



22 September 2017

Market Announcement Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

**Investment in Zicom Energy Solutions Pte Ltd
(previously known as “FM Energy Solutions Pte Ltd”)**

We are pleased to announce that the Group’s wholly owned subsidiary, Zicom Pte Ltd (“**Zicom**”), focused on offshore marine equipment has acquired 51% of the equity of Zicom Energy Solutions Pte Ltd (“**Zicom Energy**”). The investment is not expected to exceed S\$1m and will be fully funded internally without borrowings.

Zicom Energy has developed a modular dual-fuel conversion system that enables gas and diesel to combust together in the diesel engine combustion chamber thereby reducing sulphur emission to less than 0.5% measured on mass on mass. Existing sulphur emission from marine diesel engines is between 4-5%.

The International Maritime Organisation (“IMO”) mandates that all marine vessels are required to adhere to this standard globally from January 2020. Marine vessels are generally powered by diesel engines and would therefore be required to be outfitted with such conversion systems to meet IMO’s standards.

The Group is expected to enjoy benefit from this investment within this financial year although at the outset it may not be significant, it is expected to scale up rapidly.

Yours faithfully
Zicom Group Limited

G L Sim
Chairman