

FISCHER TECH LTD

(Company Registration No: 199404532R)
(Incorporated in the Republic of Singapore)

ACQUISITION OF PROPERTY WHICH IS IN CONNECTION WITH THE ORDINARY COURSE OF BUSINESS OF THE COMPANY

1.0 Purchase of property at No.78-79 Hongxi Road, Suzhou New District, Suzhou City, Jiangsu Province, People's Republic of China

1.1 The Board of Directors of Fischer Tech Ltd (the “**Company**”) refers to the announcement dated 8 June 2016 on the Agreement on Intent of Property Transfer with Beyonics Technology Electronics (Suzhou) Co., Ltd., an independent and unrelated party, to purchase the property at No.78-79 Hongxi Road, Suzhou New District, Suzhou City, Jiangsu Province, People's Republic of China (the “**Property**”) and the announcement dated 4 July 2016 on the setting up of a wholly-owned subsidiary known as Fischer Advanced Technology (Suzhou) Co., Ltd (“**Fischer Advanced Technology**”).

1.2 The Company wishes to announce that Fischer Advanced Technology has signed the Sale & Purchase Contract to acquire the Property (the “**Acquisition**”) for a total consideration of RMB 56 million (equivalent to S\$11.37 million based on RMB1=S\$0.203) [the “**Purchase Consideration**”] from Beyonics Technology (the “**Transaction**”).

2.0 Information relating to the Property

2.1 The Property is located in Suzhou New District, Suzhou City, Jiangsu Province, People's Republic of China. The Property is a leasehold property and has a gross floor area of 41,194.97 square meters and the land use right in respect of the underlying area of 33,347.6 square meters. The Property has a balance lease of about 39 years.

3.0 Rationale for the Acquisition

3.1 The Group intends to consolidate the existing two Suzhou subsidiaries, which have three manufacturing plants into one location. This will allow the Suzhou subsidiaries to expand and take on more projects as the Property has a much bigger gross floor area than the combined current three manufacturing plants.

4.0 Purchase Consideration

4.1 The Purchase Consideration was arrived at on a willing-buyer-willing-seller basis. The market value of the Property is RMB98.98 million (equivalent to S\$20.09 million based on RMB1=S\$0.203) based on the latest valuation (dated 17 June 2016) by Jiangsu Xianhe Real Estate Land Appraisal Co., Ltd. The Purchase Consideration will be funded through a combination of internal resources and borrowings.

5.0 Rule 1006 of the Listing Manual

The relative figures relating to the Transaction computed on the bases set out in Rule 1006 of the Listing Manual are set out as follows:

Bases	Relative Figures
Rule 1006(a) – Net asset value of the assets to be disposed of, compared with the Group's net asset value as at 31 March 2016 (being the date of the latest announced consolidated accounts of the Group)	Not applicable

Rule 1006(b) – Net profits attributable to the Acquisition as at 31 March 2016 (being the date of the latest announced consolidated accounts of the Group), compared with the Group's net profits for the same period	Not Applicable
Rule 1006(c) – Aggregate value of the Purchase Consideration to be given, compared with the Company's market capitalisation ⁽¹⁾⁽²⁾	13.25%
Rule 1006(d) – Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue ⁽²⁾	Not applicable

⁽¹⁾ Based on the volume weighted average price of the ordinary shares of S\$1.5388 traded on the SGX-ST on 18 July 2106.

⁽²⁾ Based on 55,760,986 ordinary shares on 18 July 2016.

6.0 Financial Effects

6.1 For illustrative purposes only, based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2016, the financial effects of the Acquisition set out below:

	Before Acquisition	After the Acquisition
Net tangible asset per share (assuming the Acquisition was effected at the end of the financial year ended 31 March 2016) (in cents)	173.54	173.54
Earnings after tax per share (assuming the Acquisition was effected at the beginning of the financial year ended 31 March 2016) (in cents)	23.73	22.86

7.0 Directors' and Controlling Shareholders' Interests

7.1 As at the date of this announcement, none of the directors or controlling shareholders of the Company has any interest, directly or indirectly, in the above Transaction other than through their shareholding interests in the Company.

8.0 General

81.1 A copy of the Sale & Purchase Contract and the Valuation Report are available for inspection at the registered office of the Company during normal business hours for a period of three months from the date of this Announcement.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary
18 July 2016