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

SALE AND PURCHASE AGREEMENT RELATING TO 45% OF THE EQUITY INTEREST IN JILIN MIDAS LIGHT ALLOY CO., LTD

The Board of Directors (the "**Board**") of Midas Holdings Limited (the "**Company**") wishes to announce that the Company had entered into a sale and purchase agreement (the "**Agreement**") with Jilin Kaitong Engineering Co., Ltd (吉林凯通工程有限公司) (the "**Vendor**") to acquire 45% of the equity interest (the "**Sale Equity**") in Jilin Midas Light Alloy Co., Ltd ("**JMLA**"), a sino-foreign equity joint venture company incorporated in the People's Republic of China ("**PRC**") which is a subsidiary of the Company. The remaining 55% of the equity interest in JMLA is presently held by the Company.

Pursuant to the Agreement, the Vendor will transfer, and the Company will acquire, the Sale Equity for an aggregate sum of RMB306 million (approximately S$62 million) (the "**Consideration**"), to be satisfied on Completion (as defined below) by telegraphic transfer to the Vendor's designated account in RMB.

Completion of the sale and purchase under the Agreement ("**Completion**") is conditional upon certain conditions ("**Conditions**") being fulfilled (or waived), including without limitation, the approval of the Agreement by the Vendor's shareholders' meeting, all required consents and governmental approvals having been obtained and (where applicable) on conditions satisfactory to the Company at its discretion, and there being no material adverse change in the business, operations, assets, financial conditions or prospects of JMLA. Completion will take place five (5) business days after the date on which the Conditions have been fulfilled or waived (or such other date as agreed in writing between the Company and the Vendor) and the registration with the PRC State Administration for Industry and Commerce and its local counterpart ("**SAIC**") of the transfer of the Sale Equity under the Company's name has been completed.

Upon Completion, the Company will hold a 100% equity interest in the registered capital of JMLA and JMLA shall become a wholly-owned subsidiary of the Company.

The Consideration was arrived at, on a willing-buyer and willing-seller basis, after negotiations which were conducted at arm's length between the Company and the Vendor, and takes into account the results of the assets valuation report of JMLA issued by Jilin Shengyuan Assets Appraisal Co., Ltd (吉林圣沅资产评估有限公司) on 15 June 2014, which valued JMLA, including all its assets such as the land, work-in-progress of the project under construction, equipment and cash, after deducting its liabilities, as at 30 April 2014, at approximately RMB662.8 million, of which the Sale Equity is 45%, resulting in a valuation of the Sale Equity of approximately RMB298.3 million. The Company agreed to pay a small premium over valuation to the Vendor of approximately RMB7.7 million (approximately S$1.56 million), in view of the future market potential of JMLA's products and JMLA's strategic fit with the growth and direction of the Company. The assets valuation report was commissioned by JMLA and the valuation was based on both the market comparison approach and the cost approach.

The book value and net tangible asset value of the Sale Equity as at 31 March 2014 was RMB278.8 million.

None of the directors or substantial shareholders of the Company has any interest in the Agreement or the transaction contemplated therein, other than through their shareholdings in the Company where applicable.

A copy of the Agreement will be available for inspection at the registered office of the Company at 4 Shenton Way #18-03, SGX Centre 2, Singapore 068807 during normal business hours for a period of three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD
Midas Holdings Limited

Chew Hwa Kwang, Patrick
Executive Director and
Chief Executive Officer
11 July 2014