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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)

OVERSEAS REGULATORY ANNOUNCEMENT INSIDE INFORMATION

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 27 March 2018.

On behalf of the
Audit Committee

Midas Holdings Limited

Tong Din Eu

Chairman of the Audit Committee

Hong Kong, 27 March 2018

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

MIDAS HOLDINGS LIMITED
(Company Registration No.: 200009758W)

UNAUTHORISED GUARANTEE TO THIRD PARTY BY
DALIAN HUICHENG ALUMINIUM CO., LTD. (“DLHC”)

Reference is made to the announcement of Midas Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 8 February 2018, 12 March 2018 and 22 March 2018. The followings had come to the attention of Audit Committee, comprising the three independent non-executive directors of the Company:

Unauthorised Guarantee to Third Party

1. On 26 February 2018, a supplier of raw material, 重慶旗能電鋁有限公司, (the “**Plaintiff**”) had filed a Civil Complaint against the borrower, Chongqing Huicheng Aluminium Co., Ltd. (“**CQHC**”); and the guarantor, DLHC for approximately RMB28.7 million. The court summon was dated 20 March 2018.
2. DLHC had provided guarantee for all the debts owed by CQHC to the Plaintiff resulting from the transaction for two years after the expiration date of the debt fulfilment period. CQHC is unrelated to the Company, and is controlled by LakeForest Capital Limited (previously known as Lesen Capital Limited), whose sole shareholder is Mr Chen Chen, the nephew of Mr Chen Wei Ping. The Audit Committee noted that this transaction does not benefit the Group.
3. In the guarantee agreement dated 1 June 2017, it is noted that the Legal Representative stamp of Mr Yang Xiao Guang, the then Legal Representative of DLHC, was affixed. The guarantee was not reported to the board of directors of the Company and Audit Committee became aware of the guarantee only after sighting the abovementioned documents. As such, the Group’s disclosure relating to the guarantee is omitted for accounting period starting from the second quarter of 2017.
4. The Audit Committee also noted that the Plaintiff is different from the earlier unauthorised guarantee to third party stated in the announcement dated 22 March 2018 whereby the plaintiff in that announcement was Sumec International Technology Co., Ltd. The total amount claimed in these two Civil Complaints is approximately RMB32.7 million.

The Audit Committee will issue further announcements as appropriate, as and when there are any material developments in the matter.

BY AUDIT COMMITTEE

Midas Holdings Limited

Tong Din Eu
Chairman of the Audit Committee

Date: 27 March 2018