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* Asterisks denote mandatory information	
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Announcement is submitted with respect to *	MFG INTEGRATION TECHNOLOGY LTD
Announcement is submitted by *	Kwong Kim Mone
Designation *	Director
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>> Announcement Details	
The details of the announcement start here ...	
Announcement Title *	PROPOSED ACQUISITION OF SHARES IN GENERIC POWER PTE LTD
Description	Please see attached.

Attachments

 Proposed_Acquisition_of_Shares_in_GPPL_19Sep2011.pdf
 Total size = **66K**
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PROPOSED ACQUISITION OF SHARES IN GENERIC POWER PTE LTD

1. Introduction

The Board of Directors of Manufacturing Integration Technology Ltd ("the Company") wishes to announce that the Company has entered into a Sale and Purchase Agreement ("SPA") with Puah Yong Joo, Tang Hak Wee and Toh Hong Lay (collectively known as the "Vendors") to acquire an additional 11% shareholdings in Generic Power Pte Ltd ("GPPL") for a total cash consideration of S\$1,451,305.15 ("Consideration") (the "Proposed Acquisition").

Prior to this Proposed Acquisition, the Company held 19,500 Shares representing 78% of the issued and paid up capital of GPPL.

Pursuant to the SPA, the Vendors have irrevocably granted to the Company the rights and options to purchase ("Options") the remaining 2,750 Shares ("Option Shares") in two separate tranches. Further details of the Options are set out in section 3 of this announcement.

There are no other material conditions attached to the Proposed Acquisition.

2. Acquisition Consideration

The Consideration of S\$527.75 each for the 2,750 Shares in GPPL was arrived at a willing buyer-willing seller basis. The Consideration for the Proposed Acquisition of an aggregate of S\$1,451,305.15 will be funded by internal resources.

3. Options and Option Shares

The Vendors are desirous of granting the Company and the Company is desirous of accepting the Option Shares, which gives the Company a right and options to purchase the remaining 11% of the issued share capital of GPPL for an aggregate Option Consideration of S\$1,451,305.15.

The aggregate Option Consideration of S\$1,451,305.15 will be satisfied in two tranches according to the following payment milestones:

- a) Tranche 1: 1,650 Shares representing 6.6% of the issued share capital in GPPL for a total consideration of S\$870,783.10 by 2 January 2012;
- b) Tranche 2: 1,100 Shares representing 4.4% of the issued share capital in GPPL for a total consideration of S\$580,522.05 by 2 January 2013.

The Company will make further announcements in relation to the acquisition of option shares when appropriate.

4. Rationale for the Proposed Acquisition

GPPL provides the vision inspection technology integral to the Company's development and production of semiconductor and solar equipment.

Based on the unaudited accounts of GPPL ended 30 June 2011, the book value of the net assets of GPPL was S\$12.08 million.

After deliberating the financials and benefits before and after the acquisition, the Company considers the additional investment in GPPL to be strategically important and commercially viable to better serve the interest of the Group. The Proposed Acquisition will allow the Company to equity account a greater percentage of the profits in GPPL, which has consistently been profitable.

5. Financial Effects of the Proposed Acquisition and the Option Shares

The table illustrates the financial effects of the Proposed Acquisition on the net tangible assets per share of the Company and the earnings per share of the Company based on the audited financial statements of the Group for the financial year ended 31 December 2010:

	Before the Acquisition and before exercise of the Option to Purchase (cents)	After the Acquisition and before exercise of the Option to Purchase (cents)	After the Acquisition and after exercise of First Tranche Option (cents)	After the Acquisition and after exercise of Second Tranche Option (cents)
Effects on the net tangible assets per share assuming the Acquisition has been completed on 31 December 2010	14.20	14.16	14.13	14.11
Effects on the earnings per share assuming the Acquisition has been completed on 1 January 2010	1.38	1.51	1.60	1.65

6. Relative Figures computed based on Rule 1006 of the Listing Rules

1006 (a)	Net Asset Value Test	Not applicable as this transaction is an acquisition and not a disposal of assets.
1006 (b)	Profit Test	9.94%
1006 (c)	Consideration Test	<p>The purchase consideration of S\$1.45 million represents approximately 8.3% of the Company's market capitalisation¹ of approximately S\$17.4 million as at 19 September 2011 (being the latest full market day whereby the Company's Shares were traded on the SGX-ST).</p> <p>Assuming that the Options are exercised, the purchase consideration of S\$2.9 million represents approximately 16.7% of the Company's market capitalisation¹ of approximately S\$17.4 million as at 19 September 2011 (being the latest full market day whereby the Company's Shares were traded on the SGX-ST).</p>
1006 (d)	Equity Securities Test	Not applicable

Note:

¹ The market capitalisation is determined by multiplying the number of shares in issue less Treasury Shares, being 217,579,870 as at the date of this announcement, by the weighted average price of S\$ 0.08 per share on 19 September 2011, being the latest full market day where the Company's shares were traded on the SGX-ST.

As the relative figures for Rule 1006(b) and 1006(c) computed above exceed 5%, the Acquisition and the Options constitute a discloseable transaction under Chapter 10 of the Listing Rules. No shareholders' approval is required for the Proposed Acquisition and the Options.

7. Interests of Directors and Controlling Shareholders

Other than their deemed interest in GPPL arising by virtue of the Company's shareholding, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

8. Document available for inspection

A copy of the SPA will be made available for inspection during normal business hours at the Company's registered office at Blk 5004, Ang Mo Kio Ave 5 #03-12, TECHplace II, Singapore 569872 for a period of 3 months from the date of this announcement.

On Behalf of the Board

Kwong Kim Mone
Director
19 September 2011