



Dutech Holdings Limited
Registration No. 200616359C
(Incorporated in the Republic of Singapore)

ACQUISITION OF THE ASSETS OF METRIC MOBILITY SOLUTION AG AND OF THE SHARES OF METRIC GROUP HOLDING LTD. BY DUTECH HOLDINGS LIMITED

The Board of Directors (“**Board**”) of Dutech Holdings Limited (the “**Company**”) wishes to announce that it has on 05 October, 2016 (Germany time) completed the acquisition of certain assets of METRIC mobility solutions AG (“**METRIC Germany**”), a company incorporated in Germany, and 100% shareholding interest in METRIC Group Holding Ltd. (“**METRIC UK**”) (collectively, the “**Acquisition**”). The Company had conducted the Acquisition with the insolvency administrator, as the holding company of METRIC Germany and its subsidiaries (“**METRIC Group**”) had filed for insolvency in June 2016.

The purchase consideration of the Acquisition, which constitutes certain assets of METRIC Germany and issued shares constituting 100% of issued share capital of METRIC UK, amounts to Euro Two Million Nine Hundred and Thirty Seven Thousand Five Hundred (Euro 2,937,500), which is approximately S\$4,516,145 (“**Purchase Consideration**”). The Purchase Consideration was arrived at after negotiations on a willing-buyer, willing-seller basis and will be funded by internal resources of the Company. The Company understands from the insolvency administrator that the inventory book value acquired is Euro Four Million (approximately S\$6,149,644) and the intangible assets (which includes software and patents) book value is Euro Nine Million (approximately S\$13,836,700).

The Board (excluding Dr. Hedda Juliana im Brahm-Droege and Mr Christoph Hartmann being independent directors of the Company) had decided to undertake the Acquisition after taking into consideration METRIC Germany’s advanced software design capabilities, its good customer resources, as well as the synergies in respect of research and development, design and manufacturing of intelligent terminals with the Company’s existing operations.

METRIC Germany, established in 1978, is a listed company in Frankfurt stock exchange. It is a solution provider of ticketing systems and mobile data collection systems and operates in Hannover.

METRIC UK, the subsidiary of METRIC Germany, was acquired by METRIC Germany in 1999. Its main products are parking machines and operates in Swindon, United Kingdom.

Almex GmbH, a newly incorporated subsidiary in Germany under Tri Star GmbH (a wholly-owned German subsidiary of the Company), purchased the assets of METRIC Germany and will operate under the brand name of “Almex”. Almex GmbH has a registered capital of Euro 800,000.00 (approximately S\$1,229,928).

Pursuant to the Acquisition, Tri Star Security Pte. Ltd., a wholly-owned Singapore-incorporated subsidiary of the Company will acquire all the shares of METRIC UK.

Dr. Hedda Juliana im Brahm-Droege and Mr Christoph Hartmann are both independent directors of the Company.

Droege Capital GmbH is the controlling shareholder of METRIC Group. Mr Hartmann is an employee of Droege Capital GmbH and Dr. Hedda is the wife of Mr. Walter P.J. Droege, who is deemed to be interested⁽¹⁾ in the shares of the Company held by Droege Capital GmbH.

Note:

(1) *By virtue of Mr. Walter P.J. Droege's shareholding in Droege Holding GmbH & Co. KG, the sole shareholder of Droege International Group AG which is the sole shareholder of Droege Capital GmbH, he is deemed to be interested in the shares of the Company held by Droege Capital GmbH.*

Accordingly, Dr. Hedda and Mr Hartmann have abstained from the Board's deliberation as well as the making of any recommendations on the Acquisition.

As the value of the Acquisition is less than 3% of the Company's latest audited net tangible assets, the Acquisition is not required to be approved by shareholders or announce pursuant to Chapter 9 of the Listing Manual of SGX-ST. In addition, as the relative figures of the Acquisition computed on the applicable bases as set out in Rule 1006 of the SGX-ST Listing Manual amounts to less than 5%, the above Acquisition falls within the classification of non-discloseable transactions under Rule 1008 of the SGX-ST Listing Manual.

Save as disclosed in this Announcement, none of the Directors or substantial shareholders of the Company, has any interest, direct or indirect, in the abovementioned transaction, save for their shareholdings in the Company.

By order of the Board

Dr. Johnny Liu Jiayan
Executive Chairman and CEO
5 October 2016