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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)

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

Financial Adviser



CAPITAL

CSC Asia Limited

On 20 December 2006, the Company and the Subscribers entered into the Subscription Agreements, pursuant to which the Company conditionally agreed to issue, and the Subscribers have conditionally agreed to subscribe, an aggregate of 80,000,000 Subscription Shares at the Subscription Price of HK\$0.50 per Subscription Share.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscribers and their ultimate beneficial owners are not connected persons of the Company and are Independent Third Parties.

The Subscription Price of HK\$0.50 per Subscription Share represents (i) a premium of 25.0% to the closing price of HK\$0.40 per Share as quoted on the Stock Exchange on 20 December 2006, being the date of the Subscription Agreements; (ii) a premium of 25.0% to the average closing price per Share as quoted on the Stock Exchange of HK\$0.40 for the past five consecutive trading days up to and including 20 December 2006; and (iii) a premium of approximately 9.2% to the average closing price per Share as quoted on the Stock Exchange of HK\$0.458 for the past consecutive 20 trading days up to and including 20 December 2006.

The Subscription Shares represent (i) 20% of the existing issued share capital of the Company; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The Subscription Shares shall be issued under the General Mandate.

Completion is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares on or before the Long Stop Date or such other date as the Company and the Subscribers may mutually agree in writing. The net proceeds from the Subscription of approximately HK\$39,600,000 will be utilized for general working capital of the Group.

BACKGROUND

On 20 December 2006, the Company entered into the Subscription Agreements, pursuant to which the Company conditionally agreed to issue, and the Subscribers have conditionally agreed to subscribe, an aggregate of 80,000,000 Subscription Shares at the Subscription Price of HK\$0.50 per Subscription Share. Save for the identity of the Subscribers and the number of the Subscription Shares, the principal commercial terms of each Subscription Agreement are substantially the same.

THE SUBSCRIPTION AGREEMENTS

Date: 20 December 2006

Parties:

Issuer: The Company

Subscribers: 10 individual investors

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscribers and their ultimate beneficial owners are not connected persons of the Company and are Independent Third Parties.

The Subscription Shares

The total number of Subscription Shares subscribed by the Subscribers under the Subscription Agreements is 80,000,000 new Shares. The Subscription Shares represent (i) 20% of the existing issued share capital of the Company; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares, when fully paid, will rank pari passu in all respects with the existing Shares in issue on the date of completion of the Subscription, including the right to receive all dividends, bonuses or distributions declared or proposed to be declared or paid by the Company as from the date of completion of the Subscription.

General Mandate

The Subscription Shares will be allotted and issued under the General Mandate. Under the General Mandate, the Directors are allowed to allot and issue up to 80,000,000 Shares. As at the date of this announcement, no part of the General Mandate has been utilized.

Subscription Price

The Subscription Price of HK\$0.50 per Subscription Share was arrived at after arm's length negotiations, on normal commercial terms between the Company and the Subscribers and with reference to the prevailing market price of the Shares.

The Subscription Price of HK\$0.50 per Subscription Share represents:

- (i) a premium of 25.0% to the closing price of HK\$0.40 per Share as quoted on the Stock Exchange on 20 December 2006, being the date of the Subscription Agreements;

- (ii) a premium of 25.0% to the average closing price per Share as quoted on the Stock Exchange of HK\$0.40 for the past five consecutive trading days up to and including 20 December 2006; and
- (iii) a premium of approximately 9.2% to the average closing price per Share as quoted on the Stock Exchange of HK\$0.458 for the past 20 consecutive trading days up to and including 20 December 2006.

Based on the estimated expenses of approximately HK\$400,000 relating to the Subscription, the net price per Subscription Share (based on the amount of net proceeds from the Subscription) is approximately HK\$0.495 per Subscription Share.

Condition of the Subscription Agreements

The Subscription Agreements are not inter-conditional on each other. Completion of each of the Subscription Agreements is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares on or before the Long Stop Date or such other date as the Company and the Subscribers may mutually agree in writing.

If the condition referred to above is not fulfilled by the Long Stop Date or such other date as the Company and the Subscribers may mutually agree in writing, all rights, obligations and liabilities of the parties under the Subscription Agreements shall cease and determine and neither party shall have any claim against the other, save for any antecedent breaches of the Subscription Agreements.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Completion of the Subscription Agreements

Completion of the Subscription is expected to take place on the second Business Day following the day on which the condition of the Subscription Agreements set out above has been satisfied or such later date as the Company and the Subscribers may agree.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in processing and manufacturing different kinds of steel sheets and steel pipes which are used in the manufacturing 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.

In view of the current equity market conditions, the Directors consider the Subscription is a good opportunity for the Group to raise capital while at the same time broadening the shareholder's and capital base. Moreover, the Directors consider that raising capital at favourable market conditions is a sensible and beneficial move for the Group for the enhancement of the general working capital base and the existing business of the Group and strengthen the financial position of the Group. As such, the Board considers that the Subscription is in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Subscription will be HK\$40,000,000. The Directors estimate that the expenses to be incurred by the Company in the Subscription will amount to approximately HK\$400,000. The net proceeds from the Subscription will amount to approximately HK\$39,600,000 and are intended to be used for general working capital of the Group.

The Board considers that the terms of the Subscription Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITY DURING THE PAST 12 MONTHS

The Company did not conduct any fund raising activity during the past 12 months immediately preceding the date of this announcement.

CHANGE IN SHARE CAPITAL AND SHAREHOLDING STRUCTURE

As a result of the Subscription, there is no introduction of any new substantial Shareholder. The table below sets out the Company's shareholding structure immediately before and after Completion, assuming there are no other changes to the share capital of, or holding in, the Company.

Shareholders	Immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mayer Corporation Development International Limited (Note)	300,000,000	75.00	300,000,000	62.50
Public Shareholders	100,000,000	25.00	180,000,000	37.50
Total	<u>400,000,000</u>	<u>100.00</u>	<u>480,000,000</u>	<u>100.00</u>

Note: Mayer Corporation Development International Limited is a wholly-owned subsidiary of Taiwan Mayer.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	board of Directors
“Business Day”	a day (other than a Saturday and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open for business in Hong Kong
“Company”	Mayer Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange

“Completion”	completion of the Subscription pursuant to the terms of the Subscription Agreements
“connected person(s)”	have the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with Shares up to 20% of the issued share capital of the Company pursuant to the ordinary resolution of the Shareholders passed in the 2006 annual general meeting of the Company held on 30 June 2006
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	third parties not connected with any director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates according to the Listing Rules
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 January 2007, being the long stop date of the Subscription Agreements
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the 10 subscribers subscribing for the Subscription Shares pursuant to the Subscription Agreements
“Subscription”	the subscription of the Subscription Shares by the Subscribers pursuant to the Subscription Agreements
“Subscription Agreements”	the 10 conditional subscription agreements each dated 20 December 2006 entered into between the Company as one part and each of the Subscribers on the other part in relation to the Subscription
“Subscription Price”	the subscription price of HK\$0.50 per Subscription Share
“Subscription Shares”	an aggregate of 80,000,000 new Shares to be allotted and issued by the Company to the Subscribers pursuant to the Subscription Agreements
“subsidiaries”	has meaning ascribed to it under the Listing Rules

“Taiwan Mayer” Mayer Steel Pipe Corporation, the ultimate controlling Shareholder, a company incorporated in Taiwan, whose shares are listed on the Taiwan Stock Exchange Corporation

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board
Mayer Holdings Limited
LAI Yueh-hsing
Chairman

Hong Kong, 20 December 2006

As at the date of this announcement, the executive directors of the Company are Lai Yueh-hsing, Lo Haw, Cheng Dar-terng, Chiang Jen-chin, Lin Meng-change, Lu Wen-yi, 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*