Midas Holdings Limited
麦达斯控股有限公司
(Singapore Registration No.: 200009758W)

NEWS RELEASE

MIDAS 2Q2016 NET PROFIT UP 61.8% TO RMB18.7 MILLION

- ***Contribution from 32.5%-owned NPRT increased by 53.3% to RMB10.6 million***
- ***Revenue up 2.3% to RMB382.8 million***

Financial Highlights

(RMB' mil)	2Q2016	2Q2015	Change %	1H2016	1H2015	Change %
Revenue	**382.8**	**374.3**	2.3	**686.4**	**694.9**	(1.2)
Gross profit	**106.5**	**103.7**	2.8	**200.7**	**196.0**	2.4
Share of profits from associate	**10.6**	**6.9**	53.3	**13.2**	**16.4**	(19.2)
Profit before tax	**31.0**	**14.1**	120.0	**45.3**	**26.4**	71.7
Profit for the period	**18.7**	**11.6**	61.8	**28.7**	**22.5**	27.6

Singapore & Hong Kong, August 12, 2016 – Midas Holdings Limited (麦达斯控股有限公司) ("Midas" or the "Company", together with its subsidiaries, the "Group"; SGX-ST stock code: 5EN; SEHK stock code: 1021) today reported a 61.8% jump in net profit after tax to RMB18.7 million for the three months ended June 30, 2016 ("2Q2016"), from RMB11.6 million a year ago ("2Q2015").

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The improved profitability in 2Q2016 was backed by a 2.3% increase in revenue to RMB382.8 million and a 53.3% jump in share of profits from the Group's associated company CRRC Nanjing Puzhen Rail Transport Co., Ltd (南京中车浦镇城轨车辆有限责任公司) ("NPRT") to RMB10.6 million. For 2Q2015, the Group reported revenue of RMB374.3 million while share of profits from NPRT was RMB6.9 million.

On a segmental basis, the Aluminium Alloy Extruded Products Division reported a 3.1% increase in revenue to RMB381.4 million in 2Q2016, from RMB370.0 million a year ago. Within this division, the Transport Industry was the main revenue contributor, accounting for 62.2% of its revenue in 2Q2016. The Power Industry and Others segment made up 6.5% and 31.3% of the division's revenue respectively. The Others segment mainly comprises the supply of aluminium alloy rods and other specialised profiles for industrial machinery.

The Group's overall gross profit margin remained stable, it was 27.7% in 2Q2015 and 27.8% in 2Q2016. The profit margin of the Aluminium Alloy Extruded Products Division increased marginally from 27.9% in 2Q2015 to 28.0% in 2Q2016.

During the period under review, selling and distribution expenses decreased 6.7% to RMB17.2 million in 2Q2016, from RMB18.5 million a year ago, due mainly to lower staff and related costs.

Finance cost decreased 24.5% to RMB29.2 million in 2Q2016 from RMB38.7 million a year ago, due mainly to lower interest rates of bank borrowings. Approximately RMB24.3 million (2Q2015: RMB31.0 million) of the interest on borrowings that were used to finance the construction of property, plant and equipment for the new production lines were capitalised.

As a result of the above, net profit increased 61.8% to RMB18.7 million in 2Q2016, from RMB11.6 million in 2Q2015. The Group's balance sheet remains healthy, with cash and cash equivalents of RMB1.2 billion as at June 30, 2016.

For the six months ended June 30, 2016 ("1H2016"), the Group reported revenue of RMB686.4 million and net profit after tax of RMB28.7 million. This compares against a revenue of RMB694.9 million and net profit after tax of RMB22.5 million for the corresponding financial period ("1H2015").

Mr Patrick Chew (周华光), Chief Executive Officer of Midas, said, "We are pleased with our interim performance as revenue momentum from NPRT and our core Aluminium Alloy Extruded Products division remain healthy. The acquisition of Huicheng Capital Limited was completed on July 27, 2016, which will enable us to broaden Midas' manufacturing capabilities into other types of aluminium alloy products, positioning us favourably for revenue growth in the future."

Outlook

Investments into China's railway sector are expected to remain robust, backed by its government's plans to expand the domestic railway network to 150,000 km by 2020, including 30,000 km of high-speed rail. Short-term prospects for the railway sector also remain positive, buoyed by the country's planned assets investment target of RMB800 billion in 2016 to expand China's railway network.

In line with its "One Belt One Road" initiative, China also continues to eye global opportunities by leveraging its expertise in high-speed rail construction. It has plans to build high-speed rail networks connecting China with all of Southeast Asia and CRRC Corporate Limited, China's largest rail train manufacturer, is also in discussions with more than 30 countries about high-speed rail projects.

The Group expects the positive industry environment to benefit market players and will continue to actively seek opportunities in the PRC and international railway sectors. The Group also continues to seek and leverage diversification opportunities into other product segments as well as in export markets.

Mr. Chew said, “We are optimistic of our business outlook backed by the PRC government’s investment focus on the PRC and regional rail markets. Moving forward, Midas will continue to leverage our competitive advantages as a quality supplier to tap new opportunities both in China and in international markets. We will also leverage our new production capabilities arising from the acquisition of Huicheng Capital Limited to achieve diversification growth in other product segments.”

<u>About Midas Holdings Limited</u>

Founded in 2000, Midas is the leading manufacturer of aluminium alloy extrusion products for the passenger rail transportation sector in the People’s Republic of China (the “PRC”) today. Over the years, Midas has built an established track record as a supplier of quality products to the PRC passenger rail transportation sector. It has participated in landmark contracts such as the Beijing-Tianjin High Speed Train Project, and the CRH3-380 inter-city high speed trains project. Midas’ customers include major PRC train manufacturer CRRC Corporation Limited (中国中车股份有限公司), and the three global train manufacturers – Alstom Transport, Siemens AG and Bombardier Transportation.

Midas has a strategic 32.5% stake investment in CRRC Nanjing Puzhen Rail Transport Co., Ltd. (“南京中车浦镇城轨车辆有限责任公司”) (“NPRT”), an associate company engaged in the development, manufacturing and sale of metro trains, bogies and their related parts.

In 2014, Midas won the ‘Our Stars For Rail Systems 2014’ award which was presented by Siemens’ Rail Systems Division to its top global suppliers. Separately, Midas was also honoured with the ‘Supplier of the Year Award’ in 2012 by Bombardier Transportation.

The Company was also awarded the “Best Investor Relations Award (Gold)” at the Singapore Corporate Awards ("SCA”) 2010 in the “S$300 million to less than S$1 billion market capitalisation” category. SCA also conferred the “Best CEO Award” to Midas’ Chief Executive Officer, Mr. Patrick Chew, in 2014.

Midas has also won the “Most Transparent Company Award” (Chemical & Resources Category) at the Singapore Investors Association (Singapore) (“SIAS”) Investors’ Choice Awards for four consecutive years in 2012 to 2015.

As testament to its strong brand name and reputation in the PRC, Midas was conferred the prestigious “China Well-Known Trademark” (“中国驰名商标”) by the Trademark Office of the State Administration for Industry & Commerce of the PRC (“中国国家工商行政管理总局商标局”) (“SAIC”) in 2011.

Midas has a primary listing on the Mainboard of the Singapore Exchange Securities Trading Limited and a secondary listing on the Main Board of the Stock Exchange of Hong Kong Limited.

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新聞稿

麥達斯二零一六年第二季度溢利上揚 61.8%至人民幣 1,870 萬元

- ***其持有 32.5%權益的南京中車貢獻上揚 53.3%至人民幣 1,060 萬元***
- ***營業額上揚 2.3%至人民幣 3 億 8,280 萬元***

財務摘要

(人民幣百萬元)	二零一六年第二季度	二零一五年第二季度	變動 %	二零一六年上半年	二零一五年上半年	變動 %
營業額	**382.8**	**374.3**	2.3	**686.4**	**694.9**	(1.2)
毛利	**106.5**	**103.7**	2.8	**200.7**	**196.0**	2.4
分佔一間聯營公司的溢利	**10.6**	**6.9**	53.3	**13.2**	**16.4**	(19.2)
稅前溢利	**31.0**	**14.1**	120.0	**45.3**	**26.4**	71.7
稅後溢利	**18.7**	**11.6**	61.8	**28.7**	**22.5**	27.6

***新加坡及香港，二零一六年八月十二日* –** 麥達斯控股有限公司 (Midas Holdings Limited) (「麥達斯」或本「公司」，連同其附屬公司簡稱「集團」；新交所股份代號：5EN； 香港聯交所股份代號：1021) 今天宣佈其二零一六年六月三十日止三個月(「二零一六年第二季度」)的稅後溢利躍升 61.8%至人民幣 1,870 萬元，相較於二零一五年六月三十日止三個月 (「二零一五年第二季度」)的人民幣 1,160 萬元。

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二零一六年第二季度所錄得的較高溢利主要由於營業額上揚 2.3%至人民幣 3 億 8,280 萬元以及集團聯營公司南京中車浦鎮城軌車輛有限責任公司(「南京中車」) 的溢利貢獻上揚 53.3%至人民幣 1,060 萬元所致。集團在二零一五年第二季度的營業額為人民幣 3 億 7,430 萬元，來自於南京中車的溢利貢獻則為人民幣 690 萬元。

集團鋁合金擠壓產品部在二零一六年第二季度錄得 3.1%的營業額增長至人民幣 3 億 8,140 萬元，相較於去年同期的人民幣 3 億 7,000 萬元。於鋁合金擠壓產品部內，運輸行業是該業務部的主要收益來源，佔其二零一六年第二季度營業額約 62.2%。電力行業以及「其他」行業則各別佔其營業額約 6.5%及 31.3%。鋁合金擠壓型材產品部當中的「其他」分類的營業額主要包括供應工業機器所用的鋁合金棒及其他專用型材產品。

集團總體毛利率保持穩健，於二零一五年第二季度為 27.7%而二零一六年第二季度則為 27.8%。鋁合金擠壓產品部毛利率從二零一五年第二季度的 27.9%微升至二零一六年第二季度的 28.0%。

於回顧期內，銷售及分銷開支從去年同期的人民幣 1,850 萬元降低 6.7%至人民幣 1,720 萬元。這主要由於員工及相關成本降低所致。

較低的銀行借貸利息致使融資成本自二零一五年第二季度的人民幣 3,870 萬元減少 24.5%至二零一六年第二季度的人民幣 2,920 萬元。約人民幣 2,430 萬元 (二零一五年第二季度: 人民幣 3,100 萬元) 的借款利息被資本化，而這些借款利息來自於新生產線的物業、廠房及設備建設融資相關的借款。

綜合以上因素，集團溢利在二零一六年第二季度上揚 61.8%至人民幣 1,870 萬元，相較於二零一五年第二季度的人民幣 1,160 萬元。集團的財務狀況保持穩健，於二零一六年六月三十日持有的現金及現金等價物為人民幣 12 億元。

相比於二零一五年六月三十日止六個月(「二零一五年上半年」)所錄得的人民幣 6 億 9,490 萬元營業額以及人民幣 2,250 萬元的稅後溢利，集團於二零一六年六月三十日止六個月(「二零一六年上半年」)的營業額和稅後溢利分別為人民幣 6 億 8,640 萬元及人民幣 2,870 萬元。

麥達斯行政總裁周華光先生說：「南京中車以及我們核心鋁合金擠壓產品的營收勢頭持續良好令我們對集團的中期表現感到欣慰。我們於二零一六年七月二十七日完成了對匯成資本的收購項目並將麥達斯的生產能力擴展至其他鋁合金產品，有利於推動我們在未來的營收增長。」

前景

對中國鐵路行業的投資預計將繼續保持穩健，受支持於其政府計劃到二零二零年將國內鐵路網絡延伸至15萬公里，包括3萬公里的高速鐵路線的建設計劃。鐵路行業的短期前景也繼續保持正面，得益於國家為擴展中國鐵路網絡在二零一六年所計劃的人民幣8,000億元固定資產投資目標。

配合其推進的一帶一路項目，中國也繼續憑藉其在高速鐵路建造的專業技術物色國際市場上的際遇。中國有意打造一條連結中國和東南亞的高鐵網絡，而中國最大的軌道交通設備製造商 – 中國中車股份有限公司 – 也在與約30個國家商討高速鐵路項目。

本集團預計正面的行業環境將有利於市場業者並會繼續在中國及國際鐵路行業尋求新機遇。本集團也會在其他產品分部及出口市場繼續積極地物色及把握業務多樣化機會。

周先生續道：「我們對業務前景看法樂觀，主要由於於中國政府對中國以及區域鐵路市場的投資關注。放眼未來，麥達斯將會繼續憑藉其作為優質供應商的競爭優勢以在中國和國際市場爭取新商機。我們也將憑藉收購匯成資本所有限公司獲得的新生產能力透過其他產品領域取得多角化增長。」

<u>關於麥達斯控股有限公司</u>

麥達斯成立於二零零零年，目前是中國的載客鐵道運輸行業的領先鋁合金擠壓型材產品製造商。多年來，麥達斯建立了供應給中國載客鐵道運輸行業的良好往績記錄，其中包括標誌性合約如京津高速鐵路項目的列車供應及 CRH3-380 項目的跨城市高速列車供應。麥達斯的客戶包括中國列車製造商中國中車股份有限公司以及全球三大列車製造商– Alstom Transport、Siemens AG 及 Bombardier Transportation。

麥達斯也對南京中車浦鎮城軌車輛有限責任公司（「南京中車」）擁有 32.5%的策略性權益。南京南車是一家從事開發、製造及銷售地鐵列車、轉向架及其相關零件業務的聯營公司。

二零一四年，麥達斯榮獲西門子鐵路系統頒發給其全球頂級供應商的「西門子鐵路系統之星 2014」獎項。此外，麥達斯也於二零一二年榮獲龐巴迪運輸所頒發的「年度最佳供應商獎」。

公司亦榮獲二零一零年新加坡企業大獎 「市值 3 億新元至 10 億新元」類別的「最佳投資者關係（金）獎」。行政總裁周華光先生在二零一四年的新加坡企業大獎榮獲「最佳行政總裁獎」。

麥達斯於二零一二年至二零一五年連續四年榮獲新加坡證券投資者協會主辦的 “投資者的選擇獎項” 中之 “最具透明度公司獎” (“化工與資源” 組別) 。

二零一一年，麥達斯榮獲了中國國家工商行政管理總局商標局所頒的極具威望的「中國馳名商標」榮銜，見證了麥達斯於中國的品牌知名度與信譽。

麥達斯於新加坡證券交易所有限公司主機板作第一上市，並於香港聯合交易所有限公司主機板作第二上市。

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二零一六年八月十二日