



ZICOM GROUP LIMITED ANNOUNCEMENT

ACQUISITION BY SYSMAC AUTOMATION ENGINEERING PTE LTD

Zicom Group Limited is pleased to announce that its 51% owned subsidiary Sysmac Automation Engineering Pte Ltd (Sysmac), has acquired 51% shareholdings in MTA-Sysmac Automation Pte Ltd (MTA-Sysmac) for a consideration of S\$5,101 (A\$4,286) on 31 January 2007.

The acquisition is completed by the purchase of 3 ordinary shares of S\$1.00 each from the directors, Sim Juat Koon, Loh Chin Woon and Sim Kok Yew and a further subscription for 5,098 ordinary shares of S\$1.00 in the company. The remaining shares are held by Bobby Owen Archer, Bryan Raymond Root and Douglas Warren MC Guerter the founders and major shareholders of Missouri Tooling & Automation Inc, (MTA), an USA company specialized in turnkey automations.

The funding for the acquisition is from internal resources.

MTA-Sysmac, based in Singapore, was originally incorporated on 8th August 2005, with a nominal paid up capital of S\$6 with Sim Juat Koon, Loh Chin Woon, Sim Kok Yew and the major shareholders of Missouri Tooling & Automation Inc, USA, as shareholders, to position for a joint venture between MTA and Sysmac. The company has been inactive until now. The company's main objectives are to leverage on the combined strengths of MTA and Sysmac to market and build automated production lines in the USA and in Asia.

The formation of MTA-Sysmac is driven by the on-going trend in localizing sourcing for equipment and technical services by USA and European multinationals relocating their production into Asia.

The directors of MTA-Sysmac are G L Sim, Sim Juat Koon, Loh Chin Woon and Sim Kok Yew who are directors of Sysmac and Bobby Owen Archer, Bryan Raymond Root and Douglas Warren MC Guerter who are directors of MTA, USA.

G L Sim and Sim Juat Koon have been appointed the Chairman and Managing Director of MTA-Sysmac respectively. G L Sim is the Chairman and Managing Director of Zicom Group Limited. Sim Juat Koon is concurrently the Managing Director of Sysmac. Bobby Archer and Bryan Root have had 16 years' experiences in designing and building turn-key automated production lines in the USA and together with Douglas Guerter, are the founding directors and shareholders of MTA USA.

Zicom Group Limited

Ian Millard
Director/Secretary
20 February 2007.