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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 11 May 2018.

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

Hong Kong, 11 May 2018

*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  
(Company Registration No.: 200009758W)

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LAWYER'S LETTER FROM FORMER CEO OF THE COMPANY, MR. CHEW HWA  
KWANG, PATRICK

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The board of directors (the "**Board**") of Midas Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has received a lawyer's letter (the "**Letter**") dated 8 May 2018 from Allen & Gledhill LLP who is acting for Mr. Chew Hwa Kwang, Patrick ("**Mr. Chew**").

The Letter is attached on the next page of this announcement. Should discrepancies arise, the English version of the Letter will prevail.

Pursuant to the Letter, Mr. Chew claimed that sums amounting to S\$3,275,083.89 are due and payable to him by the Company. Mr. Chew also alleged that he had no choice and was constrained to tender his resignation as CEO of the Company and that he was constructively dismissed by the Company.

The Board is studying his claim with the Company's legal counsel and will make an appropriate response in due time.

BY ORDER OF THE BOARD

Midas Holdings Limited

Tong Din Eu  
Executive Director

Date: 11 May 2018

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Our reference : ALTC/MARCM/1018003033  
Your reference :

8 May 2018

Midas Holdings Limited  
4 Shenton Way  
#18-03 SGX Centre 2  
Singapore 068807

**By AR Registered And By Fax**  
**By Fax No: 6438 3053**

Dear Sirs

## **EMPLOYMENT WITH MIDAS HOLDINGS LIMITED (THE "COMPANY")**

1. We act for Mr Chew Hwa Kwang, Patrick and refer to the above-captioned matter.
2. We are instructed that our client was, pursuant to a service agreement dated 20 January 2012 (the "**Agreement**"), employed as Chief Executive Officer of the Company from 1 January 2012 until his resignation on 22 March 2018 (the "**Resignation**"). Our client was also appointed director of the Company from 17 November 2000 to the date of his Resignation.
3. Pursuant to the Agreement, our client was entitled to, *inter alia*, the following:
  - (1) Salary at the rate of S\$34,500 per month payable in equal monthly instalments on the last day of each month and deemed to accrue from day to day (Clause 4.1 of the Agreement);
  - (2) A bonus, in respect of each financial year, of up to three months' salary or calculated based on a proportion of the profit-sharing scheme from the Company and its subsidiaries' consolidated profit before tax in a financial year excluding exceptional / extraordinary items (Clause 4.3 of the Agreement);
  - (3) A transport allowance of S\$6,000 per month (Clause 4.4(a) of the Agreement);
  - (4) Reimbursement of any travelling, hotel, entertainments and other out-of-pocket expenses reasonably incurred by him in the course of employment (Clause 5.1 of the Agreement);

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- (5) Reimbursement of all reasonable medical expenses in accordance with the Company's personnel policy (Clause 5.2 of the Agreement); and
- (6) Twenty-eight (28) days of paid leave per calendar year (Clause 7.1 of the Agreement).

4. We are further instructed that:

- (1) Our client was not paid any salary from December 2017 until his Resignation on 22 March 2018.
- (2) Our client has submitted expense claims to the Company, amounting to S\$9,169.12, in the months prior to and up to the date of his Resignation. However, despite the provision of the relevant and necessary supporting documentation, as well as repeated reminders, the Company has not provided any reimbursement or indication that it intends to reimburse our client. This is also despite the Company's express acknowledgement that such expenses are due and payable to our client.
- (3) Our client had, on a number of occasions, extended interest-free loans to the Company. Most recently, in or around November 2017, our client extended a loan for the sum of S\$2.9 million to the Company (the "Loan") and this is reflected in, *inter alia*, the Company's financial statements. Notwithstanding this, the Company has, to date, failed to repay the Loan nor provided any indication whatsoever that it intends to do so.
- (4) The Company's representatives have, on a number of occasions, also unreasonably demanded that our client forfeit his unutilised leave entitlement for the year 2017. In or around December 2017, Mr Liaw Kok Feng (Chief Financial Officer) asked our client to forfeit approximately 28 days of accumulated but unutilised leave purportedly on the basis that the Company's auditors would only agree to a maximum of 84 days of accumulated but unutilised leave without having to make any provision in the financial statements. More recently, in or around January 2018, Mr Tong Din Eu (then-independent director) demanded that our client forfeit his remaining 84 days of accumulated and unutilised leave purportedly on the basis that this would 'look bad' if anyone were to look into the matter. As a consequence of these demands, our client was thus required to forfeit all his unutilised leave amounting to more than 100 days and which had been accumulated to date.

5. In connection with the above, and the events in February 2018 and March 2018 (which you are well aware), our client had no choice and was constrained to tender his Resignation and it cannot, in the circumstances, be in any doubt that he has been constructively dismissed as a result of the Company's conduct leading up to his Resignation. In the premises, please let us know the Company's position in relation to the following sums (amounting to a total sum of S\$3,275,083.89) which are due and payable to our client:

- (1) S\$127,022.72, being unpaid pro-rated salary from 1 December 2017 to 21 March 2018;
- (2) S\$22,090.91, being transport allowance at \$6,000 per month from 1 December 2017 to 21 March 2018;
- (3) S\$9,169.12, being unpaid expense claims that have been submitted to the Company;
- (4) S\$207,000.00, being six months' salary in lieu of notice;
- (5) S\$9,801.14, being salary in lieu of pro-rated unutilised leave from 1 January 2018 to 21 March 2018; and
- (6) S\$2,900,000, being the Loan made to the Company which is deemed to be due and payable immediately.

6. If we do not hear from the Company within **seven (7) days** of the date of the date of this letter, our client will take all necessary steps to protect his interests, without further reference to the Company.

7. In the meantime, all of our client's rights are expressly reserved.

Yours faithfully



Allen & Gledhill LLP

cc client