MIDAS

勤達集團國際有限公司*

Midas International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH, 2013

The Board of Directors (the "Board") of Midas International Holdings Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (collectively as the "Group") for the year ended 31st March, 2013 together with the comparative figures for the fifteen months ended 31st March, 2012 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2013

	Note	**For the year ended 31st March, 2013** *HK$'000*	For the fifteen months ended 31st March, 2012 *HK$'000*
Revenues		**277,668**	369,549
Cost of sales		**(224,065)**	(298,461)
Gross profit		**53,603**	71,088
Other income and net gain	*4*	**12,589**	10,215
Selling and marketing expenses		**(22,652)**	(38,318)
Administrative and other operating expenses		**(82,436)**	(115,122)
Operating loss	*5*	**(38,896)**	(72,137)
Finance costs	*6*	**(9,288)**	(20,838)
Loss before taxation		**(48,184)**	(92,975)
Taxation credit	*7*	**488**	6,394
Loss for the year/period		**(47,696)**	(86,581)
Other comprehensive income:			
Net exchange differences		**6,988**	17,403
Total comprehensive loss for the year/period		**(40,708)**	(69,178)

* *For identification purposes only*

	Note	**For the year ended 31st March, 2013** *HK$'000*	For the fifteen months ended 31st March, 2012 *HK$'000*
Loss for the year/period attributable to:			
Equity holders of the Company		**(46,848)**	(83,502)
Non-controlling interests		**(848)**	(3,079)
		(47,696)	(86,581)
Total comprehensive loss for the year/period attributable to:			
Equity holders of the Company		**(40,802)**	(68,869)
Non-controlling interests		**94**	(309)
Total comprehensive loss for the year/period		**(40,708)**	(69,178)
		HK cents	*HK cents*
Loss per share (basic and diluted)	*9*	**(2.1)**	(4.7)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2013

	Note	2013 HK$'000	2012 HK$'000
Non-current assets			
Prepaid lease payments		**61,635**	60,323
Property, plant and equipment		**98,248**	112,300
Cemetery assets		**506,439**	491,619
		666,322	664,242
Current assets			
Inventories	*10*	**46,904**	42,869
Cemetery assets		**82,812**	83,414
Accounts receivables	*11*	**70,270**	76,671
Deposits, prepayments and other receivables		**12,847**	12,430
Prepaid lease payments		**–**	1,444
Tax recoverable		**–**	117
Cash and bank balances		**117,252**	131,128
		330,085	348,073
Current liabilities			
Accounts payables	*12*	**44,203**	47,918
Accrued charges and other payables		**42,512**	48,236
Amount due to a non-controlling shareholder		**1,366**	1,366
Deferred income		**51**	36
Tax payable		**21,689**	21,693
Bank borrowings		**40,017**	50,451
		149,838	169,700
Net current assets		**180,247**	178,373
Total assets less current liabilities		**846,569**	842,615
Equity			
Share capital		**220,721**	220,721
Reserves		**287,197**	327,999
Shareholders' funds		**507,918**	548,720
Non-controlling interests		**70,015**	69,921
Total equity		**577,933**	618,641
Non-current liabilities			
Bank borrowings		**31,250**	–
Convertible notes		**96,129**	84,775
Deferred income		**1,459**	1,002
Deferred taxation liabilities		**139,798**	138,197
		268,636	223,974
		846,569	842,615

NOTES:

1. GENERAL INFORMATION

Midas International Holdings Limited (the "Company") is a limited liability company incorporated in Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is 25th Floor, Alexandra House, 18 Chater Road, Central.

As at 31st March, 2013, the Company was a 60.8% owned subsidiary of Gold Throne Finance Limited, a company incorporated in the British Virgin Islands, which is a wholly-owned subsidiary of Chuang's Consortium International Limited ("CCIL"), a limited liability company incorporated in Bermuda and listed on the Main Board of the Stock Exchange. The Directors regard CCIL as the ultimate holding company.

The principal activities of the Company and its subsidiaries (collectively as the "Group") are manufacturing and trading of printed products, and development and operation of cemetery.

2. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies of the Group.

As set out in the announcement of the Company issued on 20th December, 2011, the financial year end date of the Company and the Group has been changed from 31st December to 31st March to conform with the financial year end date of CCIL. Accordingly, the corresponding comparative amounts shown (which cover a period of fifteen months from 1st January, 2011 to 31st March, 2012) for the consolidated statement of comprehensive income and related notes are therefore not entirely comparable with those of the current year.

The adoption of revised HKFRSs

For the financial year ended 31st March, 2013, the Group adopted the following amendments that are effective for the Group's accounting periods beginning on 1st April, 2012 and relevant to the operations of the Group:

HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Transfers of Financial Assets
HKFRS 12 (Amendment)	Deferred Tax – Recovery of Underlying Assets

The Group has assessed the impact of the adoption of these amendments and considered that there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the financial statements.

Standards and amendments to existing standards that are not yet effective

The following new and amended standards and amendments have been published which are relevant to the Group's operation and are mandatory for the Group's accounting periods beginning on or after 1st April, 2013, but have not yet been adopted by the Group:

HKAS 1 (Amendment)	Presentation of Financial Statements (effective from 1st July, 2012)
HKAS 19 (2011)	Employee Benefits (effective from 1st January, 2013)
HKAS 27 (2011)	Separate Financial Statements (effective from 1st January, 2013)
HKAS 28 (2011)	Investments in Associates and Joint Ventures (effective from 1st January, 2013)
HKAS 32 (Amendment)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities (effective from 1st January, 2014)
HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (effective from 1st January, 2013)
HKFRS 9	Financial Instruments (effective from 1st January, 2015)
HKFRS 10	Consolidated Financial Statements (effective from 1st January, 2013)
HKFRS 11	Joint Arrangements (effective from 1st January, 2013)
HKFRS 12	Disclosures of Interests in Other Entities (effective from 1st January, 2013)
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendment)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance (effective from 1st January, 2013)
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendment)	Investment Entities (effective from 1st January, 2014)
HKFRS 13	Fair Value Measurement (effective from 1st January, 2013)
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle (effective from 1st January, 2013)

The Group will adopt the above new and amended standards and amendments as and when they become effective. The Group has already commenced the assessment of the impact to the Group and is not yet in a position to state whether these would have a significant impact on its results of operations and financial position.

3. SEGMENT INFORMATION

(a) Segment information by business lines

The chief operating decision maker (the "CODM") has been identified as the Executive Directors and senior management. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM considers the business from a business perspective, including printing, cemetery and corporate operations. The CODM assesses the performance of the operating segments based on a measure of segment result.

The segment information by business lines is as follows:

	Printing *HK$'000*	Cemetery *HK$'000*	Corporate *HK$'000*	Total *HK$'000*
For the year ended 31st March, 2013				
Revenues	**271,438**	**6,230**	**–**	**277,668**
Other income and net gain	**12,026**	**8**	**555**	**12,589**
Operating loss	**(29,072)**	**(5,442)**	**(4,382)**	**(38,896)**
Finance costs	**(3,627)**	**–**	**(5,661)**	**(9,288)**
Loss before taxation	**(32,699)**	**(5,442)**	**(10,043)**	**(48,184)**
Taxation (charge)/credit	**(148)**	**636**	**–**	**488**
Loss for the year	**(32,847)**	**(4,806)**	**(10,043)**	**(47,696)**
As at 31st March, 2013				
Total assets	**271,593**	**607,562**	**117,252**	**996,407**
Total liabilities	**92,376**	**158,702**	**167,396**	**418,474**
For the year ended 31st March, 2013				
Other segment items are as follows:				
Capital expenditure	**8,679**	**6,834**	**–**	**15,513**
Depreciation	**22,728**	**744**	**–**	**23,472**
Amortisation of prepaid lease payments	**1,518**	**73**	**–**	**1,591**
Impairment of accounts receivables	**2,314**	**–**	**–**	**2,314**
Recovery of accounts receivables previously written off	**1,414**	**–**	**–**	**1,414**
Impairment of inventories	**617**	**–**	**–**	**617**

	Printing *HK$'000*	Cemetery *HK$'000*	Corporate *HK$'000*	Total *HK$'000*
For the fifteen months ended 31st March, 2012				
Revenues	359,399	10,150	–	369,549
Other income and net gain	9,172	26	1,017	10,215
Operating loss	(43,971)	(22,603)	(5,563)	(72,137)
Finance costs	(6,305)	–	(14,533)	(20,838)
Loss before taxation	(50,276)	(22,603)	(20,096)	(92,975)
Taxation credit	2,345	4,049	–	6,394
Loss for the period	(47,931)	(18,554)	(20,096)	(86,581)
As at 31st March, 2012				
Total assets	288,926	592,261	131,128	1,012,315
Total liabilities	101,113	157,335	135,226	393,674
For the fifteen months ended 31st March, 2012				
Other segment items are as follows:				
Capital expenditure	10,238	784	–	11,022
Depreciation	25,148	981	–	26,129
Amortisation of prepaid lease payments	2,507	89	–	2,596
Impairment of accounts receivables	2,022	–	–	2,022
Impairment of inventories	1,261	–	–	1,261

(b) Geographical segment information

The business of the Group operates in different geographical areas. Revenues are based on the country in which the customer is located. Non-current assets, total assets and capital expenditure are based on where the assets are located. The segment information by geographical area is as follows:

	Revenues		Capital expenditure	
	For the year ended 31st March, 2013	For the fifteen months ended 31st March, 2012	**For the year ended 31st March, 2013**	For the fifteen months ended 31st March, 2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**17,872**	34,642	**975**	1,024
The People's Republic of China (the "PRC")	**9,700**	12,647	**14,538**	9,998
United States of America	**92,726**	127,725	**–**	–
United Kingdom	**51,877**	59,465	**–**	–
France	**35,291**	47,314	**–**	–
Germany	**34,307**	44,416	**–**	–
Other countries	**35,895**	43,340	**–**	–
	277,668	369,549	**15,513**	11,022

	Non-current assets		Total assets	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**3,034**	2,617	**155,884**	192,985
The PRC	**663,288**	661,625	**840,523**	819,330
	666,322	664,242	**996,407**	1,012,315

4. OTHER INCOME AND NET GAIN

	For the year ended 31st March, 2013	For the fifteen months ended 31st March, 2012
	HK$'000	*HK$'000*
Interest income from bank deposits	**555**	1,017
Sale of scraped material	**3,899**	4,971
Recovery of accounts receivables previously written off	**1,414**	–
Gain on disposal of property, plant and equipment	**4,151**	1,476
Sundries	**2,570**	2,751
	12,589	10,215

5. OPERATING LOSS

	For the year ended 31st March, 2013 *HK$'000*	For the fifteen months ended 31st March, 2012 *HK$'000*
Operating loss is stated after charging:		
Cost of inventories sold	**160,891**	215,251
Depreciation	**23,472**	26,129
Amortisation of prepaid lease payments	**1,591**	2,596
Impairment of accounts receivables	**2,314**	2,022
Staff costs, including Directors' emoluments		
Wages and salaries	**81,583**	121,202
Retirement benefit costs	**1,114**	1,181

6. FINANCE COSTS

	For the year ended 31st March, 2013 *HK$'000*	For the fifteen months ended 31st March, 2012 *HK$'000*
Interest expenses		
Bank borrowings wholly repayable within five years	**3,627**	6,305
Convertible notes wholly repayable within five years	**12,487**	14,533
	16,114	20,838
Amount capitalized into cemetery assets	**(6,826)**	–
	9,288	20,838

The above analysis shows the finance costs in accordance with the agreed scheduled repayment dates set out in the agreements. The capitalized effective rate for cemetery assets is 14.86% (fifteen months ended 31st March, 2012: N/A) per annum.

7. TAXATION CREDIT

	For the year ended 31st March, 2013 *HK$'000*	For the fifteen months ended 31st March, 2012 *HK$'000*
Current income tax		
Hong Kong profits tax	**9**	–
PRC corporate income tax	**139**	200
	148	200
Deferred taxation	**(636)**	(6,594)
	(488)	(6,394)

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for the year ended 31st March, 2013 (fifteen months ended 31st March, 2012: no provision as the Group had no estimated assessable profits). PRC corporate income tax has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the PRC.

8. DIVIDENDS

No dividend was paid or declared during each of the year ended 31st March, 2013 and the fifteen months ended 31st March, 2012.

The Board does not recommend the payment of a final dividend for the year ended 31st March, 2013 (fifteen months ended 31st March, 2012: nil).

9. LOSS PER SHARE

The calculation of the loss per share is based on the loss attributable to equity holders of HK$46,848,000 (fifteen months ended 31st March, 2012: HK$83,502,000) and the weighted average number of 2,207,208,000 (fifteen months ended 31st March, 2012: 1,782,615,000) shares in issue during the year.

The potential ordinary shares attributable to the assumed conversion of convertible notes have anti-dilutive effect for each of the year ended 31st March, 2013 and the fifteen months ended 31st March, 2012.

10. INVENTORIES

	2013 *HK$'000*	2012 *HK$'000*
Inventories of printing business		
Raw materials	**23,919**	21,412
Work in progress	**14,397**	12,594
Finished goods	**8,588**	8,863
	46,904	42,869

11. ACCOUNTS RECEIVABLES

The Group allows a credit period ranging from 30 days to 180 days to its trade customers of the printing business. Sales proceeds receivables from cemetery operation are settled in accordance with the terms of respective contracts. The aging analysis of the accounts receivables based on date of invoice and net of provision for doubtful debt is as follows:

	2013	2012
	HK$'000	*HK$'000*
Below 30 days	**22,421**	27,965
31 to 60 days	**13,363**	16,497
61 to 90 days	**10,967**	10,836
Over 90 days	**23,519**	21,373
	70,270	76,671

12. ACCOUNTS PAYABLES

The following is an aging analysis of accounts payables presented based on the date of suppliers' invoice.

	2013	2012
	HK$'000	*HK$'000*
Below 30 days	**29,754**	22,646
31 to 60 days	**6,407**	10,660
Over 60 days	**8,042**	14,612
	44,203	47,918

13. COMMITMENTS

As at 31st March, 2013, the Group had capital expenditure commitments contracted but not provided for in respect of property, plant and equipment amounting to HK$5,221,000 (2012: HK$73,000).

14. PLEDGE OF ASSETS

As at 31st March, 2013, the Group had pledged certain property, plant and equipment with an aggregate carrying value of HK$11,346,000 (2012: HK$11,757,000) to secure general banking facilities granted to the Group.

The figures in respect of the preliminary announcement of the Group's results for the year ended 31st March, 2013 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

MANAGEMENT DISCUSSION ON RESULTS FOR THE YEAR ENDED 31ST MARCH, 2013

The principal activities of the Group were printing business and property business. Printing business comprised of manufacture and sale of printed products including art books, packaging boxes and children's books while property business focused on the operation of cemetery in the People's Republic of China (the "PRC").

During the year under review, printing turnover amounted to approximately HK$271.5 million (fifteen months ended 31st March, 2012: HK$359.4 million). Turnover derived from the cemetery operation was HK$6.2 million (fifteen months ended 31st March, 2012: HK$10.1 million). Accordingly, total turnover of the Group amounted to HK$277.7 million (fifteen months ended 31st March, 2012: HK$369.5 million).

Gross profit, principally derived from our printing business, amounted to HK$53.6 million (fifteen months ended 31st March, 2012: HK$71.1 million). Despite operating cost in the PRC has been escalating, the Group maintained the gross profit margin of 19.3%. This was mainly resulted from the effective implementation of cost control measures during the year.

Other income and net gain increased to HK$12.6 million for the year under review (fifteen months ended 31st March, 2012: HK$10.2 million) which was mainly due to the gain arising from disposal of property, plant and equipment recorded during the year. Selling and marketing expenses amounted to HK$22.7 million for the year (fifteen months ended 31st March, 2012: HK$38.3 million) which was in line with the turnover change. Administrative and other operating expenses was HK$82.4 million (fifteen months ended 31st March, 2012: HK$115.1 million) which was equivalent to HK$6.9 million per month (fifteen months ended 31st March, 2012: HK$7.7 million per month). The reduction in administrative expenses was driven by tight control of operating costs. During the year, interest expense for a convertible note was capitalized and, therefore, the finance costs were reduced to HK$9.3 million (fifteen months ended 31st March, 2012: HK$20.8 million).

Taking all the above into account, loss attributable to equity holders of the Company for the year ended 31st March, 2013 amounted to HK$46.8 million (fifteen months ended 31st March, 2012: loss of HK$83.5 million). Loss per share amounted to 2.1 HK cents (fifteen months ended 31st March, 2012: 4.7 HK cents).

DIVIDENDS

In view of the loss incurred by the Group during the year under review, the Board does not recommend the payment of a final dividend for the year. No interim dividend had been paid during the year.

BUSINESS REVIEW

(A) Printing Business

During the year under review, the staggering worldwide economy and the deepening of European sovereign debt crisis adversely dampened the printing demand. Printing orders from both the United States of America and Europe were generally weak and unstable, especially during the period from April to July of 2012. This caused a slight decline in the average monthly printing turnover from HK$24.0 million (for the fifteen months ended 31st March, 2012) to HK$22.6 million (for the year ended 31st March, 2013).

However, the overall decline in printing orders accelerated the consolidation within the printing industry. More and more small printing service providers were going out of business as multinational publishers were seeking quality printing partner with established reputation. This trend is continuing and has benefitted the Group since the first quarter of 2013. Incoming orders for the first five months ended May 2013 grew by 17.1% on a year-to-year basis. The Group is optimistic that such a phenomenon will continue in the near future.

In Southern China, minimum wages were rising throughout the region which increased operating costs of the whole manufacturing industry. At the same time the price of raw materials remained at a high level. All these factors affected the operating performance of the printing industry. In response, the Group has continued to improve cost effectiveness through automation enhancement and rigorous cost monitoring. All these measures have improved and will continue to improve the profit margin of the printing segment.

For long term development purpose, the Group has acquired an industrial land site located at Coastal Industry Zone in Shatian, Dongguan. It covers an area of approximately 78,000 sq. m. which is capable of developing into a factory complex with total gross floor area of 120,000 sq. m.. Initial phase of the development will comprise factory premises and staff dormitory with a gross floor area of about 20,000 sq. m.. Foundation works have already been finished and construction works have commenced. In consideration of high development potential of this land site, the Group continues to review cautiously its own production need and may study alternate development plan of this land so as to maximize its value for the shareholders.

Since the year of 2010, the Group has substantially scaled down its operations in Changan, Dongguan and relocated most of the production facilities to the factory in Yuanzhou, Huizhou. The Changan factory is located near the city centre of the Changan town and its surrounding area is well developed and occupied by premium residential and commercial buildings. The local government is considering to rezone and develop the nearby area into an integrated commercial and residential district. The Group is supportive of the government rezoning plan and believes that once this plan is materialized, this will further enhance the value of the Changan factory site. Accordingly, the Group will closely monitor the progress and will take appropriate steps as it considers necessary in order to achieve the goal.

(B) Property Business – Cemetery Operation

Our cemetery in Sihui comprises a site of 518 mu, of which 100 mu have commenced development, and an adjacent site of 4,482 mu has been reserved, making up a total of 5,000 mu.

In the marketing aspects, in order to achieve steady sales growth in the coming years, the Group will continue to expand its marketing network mainly in the Guangdong Province, the PRC. Furthermore, the Group is negotiating with some Fengshui masters in the PRC for joint promotion so as to enhance the cemetery awareness and attract more customers. The Group is also negotiating with local government to establish a martyr memorial cemetery to commemorate martyrs who sacrificed their lives for the country. This can attract people to pay tribute and remembrance to the martyrs, so as to enhance awareness of the cemetery and improve its marketability in the long run.

In the development aspects, during the year, the Group has completed a further of 421 grave plots on a piece of vacant land within the existing 100 mu land, making total grave plots available for sales increased to 1,563 grave plots. In addition, in order to further enhance the value of the cemetery, the Group is planning to build an additional 2,305 grave plots on the existing 100 mu land. In anticipation of the further growing demand towards prestigious grave plots in the next decade, the Group has commenced negotiation with the local government with a view to obtain approval within the 418 mu land for expansion by phases. In this respect, the local government has approved in principle to grant certain area within the 418 mu land for further expansion. At the same time the Group has conducted a site survey for the whole 418 mu land and once formal approval is obtained from the local government, the Group will carry out further construction works thereon.

PROSPECTS

The Group expects that the operating horizon for the printing industry is still tough and challenging. Despite the uncertainty overclouding global economy, the Group will apply a prudent approach in its business development and allocation of resources so as to maximize the return to its shareholders.

The rapid growth of aged population in the past years increases the demand of prestigious grave plots and niches in the PRC. In view of our established sales network and reputation in this industry, the Group believes that investment in cemetery business will contribute steady revenue in the long run.

LIQUIDITY AND FINANCIAL POSITIONS

As at 31st March, 2013, cash and bank balances of the Group amounted to HK$117.3 million (2012: HK$131.1 million) whereas bank borrowings as at the same date amounted to HK$71.3 million (2012: HK$50.5 million). The debt to equity ratio (calculated as a percentage of bank borrowings over net asset value attributable to equity holders of the Group) amounted to 14.0% (2012: 9.2%). Most of the Group's cash, bank balances and bank borrowings were denominated in Hong Kong dollars and Renminbi. Interest on bank borrowings was charged at variable commercial rates prevailing in Hong Kong and the PRC.

Based on the agreed scheduled repayment dates in the loan agreements and ignoring the effect of any repayment on demand clause, approximately 44.7% of the Group's bank borrowings were repayable within the first year, 17.9% repayable within the second year and the balance of 37.4% repayable within the third to fifth years.

Net asset value attributable to equity holders of the Company as at 31st March, 2013 amounted to HK$507.9 million, equivalent to about HK$0.23 per share.

CORPORATE GOVERNANCE

As Mr. Richard Hung Ting Ho took up both roles as the Chairman and the Chief Executive Officer, being the Chairman and Managing Director of the Company, the roles of the chairman and the chief executive officer are not separated pursuant to Code A.2.1 of the code provisions set out in Appendix 14 – Corporate Governance Code (the "CG Code") of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Board considers that this structure has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions efficiently and consistently. Due to other commitments, an Independent Non-Executive Director and a Non-Executive Director had not attended the 2012 annual general meeting of the Company (the "2012 AGM") pursuant to Code A.6.7 of the CG Code. All other Executive Directors and Independent Non-Executive Directors had attended the 2012 AGM.

Except as mentioned above, the Company has complied throughout the year ended 31st March, 2013 with the code provisions set out in the CG Code.

The Audit Committee has been established by the Company to review and supervise the Company's financial reporting process, internal controls and review the relationship with the auditor. The Audit Committee has held meetings in accordance with the relevant requirements and has reviewed with the Directors and the auditor the accounting principles and practices adopted by the Group, the internal control and financial reporting process and the Company's consolidated financial statements for the year ended 31st March, 2013. The current members of the Audit Committee are three Independent Non-Executive Directors, Mr. Abraham Shek Lai Him, Dr. Eddy Li Sau Hung and Mr. Yau Chi Ming and a Non-Executive Director, Mr. Dominic Lai.

The Company has adopted the Model Code for securities transactions by the Directors of Listed Issuer (the "Model Code") contained in Appendix 10 of the Listing Rules. Having made specific enquiries of all Directors of the Company, the Company received confirmations from all Directors that they have complied with the required standard set out in the Model Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31st March, 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

STAFF

As at 31st March, 2013, the Group, including its subcontracting processing plants, employed approximately 1,747 staff and workers, with their remuneration normally reviewed annually. The Group also provides its staff with other benefits including year-end double-pay, discretionary bonus, contributory provident fund, share options and medical insurance. Staff training is also provided as and when required.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE'S WEBSITE

The annual report of the Company for the year ended 31st March, 2013 containing all applicable information required by paragraph 45 of Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange in due course.

By order of the Board of
Midas International Holdings Limited
Richard Hung Ting Ho
Chairman and Managing Director

Hong Kong, 19th June, 2013

As at the date of this announcement, Mr. Richard Hung Ting Ho, Miss Candy Chuang Ka Wai and Mr. Geoffrey Chuang Ka Kam are Executive Directors, Mr. Dominic Lai is a Non-Executive Director, Mr. Abraham Shek Lai Him, Dr. Eddy Li Sau Hung and Mr. Yau Chi Ming are Independent Non-Executive Directors of the Company.