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**美亞控股有限公司\***  
**MAYER HOLDINGS LIMITED**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1116)

## **DISCLOSEABLE TRANSACTION AND ON-GOING CONNECTED TRANSACTIONS**

ROC Advance, a wholly-owned subsidiary of the Company, has entered into a letter of intent and the Aircraft Sale Agreements with UNI Airways Corporation on 4 April 2005 and 8 April 2005 respectively regarding the purchase of two Dornier 228-212 aircrafts from UNI Airways Corporation. Further details in respect of which are set out in this announcement.

As the acquisition of the Aircrafts exceeds five per cent. but less than 25 per cent. of the relevant percentage ratios (as defined in the Listing Rules), the acquisition is considered as a discloseable transaction under Chapter 14 of the Listing Rules. The Aircrafts Sale Agreements constitute a discloseable transaction of the Company under the Listing Rules. The Company will issue and despatch to its shareholders a circular containing details of the Aircraft Sale Agreements in compliance with Rule 14.38 of the Listing Rules.

ROC Advance also entered into an aircraft lease agreement with Daily Air Corporation, Inc. regarding the leasing of the Aircrafts and the provision of consultancy services by ROC Advance to Daily Air Corporation, Inc. for a term of three years commencing from 1 May 2005 to 30 April 2008 in consideration of rental fee of USD26,000 (equivalent to approximately HK\$202,800) each per month and consultancy fee of USD10,000 (equivalent to approximately HK\$78,000) per month respectively.

The transactions pursuant to the aircraft lease agreement constitute continuing connected transactions of the Company under Rule 14A.34 of the Listing Rules and therefore is only subject to the reporting, announcement and annual review requirements and is exempt from the independent shareholders' approval requirements.

### **AIRCRAFT SALE AGREEMENTS**

ROC Advance, a wholly-owned subsidiary of the Company, has entered into a letter of intent with UNI Airways Corporation on 4 April 2005 regarding the purchase of two Dornier 228-212 aircrafts from UNI Airways Corporation. On 8 April 2005, ROC Advance has entered into the Aircraft Sale Agreements with UNI Airways Corporation to purchase the Aircrafts.

The principal terms of the Aircraft Sale Agreements are as follows:

#### **Date**

8 April 2005

## **Parties**

### ***Vendor:***

UNI Airways Corporation, a company established under the laws of the Republic of China. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, UNI Airways Corporation and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company, and are not connected persons of the Company. Mr. Lai Yueh-hsing, the chairman and executive director of the Company and Daily Air Corporation, Inc., introduced UNI Airways Corporation to the Company.

### ***Purchaser:***

ROC Advance

## **Asset to be purchased**

ROC advance acquires two Dornier 228-212 aircrafts from UNI Airways Corporation.

## **Consideration**

The consideration payable by ROC Advance for the acquisition of the used Aircrafts both of which have an estimated remaining useful life of approximately ten years is NTD56.32 million (equivalent to approximately HK\$14.328 million), which was determined as a matter of commercial decision after arm's length negotiations. UNI Airways Corporation quoted the price for the Aircrafts according to its price list and the Company compared the offered price with the market price, which is publicly available on website, of the similar aircrafts in terms of the aircraft's model and the ex-factory date to reach such consideration. Such consideration is payable by ROC advance in the following manner:

1. NTD2.774 million (equivalent to approximately HK\$0.706 million) upon signature of the letter of intent;
2. NTD2.858 million (equivalent to approximately HK\$0.727 million) upon signature of the Aircraft Sale Agreements; and
3. NTD50.688 million (equivalent to approximately HK\$12.895 million) before the Delivery Date.

The acquisition of the Aircrafts will be financed by the internal resources of the Company.

## ***Conditions precedent***

The obligation of UNI Airways Corporation to sell and effect delivery of the Aircrafts to ROC Advance shall be subject to fulfillment of each of the following conditions:

1. UNI Airways Corporation shall have received the insurance certificate on liability insurance, the acceptance certificate duly executed by ROC Advance, evidence of appointment of and acceptance by Daily Air Corporation Inc. as a process agent and the duly executed Aircraft Sale Agreements;
2. a certified copy of the constitutional documents of ROC Advance and a certified copy of a resolution of the board of directors of ROC Advance approving the terms of, and the transactions contemplated by, the Aircraft Sale Agreements;

3. legal opinion addressed to UNI Airways Corporation from counsel acceptable to UNI Airways Corporation and in form and substance acceptable to UNI Airways Corporation confirming the capacity and authority the ROC Advance to enter into the transactions;
4. UNI Airways Corporation shall have received the consideration and any other amount subject to the terms of the Aircraft Sale Agreements; and
5. the representations given by ROC Advance of the Aircraft Sale Agreements are true and accurate on the Delivery Date.

If any of the abovementioned conditions precedent remain outstanding on the Delivery Date and are not waived or deferred in writing by UNI Airways Corporation, UNI Airways Corporation shall advise ROC Advance accordingly and that ROC Advance shall have three business days to fulfill the outstanding precedent(s). In the event that ROC Advance does not fulfill the outstanding precedent(s) within three business days, to the satisfaction of UNI Airways Corporation, UNI Airways Corporation shall be entitled to terminate its obligation to sell the Aircrafts to ROC Advance by written notice to ROC Advance and UNI Airways Corporation shall have no obligation or liability towards ROC Advance in relation to the Aircrafts and UNI Airways Corporation shall be entitled to retain the deposit.

The obligation of ROC Advance to purchase and take delivery of the Aircrafts from UNI Airways Corporation shall be subject to fulfillment of each of the following conditions:

1. the Aircrafts being in existence on the Delivery Date;
2. the Aircrafts not having suffered the Total Loss on or before the Delivery Date;
3. the representations given by UNI Airways Corporation in the Aircraft Sale Agreements being true and accurate on the Delivery Date; and
4. the Aircrafts being in Delivery Conditions as specified in the Aircraft Sale Agreements.

There are no provisions in the Aircraft Sale Agreements for the obligation of UNI Airways Corporation if it fails to fulfill the aforesaid conditions. The Aircraft Sale Agreements shall be governed by and construed in accordance with laws of the Republic of China.

#### **After services**

UNI Airways Corporation shall provide to ROC Advance with currently carried tools and spare parts of the Aircrafts without handling charge for a period of six months after the Delivery Date.

#### **Insurance**

ROC Advance shall name UNI Airways Corporation as additional insured for a period of three years after the Delivery Date. It is the industry practice to cover possible insurance claims for events happened in the past related to UNI Airways Corporation.

## **Requirements of the Listing Rules**

As the acquisition of the Aircraft exceeds five per cent. but less than 25 per cent. of the relevant percentage ratios (as defined in the Listing Rules), the acquisition is considered as a discloseable transaction under Chapter 14 of the Listing Rules. The Aircraft Sale Agreements constitute a discloseable transaction of the Company under the Listing Rules. The Company will issue and despatch to its shareholders a circular containing details of the Aircraft Sale Agreements in compliance with Rule 14.38 of the Listing Rules.

## **ON-GOING CONNECTED TRANSACTIONS**

The principal terms of the aircraft lease agreement are as follows:

### **Date:**

4 April 2005

### **Parties**

#### *Lessor:*

ROC Advance

#### *Lessee:*

Daily Air Corporation, Inc., a company established under the laws of the Republic of China

### **Particulars**

Pursuant to an aircraft lease agreement, ROC Advance has agreed to lease the Aircrafts and provide consultancy services for the safety operation of the Aircrafts to Daily Air Corporation, Inc. for a term of three years commencing from 1 May 2005 to 30 April 2008. ROC Advance shall employ individuals with qualification of pilot inspection or experienced mechanics dedicated for the safety operation of the Aircrafts. The management of the Company has the experience in aircraft leasing and could manage the investment in the Aircrafts. Both parties to the aircraft lease agreement have agreed that the aircraft lease agreement is conditional on the completion of the Aircraft Sale Agreements.

### *Consideration:*

The rental fee and the consultancy fee in respect of the aircraft lease agreement payable by Daily Air Corporation, Inc. amounts to USD26,000 (equivalent to approximately HK\$202,800) for each aircraft and USD10,000 (equivalent to approximately HK\$78,000) per month respectively and is to be settled on a monthly basis in cash at the end of each month. Such rental fee and consultancy fee are determined with reference to the rental of similar aircrafts from other companies not connected with the Company, its subsidiaries or connected persons of the Company (as defined in the Listing Rules) on terms no less favourable to the Company than terms available from independent third parties.

Pursuant to the aircraft lease agreement, in order to protect the interest of ROC Advance, Daily Air Corporation, Inc. shall buy the Aircrafts with a fixed price of USD450,000 each (equivalent to approximately HK\$3.51 million) plus the balance of a total of three years rental fee of each aircraft if Daily Air Corporation, Inc. decides not to continue the aircraft lease agreement during the term of the aircraft lease agreement. Daily Air Corporation, Inc. shall buy the Aircrafts with a fixed price of USD450,000 each (equivalent to approximately HK\$3.51 million) if Daily Air Corporation, Inc. decides not to extend the aircraft lease agreement after the expiration of the term of the aircraft lease agreement. The purchase of the Aircrafts by Daily Air Corporation, Inc. subject to the terms of the aircraft lease agreement shall constitute connected transaction under requirements of the Chapter 14A of the Listing Rules and the Company shall comply with relevant requirements under Chapter 14A the Listing Rules once the abovementioned transaction conducted.

Pursuant to the aircraft lease agreement, the Directors expect that the annual cap for the rental fee and consultancy fee payable by Daily Air Corporation, Inc. to the ROC Advance for the three years ending 31 December 2007 and the four months ending 30 April 2008 will be HK\$3.9 million, HK\$5.8 million, HK\$5.8 million and HK\$2.0 million respectively.

### **Relationship between the parties**

Mr. Huang Chun-fa, a non-executive Director, is a substantial shareholder of Daily Air Corporation, Inc.. Accordingly, Daily Air Corporation, Inc. is a connected person of the Company under the Listing Rules and the transactions constitute continuing connected transactions for the Company.

### **Requirements of the Listing Rules**

The transactions pursuant to the aircraft lease agreement constitute continuing connected transactions of the Company under Rule 14A.34 of the Listing Rules and therefore is only subject to the reporting, announcement and annual review requirements and is exempt from the independent shareholders' approval requirements.

### **REASONS FOR THE DISCLOSEABLE TRANSACTION AND ON-GOING CONNECTED TRANSACTIONS**

In order to sustain the development of the Group, the Directors are giving full consideration to every investment opportunity which are beneficial to the Group, not limited to those investment opportunities related to the principal business of the Company, with an aim to generate the best return from investments. The Directors consider the transactions are the best investment opportunities currently available to the Company, having considered its current capital position. The Company has sufficient financial resources generated from its operation to finance the purchase of the Aircrafts. In view of the potential stable revenue which the Group could be derived from purely leasing the Aircrafts to Daily Air Corporation, Inc., the Directors believe that the acquisition of the Aircrafts will be able to generate a best return from the acquisition. All costs related to the day-to-day operation of the Aircrafts, including maintenance and insurance costs, will be fully borne by Daily Air Corporation, Inc.. The Company, other than the acquisition cost of the Aircrafts, will only incur costs for any tax liability arising from leasing the Aircrafts. The Directors consider that purchasing the Aircrafts and leasing the Aircrafts to Daily Air Corporation, Inc. are in the interests of the Company's shareholders as a whole.

The terms of the Aircraft Sale Agreements and the aircraft lease agreement were arrived at after arm's length negotiation between ROC Advance and Daily Air Corporation, Inc.. The Directors consider that the terms of the Aircraft Sale Agreements and the aircraft lease agreement are of normal commercial terms and are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## **GENERAL**

The Group is principally engaged in possessing and manufacturing of different kinds of steel sheets and steel pipes which are used by its customers in the manufacture of computing, consumer electronics and communication products, sports equipment, as well as spare parts of household appliances and motor vehicles mainly for the overseas markets through indirect export sales.

UNI Airways Corporation is principally engaged in operating international and domestic airlines in Republic of China for passenger and cargo transportations.

Daily Air Corporation, Inc. is principally engaged in operating domestic airlines for passenger and cargo transportations among offshore islands in the Republic of China.

## **TERMS USED IN THIS ANNOUNCEMENT**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Aircrafts”	two Dornier 228-212 aircrafts, each in a 19 passengers configuration for passenger and cargo transportations
“Aircraft Sale Agreements”	two agreements dated 8 April 2005 between ROC Advance and UNI Airways Corporation in respect of the purchase of the two Aircrafts
“business day”	a day (other than a Saturday or Sunday) on which banks are open for business in Taipei, London and New York
“Company”	Mayer Holdings Limited and the shares of which are listed on the Main Board of the Stock Exchange
“Delivery Conditions”	the main conditions include the Aircrafts (i) shall have a valid Taiwanese CAA Certificate of Airworthiness; (ii) shall have no major maintenance tasks having a performance interval greater than 1,800 hours due in three months after the Delivery Date; (iii) shall have no outstanding deferred maintenance items on the Delivery Date; and (iv) shall be undergone a one-hour demonstration flight and rectified all observed defects outside of maintenance limits noted during such demonstration flight prior to delivery
“Delivery Date”	29 April 2005 or such other date agreed by ROC Advance and UNI Airways Corporation within 45 days
“Directors”	directors of the Company, including the independent non-executives directors
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“ROC Advance”	ROC Advance Limited, a limited company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Loss”	(i) the actual or constructive total loss of the Aircrafts; or (ii) the hijacking, theft or requisition of the Aircrafts or the seizure, arrest, detention or confiscation of the Aircrafts by any government or any by person(s) acting or purporting to act on behalf of any government unless in any case the Aircrafts are released within six months; or (iii) the Aircrafts being destroyed, damaged beyond repair or permanently rendered unfit for normal use for any reason whatsoever
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China
“NTD”	New Taiwanese dollars, the lawful currency of the Republic of China
“USD”	US dollars, the lawful currency of the United States of America

*The exchange rate used for reference purpose in this announcement is HK\$1 to NTD3.9307 and USD1 to HK\$7.8.*

By order of the board of the Directors  
**Mayer Holdings Limited**  
**LAI Yueh-hsing**  
*Chairman*

Hong Kong, 15 April 2005

*As at the date of this announcement, the executive directors of the Company are Lai Yueh-hsing, Lo Haw, Shen Heng-chiang, Wu Kuo-lung, Cheng Dar-terng, Chiang Jen-chin, the non-executive directors of the Company are Hsiao Ming-chih, Huang Chun-fa and the independent non-executive directors are Lin Sheng-bin, Huang Jui-hsiang and Alvin Chiu.*

\* *For identification purpose only*