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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
IN RELATION TO
THE DISPOSAL OF 4,600,000 OF SHARES OF FULLCHAMP**

Financial Adviser to the Company



South China Capital Limited

Disposal of 4,600,000 shares of Fullchamp

On 6 September 2006, the Company as vendor entered into a share disposal agreement with an Independent Third Party pursuant to which the Company agreed to procure Sunbeam, a wholly-owned subsidiary of the Company, to sell to such Independent Third Party 3,200,000 shares of Fullchamp, representing approximately 7.63% of the total issued share capital of Fullchamp, for a consideration of NT\$12.50 (equivalent to approximately HK\$2.95) per share and a total consideration of NT\$40 million (equivalent to approximately HK\$9.43 million) in cash (the "Previous Disposal"). Reference of such could be made to the announcement of the Company dated 3 October 2006.

On 3 October 2006, the Company entered into the Sale and Purchase Agreement with another Independent Third Party (the "Purchaser") pursuant to which the Company agreed to procure Sunbeam to sell to the Purchaser 1,400,000 shares of Fullchamp, representing approximately 3.34% of the total issued share capital of Fullchamp, for a consideration of NT\$12.50 (equivalent to approximately HK\$2.95) per share and a total consideration of NT\$17.5 million (equivalent to approximately HK\$4.12 million) in cash (the "Disposal").

Discloseable Transaction

Upon the completion of the Previous Disposal and the Disposal, the Company through Sunbeam has disposed an aggregate of 4,600,000 shares of Fullchamp, representing approximately 10.97% of the total issued share capital of Fullchamp. The Company's beneficial equity interest in Fullchamp decreased from 39.48% to approximately 28.51% with a remaining holding of 11,960,000 shares of Fullchamp. Upon the completion of the Previous Disposal and the Disposal, since the Company through Sunbeam continues to be the single largest shareholder of Fullchamp and the Company continue to control of board of the directors of Fullchamp, Fullchamp continues to be a subsidiary of the Company.

As the consideration ratio (as defined in Rule 14.07(4) of the Listing Rules) of the Previous Disposal and the Disposal when aggregated under Rule 14.22 and 14.23 of the Listing Rules, is more than 5% but less than 25%, the disposals constitute a discloseable transaction under Chapter 14 of the Listing Rules and shall be subject to the notification and publication requirements as set out in the Listing Rules. A circular containing, among other matters, further details on the Previous Disposal and the Disposal will be despatched to the Shareholders as soon as practicable.

The Previous Disposal and the Disposal

On 6 September 2006, the Company as vendor has entered into a share disposal agreement with an Independent Third Party pursuant to which the Company agreed to procure Sunbeam, a wholly-owned subsidiary of the Company, to sell to such Independent Third Party 3,200,000 shares of Fullchamp, representing approximately 7.63% of the total issued share capital of Fullchamp, for a consideration of NT\$12.50 (equivalent to approximately HK\$2.95) per share and a total consideration of NT\$40 million (equivalent to approximately HK\$9.43 million) in cash (the “Previous Disposal”). Reference of such could be made to the announcement of the Company dated 3 October 2006. The Previous Disposal was completed on 8 September 2006.

On 3 October 2006, the Company has entered into the Sale and Purchase Agreement with another Independent Third Party (the “Purchaser”) pursuant to which the Company agreed to procure Sunbeam to sell to the Purchaser 1,400,000 shares of Fullchamp, representing approximately 3.34% of the total issued share capital of Fullchamp, for a consideration of NT\$12.50 (equivalent to approximately HK\$2.95) per share and a total consideration of NT\$17.5 million (equivalent to approximately HK\$4.12 million) in cash (the “Disposal”). The Disposal was completed on 4 October 2006.

The considerations for both the Previous Disposal and the Disposal were determined by reference to the net asset value of Fullchamp as at 6 September 2006 and were arrived at after arm’s length negotiation between the Company and the respective purchasers. The Directors are of the view that the considerations of both the Previous Disposal and the Disposal are fair and reasonable, and the Previous Disposal and the Disposal are in the interests of the Company and the Shareholders as a whole (please also refer to the section headed “Reasons for the Previous Disposal and the Disposal, and the use of the net proceeds” below).

The effect of the Previous Disposal and the Disposal on the Company’s shareholding in Fullchamp

Upon the completion of the Previous Disposal and the Disposal, the Company through Sunbeam has disposed an aggregate of 4,600,000 shares of Fullchamp, representing approximately 10.97% of the total issued share capital of Fullchamp. The Company’s beneficial equity interest in Fullchamp decreased from 39.48% to approximately 28.51% with a remaining holding of 11,960,000 shares of Fullchamp. The board of directors of Fullchamp currently comprises of five directors, of which four directors are representatives appointed by the Company through Sunbeam. Upon the completion of the Previous Disposal and the Disposal, since the Company through Sunbeam continues to be the single largest shareholder of Fullchamp and the Company continues to control of board of the directors of Fullchamp, Fullchamp continues to be a subsidiary of the Company.

The shareholding structures of Fullchamp prior to the completion of the Previous Disposal and the Disposal, immediately after the completion of the Previous Disposal, and immediately after the completion of the Previous and the Disposal are as follows:

	Prior to the completion of the Previous Disposal, the Disposal		Immediately after the completion of the Previous Disposal		Immediately after the completion of the Previous Disposal and the Disposal	
	Shares of Fullchamp	%	Shares of Fullchamp	%	Shares of Fullchamp	%
The Company	16,560,000	39.48	13,360,000	31.85	11,960,000	28.51
Respective purchasers	–	–	3,200,000	7.63	4,600,000	10.97
Taiwan Mayer*	9,600,000	22.88	9,600,000	22.88	9,600,000	22.88
Other shareholders of Fullchamp	15,788,500	37.64	15,788,500	37.64	15,788,500	37.64
Total	41,948,500	100.00	41,948,500	100.00	41,948,500	100.00

Taiwan Mayer is the ultimate controlling shareholder of the Company and is indirectly beneficially interested in 75% of the issued share capital of the Company as at the date of this announcement.

Information of Fullchamp

Fullchamp was incorporated in July 2002 as a private company and is principally engaged in the design, development and manufacture of aluminum forged and forged-spun wheels for automobiles such as passenger, motorbike, sports utility vehicle and truck.

The following summarizes the audited financial results of Fullchamp for the years ended 31 December 2004 and 31 December 2005 (in accordance with generally accepted accounting principles in Taiwan) respectively:

	For the year ended 31 December 2004 (NT\$'000)	For the year ended 31 December 2005 (NT\$'000)
Turnover	254,352	213,195
Gross profit	15,465	(11,138)
Profit (loss) before taxation and extraordinary items	(105,048)	(109,822)
Taxation	27,455	4,226
Profit (loss) after taxation and extraordinary items	(77,593)	(105,596)

Reasons for the Previous Disposal and the Disposal, and the use of the net proceeds

The Group is principally engaged in the 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.

Fullchamp suffered from net losses of NT\$77,593,000 (equivalent to approximately HK\$18,288,670) and NT\$105,596,000 (equivalent to approximately HK\$24,888,977) for the years ended 31 December 2004 and 31 December 2005 respectively. The Directors consider that Fullchamp is still in the development stage of business and is in the process of strengthening customer relationships. The Directors believe that by partially disposing the investment of the Company on Fullchamp, the Company could bear less operating risk and better allocate its resources to other businesses of the Company. Following the completion of the Previous Disposal and the Disposal, the Company retains a beneficial interest of approximately 28.51% in Fullchamp. As the Company through Sunbeam continues to be the single largest shareholder of Fullchamp and the Company continues to control the board of the directors of Fullchamp, Fullchamp continues to be a subsidiary of the Company and the Company will continue to consolidate the financial results of Fullchamp into its accounts. Therefore, should the financial results of Fullchamp be improved, the Group would still be able to consolidate its share in the profits/losses of Fullchamp in the future. Thus, the Directors are of the view that the Previous Disposal and the Disposal are in the interests of the Company and the Shareholders as a whole.

The net proceeds of the Previous Disposal and the Disposal are estimated to be NT\$57.5 million (equivalent to approximately HK\$13.6 million). According to the Directors, the net proceeds will be mainly be used as additional working capital by the Company.

The combined financial effects of the Previous Disposal and the Disposal on the Company

The net asset value of Fullchamp immediately before the completion of the Previous Disposal and the Disposal as at 6 September 2006 is estimated to be NT\$369,008,852 (equivalent to approximately HK\$86,975,386). The difference, between the aggregate consideration of the Previous Disposal and the Disposal of NT\$57,500,000 (equivalent to approximately HK\$13,552,750) and the net asset value as at 6 September 2006 of the 10.97% of Fullchamp of which the Company has disposed under the Previous Disposal and the Disposal of NT\$40,480,271 (equivalent to approximately HK\$9,541,200), is approximately NT\$17,019,729 (equivalent to approximately HK\$4,011,550) and will be treated as a gain to the Company. Accordingly, upon the completion of the Previous Disposal and the Disposal, the Company will record a gain of approximately NT\$17.02 million (equivalent to approximately HK\$4.01 million) on the disposals, and the net asset value of the Company would be increased by the same amount.

Listing Rules Implication

As the consideration ratio (as defined in Rule 14.07(4) of the Listing Rules) of the Previous Disposal and the Disposal, when aggregated together under Rule 14.22 and 14.23 of the Listing Rules is more than 5% but less than 25%, the disposals constitute a discloseable transaction under Chapter 14 of the Listing Rules and shall be subject to the notification and publication requirements as set out in the Listing Rules. A circular containing, among other matters, further details of the Previous Disposal and the Disposal will be despatched to the Shareholders as soon as practicable.

Definitions

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

“Board”	the board of Directors
“Company”	Mayer Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange

“Directors”	directors of the Company
“Disposal”	the disposal of 1,400,000 shares of Fullchamp by the Company pursuant to the Sale and Purchase Agreement
“Fullchamp”	Fullchamp Technologies Co., Ltd (富成金屬科技股份有限公司), a company established under the laws of the Republic of China
“Group”	the Company and its subsidiaries
“Independent Third Party”	Companies or persons who are not connected with the Company, the directors, chief executives or substantial shareholders of the Company, or any of its subsidiaries or their respective associates as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“Previous Disposal”	the disposal by the Company of 3,200,000 shares of Fullchamp pursuant to an agreement dated 6 September 2006, the details of which were described in the announcement by the Company dated 3 October 2006
“Purchaser”	an independent third party, being the purchaser of the shares of Fullchamp pursuant to the Sale and Purchase Agreement
“Sale and Purchase Agreement”	an agreement dated 3 October 2006 entered into between the Company and the Purchaser pursuant to which the Company agreed to procure Sunbeam to sell 1,400,000 shares of Fullchamp to the Purchaser
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sunbeam”	Sunbeam Group Limited, a company incorporated in British Virgin Islands and a wholly-owned subsidiary of the Company
“Taiwan Mayer”	Mayer Steel Pipe Corporation, the ultimate controlling shareholder of the Company, a company incorporated in Taiwan, whose shares are listed on the Taiwan Stock Exchange Corporation
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“NT\$”	New Taiwanese dollars, the lawful currency of the Republic of China
“%”	Percent.

In this announcement, amounts in NT\$ have been translated into HK\$ at the rate of NT\$1.00=HK\$0.2357.

By Order of the Board
Mayer Holdings Limited
Lai Yueh-hsing
Chairman

Hong Kong, 20 October 2006

As at the date of this announcement, the executive directors of the Company are Mr. Lai Yueh-hsing, Mr. Lo Haw, Mr. Cheng Dar-terng, Mr. Chiang Jen-chin, Mr. Lin Meng-chang and Mr. Lu Wen-yi; the non-executive directors of the Company are Mr. Hsiao Ming-Chih and Mr. Huang Chun-fa; and the independent non-executive directors of the Company are Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang and Mr. Alvin Chiu respectively.

* *For identification purpose only.*