MFS TECHNOLOGY LTD

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

These figures have not been audited.

	Group			Group		
	3 months ended 30 September			9 months ended 30 September		
	2015 S$'000	2014 S$'000	% Change	2015 S$'000	2014 S$'000	% Change
Continuing operations						
Other income	**86**	-	nm	**175**	-	nm
Administrative expenses	**(423)**	(294)	44	**(1,044)**	(294)	255
Loss from continuing operations	**(337)**	(294)	15	**(869)**	(294)	196
Discontinued operations						
Sales	**-**	52,803	nm	**-**	148,678	nm
Cost of sales	**-**	(45,763)	nm	**-**	(127,838)	nm
Gross profit	**-**	7,040	nm	**-**	20,840	nm
Other income	**-**	437	nm	**-**	3,423	nm
Other losses	**-**	(95)	nm	**-**	(59)	nm
Expenses						
- Distribution and marketing	**-**	(1,626)	nm	**-**	(5,173)	nm
- Administrative	**-**	(2,710)	nm	**-**	(8,277)	nm
- Others	**-**	(65)	nm	**-**	(1,382)	nm
Profit before income tax from discontinued operations	**-**	2,981	nm	**-**	9,372	nm
Income tax expense	**-**	(461)	nm	**-**	(960)	nm
Profit from discontinued operations	**-**	2,520	nm	**-**	8,412	nm
Total profit	**(337)**	2,226	nm	**(869)**	8,118	nm
Profit attributable to equity holders of the Company						
- Loss from continuing operations, net	**(337)**	(294)	15	**(869)**	(294)	196
- Profit from discontinued operations, net	**-**	2,520	nm	**-**	8,412	nm
	(337)	2,226	nm	**(869)**	8,118	nm
Other comprehensive loss:						
Currency translation differences arising from consolidation	**-**	1,099	nm	**-**	163	nm
Other comprehensive income, net of tax	**-**	1,099	nm	**-**	163	nm
Total comprehensive income	**-**	3,325	nm	**-**	8,281	nm
Total comprehensive income attributable to equity holders of the Company						
- Loss from continuing operations, net	**(337)**	(294)	15	**(869)**	(294)	196
- Profit from discontinued operations, net	**-**	3,619	nm	**-**	8,575	nm
	(337)	3,325	nm	**(869)**	8,281	nm

nm - Not meaningful

Profit before taxation was stated after crediting / (charging):-

	Group		Group	
	3 months ended 30 September		9 months ended 30 September	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Continuing operations				
Interest income	**41**	-	**130**	-
Consultancy income	**45**	-	**45**	-
Expenses relating to the proposed transaction	**-**	(294)	**-**	(294)
Discontinued operations				
Interest income	**-**	18	**-**	48
Sale of scrap	**-**	229	**-**	545
Compensation and claims	**-**	12	**-**	44
Depreciation	**-**	(2,234)	**-**	(6,677)
Allowance for doubtful debts	**-**	-	**-**	(240)
Write-back/(Allowance) for stock obsolescence	**-**	89	**-**	(113)
Foreign exchange gain	**-**	99	**-**	124
Share-based compensation expenses	**-**	(67)	**-**	(264)
Fair value loss on derivatives	**-**	(95)	**-**	(59)
Gain on disposal of non-current asset classified as held for sale	**-**	-	**-**	2,405
Loss on disposal of plant and equipment, net	**-**	-	**-**	(48)
Plant and equipment written off	**-**	-	**-**	(570)
Restructuring expenses	**-**	-	**-**	(566)

* The Company has disposed all of its subsidiaries on 18 November 2014.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group and Company	
	As at 30.9.2015 S$'000	As at 31.12.2014 S$'000
Current assets		
Cash and bank balances (Note 1)	**73,735**	117,654
Trade and other receivables	**6,215**	6,210
Other current assets	**27**	25
	79,977	123,889
Total assets	**79,977**	123,889
Current liabilities		
Trade and other payables	**498**	1,065
Current income tax liabilities	**-**	3
Dividend payable	**-**	42,473
	498	43,541
Net assets	**79,479**	80,348
Capital and reserves attributable to equity holders of the Company		
Share capital	**71,124**	71,124
Treasury shares	**(1,260)**	(1,260)
Retained earnings	**9,615**	10,484
Total equity	**79,479**	80,348

Note 1:

	Group and Company	
	As at 30.9.2015 S$'000	As at 31.12.2014 S$'000
Cash at bank and on hand	9,953	11,528
Restricted deposits	63,782	106,126
Total cash and bank balances	73,735	117,654
Less: Restricted deposits	(63,782)	(106,126)
Total cash and cash equivalents	9,953	11,528

1(b)(ii) Aggregate amount of group's borrowings and debt securities

The Group has no borrowings and debt securities as at 30 September 2015 and 31 December 2014.

1(b)(iii) Details of any collateral

Not applicable

1(c) A consolidated statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	3 months ended		9 months ended	
	30-Sep-15 S$'000	30-Sep-14 S$'000	30-Sep-15 S$'000	30-Sep-14 S$'000
Cash flows from operating activities				
Total (loss) / profit	**(337)**	2,226	**(869)**	8,118
Adjustments for:				
- Income tax expense	**-**	461	**-**	960
- Depreciation	**-**	2,234	**-**	6,677
- Gain on disposal of non-current asset classified as held for sale	**-**	-	**-**	(2,405)
- Loss on disposal of plant and equipment	**-**	-	**-**	48
- Fair value loss on derivatives	**-**	95	**-**	59
- Plant and equipment written off	**-**	-	**-**	570
- Interest income	**(41)**	(18)	**(130)**	(48)
- Unrealised translation loss	**-**	609	**-**	144
	(378)	5,607	**(999)**	14,123
Changes in working capital				
- Trade and other receivables	**34**	(611)	**(5)**	(10,154)
- Inventories	**-**	519	**-**	(112)
- Other current assets	**(8)**	(172)	**(2)**	(555)
- Trade and other payables	**56**	6,968	**(567)**	14,566
Cash (used in) / generated from operations	**(296)**	12,311	**(1,573)**	17,868
Income tax paid	**-**	(20)	**(3)**	(2,046)
Net cash (used in) / provided by operating activities	**(296)**	12,291	**(1,576)**	15,822
Cash flow from investing activities				
Proceeds from disposal of non-current asset classified as held for sale	**-**	-	**-**	3,260
Proceeds from disposal of plant and equipment	**-**	-	**-**	137
Purchase of plant and equipment	**-**	(2,134)	**-**	(5,439)
Change in restricted deposits	**(41)**	-	**42,344**	-
Interest received	**41**	18	**130**	48
Net cash (used in) / provided by investing activities	**-**	(2,116)	**42,474**	(1,994)
Cash flow from financing activities				
Dividends paid	**-**	-	**(42,473)**	(6,534)
Net cash used in financing activities	**-**	-	**(42,473)**	(6,534)
Net (decrease) / increase in cash and cash equivalents	**(296)**	10,175	**(1,575)**	7,294
Cash and cash equivalents at beginning of the period	**10,249**	23,425	**11,528**	26,017
Effects of currency translation on cash and cash equivalents	**-**	(201)	**-**	88
Cash and cash equivalents at end of the period	**9,953**	33,399	**9,953**	33,399

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Changes in Equity for the three months ended 30 September

	← Attributable to equity holders of the Company →					
Group	**Share Capital S$'000**	**Treasury shares S$'000**	**Currency Translation Reserve S$'000**	**Other Reserves S$'000**	**Retained Earnings S$'000**	**Total Equity S$'000**
Balance as at 1 July 2015	71,124	(1,260)	-	-	9,952	79,816
Total comprehensive loss for the period	-	-	-	-	(337)	(337)
Balance as at 30 September 2015	**71,124**	**(1,260)**	**-**	**-**	**9,615**	**79,479**
Balance as at 1 July 2014	71,124	(1,260)	(5,035)	2,462	43,877	111,168
Total comprehensive income for the period	-	-	1,099	-	2,226	3,325
Balance as at 30 September 2014	**71,124**	**(1,260)**	**(3,936)**	**2,462**	**46,103**	**114,493**

Statement of Changes in Equity for the three months ended 30 September

Company	**Share Capital S$'000**	**Treasury Shares S$'000**	**Other Reserves S$'000**	**Retained Earnings S$'000**	**Total S$'000**
Balance as at 1 July 2015	71,124	(1,260)	-	9,952	79,816
Total comprehensive loss for the period	-	-	-	(337)	(337)
Balance as at 30 September 2015	**71,124**	**(1,260)**	**-**	**9,615**	**79,479**
Balance as at 1 July 2014	71,124	(1,260)	1,028	851	71,743
Total comprehensive loss for the period	-	-	-	(310)	(310)
Balance as at 30 September 2014	**71,124**	**(1,260)**	**1,028**	**541**	**71,433**

Consolidated Statement of Changes in Equity for the nine months ended 30 September

	Attributable to equity holders of the Company					
Group	**Share Capital S$'000**	**Treasury shares S$'000**	**Currency Translation Reserve S$'000**	**Other Reserves S$'000**	**Retained Earnings S$'000**	**Total Equity S$'000**
Balance as at 1 January 2015	71,124	(1,260)	-	-	10,484	80,348
Total comprehensive loss for the period	-	-	-	-	(869)	(869)
Balance as at 30 September 2015	**71,124**	**(1,260)**	**-**	**-**	**9,615**	**79,479**
Balance as at 1 January 2014	71,124	(1,260)	(4,099)	2,462	44,519	112,746
Total comprehensive income for the period	-	-	163	-	8,118	8,281
Dividends relating to FY2013 paid	-	-	-	-	(6,534)	(6,534)
Balance as at 30 September 2014	**71,124**	**(1,260)**	**(3,936)**	**2,462**	**46,103**	**114,493**

Statement of Changes in Equity for the nine months ended 30 September

Company	**Share Capital S$'000**	**Treasury Shares S$'000**	**Other Reserves S$'000**	**Retained Earnings S$'000**	**Total S$'000**
Balance as at 1 January 2015	71,124	(1,260)	-	10,484	80,348
Total comprehensive loss for the period	-	-	-	(869)	(869)
Balance as at 30 September 2015	**71,124**	**(1,260)**	**-**	**9,615**	**79,479**
Balance as at 1 January 2014	71,124	(1,260)	1,028	7,593	78,485
Total comprehensive loss for the period	-	-	-	(518)	(518)
Dividends relating to FY2013 paid	-	-	-	(6,534)	(6,534)
Balance as at 30 September 2014	**71,124**	**(1,260)**	**1,028**	**541**	**71,433**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Since 31 December 2014, the Company did not issue any new shares. In addition, there is no movement in the Company's Share Option Scheme, Share Appreciation Rights Plan and Performance Share Plan.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

Share Capital	30 Sep 2015	31 Dec 2014
No. of issued shares	660,430,497	660,430,497
No. of issued shares (excluding Treasury Shares)	653,430,497	653,430,497
No. of Treasury Shares	7,000,000	7,000,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable

2. Whether the figures have been audited, or reviewed and in accordance with which standard e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The accounting policies and methods of computation applied by the Group are consistent with those used in its recently audited financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

None.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group 3 months ended 30 September		Group 9 months ended 30 September	
	2015	**2014**	**2015**	**2014**
Earnings / (loss) per share for profit attributable to equity holders of the Company (S$ cents per share):-				
(i) Based on weighted average no. of ordinary shares in issue				
- From continuing operations	**(0.05)**	(0.05)	**(0.13)**	(0.05)
- From discontinued operations	**-**	0.39	**-**	1.29
	(0.05)	0.34	**(0.13)**	1.24
(ii) On a fully diluted basis				
- From continuing operations	**(0.05)**	(0.05)	**(0.13)**	(0.05)
- From discontinued operations	**-**	0.39	**-**	1.29
	(0.05)	0.34	**(0.13)**	1.24

Note: For the purpose of calculating the diluted earnings per share, the weighted average number of ordinary shares in issue had been adjusted to reflect the dilutive effect arising from the exercise of all outstanding share options granted to employees. The number of such shares issue is added to the number of ordinary shares outstanding in the computation of diluted earnings per ordinary share. No adjustment is made to the profit after tax attributed to shareholders.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group and Company	
	As at 30.9.2015	**As at 31.12.2014**
Net asset value per share based on existing issued share capital (in S$ cents):	12.2	12.3

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Not relevant as the Company is deemed a cash company under Rule 1018 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST Listing Manual").

Please note the following:-

(a) The Group's results and financial position reflected the disposal of all the subsidiaries which was completed on 18 November 2014.
(b) An interim dividend of S$42,473,000 was declared on 30 December 2014 and paid on 22 January 2015.

(c) The trade and other receivables include the deferred consideration of $6,207,600 from the disposal of all the subsidiaries, which is due to be received on 23 November 2015 less certain deductions, if any.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There is no forecast previously disclosed to shareholders.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Not relevant as the Company is deemed a cash company under Rule 1018 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST Listing Manual").

The Company is deemed a cash company upon the completion of the disposal of all its subsidiaries to Integrated Circuits Pte Ltd on 18 November 2014. The Company is currently considering various options available to the Company to maximize value for its shareholders including a sale of the listed shell. Shareholders will be informed in due course once a definitive decision has been made. Shareholders should however note there is no certainty that the Company may not be delisted after a period of 12 months from 18 November 2014 in accordance with Rule 1018(2) of the SGX-ST Listing Manual.

The Company has announced a capital reduction exercise pursuant to Section 78G of the Companies Act (Chapter 50 of Singapore) on 5 August 2015. The Board has decided to postpone the proposed capital reduction until after 23 November 2015 as the Board may, if in the interests of the Company and Shareholders, revise the amount of cash to be distributed to Shareholders after receiving the deferred consideration.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable as the Group has not obtained a general mandate from shareholders for Interested Person Transactions ("IPTs").

Nature and name of interested person	Aggregate value of all interested person transaction during the financial year	
	3 months ended 30 September (S$'000)	9 months ended 30 September (S$'000)
Consultancy fee from Wearnes Technology (Private) Limited	45	45

14. Statement pursuant to Rule 705 (5) of the Listing Manual

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the third quarter ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Submitted by Hee Siew Fong, Company Secretary on 3 November 2015 to the SGX