



17 August 2020

Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY, NSW 2000

Investment in Surgical Mask Production

As part of our Corporate Social Responsibility (CSR) the management teams in our wholly owned subsidiary, Sys-Mac Automation Engineering Pte Ltd and its wholly owned subsidiary iPtec Pte Ltd decided to produce surgical masks to help bridge the critical shortages experienced globally. We leverage on our in-house engineering skills and experiences in manufacturing medical technology products, as well as short term availability of manpower due to the Covid-19 partial lock-down measures, to design and build our own production line to manufacture masks. We have just entered into commercial production within 3 months of conception.

The initial production has the capacity to produce 3 million surgical masks in a month on a full production run.

Our masks are CE conformed, and have obtained regulatory approvals from HSA (Singapore) and TGA (Australia) to market to the public. We are expecting to receive Europe (EU) regulatory approvals within the next few weeks and FDA (USA) within the next 3-4 months. The masks have now been tested under EN 14683 directives and are classified under Type IIR, the highest EN quality standards for adoption for surgical use.

We focus on high quality surgical masks to provide protection to healthcare personnel and the general public. This differentiates us from ordinary face masks being sold widely.

We have just initiated a soft launch, and it has shown encouraging pick-up in sales. We foresee scalability.

Initially conceptualised as a CSR exercise on the belief it was a short-term project, the emerging global landscape on the sustainability and growing demand for high quality surgical masks has convinced us of its long-term commercial feasibility. We have decided to develop and potentially expand in this new business and related personal protective equipment.

We do not expect any immediate impact on the Group's results in the next 12 months. Going forward, we are confident that the mask business will generate recurrent revenue to supplement the Group's mainly capital goods business.

Yours faithfully
ZICOM GROUP LIMITED



Sim Kok Yew
Group CEO