGD	28	1,619	–	329	–	–	1,976
Other	–	(6)	–	4	–	–	(2)

The Company's currency exposure based on the information provided to key management is as follows:

	2024 SGD'000	2023 SGD'000
<i>Denominated in USD</i>		
Cash and bank balances, representing net financial assets denominated in foreign currency	14	3

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.2 Market risk (continued)

Foreign currency risk (continued)

If the foreign currencies change against the respective functional currencies of the Group's entities, with all other variables being held constant, the effects arising from the net financial (liability)/assets position will be as follows:

	Group (decrease)/increase	
	2024	2023
	Loss	Loss
	before tax	before tax
	SGD'000	SGD'000
Group		
RM against USD		
– Strengthened by 27% (2023: 4%)	(2,172)	687
– Weakened by 27% (2023: 4%)	2,172	(687)
USD against SGD		
– Strengthened by 2% (2023: 2%)	80	34
– Weakened by 2% (2023: 2%)	(80)	(34)
USD against RM		
– Strengthened by 27% (2023: 4%)	74	1,715
– Weakened by 27% (2023: 4%)	(74)	(1,715)
USD against THB		
– Strengthened by 1% (2023: 1%)	(7)	(10)
– Weakened by 1% (2023: 1%)	7	10
SGD against RM		
– Strengthened by 6% (2023: 6%)	(392)	(581)
– Weakened by 6% (2023: 6%)	392	581
SGD against LAK		
– Strengthened by 22% (2023: 22%)	(4)	(35)
– Weakened by 22% (2023: 22%)	4	35
SGD against THB		
– Strengthened by 2% (2023: 2%)	(15)	(6)
– Weakened by 2% (2023: 2%)	15	6
THB against USD		
– Strengthened by 1% (2023: 1%)	-	6
– Weakened by 1% (2023: 1%)	-	(6)

Any reasonably possible changes in the RM and SGD exchange rates against the other respective functional currencies of the Group, with all other variables held constant, will not have a significant impact on the Group's profit or loss for the current and previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.2 Market risk (continued)

Foreign currency risk (continued)

The Group has investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. The Group does not currently designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

Exposure to foreign currency risk is monitored on an ongoing basis in accordance with the Group's risk management policies to ensure that the net exposure is at an acceptable level.

Company

A 3% (2023: 3%) fluctuation in the USD exchange rate against SGD, with all other variables held constant, will not have a significant impact on the Company's loss for the current and previous financial year.

Equity price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as financial assets, at FVOCI. These securities are listed in Singapore. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis of the Group's equity price risk exposures is not presented as a reasonably possible change of 5% (2023: 5%) in the price of equity securities listed in Singapore, with all other variables including tax rate being held constant will have no significant impact on the Group's other comprehensive income.

Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to market risks for changes in interest rates relates primarily to interest-bearing borrowings as set out in Note 28.

The Group's results are affected by changes in interest rates due to the impact of such changes on interest income and expenses from time deposit and interest-bearing borrowings which are floating interest rates. It is the Group's policy to obtain quotes from reputable banks to ensure that the most favourable rates are made available to the Group.

The Group's and the Company's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD. If the SGD interest rates had been higher/lower by 0.57 % (2023: 0.50%) with all other variables including tax rate and foreign currency rate being held constant, the Group's loss (2023: loss) before tax would have been higher/lower by SGD15,000 (2023: higher/lower SGD6,000) and the Company's loss before tax would have been higher/lower by SGD15,000 (2023: higher/lower SGD6,000) as a result of higher/lower interest expense on these borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.3 Liquidity risk

Liquidity risks refer to the risks in which the Group encounters difficulties in meeting its short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Group actively manages its operating cash flows so as to ensure that all payment needs are met. As part of its overall prudent liquidity management, the Group minimises liquidity risk by ensuring the availability of funding through an adequate amount of committed credit facilities from financial institutions and maintain sufficient levels of cash to meet its working capital requirements.

Contractual maturity analysis

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

The disclosed amounts for the financial guarantee contracts represent the maximum amount of issued financial guarantees in the earliest time period for which the guarantees could be called upon in the contractual maturity analysis.

	Less than 1 year SGD'000	Between 1 and 2 years SGD'000	Between 2 and 5 years SGD'000	More than 5 years SGD'000	Total SGD'000
Group					
At 31 December 2024					
Financial liabilities					
Trade and other payables	3,176	-	-	-	3,176
TL loan	982	44	-	-	1,026
RCF loan	5,947 ⁽¹⁾	316	-	-	6,263
Bank overdrafts	2,571	-	-	-	2,571
Hire purchase	18	5	-	-	23
Lease liabilities	997	1,089	-	-	2,086
Financial guarantee contracts (Note 35)	194	-	-	-	194
Total undiscounted financial liabilities	13,885	1,454	-	-	15,339
At 31 December 2023					
Financial liabilities					
Trade and other payables	2,656	-	-	-	2,656
TL loan	1,083	981	44	-	2,108
RCF loan	5,775 ⁽¹⁾	105	316	-	6,196
Bank overdrafts	1,824	-	-	-	1,824
Hire purchase	17	17	5	-	39
Lease liabilities	3,275	2,897	3,571	-	9,743
Financial guarantee contracts (Note 35)	198	-	-	-	198
Total undiscounted financial liabilities	14,828	4,000	3,936	-	22,764

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.3 Liquidity risk (continued)

Contractual maturity analysis (continued)

	Less than 1 year SGD'000	Between 1 and 2 years SGD'000	Between 2 and 5 years SGD'000	More than 5 years SGD'000	Total SGD'000
Company					
At 31 December 2024					
<i>Financial liabilities</i>					
Trade and other payables	531	–	–	–	531
TL loan	982	44	–	–	1,026
RCF loan	5,217 ⁽¹⁾	316	–	–	5,533
Total undiscounted financial liabilities	6,730	360	–	–	7,090
At 31 December 2023					
<i>Financial liabilities</i>					
Trade and other payables	1,208	–	–	–	1,208
TL loan	1,083	981	44	–	2,108
RCF loan	5,067 ⁽¹⁾	105	316	–	5,488
Total undiscounted financial liabilities	7,358	1,086	360	–	8,804

(1) As at the reporting date, the RCF loan has been classified as a current liability in accordance with the terms of the loan agreement, which allows for repayment over a period of five years, but notwithstanding the repayment schedule, the loan remains repayable on demand at the lender's discretion.

Based on past experience with the lender, management expects repayment to follow the agreed schedule and does not anticipate the lender exercising its right to demand immediate repayment.

	Less than 1 year SGD'000	Between 1 and 2 years SGD'000	Between 2 and 5 years SGD'000	More than 5 years SGD'000	Total SGD'000
Group					
At 31 December 2024					
<i>Financial liabilities</i>					
RCF loan	2,260	989	1,163	2,133	6,545
Total undiscounted financial liabilities	2,260	989	1,163	2,133	6,545
At 31 December 2023					
<i>Financial liabilities</i>					
RCF loan	1,290	1,662	1,463	4,274	8,689
Total undiscounted financial liabilities	1,290	1,662	1,463	4,274	8,689

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.3 Liquidity risk (continued)

Contractual maturity analysis (continued)

	Less than 1 year SGD'000	Between 1 and 2 years SGD'000	Between 2 and 5 years SGD'000	More than 5 years SGD'000	Total SGD'000
Company					
At 31 December 2024					
RCF loan	1,530	989	1,163	2,133	5,815
Total undiscounted financial liabilities	1,530	989	1,163	2,133	5,815
At 31 December 2023					
<i>Financial liabilities</i>					
RCF loan	583	1,662	1,463	3,566	7,274
Total undiscounted financial liabilities	583	1,662	1,463	3,566	7,274

33.4 Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

Management reviews the capital structure to ensure that the Group is able to service any debt obligations (including principal repayment and interest) based on its operating cash flows. Upon review, the Group will balance its overall capital structure through new share issues and the issue of new debt or the redemption of existing debt, if necessary. The Group's overall strategy remains unchanged since 31 December 2020.

The Group monitors capital based on gearing ratio of interest-bearing liabilities to shareholders' funds which is defined as equity attributable to owners of the parent.

	Group		Company	
	2024	2023	2024	2023
	SGD'000	SGD'000	SGD'000	SGD'000
Interest-bearing liabilities	9,535	9,784	6,262	7,262
Equity attributable to holders of the Company	24,601	27,921	39,484	37,742
Gearing ratio (times)	0.39	0.35	0.16	0.19

The Group is in compliance with all externally imposed capital requirement for the financial years ended 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.5 Fair value measurements

Fair value hierarchy

The Group and the Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (a) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (c) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

	Level 1 SGD'000	Level 2 SGD'000	Level 3 SGD'000	Total SGD'000
Group 2024				
<i>Assets</i>				
Financial assets, at FVOCI	75	–	–	75
2023				
<i>Assets</i>				
Financial assets, at FVOCI	126	–	–	126

Fair value of financial instruments that are not carried at fair value

The carrying amounts of the current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

The carrying amounts of the non-current trade and other receivables approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management (continued)

33.6 Financial instruments by category

The following table sets out the carrying amounts of financial instruments as at the end of the reporting period:

	Group SGD'000	Company SGD'000
31 December 2024		
<i>Financial assets</i>		
Financial assets, at amortised cost		
– Trade and other receivables	21,903	31,947
– Cash and bank balances	3,439	400
– Other current assets	1,093	2
Financial assets, at FVOCI	75	–
	26,510	32,349
<i>Financial liabilities</i>		
Financial liabilities, at amortised cost		
– Trade and other payables	3,444	523
– Interest-bearing liabilities	9,535	6,262
– Lease liabilities	1,974	–
	14,953	6,785
	Group SGD'000	Company SGD'000
31 December 2023		
<i>Financial assets</i>		
Financial assets, at amortised cost		
– Trade and other receivables	21,500	31,090
– Cash and bank balances	4,730	861
– Other current assets	1,172	202
Financial assets, at FVOCI	126	–
	27,528	32,153
<i>Financial liabilities</i>		
Financial liabilities, at amortised cost		
– Trade and other payables	2,919	1,211
– Interest-bearing liabilities	9,784	7,262
– Lease liabilities	2,801	–
	15,504	8,473

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. Contingent liabilities

(i) Financial guarantee contract liability

	Group	
	2024	2023
	SGD'000	SGD'000
Corporate guarantees provided by a subsidiary of the Company in favour of a bank for:		
– Bank facilities utilised by an associated company, Goldfield Alliance Sdn. Bhd.	194	198

The guarantees are subject to the impairment requirements of IFRS 9. The directors do not expect credit loss exposure arising from these guarantees in view of the financial strength of the associated company and that the borrowings of the associated company are secured by a first party first legal charge over the investment property of the associated company.

(ii) Legal claim

One of the subsidiaries of the Group, ZICO Trust (S) Ltd. ("**The Company**") had on 4 April 2022 been served with a writ of summons, HC/S 319/2022, dated 31 March 2022, and statement of claim filed by CPS German 1 LLC in the High Court of the Republic of Singapore on 31 March 2022 ("**Claim**"). The Company intends to vigorously defend the Claim and has sought legal advice in respect of the above matter. Based on preliminary assessment from the Company's solicitors, the Company has a reasonable ground to defend the Claim. Accordingly, no provision has been made in these financial statements.

On 11 October 2023, the Court rescheduled the pre-trial conference to April 2024.

As at reporting date, the case remains on-going.

The Company on 19 June 2024 received a Letter of Demand from Ms. Wang Zhi Jing. Legal proceedings commenced on 2 August 2024 [HC/OC 563/2024], with Ms. Wang alleging that the Company had mishandled funds. The Company maintains a reasonable ground to contest the claim. Accordingly, no provision has been made in these financial statements.

The legal proceedings are currently at the discovery stage, during which both parties are exchanging relevant information and evidence. As the case remains in its early phases, the outcome and potential financial impact, if any, cannot be reasonably estimated at this time. Accordingly, no provision has been made in these financial statements.

As at reporting date, the case remains on-going.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. Commitments

One of the subsidiaries of the Group, ZICO Malaysia Sdn Bhd has given an undertaking to provide continuing financial support to its associated companies, ShakeUp Online Sdn. Bhd. and Goldfield Alliance Sdn. Bhd. to enable them to continue their operations as going concerns and to meet their liabilities as and when these are due for payments in the next 12 months from the date of approval of the financial statements by the directors for the financial year ended 31 December 2024.

36. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

37. Authorisation of financial statements

These consolidated financial statements of the Group and the financial position of the Company were authorised for issue in accordance with a resolution of the Board of Directors of ZICO Holdings Inc. on 24 March 2025.

SHAREHOLDER INFORMATION

AS AT 24 MARCH 2025

Issued and fully paid-up capital : SGD41,734,157.64
 Total number of issued shares : 409,767,294
 Class of shares : Ordinary shares fully paid
 Voting rights : One vote for each ordinary share
 Number of treasury shares : NIL

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 – 99	1	0.54	3	0.00
100 – 1,000	15	8.11	5,400	0.00
1,001 – 10,000	23	12.43	166,366	0.04
10,001 – 1,000,000	117	63.24	19,110,325	4.66
1,000,001 and above	29	15.68	390,485,200	95.30
Total	185	100.00	409,767,294	100.00

TOP TWENTY SHAREHOLDERS AS AT 24 MARCH 2025

Name of Shareholders	No. of Shares	% of Shares
1. UOB KAY HIAN PTE LTD	163,950,754	40.01
2. PHILLIP SECURITIES PTE LTD	47,024,700	11.48
3. TAN SRI DR. NIK NORZRUL THANI BIN NIK HASSAN THANI	30,190,000	7.37
4. CITIBANK NOMINEES SINGAPORE PTE LTD	26,333,333	6.43
5. RAFFLES NOMINEES (PTE) LIMITED	19,554,800	4.77
6. CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	11,718,700	2.86
7. MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	9,978,000	2.43
8. JAMES KHONG POH WAH	9,475,367	2.31
9. CHUA HOCK BENG DENNIS (CAI FUMING DENNIS)	8,054,000	1.96
10. JOHN LIM YEW KONG	7,900,000	1.93
11. JUNE SONG PTE LTD	7,487,879	1.83
12. TOH BENG SUAN	7,210,000	1.76
13. LIEW FOONG YUEN	6,710,000	1.64
14. KGI SECURITIES (SINGAPORE) PTE. LTD	6,653,300	1.62
15. PRIMEPARTNERS GROUP PTE LTD	5,000,000	1.22
16. YEO KENG JOON	4,000,000	0.98
17. KEK CHIN WU	2,090,400	0.51
18. HANIM HAMZAH	2,060,000	0.50
19. TAN GEE MOI	1,965,506	0.48
20. PUAN KAM FOOK	1,771,100	0.43
	379,127,839	92.52

SHAREHOLDER INFORMATION

AS AT 24 MARCH 2025

SUBSTANTIAL SHAREHOLDERS AS AT 24 MARCH 2025

Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	% of Shareholdings	No. of Shares	% of Shareholdings
Chew Seng Kok	79,699,688	19.45	5,293,737 ⁽¹⁾	1.29
Dynac Sdn Bhd	34,000,000	8.30	0	0
Tan Sri Dr. Nik Norzrul Thani Bin N. Hassan Thani	40,168,000	9.80	0	0

(1) Deemed interested by virtue of shares held by Leandar Pte. Ltd. which is a company incorporated in Singapore. Mr Chew Seng Kok holds 100% of the shareholding interests in Leandar Pte. Ltd.

PERCENTAGE OF SHAREHOLDINGS HELD IN THE HANDS OF PUBLIC

Based on the information available to the Company as at 24 March 2025, approximately 57.04% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Catalist Rules has been complied with.

TREASURY SHARES AND SUBSIDIARY HOLDINGS

There are no subsidiary holdings or treasury shares. The number of subsidiary holdings held is nil. The percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed is also nil.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of ZICO HOLDINGS INC. ("**Company**") will be held at 77 Robinson Road #06-03 Robinson 77, Singapore 068898 on Monday, 28 April 2025 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2024 together with the Auditors' Report thereon.
(Resolution 1)
2. To re-elect Mr Chew Seng Kok, a Director of the Company retiring pursuant to Article 97 of the Company's Articles of Association.
[Explanatory Note 1] **(Resolution 2)**
3. To record the retirement of Ms. Shweta Nandy, a Director of the Company retiring pursuant to Article 97 of the Company's Articles of Association, who will not seek for re-election and will retire at the conclusion of the AGM.
[Explanatory Note 2]
4. To approve the payment of Directors' fees of S\$275,000 (2024: S\$275,000) for the financial year ending 31 December 2025, to be paid quarterly in arrears.
[Explanatory Note 3] **(Resolution 3)**
5. To re-appoint PKF-CAP LLP as the Company's Auditors and to authorise the Directors to fix their remuneration.
(Resolution 4)
6. To transact any other ordinary business which may properly be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

7. AUTHORITY TO ALLOT AND ISSUE SHARES

That pursuant to Article 3 of the Company's Articles of Association and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Catalist Rules**"), authority be given to the Directors to:

- (a) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (b) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this resolution was in force, provided that:
- (i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued pursuant to the Instruments, made or granted pursuant to this resolution) does not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued (including Shares to be issued pursuant to the Instruments) other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below) or such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution in force;
 - (ii) (subject to such calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments, made or granted pursuant to this resolution) that may be issued under sub-paragraph (i) above, the percentage of Shares that may be issued shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time this resolution is passed, after adjusting for:
 - (aa) new Shares arising from the conversion or exercise of the Instruments or convertible securities;
 - (bb) new Shares arising from exercising of share options or vesting of share awards (provided the options and awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules); and
 - (cc) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with (aa) or (bb) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;
 - (iii) in exercising such authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
 - (iv) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[Explanatory Note 4]

(Resolution 5)

8. TO APPROVE THE ZICO HOLDINGS PERFORMANCE SHARE PLAN 2025 ("**PSP 2025**") AND THE AUTHORITY TO ISSUE AND ALLOT SHARES UNDER THE PSP 2025

The ZICO Holdings Performance Share Plan had expired on 18 September 2024 following the validity period of 10 years. The Company now seeks the approval of the shareholders on the following:

- (a) THAT pursuant to Rule 16.1 of the Rules of the PSP 2025, the details and rules of which are set out in the Appendix to the Notice of AGM, the adoption of the PSP 2025 for a period of 10 years from the date on which this resolution is passed be and is hereby approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) THAT the Directors be and are hereby authorised to (i) establish and administer the PSP 2025; and (ii) to modify and/or alter the PSP 2025 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of PSP 2025, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the PSP 2025; and
- (c) THAT the Directors be and are hereby authorised to offer and grant awards ("**Awards**") in accordance with the provisions of the PSP 2025 and to allot and issue from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the vesting of Awards granted under the PSP 2025, provided always that the aggregate number of Shares to be issued pursuant to the PSP 2025, when added to the number of Shares issued and issuable under other share-based incentives schemes or share plans of the Company, shall not exceed fifteen percent (15%) of the total issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

[Explanatory Note 5]

(Resolution 6)

9. TO APPROVE THE ZICO HOLDINGS EMPLOYEE SHARE OPTION SCHEME 2025 ("**ESOS 2025**") AND THE AUTHORITY TO ISSUE AND ALLOT SHARES UNDER THE ESOS 2025

The ZICO Holdings Employee Share Option Scheme had expired on 18 September 2024 following the validity period of 10 years. The Company now seeks the approval of the shareholders on the following:

- (a) THAT pursuant to Rule 14.1 of the Rules of the ESOS 2025, the details and rules of which are set out in the appendix to the Notice of AGM dated 11 April 2025 (the "**Appendix**"), the adoption of the ESOS 2025 for a period of 10 years from the date on which this resolution is passed, be and is hereby approved;
- (b) THAT the Directors be and are hereby authorised to (i) establish and administer the ESOS 2025; and (ii) to modify and/or alter the ESOS 2025 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of ESOS 2025, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the ESOS 2025; and
- (c) THAT the Directors be and are hereby authorised to offer and grant options ("**Options**") under the ESOS 2025 and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of the Options under the ESOS 2025, provided always that the aggregate number of Shares to be issued pursuant to the ESOS 2025, when added to the number of Shares issued and issuable under other share-based incentives schemes or share plans of the Company shall not exceed fifteen percent (15%) of the total issued Share (excluding treasury shares and subsidiary holdings) of the Company from time to time.

[Explanatory Note 5]

(Resolution 7)

By Order of the Board

ZICO Secretarial Limited Secretary
Singapore, 11 April 2025

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- Resolution 2** – Mr Chew Seng Kok ("**Mr Chew**"), if re-elected, will remain as an Executive Director of the Company. Mr Chew does not have any relationship, including immediate family relationships between himself and the Directors, the Company, and other substantial shareholders.
- Ms. Shweta Nandy ("**Ms Shweta**") will retire as a Non-Independent Non- Executive Director of the Company at the conclusion of the AGM and concurrently relinquish her position as the member of Audit and Risk Committee, Nominating Committee and Remuneration Committee of the Company. The Board will endeavor to fill the vacancy within two months, but in any case, not later than three months pursuant to Rule 704(7) of the Catalyst Rules.
- Resolution 3** – This resolution is to facilitate payment of Directors' fees during the financial year in which the fees are incurred. The aggregate amount of Directors' fees provided in the resolution is calculated on the assumption that all the present Directors will hold office for the whole of the financial year ending 31 December 2025 ("**FY2025**"). Should any Director hold office for only part of FY2025 and not the whole of FY2025, the Director's fee payable to him will be appropriately pro-rated.
- Resolution 5** – This resolution, if passed, will empower the Directors, effective until (i) the conclusion of the next annual general meeting of the Company, or (ii) the date by which the next annual general meeting of the Company is required by law to be held or (iii) the date on which such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred percent (100%) of issued Share capital of the Company (excluding treasury shares and subsidiary holdings), of which up to fifty percent (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company.
- Resolutions 6 & 7** – Each of these resolutions, if passed, will empower the Directors to (i) establish and administer the PSP 2025 and ESOS 2025, (ii) modify and/or alter the PSP 2025 and ESOS 2025 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of PSP 2025 and ESOS 2025, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the PSP 2025 and ESOS 2025, and (iii) allot and issue Shares pursuant to the vesting of Awards and the exercise of Options under the PSP 2025 and ESOS 2025 respectively, provided that the aggregate number of Shares to be issued pursuant to the PSP 2025 and ESOS 2025, when added to the number of Shares issued and issuable under other share-based incentives schemes or share plans of the Company shall not exceed fifteen percent (15%) of the total issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

NOTES

- The Company's AGM is being convened, and will be held, in a wholly physical format, at 77 Robinson Road, #06-03 Singapore 068896, on Monday 28 April 2025 at 11:00 a.m. **There will be no option for members to participate in the AGM virtually.**

The Annual Report, Notice of AGM, Appendix and the accompanying proxy form will be made available on the SGXNet at <https://www.sgx.com/securities/company-announcements> and at www.zicoholdings.com under the "**Newsroom**" tab from the date of this Notice of AGM, **11 April 2025**. A member will need an internet browser and PDF reader to view these documents. Printed copies of this Notice of AGM and the accompanying proxy form will be sent to members via post.

Printed copy of the Annual Report and the Appendix will NOT be sent to members. A member who wishes to obtain a printed copy of the Annual Report and the Appendix should request the same via email to main@zicoholdings.com no later than 11:00 a.m. on 15 April 2025 and provide his/her/its full name as per CDP/CPF/SRS records, NRIC/Passport Number/Company Registration Number, mailing address and the manner in which shares are held (e.g. via CDP/CPF or SRS, or physical scripts(s)) in the email, failing which the request will not be processed.

Voting by proxy

- Members may participate in the AGM by:
 - attending the AGM in person;
 - raising questions at the AGM or submitting questions in advance of the AGM; and/or
 - voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

- A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
- A proxy need not be a member of the Company.
- In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.

NOTICE OF ANNUAL GENERAL MEETING

6. For investors who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("**CPFIS Investors**") and/or Supplementary Retirement Scheme ("**SRS Investors**") should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (by 5.00 p.m. on 16 April 2025). 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 AGM.
7. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
8. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The instrument appointing the 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. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy. 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 AGM.
9. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967:

- (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
10. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
 11. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
 - (a) by post to the Registered Office of the Company's Singapore Branch at 77 Robinson Road #06-03 Robinson 77, Singapore 068896; or
 - (b) electronically via email to main@zicoholdings.com (using a clear scanned signed form in PDF),
 and received by the Company by 11.00 a.m. on 26 April 2025, being no later than 48 hours before the time set for the AGM.

Submission of Questions in Advance

12. Shareholders may submit questions related to the resolutions to be tabled for approval for the AGM in advance of the AGM within seven (7) calendar days from the date of this Notice of AGM, i.e. no later than 5.00 p.m. on 18 April 2025:
 - (a) by email to: hui ling.wong@zicoholdings.com; or
 - (b) in hard copy by sending personally or by post to Company's Singapore Branch at 77 Robinson Road #06-03 Robinson 77, Singapore 068896.

The Company will endeavour to address all substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on the Company's corporate website and on SGXNet by 11.00 a.m. on 24 April 2025.

13. For questions addressed during the AGM, the responses to such questions will be included in the minutes of the AGM which will be published on the Company's corporate website and on SGXNet within one (1) month after the AGM.

GENERAL

The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy 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 the Chairman of the AGM as proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any lodged instrument appointing the Chairman of the AGM as proxy, if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM.

NOTICE OF ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM as proxy to vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

*This Notice of AGM has been prepared by ZICO Holdings Inc. (the "**Company**") and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This Notice of AGM has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Notice of AGM, including the correctness of any of the statements or opinions made or reports contained in this notice of AGM.

The contact person for the Sponsor is Mr. Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.

ZICO HOLDINGS INC.

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

PROXY FORM – ANNUAL GENERAL MEETING

IMPORTANT:

This Proxy Form is not valid for use by investors who hold shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), 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 seven working days before the AGM to specify voting instructions. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators by 5.00 p.m. on 16 April 2025

I/We, _____ (full name in capital letters),

NRIC No./Passport No./Company No. _____

of _____ (full address),

being a member/me.mbers of ZICO HOLDINGS INC. (the "**Company**") hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%
and/or (delete as appropriate)				

or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be held at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 on Monday, 28 April 2025 at 11.00 a.m. and at any adjournment thereof. Voting will be conducted by poll. I/We direct my/our proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

Resolution No.	Ordinary Business	For*	Against*	Abstain*
1	To receive and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2024 together with the Auditors' Report thereon			
2	To re-elect Mr Chew Seng Kok as a Director of the Company			
3	To approve payment of Directors' Fees for the financial year ending 31 December 2025, to be paid quarterly in arrears			
4	To re-appoint PKF-CAP LLP as Auditors of the Company and to authorise the Directors to fix their remuneration			
	Special Business			
5	To approve the authority to allot and issue shares.			
6	To approve the ZICO Holdings Performance Share Plan 2025 ("PSP 2025") and the authority to allot and issue shares under the PSP 2025			
7	To approve the ZICO Holdings Employee Share Option Scheme 2025 ("ESOS 2025") and the authority to allot and issue shares pursuant to the ESOS 2025			

* 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

Total Number of Shares held in:

CPD Register	
Register of Members	

Dated this _____ day of _____ 2025

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 Companies Act 1967 of Singapore), 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 AGM is entitled to appoint 1 or 2 proxy(ies) 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 AGM.
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 AGM 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 of Singapore.
7. The instrument appointing a proxy, if submitted by post, must be deposited at the registered office of the Company's Singapore Branch at 77 Robinson Road #06-03 Robinson 77 Singapore 068896, or if submitted by email, be sent to main@zicoholdings.com using a clear scanned signed form in PDF not less than 48 hours before the time appointed for holding of the AGM.

GENERAL

The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy 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 the Chairman of the AGM as proxy. In the case of shares entered in the Depository Register, the Company may reject any lodged instrument appointing the Chairman of the AGM as proxy, if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM as proxy to vote at the AGM and/or any adjournment thereof, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2025.



ZICO HOLDINGS INC.

77 Robinson Road, #06-03 Robinson 77, Singapore 068896

Tel: (65) 6438 7929 | Fax: (65) 6438 7926

Email: info@zicoholdings.com

www.zicoholdings.com