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Listed Company Relations
New Zealand Exchange
Limited PO Box 2959
Wellington

Dear Sir/Madam

BUSINESS ACQUISITION - TRANSBOTICS

The Board of Scott Technology Ltd (SCOTT) is pleased to announce that the company has reached a conditional agreement to purchase the business assets and intellectual property of Transbotics Corporation (Transbotics) a US based AGV (automated guided vehicle) manufacturer, headquartered in Charlotte, North Carolina.

This strategic acquisition will achieve our goal of building a complete end-to-end offering for the overall production process from raw material receipt to final distribution. The recent acquisition of Alvey was the first step toward this goal, however an AGV business such as Transbotics was also needed to complement these back end logistic capabilities.

The acquisition of Transbotics is consistent with SCOTT's acquisition strategy of accelerating market access, while providing us with skills and technologies faster and at a lower cost than doing it ourselves.

Recently SCOTT has engaged in projects that have required the integration of AGV systems from third parties. We will now be able to meet this need in house, while removing the risk and cost associated with outsourcing. It will also provide a strong platform to launch SCOTT's existing materials handling and logistics products into the North American market.

This transaction will add 30 team members to our current workforce of over 700 globally.

The effective completion date is currently scheduled to be 1 June 2018 and the market will be further updated once all conditions, including Transbotics shareholder approval, have been satisfied.

About Transbotics

Since 1982, Transbotics Corporation has specialised in the design, installation and support of Automatic Guided Vehicles (AGVs), and Automated Guided Carts (AGC's) including custom engineered vehicles to provide proven, reliable material handling solutions for production and warehouse facilities.

The Scott Board is excited about the opportunities that the acquisition of Transbotics will provide to the Scott Group.

Yours faithfully



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Chief Executive Ph:
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About Scott

At Scott we automate the future. The production line machinery we design and build deliver productivity gains and exceptional reliability to many of the world's leading manufacturers. We go a step beyond engineering production solutions to actually revolutionising entire industries – using robotics to automate manual processes and create genuine competitive advantage.

For over 100 years Scott has looked to tomorrow and rapidly responded to shifting needs. Today, we have production bases in the United States, Germany, China, Australia and New Zealand, customers in over 80 countries, and a real commitment to developing new technology and bringing it to market. Across everything we do you will discover true quality, advanced engineering and a renowned design aesthetic.

Scott. Quality that lasts. Quality that inspires.

Learn more about SCOTT and TRANSBOTICS at www.scottautomation.com and <https://www.transbotics.com>