



M FiTEC International Limited

Incorporated in the Republic of South Africa
(Registration number 2015/294800/06)
JSE Share Code: MFI ISIN: ZAE000209607
("M-FiTEC" or "the Company")

**UNAUDITED CONDENSED RESULTS FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2016**

INTRODUCTION

The board of directors of M-FiTEC ("the Board") has pleasure in submitting its interim report for the six months ended 30 September 2016.

M-FiTEC was incorporated on 19 August 2015, and raised R76.2 million from its founders and by way of a private placing of ordinary shares. The JSE Limited ("the JSE") granted M-FiTEC a listing as a Special Purpose Acquisition Company ("SPAC"), by way of introduction of the entire issued ordinary share capital of the Company on the Alternative Exchange ("AltX") with effect from the commencement of trade on 17 November 2015.

A SPAC is established to facilitate the primary capital raising process to enable the acquisition of "Viable Assets" as envisaged in the Listings Requirements of the JSE. Until such Viable Assets are acquired, the only material asset of a SPAC is the cash which it holds following the issue of shares. That cash is held in escrow and invested in bank deposits for the protection of the Company's shareholders. If the acquisition of a Viable Asset is not completed within a period of 24 months from the date on which the SPAC was listed or such later date as the JSE may permit, the SPAC is required to return the subscription funds initially invested to shareholders, plus accrued interest, less certain permissible expenses and taxation.

REVIEW OF ACTIVITIES

During this half year period, the Company has engaged a number of entities with a view to a potential acquisition. Some of these have reached an advanced stage, and some due diligence procedures have been carried out. Due to the advanced nature of some of the discussions, a cautionary announcement was made to shareholders on 29 June 2016 advising that negotiations for the acquisition of Viable Assets were in progress. The cautionary notice has been extended, most recently on 15 December 2016, but as yet no agreements have been reached and shareholders are advised to continue to exercise caution when dealing in the Company's securities until a further announcement is made.

Basic earnings per share of 11.3 cents consists of interest received from the cash investment, less operating expenses and taxation. The net asset value of the ordinary shares in issue is 978.87 cents per share.



CONDENSED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2016

	Unaudited 30 September 2016 R'000	Audited 31 March 2016 R'000
Assets		
Current Assets	78 725	75 732
Cash and cash equivalents	77 913	75 312
Deferred taxation	812	420
Total Assets	78 725	75 732
Equity and Liabilities		
Equity		
Stated capital	73 526	73 526
Retained earnings	1 050	189
Total equity	74 576	73 715
Liabilities		
Current Liabilities		
Trade and other payables	29	24
Current tax liabilities	1 220	493
Provisions	2 900	1 500
Total current liabilities	4 149	2 017
Total Equity and Liabilities	78 725	75 732

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	Unaudited Six months to 30 September 2016 R'000	Audited Period ended 31 March 2016 R'000
Investment income	2 927	2 192
Operating expenses	(1 731)	(1 930)
Profit before taxation	1 196	262
Taxation	(335)	(73)
Income for the period	861	189
Other comprehensive income	-	-
Total comprehensive income for the period	861	189

Earnings per share (cents)

Basic and headline earnings per share (cents)	11.30	2.48
Diluted basic and headline earnings per share (cents)	9.14	2.00
Number of ordinary shares in issue	7 618 594	7 618 594
Number of deferred ordinary shares in issue	1 800 000	1 800 000

Headline earnings reconciliation

There are no adjustments to basic earnings to arrive at headline earnings for the period ended 30 September 2016.



CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	Stated capital R'000	Retained earnings R'000	Total equity R'000
Issue of share capital	76 188	-	76 188
Share issue expenses	(2 662)	-	(2 662)
Total comprehensive income for the period ended 31 March 2016	-	189	189
Balance at 31 March 2016	73 526	189	73 715
Total comprehensive income for the period ended 30 September 2016	-	861	861
Balance at 30 September 2016	73 526	1 050	74 576

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	Unaudited Six months to 30 September 2016 R'000	Audited Period ended 31 March 2016 R'000
Cash flows from operating activities		
Payments to suppliers and employees	(326)	(406)
Interest income	2 927	2 192
Net cash from operating activities	2 601	1 786
Cash flows from financing activities		
Issue of share capital	-	76 188
Payment of share issue expenses	-	(2 662)
Net cash from financing activities	-	73 526
Total cash movement for the period	2 601	75 312
Total cash at end of the period	77 913	75 312

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The condensed unaudited financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), IAS 34 - Interim Financial Reporting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the South African Companies Act, (Act 71 of 2008), as amended and the Listings Requirements of the JSE. The accounting policies and methods of computation used in the preparation of this report are consistent with those applied in the annual financial statements for the period ended 31 March 2016.

2. Stated capital

Authorised shares	Number
Ordinary shares of no par value	400 000 000
Deferred ordinary shares of no par value	1 800 000
Issued shares	R'000
7 618 594 ordinary shares of no par value	76 186



1 800 000 deferred ordinary shares of no par value	2
Share issue expenses	(2 662)
Total issued share capital	73 526

On the first business day following the successful completion of an acquisition of Viable Assets, each deferred ordinary share shall forthwith, and without the need for further resolution of the Board or of the Shareholders, be automatically and compulsorily converted once off on a one-for-one basis into, and be re-designated as, an ordinary share.

3. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern.

4. Events after the reporting period

Save for the "Cautionary Announcement", which details are disclosed in note 7 below, the Board is not aware of any material events arising since the end of the reporting period to the date of publication of these financial results.

5. Dividends

No dividend was declared during the period under review.

6. Preparation and audit

The accompanying condensed financial statements have been prepared by Mr. KW Boyers (CA(SA)), Chief Financial Officer, and have not been audited. The directors take full responsibility for the preparation of the interim report.

7. Cautionary announcement

As announced on SENS on 29 June 2016 and again most recently on 15 December 2016, M-FiTEC has entered into negotiations for the acquisition of Viable Assets, which if successfully concluded, may have a material effect on the price of the Company's securities.

By order of the Board

Chairman
Richard Came

Chief Executive Officer
Charles Rowlinson

Chief Financial Officer
Kevin Boyers

Directors

RDS Came* (Chairman), CE Rowlinson (CEO), KW Boyers (CFO), GR Voigt (CIO), RA Frew*, CM Lister James*, SMM Munshi*, CM Rezek*, AC Springate*, M Oberholzer#

*independent, non-executive

non-executive

Registered Office

Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196

Company Secretary

Acorim Proprietary Limited

Auditors

Grant Thornton Johannesburg Partnership



Designated Adviser
Merchantec Capital

Website
www.m-fitec.com

Sandton
15 December 2016