Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

The board of directors (the "Board") of Midas Holdings Limited (the "Company" or "Midas") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2015 together with the comparative figures for the previous year as follows:

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2015

	Note	2015 RMB'000	2014 RMB'000
Revenue	3	1,512,199	1,317,863
Cost of sales		(1,105,425)	(967,617)
Gross profit		406,774	350,246
Other income		23,767	14,081
Selling and distribution expenses		(73,431)	(60,669)
Administrative expenses		(172,648)	(148,295)
Finance costs		(138,959)	(128,481)
Share of profits of an associate		31,712	29,024
Profit before income tax expense	6	77,215	55,906
Income tax expense	7	(20,023)	(2,803)
Profit for the year		57,192	53,103
Attributable to :			
Owners of the Company		57,192	56,348
Non-controlling interests		-	(3,245)
		57,192	53,103
Profit for the year		57,192	53,103
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation		14,547	31,900
Total comprehensive income for the year		71,739	85,003
Attributable to:			
Owners of the Company		71,739	88,248
Non-controlling interests		-	(3,245)
		71,739	85,003
Basic earnings per share (RMB Fen)	9	4.70	4.63
Diluted earnings per share (RMB Fen)	9	4.70	4.63

Statements of Financial Position
As at 31 December 2015

	Group		Company	
	2015	2014	2015	2014
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets				
Property, plant and equipment	4,142,814	3,617,443	1,499	1,905
Interests in subsidiaries	-	-	2,594,383	2,643,241
Interest in an associate	225,282	208,364	136,580	139,529
Land use rights	333,934	311,319	-	-
Restricted bank deposits	-	37,822	-	-
Prepaid rental	84	92	-	-
Deferred tax assets	18,118	17,138	-	-
	4,720,232	4,192,178	2,732,462	2,784,675
Current assets				
Inventories	558,694	563,711	-	-
Trade and other receivables	1,264,102	1,392,352	12,578	10,694
Restricted bank deposits	96,550	-	-	-
Cash and cash equivalents	1,162,445	1,209,501	3,710	10,806
	3,081,791	3,165,564	16,288	21,500
Current liabilities				
Trade and other payables	927,311	615,799	14,041	13,154
Income tax payable	8,040	6,866	-	-
Borrowings	2,073,091	1,604,173	343,161	-
	3,008,442	2,226,838	357,202	13,154
Net current assets	73,349	938,726	(340,914)	8,346
Total assets less current liabilities	4,793,581	5,130,904	2,391,548	2,793,021
Non-current liabilities				
Deferred tax liability	2,141	2,141	-	-
Borrowings	1,750,109	2,131,275	388,339	744,008
	1,752,250	2,133,416	388,339	744,008
Net assets	3,041,331	2,997,488	2,003,209	2,049,013

	Group		Company	
	2015	2014	2015	2014
	RMB'000	RMB'000	RMB'000	RMB'000
Capital and reserves				
Share capital	2,166,575	2,166,575	2,166,575	2,166,575
Treasury shares	(2,501)	(2,501)	(2,501)	(2,501)
Foreign currency translation reserve	32,477	17,930	(175,253)	(132,602)
People's Republic of China ("PRC") statutory reserve	158,378	149,823	-	-
Retained earnings	686,402	665,661	14,388	17,541
Total equity	3,041,331	2,997,488	2,003,209	2,049,013

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2015

	← Attributable to the owners of the Company →								
Group	Share capital RMB'000	Treasury shares RMB'000	Foreign currency translation reserve RMB'000	PRC statutory reserve RMB'000	Share options reserve RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2014	2,166,575	(2,501)	(13,970)	142,016	2,740	673,797	2,968,657	279,532	3,248,189
Profit for the year		-	-	-	-	56,348	56,348	(3,245)	53,103
Other comprehensive income:									
Foreign currency reserve		-	31,900	-	-	-	31,900	-	31,900
Total comprehensive income for the financial year		-	31,900	-	-	56,348	88,248	(3,245)	85,003
Acquisition of non-controlling interest in subsidiary without a change in control		-	-	-	-	(29,836)	(29,836)	(276,287)	(306,123)
Transfer of option reserve to retained earnings		-	-	-	(2,740)	2,740	-	-	-
Dividends		-	-	-	-	(29,581)	(29,581)	-	(29,581)
Transfer to PRC statutory reserve		-	-	7,807	-	(7,807)	-	-	
Balance at 31 December 2014	2,166,575	(2,501)	17,930	149,823	-	665,661	2,997,488	-	2,997,488

Group	Share capital RMB'000	Treasury shares RMB'000	Foreign currency translation reserve RMB'000	PRC statutory reserve RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2015	2,166,575	(2,501)	17,930	149,823	665,661	2,997,488
Profit for the year	-	-	-	-	57,192	57,192
Other comprehensive income:						
Foreign currency reserve	-	-	14,547	-	-	14,547
Total comprehensive income for the financial year	-	-	14,547	-	57,192	71,739
Dividends	-	-	-	-	(27,896)	(27,896)
Transfer to PRC statutory reserve	-	-	-	8,555	(8,555)	-
Balance at 31 December 2015	2,166,575	(2,501)	32,477	158,378	686,402	3,041,331

<u>Company</u>	Share capital RMB'000	Treasury shares RMB'000	Foreign currency translation reserve RMB'000	Share options reserve RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2014	2,166,575	(2,501)	(92,527)	2,740	3,131	2,077,418
Profit for the year	-	-	-	-	41,251	41,251
Other comprehensive income:						
Foreign currency reserve	-	-	(40,075)	-	-	(40,075)
Total comprehensive income for the financial year	-	-	(40,075)	-	41,251	1,176
Transfer of option reserve to retained earnings	-	-	-	(2,740)	2,740	-
Dividends	-	-	-	-	(29,581)	(29,581)
Balance at 31 December 2014	2,166,575	(2,501)	(132,602)	-	17,541	2,049,013

Company	Share capital RMB'000	Treasury shares RMB'000	Foreign currency translation reserve RMB'000	Share options reserve RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2015	2,166,575	(2,501)	(132,602)	-	17,541	2,049,013
Profit for the year	-	-	-	-	24,743	24,743
Other comprehensive income:						
Foreign currency reserve	-	-	(42,651)	-	-	(42,651)
Total comprehensive income for the financial year	-	-	(42,651)	-	24,743	(17,908)
Dividends	-	-	-	-	(27,896)	(27,896)
Balance at 31 December 2015	2,166,575	(2,501)	(175,253)	-	14,388	2,003,209

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2015

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act"), the Singapore Financial Reporting Standards ("SFRS") including related interpretation of SFRS ("INT SFRS") issued by the Singapore Accounting Standards Council and the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

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

2. ADOPTION OF NEW OR AMENDED SFRS

In the current financial year, the Group has adopted all the new and revised SFRS and INT SFRS that are relevant to its operations and effective for the current financial year.

The adoption of these new and revised SFRS and INT SFRS does not result in any substantial changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

3. REVENUE

Revenue of the Group is as follow:

	2015 RMB'000	2014 RMB'000
Sales of aluminium extrusion products	1,500,597	1,294,761
Sales of polyethylene pipes	11,602	23,102
Total	1,512,199	1,317,863

4. SEGMENT INFORMATION

For the year ended 31 December 2015	Aluminium Alloy Extruded Products Division RMB'000	Polyethylene Pipe Division RMB'000	Aluminium Alloy Plates and Sheets Division RMB'000	Unallocated RMB'000	Total RMB'000
Revenue	**1,500,597**	**11,602**	-	-	**1,512,199**
RESULTS					
Segment results	213,392	(3,948)	(5,986)	-	203,458
Unallocated corporate expenses	-	-	-	(18,996)	(18,996)
Finance costs	(101,630)	(1)	(20)	(37,308)	(138,959)
Share of profits of an associate	-	-	-	31,712	31,712
Profit/ (loss) before income tax expense	111,762	(3,949)	(6,006)	(24,592)	77,215
Income tax expense					(20,023)
Profit for the year					57,192
OTHER INFORMATION					
Additions of property, plant and equipment	561,246	4	119,022	-	680,272
Depreciation of property, plant and equipment	150,587	1,352	1,856	366	154,161
Amortisation of land use rights and prepaid rental	3,407	85	3,791	-	7,283

As at 31 December 2015

	Aluminium Alloy Extruded Products Division RMB'000	Polyethylene Pipe Division RMB'000	Aluminium Alloy Plates and Sheets Division RMB'000	Unallocated RMB'000	Total RMB'000
Assets					
Segment assets	5,700,788	87,356	1,770,704	17,893	7,576,741
Interest in an associate	-	-	-	225,282	225,282
	5,700,788	87,356	1,770,704	243,175	7,802,023
Liabilities					
Segment liabilities	3,015,727	2,107	997,262	745,596	4,760,692

For the year ended 31 December 2014	Aluminium Alloy Extruded Products Division RMB'000	Polyethylene Pipe Division RMB'000	Aluminium Alloy Plates and Sheets Division RMB'000	Unallocated RMB'000	Total RMB'000
Revenue	**1,294,761**	**23,102**	**-**	**-**	**1,317,863**
RESULTS					
Segment results	188,412	(2,634)	(11,105)	-	174,673
Unallocated corporate expenses	-	-	-	(19,310)	(19,310)
Finance costs	(99,921)	(6)	(18)	(28,536)	(128,481)
Share of profits of an associate	-	-	-	29,024	29,024
Profit/ (loss) before income tax expense	88,491	(2,640)	(11,123)	(18,822)	55,906
Income tax expense					(2,803)
Profit for the year					53,103

OTHER INFORMATION

Additions of property, plant and equipment	416,656	49	328,113	13	744,831
Depreciation of property, plant and equipment	156,962	1,405	956	438	159,761
Amortisation of land use rights and prepaid rental	3,149	85	3,739	-	6,973

<u>As at 31 December 2014</u>	**Aluminium Alloy Extruded Products Division RMB'000**	**Polyethylene Pipe Division RMB'000**	**Aluminium Alloy Plates and Sheets Division RMB'000**	**Unallocated RMB'000**	**Total RMB'000**
Assets					
Segment assets	5,170,784	105,954	1,849,125	23,515	7,149,378
Interest in an associate	-	-	-	208,364	208,364
	5,170,784	105,954	1,849,125	231,879	7,357,742
Liabilities					
Segment liabilities	2,577,350	2,693	1,022,992	757,219	4,360,254

For the year ended 31 December 2015 ("FY2015"), Aluminium Alloy Extruded Products Division accounted for about 99.2% of our total Group revenue as compared to about 98.2% for the financial year 2014 ("FY2014"). Polyethylene Pipe Division accounted for about 0.8% and 1.8% of our total Group revenue for FY2015 and FY2014 respectively.

5. GEOGRAPHICAL INFORMATION

The following is an analysis of the revenue by geographical market:

	2015 RMB'000	2014 RMB'000
Revenue		
PRC	1,300,738	1,137,630
Others	211,461	180,233
Total	1,512,199	1,317,863

Revenues are attributed to countries on the basis of the customers' location.

6. PROFIT BEFORE INCOME TAX EXPENSE

The Group's profit before tax is arrived at after charging:

	2015 RMB'000	2014 RMB'000
Cost of inventories recognised as expenses	742,746	700,833
Depreciation of property, plant and equipment	154,161	159,761
Amortisation of land use rights and prepaid rental	7,283	6,973
Loss on disposal of property, plant and equipment, net	434	109
Operating lease rentals - properties	1,039	1,404

7. INCOME TAX EXPENSE

	2015 RMB'000	2014 RMB'000
Current – Singapore		
Withholding tax arising from loan interest from a PRC subsidiary	1,375	1,161
Withholding tax arising from dividends declared by PRC's subsidiaries and associate	2,400	4,709
(Over)/Under provision for income tax in prior years	19	(2)
Current - PRC		
Provision for income tax for the year	15,649	13,777
Provision for deferred tax assets	(1,533)	(6,359)
Under provision for deferred tax assets in prior years	-	(10,779)
Under provision for income tax in prior years	2,113	296
Income tax expense	20,023	2,803

Reconciliation of effective tax rate is as below:

	2015 RMB'000	2014 RMB'000
Profit before income tax expense	77,215	55,906
Income tax calculated at statutory tax rate of 17% (2014:17%)	13,126	9,504
Effect of different tax rates of overseas operations	6,889	4,749
Tax effect of share of profits of an associate	(5,236)	(4,955)
Tax effect of revenue not taxable for tax purposes	(384)	(190)
Tax effect of expenses not deductible for tax purposes	11,059	13,857
Benefits from previously unrecognised tax losses	(1,533)	(17,138)
Effect of tax concession of a subsidiary	(9,755)	(9,185)
Singapore statutory stepped income exemption	(50)	(3)
Provision for income tax for the year	14,116	(3,361)
Withholding tax arising from loan interest from a subsidiary	1,375	1,161
Withholding tax arising from dividends declared by PRC's subsidiaries	2,400	4,709
Under provision for income tax in prior years	2,132	294
Income tax expense	20,023	2,803

The Company is incorporated in Singapore and accordingly, is subject to income tax rate of 17% (2014: 17%).

Pursuant to the income tax rules and regulations of the PRC, PRC subsidiaries are liable to PRC enterprise income tax at a rate of 25% during the year ended 31 December 2015 (2014: 25%) except for the following:

- Jilin Midas Aluminium Industries Co., Ltd ("Jilin Midas") was awarded with the approved High Technology Enterprise status and is entitled to enjoy a concessionary tax rate of 15% for the financial years 2011 to 2016.

Under the PRC tax law, dividends received by foreign investors from their investment in Chinese enterprises in respect of their profits earned since 1 January 2008 are subject to withholding tax at a rate of 10% unless reduced by treaty. Pursuant to a tax arrangement between the PRC and Singapore, the investment holding companies established in Singapore are subject to a reduced withholding tax rate of 5% on dividends they received from their PRC subsidiaries.

8. DIVIDENDS

	2015 RMB'000	2014 RMB'000
Final dividend of S$0.0025 per ordinary share paid in respect of the financial year ended 2013 under the exempt 1-tier system	-	14,883
2014 interim dividends of S$0.0025 per ordinary share under the exempt 1-tier system	-	14,698
Final dividend of S$0.0025 per ordinary share paid in respect of the financial year ended 2014 under the exempt 1-tier system	14,021	-
2015 interim dividends of S$0.0025 per ordinary share under the exempt 1-tier system	13,875	-
	27,896	29,581

Subsequent to the year ended 31 December 2015, the Board proposed a final tax-exempt dividend# of S$0.0025 (2014: S$0.0025) per ordinary share, amounting to S$3,044,000 (2014: S$3,044,000) under the exempt-1-tier system. The proposed final dividends had not been recognised as a liability at the end of reporting period.

#With effect from 1 January 2003, Singapore has adopted a one-tier corporate tax system under which tax paid by a resident company on its chargeable income is a final tax. All dividends paid are tax exempt in the hands of its shareholders. There is no withholding tax on dividend payments to all shareholders.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2015 RMB'000	2014 RMB'000
Earnings		
Earnings for the purpose of basic and diluted earnings per share, being profit for the year attributable to owners of the Company	57,192	56,348

	2015	2014
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,217,617,800	1,217,617,800
Effect of dilutive potential ordinary shares:		
Effects of dilution – Share options	-	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,217,617,800	1,217,617,800

	2015 RMB Fen	2014 RMB Fen
Basic earnings per share	4.70	4.63
Diluted earnings per share	4.70	4.63

10. TRADE RECEIVABLES

	2015 RMB'000	2014 RMB'000
Trade receivables – third parties	937,583	839,064
– associate	-	44,789
	937,583	883,853
Allowance for doubtful trade receivables	(1,832)	(1,832)
Total trade receivables	935,751	882,021

Trade receivables are non-interest bearing and are generally on 90 to 120 days credit terms.

The ageing analysis of the Group's trade receivables at the end of reporting period is as follows:

	2015 RMB'000	2014 RMB'000
Within 90 days	390,074	381,062
Over 90 days and within 120 days	197,575	112,808
Over 120 days and within 6 months	115,858	119,475
Over 6 months and within 1 year	193,560	231,814
Over 1 year and within 2 years	37,611	37,720
Over 2 years	2,905	974
	937,583	883,853

11. TRADE PAYABLES

Trade payables are normally settled on 30 to 90 days terms.

The ageing analysis of the Group's trade payables at the end of reporting period is as follows:

	2015 RMB'000	2014 RMB'000
Within 90 days	81,916	28,203
Over 90 days and within 6 months	22,505	17,106
Over 6 months and within 1 year	84,927	82,010
Over 1 year	56,230	35,413
	245,578	162,732

12. CONTINGENT LIABILITIES

As at 31 December 2015, the Group has no material contingent liabilities (2014: Nil).

13. CAPITAL COMMITMENTS

	2015 RMB'000	2014 RMB'000
Commitments for the acquisition and construction of property, plant and equipment:		
- Contracted but not provided for	540,903	527,042

MANAGEMENT DISCUSSION AND ANALYSIS

(I) BUSINESS REVIEW

Our total revenue increased by approximately RMB194.3 million or 14.7% from RMB1,317.9 million in FY2014 to RMB1,512.2 million in FY2015. Revenue at our Aluminium Alloy Extruded Products Division increased by approximately RMB205.8 million or 15.9% from RMB1,294.8 million in FY2014 to RMB1,500.6 million in FY2015 mainly due to an increase in business volume and contribution from our Luoyang plant. Our Aluminium Alloy Extruded Products Division contributed approximately 99.2% of total revenue as compared to approximately 98.2% for FY2014.

The tables below show the revenue segmentation by end usage of our Aluminium Alloy Extruded Products Division for FY2015.

Aluminium Alloy Extruded Products Division		
Transport Industry	Power Industry	Others
81.2%	3.5%	15.3%

Revenue contributions for the "Others" segment in the Aluminium Alloy Extruded Products Division comprised mainly supply of aluminium alloy rods and other specialised profiles for industrial machinery.

	Group		
	Year Ended 31 Dec 2015 RMB'000	Year Ended 31 Dec 2014 RMB'000	Increase/ (Decrease) %
(a) Revenue reported for first half year	694,897	633,171	9.7
(b) Net profit after tax reported for first half year	22,485	16,809	33.8
(c) Revenue reported for second half year	817,302	684,692	19.4
(d) Net profit after tax reported for second half year	34,707	36,294	(4.4)

The Group's gross profit margin for FY2015 was 26.9% versus 26.6% in FY2014. This was due to higher gross profit margin at our Aluminium Alloy Extruded Products Division of 27.0% in FY2015 as compared to 26.8% in FY2014.

Other income comprised mainly of interest income and income derived from the disposal of scrap materials and grants received at our Aluminium Alloy Extruded Products Division.

Selling and distribution expenses increased by approximately RMB12.8 million in FY2015, driven mainly by higher transportation, travelling and packaging expenses as compared with FY2014, in line with the growth in business volume at our Aluminium Alloy Extruded Products Division in FY2015.

Administrative expenses increased by about RMB24.4 million in FY2015 mainly due to increase in depreciation, other taxes and staff costs as compared with FY2014.

Finance costs comprised interest for debt borrowings, bank charges and financing costs relating to discounted notes receivables. Approximately RMB124.7 million (FY2014: RMB120.9 million) of the interest on borrowings that was used to finance the construction of property, plant and equipment for our new production lines were capitalised.

The Group's share of profit from its associated company, CRRC Nanjing Puzhen Rail Transport Co., Ltd. ("NPRT") (formerly known as Nanjing SR Puzhen Rail Transport Co. Ltd.), is approximately RMB31.7 million in FY2015. This was mainly due to a different project mix during the year.

Income tax expense for FY2015 increased by about RMB17.2 million mainly due to lower deferred tax income in Luoyang Midas Aluminium Industries Co., Ltd. ("Luoyang Midas") and Jilin Midas Light Alloy Co., Ltd. ("JMLA") as compared with FY2014. Jilin Midas was awarded with the approved High Technology Enterprise status and enjoyed a concessionary rate of 15% for the financial years 2011 to 2016.

FY2015 ended with profits of approximately RMB57.2 million which represented 7.7% increase over FY2014.

Property, plant and equipment increased due to additions made to machinery and infrastructure development for:-

1. extrusion moulds and ancillary facilities and construction of new plant for our Aluminium Alloy Extruded Products Division; and
2. construction of new plant for our Aluminium Alloy Plates and Sheets Division.

Our Aluminium Alloy Extruded Products Division also acquired a foundry and its related building, machineries and the land use right for a consideration of RMB265 million in May 2015.

Trade and other receivables decreased by about RMB128.3 million. This was mainly due to a decrease in other receivables of approximately RMB181.9 million from RMB510.3 million as at 31 December 2014 to RMB328.4 million as at 31 December 2015. Trade receivables increased by about RMB53.7 million from RMB882.0 million to RMB935.7 million mainly due to the increase in business volume experienced at our Aluminium Alloy Extruded Products Division.

Trade and other payables increased by about RMB311.5 million. This was mainly due to the higher business volume at our Aluminium Alloy Extruded Products Division, resulting in higher trade and notes payable owing to our suppliers. There was also an increase in advance received from our associate company.

Borrowings increased by RMB87.8 million mainly for the purchases of property, plant and equipment of Luoyang Midas.

(II) FINANCIAL REVIEW

1. Full Year Statement of Cash Flows

For the year ended 31 December 2015

	2015 RMB'000	2014 RMB'000
Cash flows from operating activities		
Profit before income tax expense	77,215	55,906
Adjustments for:		
Depreciation of property, plant and equipment	154,161	159,761
Amortisation of land use rights and prepaid rental	7,283	6,973

	2015 RMB'000	2014 RMB'000
Share of profits of an associate	(31,712)	(29,024)
Net fair value gain on derivative financial asset	(199)	-
Loss on disposal of property, plant and equipment, net	434	109
Interest income	(13,980)	(9,672)
Interest expenses	138,959	128,481
Operating profit before changes in working capital	332,161	312,534
Changes in working capital :		
Inventories	5,017	65,222
Trade and other receivables	130,116	(401,086)
Trade and other payables	119,214	184,268
Cash generated from operations	666,508	160,938
Income tax paid	(19,829)	(870)
Interest paid	(101,651)	(99,962)
Interest received	13,980	9,672
Net cash from operating activities	559,008	69,778
Cash flows from investing activities		
Proceeds from sale of other financial assets	175	-
Proceeds from disposal of property, plant and equipment	265	-
Purchase of property, plant and equipment	(450,119)	(623,961)
Purchase of land use rights	(23,047)	-
Dividends received	10,004	8,336
Net increase in restricted bank deposits	(58,728)	(2,740)
Interest paid and capitalised	(124,086)	(117,059)
Proceeds from redemption of available-for-sale assets upon maturity	-	2,000
Net cash used in investing activities	(645,536)	(733,424)
Cash flows from financing activities		
Dividends paid	(27,896)	(29,581)
Proceeds from issuance of medium term note	-	767,895
Proceeds from bank borrowings	1,852,000	1,834,000
Repayment of bank borrowings	(1,751,740)	(1,440,170)
Acquisition of non-controlling interests	-	(306,000)
Payment of medium term note interests	(34,969)	(18,217)
Net cash from financing activities	37,395	807,927
Net change in cash and cash equivalents	(49,133)	144,281
Cash and cash equivalents at beginning of the financial year	1,209,501	1,046,456
Net effect of exchange rate changes in cash and cash equivalents	2,077	18,764
Cash and cash equivalents at end of the financial year	1,162,445	1,209,501

During the year under review, our net cash position decreased by about RMB49.1 million and was mainly due to payments made for property, plant and equipment of about RMB450.1 million and interest paid and capitalised of about RMB124.1 million. The above outflows were offset by net cash generated from operating activities of about RMB559.0 million.

2. Net Asset Value

As at 31 December	Group	
	2015	**2014**
Net asset value per ordinary share based on issued share capital at financial year end (RMB)	2.50	2.46

3. Loans

	As at 31 December 2015		As at 31 December 2014	
	Secured RMB'000	**Unsecured RMB'000**	**Secured RMB'000**	**Unsecured RMB'000**
Amount repayable in one year or less, or on demand	236,150	1,836,941	150,000	1,454,173
Amount repayable after one year	937,000	813,109	1,023,180	1,108,095
Total	1,173,150	2,650,050	1,173,180	2,562,268

Details of collateral

The secured borrowings consist of bank loans that are provided to Jilin Midas and JMLA.

The bank loans to Jilin Midas are secured by the mortgage of land use rights, property, plant and equipment and various trade receivables with net book value of about RMB1,049.4 million (31 December 2014: RMB1,327.4 million). The bank loans to JMLA are guaranteed by the Company, Jilin Midas and Dalian Huicheng Aluminium Industries Co., Ltd (which is ultimately owned by Mr. Chen Wei Ping, who is the Executive Director and Chairman of the Company). The bank loans to JMLA are also secured by land use rights, future constructions and developments on the land including factory buildings, office buildings and workshops for auxiliary facilities, and two cold-rolling mills. The bank loans to Luoyang Midas are guaranteed by Jilin Midas.

(III) PROSPECTS

Prospects for China's railway sector is likely to remain positive with planned investments of RMB800 billion in its railway network in 2016. Further, according to China Railway Corp, the budget for infrastructure investment over the 2016 - 2020 five-year plan period could exceed RMB4 trillion.

Industry players also expect new infrastructure projects to be unveiled as part of China's "One Belt, One Road" program to build new trade and transport links between Asia and Europe. This is in addition to the PRC government's active pursuit of international rail projects. Industry players and rail equipment suppliers such as Midas are poised to capitalise opportunities arising from positive industry developments.

To further expand the Group's core business, Midas announced the proposed acquisition of Huicheng Capital Limited which produces aluminium alloy stretched plates and hot-rolled aluminium alloy plates and coils with a broad range of applications in November 2015. The Group will provide further updates as and when appropriate.

Going forward, the Group will continue to actively identify and harness opportunities in the PRC and international railway sector, other product segments as well as in export markets.

SUPPLEMENTARY INFORMATION

1. Audit Committee

The audit committee of the Company (the "Audit Committee") has reviewed the accounting principles and standards adopted by the Group, and has discussed and reviewed the internal control and reporting matters. The annual results for the year ended 31 December 2015 have been reviewed by the Audit Committee. As of the date of this announcement, the Audit Committee comprises three independent non-executive directors of the Company namely, Mr. Tong Din Eu (Chairman), Mr. Chan Soo Sen and Dr. Xu Wei Dong.

2. Compliance with the Corporate Governance Code

In the opinion of the directors of the Company (the "Directors"), the Company has complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report (the "Code") as set out in Appendix 14 of the Listing Rules save for the deviation from code provision A.4.1 of the Code during the year ended 31 December 2015.

Under code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. Currently, none of the existing independent non-executive Directors is appointed for a specific term. However, all Directors are subject to the retirement and re-election provisions of the Articles of Association of the Company, which require that one-third of the Board shall retire from office by rotation every year and the retiring Directors are eligible for re-election. In addition, each of the Directors appointed to fill a casual vacancy will be subject to election by the shareholders at the first general meeting after such appointment. In view of this, the Board considers that such requirements are sufficient to meet the underlying objective of the said code provision A.4.1 and, therefore, does not intend to take any remedial steps in this regard.

3. Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules and its amendments from time to time as its own code of conduct regarding securities transaction by the Directors. The Board confirms, having made specific enquiries with all Directors, that all Directors have complied with the required standards of the Model Code throughout the year ended 31 December 2015.

4. Reconciliation between SFRS and IFRS

For the year ended 31 December 2015, there were no material differences between the consolidated financial statements of the Group prepared under SFRS and IFRS (which include all IFRS, International Accounting Standards and Interpretations).

5. Purchase, sale or redemption of the Company's listed securities

During the year ended 31 December 2015, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

6. Share Capital

No shares were issued during the financial year ended 31 December 2015.

As 31 December 2015, the share capital of the Company comprises 1,217,617,800 issued and fully paid ordinary shares (31 December 2014: 1,217,617,800 shares).

As at 31 December 2015, 1,000,000 ordinary shares were held as treasury shares (31 December 2014: 1,000,000 shares). During the year ended 31 December 2015, none of the treasury shares were sold, transferred, disposed, cancelled and/or used.

7. Employees and remuneration policy

As at 31 December 2015, there were 2,545 (2014: 2,156) employees in the Group. Staff remuneration packages are determined in consideration of market conditions and the performance of the individuals concerned, and are subject to review from time to time. The Group also provides other staff benefits including medical and life insurance.

8. Closure of register of members

A separate announcement regarding the book closure date, record date and the payment date regarding the proposed final dividend for the year ended 31 December 2015 will be published in due course.

9. Disclosure on the website of the Stock Exchange

This announcement is published on the website of the Stock Exchange (http://www.hkexnews.hk) and on the website of the Company (http://www.midas.com.sg).

On behalf of the Board
Midas Holdings Limited
Chew Hwa Kwang, Patrick
Executive Director and
Chief Executive Officer

Hong Kong, 29 February 2016

As at the date of this announcement, the executive Directors are Mr. Chen Wei Ping and Mr. Chew Hwa Kwang, Patrick; and the independent non-executive Directors are Mr. Chan Soo Sen, Dr. Xu Wei Dong and Mr. Tong Din Eu.