

MFS TECHNOLOGY LTD
(Company Registration No. 200009562R)
(Incorporated in the Republic of Singapore)
(the "**Company**")

PROPOSED CAPITAL REDUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of the Company refers to its announcement on 5 August 2015, 19 October 2015 and 14 January 2016 in relation to the proposed capital reduction exercise (the "**Proposed Capital Reduction**") to be carried out by the Company pursuant to Section 78G of the Companies Act (Chapter 50 of Singapore). The Proposed Capital Reduction is subject to, *inter alia*, the approval of the shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting of the Company ("**EGM**") to be convened.

The Board wishes to announce that it has today despatched a circular to Shareholders dated 4 February 2016 (the "**Circular**") setting out further details of the Proposed Capital Reduction.

The Circular contains the notice of an extraordinary general meeting of the Company to be held at 12 Ang Mo Kio Street 64, #01-01 UE BizHub CENTRAL Block A, Singapore 569088 on Friday, 26 February 2016 at 10.00 a.m. for the purposes of seeking the approval of Shareholders for the Proposed Capital Reduction.

Shareholders who do not receive the Circular within a week from the date of this announcement should contact the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

An electronic copy of the Circular is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

BY ORDER OF THE BOARD

Hee Siew Fong
Company Secretary

4 February 2016