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Midas Holdings Limited

麥達斯控股有限公司

*(Singapore Registration No.: 200009758W)
(Incorporated in Singapore with limited liability)*

(Hong Kong Stock Code: 1021)

(Singapore Stock Code: 5EN)

2018 RESULTS

This announcement is issued pursuant to Part XIVA of the Securities and Futures Ordinance and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached announcement on the next page which has been published by Midas Holdings Limited (the “Company”) on the website of the Singapore Exchange Securities Trading Limited on 1 April 2019.

On behalf of the Board
Midas Holdings Limited
Tong Din Eu
Executive Director

Hong Kong, 1 April 2019

As at the date of this announcement, the executive directors of the Company are Mr. Tong Din Eu and Dr. Xu Wei Dong; and the independent non-executive director of the Company is Mr. Chan Soo Sen.

MIDAS HOLDINGS LIMITED

Unaudited Financial Statement Announcement for the Period Ended 31/12/2018

Due to the discovery of financial irregularities in early 2018, our operating subsidiaries have entered into judicial management, denying our access to financial information. On 26 April 2018, our former auditors Mazars have withdrawn their opinion on audited financial statements from financial years ended 31 December 2012 to 2016. Thus, until the accounts are reconstructed and audited, comparative results are not possible.

In addition, Midas Holdings Limited accounts are kept in Singapore Dollars. As there will be no comparisons, we are announcing the results in Singapore Dollars instead of Renminbi.

The attached are unaudited financial statements prepared from the management accounts. No auditors have been appointed as the main assets of Midas Holdings are still in judicial management. Based on the latest creditor meetings and reports from the various judicial managers, our equity value in these investments are likely to be zero.

As announced on the 1 April 2019, the Company has received a statutory demand. As funds are low, we are awaiting the Singapore court to issue a liquidation order relating to this statutory demand.

As announced previously, the Company was also committed to known and previously unknown guarantees. With the appointment of the liquidator, the full extent of these guarantees will be known after these claims are registered.

UNAUDITED RESULTS FOR YEAR ENDED 31 DECEMBER 2018

	Unaudited As at 31 December 2018 SGD'000
Revenue	27
Cost of sales	-
Gross profit	27
Other income	30
Other losses	(652,066)
Administrative expenses	(1,581)
Finance costs	(1)
Share of profits of an associate	0
Profit / (Loss) before income tax expense	(653,591)
Income tax expense	0
Profit / (Loss) for the period	(653,591)

STATEMENTS OF FINANCIAL POSITION

Unaudited
As at
31 December 2018
SGD'000

Non-current assets

Property, plant and equipment	-
Interests in subsidiaries	4,176
Interest in an associate	29,734
Land use rights	-
Intangible assets	-
Goodwill	-
Prepaid rental	-
Deferred tax assets	-
	<hr/>
	33,909
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Current assets

Other Debtor	2,887
Prepayments and other receivables	9
Interco – Shanxi Wanshida	1,010
Cash and cash equivalents	231
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	4,137
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Current liabilities

Accruals	290
Other payable	673
Disputed Salaries	261
Borrowings	83,964
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	85,188
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Net current (liabilities) /assets (81,051)

Non-current liabilities

Finance lease payable	-
Borrowings	-
Deferred tax liability	-
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	0
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Net assets (47,141)

Capital and reserves

Share capital	607,762
Treasury shares	(518)
Retained earnings	(654,385)
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Total equity	(47,141)
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COMMENTARY ON THE STATEMENT OF INCOME

Our revenue comprise of management fees due from our subsidiaries. Although recorded, we have written these revenue off as these subsidiaries cannot pay us. We also received other income from sale of office furniture and employment subsidies from government schemes.

Other losses stemmed from the writing off for our investments in Jilin Midas Aluminium Industries Co., Ltd, Jilin Midas Light Alloy Co., Ltd. and Dalian Huicheng Aluminium Co., Ltd which aggregated about S\$653 million.

Administrative expenses amounted to S\$1.58 million. About S\$0.76 million are salaries and benefits related and largely due to former management personnel. Another S\$0.26 million is due to rental expenses incurred at the office located SGX Centre. Professional expenses amounted to S\$0.27 million, of which about S\$0.15 million was PRC related expenses to secure information relating to the irregularities which was previously announced. Exchange related and corporate secretarial related expenses are about S\$0.11 million.

Our shares in CRRC Nanjing Puzhen Rail Transport Co., Ltd ("**NPRT**") is frozen and is subject to a claim by CRRC at the Hong Kong International Arbitration Center ("**HKIAC**"). Previously, income from the associate is recognised after Auditors completed certain adjustments to the accounts provided by NPRT. The Company is still contesting the claim at the HKIAC.

Financial Year 2018 ended with losses of about S\$653.6 million.

Investment in Subsidiaries comprises our equity investment in Shanxi Wanshida Engineering Plastics Co., Ltd., ("**Wanshida**"). Although Wanshida is not under judicial management, it is no longer operational. We had previously announced irregularities eg. Missing cash balances, undisclosed loans etc. The investment together with the amount due under interco will be written down when the necessary documentation becomes available.

Other Debtor comprise mainly of the S\$ 2.79 million dividend receivable from NPRT recorded on December 2017. As the 32.5% NPRT stake is frozen, the collectability of this dividend is subject to the outcome of the arbitration at HKAIC.

Accruals comprise audit fees due to former auditors.

Other payables comprise mainly accrued interest payable and salaries payable.

Borrowings are mainly amount due to the US\$60 million Notes issued under the MTN programme.

BY ORDER OF THE BOARD

Tong Din Eu
Executive Director
1 April 2019