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 31 December			Full year ended 31 December		
	2015 S$'000	2014 S$'000	% Change	2015 S$'000	2014 S$'000	% Change
Continuing operations						
Other income	**90**	26	246	**265**	26	919
Administrative expenses	**(305)**	(480)	(36)	**(1,349)**	(774)	74
Loss before tax from continuing operations	**(215)**	(454)	(53)	**(1,084)**	(748)	45
Income tax expense	**-**	(2)	nm	**-**	(2)	nm
Loss from continuing operations	**(215)**	(456)	(53)	**(1,084)**	(750)	45
Discontinued operations						
Profit from discontinued operations, net of tax (Note 1)	**-**	4,848	nm	**-**	13,260	nm
(Loss)/Profit for the period/year	**(215)**	4,392	nm	**(1,084)**	12,510	nm
Profit attributable to equity holders of the Company						
- Loss from continuing operations, net	**(215)**	(456)	(53)	**(1,084)**	(750)	45
- Profit from discontinued operations, net	**-**	4,848	nm	**-**	13,260	nm
	(215)	4,392	nm	**(1,084)**	12,510	nm
Other comprehensive income:						
Currency translation differences arising from consolidation	**-**	239	nm	**-**	402	nm
Realisation of foreign currency translation reserve on disposal of subsidiaries	**-**	3,697	nm	**-**	3,697	nm
Other comprehensive income, net of tax	**-**	3,936	nm	**-**	4,099	nm
Total comprehensive (loss)/income	**(215)**	8,328	nm	**(1,084)**	16,609	nm
Total comprehensive income attributable to equity holders of the Company						
- Loss from continuing operations, net	**(215)**	(456)	(53)	**(1,084)**	(750)	45
- Profit from discontinued operations, net	**-**	8,784	nm	**-**	17,359	nm
	(215)	8,328	nm	**(1,084)**	16,609	nm

nm - Not meaningful

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

	Group		Group	
	3 months ended 31 December		Full year ended 31 December	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Continuing operations				
Interest income	**58**	26	**188**	26
Consultancy income	**30**	-	**75**	-

Note 1:

	Group
	1 January 2014 to 18 November 2014 S$'000
Discontinued operations	
Revenue	165,491
Other income	3,304
Expenses	(157,297)
Profit before tax from discontinued operations	11,498
Income tax	(1,268)
Profit from discontinued operations	10,230
Gain on disposal of subsidiaries *	3,030
Profit for the period from discontinued operations	13,260

* The Company had disposed of 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 31.12.2015 S$'000	As at 31.12.2014 S$'000
Current assets		
Cash and bank balances (Note 2)	**72,576**	117,654
Trade and other receivables	**1,829**	6,210
Other current assets	**46**	25
	74,451	123,889
Current liabilities		
Trade and other payables	**414**	1,065
Current income tax liabilities	**-**	3
Dividend payable	**-**	42,473
	414	43,541
Net current assets	**74,037**	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	**4,173**	10,484
Total equity	**74,037**	80,348

Note 2:

	Group and Company	
	As at 31.12.2015 S$'000	As at 31.12.2014 S$'000
Cash at bank and on hand	1,015	11,528
Short-term bank deposits	9,013	-
Restricted deposits	62,548	106,126
Total cash and bank balances	72,576	117,654
Less: Restricted deposits	(62,548)	(106,126)
Total cash and cash equivalents	10,028	11,528

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

The Group has no borrowings and debt securities as at 31 December 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		Full year ended	
	31-Dec-15 S$'000	31-Dec-14 S$'000	31-Dec-15 S$'000	31-Dec-14 S$'000
Cash flows from operating activities				
Loss from continuing operations	**(215)**	(456)	**(1,084)**	(750)
Profit from discontinued operations	**-**	4,848	**-**	13,260
Total (loss) / profit	**(215)**	4,392	**(1,084)**	12,510
Adjustments for:				
- Gain on disposal of subsidiaries	**-**	(3,030)	**-**	(3,030)
- Income tax expense	**-**	310	**-**	1,270
- Depreciation	**-**	689	**-**	7,366
- Gain on disposal of non-current asset classified as held for sale	**-**	-	**-**	(2,405)
- Gain on disposal of property, plant and equipment	**-**	(64)	**-**	(16)
- Fair value loss on derivatives	**-**	191	**-**	250
- Write off property, plant and equipment	**-**	2	**-**	572
- Interest income	**(58)**	(27)	**(188)**	(75)
- Unrealised translation loss	**-**	134	**-**	278
	(273)	2,597	**(1,272)**	16,720
Changes in working capital				
- Trade and other receivables	**4,386**	(809)	**4,381**	(10,963)
- Inventories	**-**	(1,169)	**-**	(1,281)
- Other current assets	**(19)**	(172)	**(21)**	(727)
- Trade and other payables	**(84)**	(1,811)	**(651)**	12,755
Cash generated from / (used in) operations	**4,010**	(1,364)	**2,437**	16,504
Income tax paid	**-**	(366)	**(3)**	(2,412)
Net cash provided by / (used in) operating activities	**4,010**	(1,730)	**2,434**	14,092
Cash flow from investing activities				
Proceeds from disposal of non-current asset classified as held for sale	**-**	-	**-**	3,260
Proceeds from disposal of property, plant and equipment	**-**	85	**-**	222
Purchase of property, plant and equipment	**-**	(457)	**-**	(5,896)
Interest received	**58**	27	**188**	75
Net cash inflow on disposal of subsidiaries	**-**	86,383	**-**	86,383
Placement of restricted deposits	**(3,993)**	(106,126)	**(4,122)**	(106,126)
Drawdown of restricted deposits	**5,227**	-	**47,700**	-
Net cash provided by / (used in) investing activities	**1,292**	(20,088)	**43,766**	(22,082)
Cash flow from financing activities				
Dividends paid	**(5,227)**	-	**(47,700)**	(6,534)
Net cash used in financing activities	**(5,227)**	-	**(47,700)**	(6,534)
Net increase / (decrease) in cash and cash equivalents	**75**	(21,818)	**(1,500)**	(14,524)
Cash and cash equivalents at beginning of the period/ financial year	**9,953**	33,399	**11,528**	26,017
Effects of currency translation on cash and cash equivalents	**-**	(53)	**-**	35
Cash and cash equivalents at end of the financial year	**10,028**	11,528	**10,028**	11,528

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 31 December

	← 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 October 2015	71,124	(1,260)	-	-	9,615	79,479
Total comprehensive loss for the period	-	-	-	-	(215)	(215)
Dividends paid	-	-	-	-	(5,227)	(5,227)
Balance as at 31 December 2015	**71,124**	**(1,260)**	**-**	**-**	**4,173**	**74,037**
Balance as at 1 October 2014	71,124	(1,260)	(3,936)	2,462	46,103	114,493
Total comprehensive income for the period	-	-	3,936	-	4,392	8,328
Transfer from retained earnings to other reserves	-	-	-	(1,434)	1,434	-
Expired and lapsed employee share options	-	-	-	(1,028)	1,028	-
Dividends payable	-	-	-	-	(42,473)	(42,473)
Balance as at 31 December 2014	**71,124**	**(1,260)**	**-**	**-**	**10,484**	**80,348**

Statement of Changes in Equity for the three months ended 31 December

Company	**Share Capital S$'000**	**Treasury Shares S$'000**	**Other Reserves S$'000**	**Retained Earnings S$'000**	**Total S$'000**
Balance as at 1 October 2015	71,124	(1,260)	-	9,615	79,479
Total comprehensive loss for the period	-	-	-	(215)	(215)
Dividends paid	-	-	-	(5,227)	(5,227)
Balance as at 31 December 2015	**71,124**	**(1,260)**	**-**	**4,173**	**74,037**
Balance as at 1 October 2014	71,124	(1,260)	1,028	541	71,433
Total comprehensive income for the period	-	-	-	51,388	51,388
Expired and lapsed employee share options	-	-	(1,028)	1,028	-
Dividend payable	-	-	-	(42,473)	(42,473)
Balance as at 31 December 2014	**71,124**	**(1,260)**	**-**	**10,484**	**80,348**

Consolidated Statement of Changes in Equity for the full year ended 31 December

	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 year	-	-	-	-	(1,084)	(1,084)
Dividends paid	-	-	-	-	(5,227)	(5,227)
Balance as at 31 December 2015	**71,124**	**(1,260)**	**-**	**-**	**4,173**	**74,037**
Balance as at 1 January 2014	71,124	(1,260)	(4,099)	2,462	44,519	112,746
Total comprehensive income for the year	-	-	4,099	-	12,510	16,609
Transfer from retained earnings to other reserves	-	-	-	(1,434)	1,434	-
Expired and lapsed employee share options	-	-	-	(1,028)	1,028	-
Dividends relating to FY2013 paid	-	-	-	-	(6,534)	(6,534)
Dividends payable	-	-	-	-	(42,473)	(42,473)
Balance as at 31 December 2014	**71,124**	**(1,260)**	**-**	**-**	**10,484**	**80,348**

Statement of Changes in Equity for the full year ended 31 December

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 year	-	-	-	(1,084)	(1,084)
Dividend paid	-	-	-	(5,227)	(5,227)
Balance as at 31 December 2015	**71,124**	**(1,260)**	**-**	**4,173**	**74,037**
Balance as at 1 January 2014	71,124	(1,260)	1,028	7,593	78,485
Total comprehensive income for the year	-	-	-	50,870	50,870
Expired and lapsed employee share options	-	-	(1,028)	1,028	-
Dividend paid	-	-	-	(6,534)	(6,534)
Dividend payable	-	-	-	(42,473)	(42,473)
Balance as at 31 December 2014	**71,124**	**(1,260)**	**-**	**10,484**	**80,348**

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	31 Dec 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 31 December		Group Full year ended 31 December	
	2015	**2014**	**2015**	**2014**
(Loss) / Earnings 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	**(0.03)**	(0.07)	**(0.17)**	(0.12)
- From discontinued operations	**-**	0.74	**-**	2.03
	(0.03)	0.67	**(0.17)**	1.91
(ii) On a fully diluted basis				
- From continuing operations	**(0.03)**	(0.07)	**(0.17)**	(0.12)
- From discontinued operations	**-**	0.74	**-**	2.03
	(0.03)	0.67	**(0.17)**	1.91

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 31.12.2015	**As at 31.12.2014**
Net asset value per share based on existing issued share capital (in S$ cents):	11.3	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) Interim dividend of S$42,473,000 and S$5,227,000 were paid on 22 January 2015 and 16 December 2015 respectively.

(c) The trade and other receivables include the balance of the deferred consideration of approximately $1,816,000 from the disposal of all the subsidiaries, not received after one year from the disposal date.

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. ("Buyer") on 18 November 2014. Under Rule 1018(2) of the Listing Manual, the Company is required to meet the requirements of a new listing within 12 months from the date it became a cash company. Despite actively exploring various options, the Company was not able to identify a suitable business to acquire and therefore could not meet the requirements of a new listing by 17 November 2015. In accordance with Rule 1018 of the Listing Manual, the SGX-ST will be entitled to remove the Company from the Official List of the SGX-ST.

It is the Company's intention to distribute its cash back to shareholders. The Company had received a deferred consideration of S$4,391,985.13 on 20 November 2015 and paid an interim dividend of 0.80 Singapore cents per ordinary share on 16 December 2015. The Company has also updated the final amount of cash to be distributed to shareholders pursuant to the proposed capital reduction of S$70,132,695.24, or S$0.10733 in cash for each share. There is an outstanding deferred consideration of approximately S$1,816,000 from the Buyer as at balance sheet date. The Company has received notice of relevant claims from the Buyer and is currently assessing the merits of these claims in consultation with its advisers.

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 31 December 2015 (S$'000)	12 months ended 31 December 2015 (S$'000)
Consultancy fee from WBL Technology (Private) Limited	30	75

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not relevant as the Company is deemed a cash company under Rule 1018 of the SGX-ST Listing Manual.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 8.

16. A breakdown of sales

Not relevant.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend	**1 Jan 2015 to 31 Dec 2015 $'000**	**1 Jan 2014 to 31 Dec 2014 $'000**
Ordinary	5,227	42,473

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the SGX-ST Listing Manual, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Submitted by Hee Siew Fong, Company Secretary on 2 February 2016 to the SGX