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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 AND CONNECTED TRANSACTION
DEEMED DISPOSAL OF VIETNAM MAYER**

THE VM CAPITAL INCREASE

The Board is pleased to announce that, after the trading hours on 5 November 2010, Guangzhou Mayer, a non wholly-owned subsidiary of the Company, entered into the VM Agreement with Taiwan Mayer and Winner in relation to the VM Capital Increase of USD2,700,000 (equivalent to approximately HK\$21,060,000) in Vietnam Mayer. Pursuant to the VM Agreement, the charter capital of Vietnam Mayer will be increased from USD4,000,000 (equivalent to approximately HK\$31,200,000) to USD6,700,000 (equivalent to approximately HK\$52,260,000). The full amount of the VM Capital Increase will be contributed in the form of cash by Taiwan Mayer.

Vietnam Mayer is principally engaged in manufacturing and trading of carbon steel tubes for machine structural purposes in Vietnam.

LISTING RULES IMPLICATIONS

The VM Capital Increase constitutes a deemed disposal of the Company under Rule 14.29 of the Listing Rules.

Taiwan Mayer is the ultimate controlling Shareholder and a substantial shareholder of Vietnam Mayer. Winner is a substantial shareholder of Vietnam Mayer. Accordingly, the VM Capital Increase constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. In addition, as the applicable percentage ratios (as defined under the Listing Rules) in respect of the VM Capital Increase are more than 5% but less than 25%, the VM Capital Increase also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Accordingly, the VM Capital Increase is subject to the reporting, announcement and Independent Shareholders' approval requirements of the Company under the Listing Rules.

The Company will seek approval of the Independent Shareholders by way of poll on the VM Agreement and the transactions contemplated thereunder at the EGM. Since (i) Taiwan Mayer is the ultimate controlling Shareholder and has material interests in the VM Capital Increase; and (ii) Winner is a substantial shareholder of the Vietnam Mayer and has material interests in the VM Capital Increase, (i) Taiwan Mayer and its associates, which are interested in a total of 200,000,000 Shares (representing approximately 28.94% of the Company's existing issued share capital as at the date of this announcement); and (ii) Winner and its associates, which is not interested in any Share as at the date of this announcement, are required to abstain from voting on the relevant resolution(s) approving the VM Agreement and the transactions contemplated thereunder at the EGM.

GENERAL

An Independent Board Committee comprising Mr. Lin Sheng-bin, Mr. Huang Jui-shiang, Mr. Alvin Chiu and Mr. Peter V.T. Nguyen (all being independent non-executive Directors) has been established to (i) advise the Independent Shareholders as to whether the terms of the VM Agreement are fair and reasonable so far as the Independent Shareholders are concerned and whether the VM Capital Increase is in the interests of the Company and the Shareholders as a whole; and (ii) advise the Independent Shareholders on how to vote in respect of the VM Capital Increase after taking into account the recommendation of an independent financial adviser to be appointed by the Company.

A circular containing, among other things, (i) further details of the VM Capital Increase; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the VM Capital Increase; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the VM Capital Increase; and (iv) a notice convening the EGM is expected to be despatched to the Shareholders no later than 26 November 2010 in accordance with the Listing Rules.

INTRODUCTION

The Board is pleased to announce that, after the trading hours on 5 November 2010, Guangzhou Mayer Corporation Limited, a non wholly-owned subsidiary of the Company, entered into the VM Agreement with Taiwan Mayer and Winner in relation to the VM Capital Increase of USD2,700,000 (equivalent to approximately HK\$21,060,000) in Vietnam Mayer. Pursuant to the VM Agreement, the charter capital of Vietnam Mayer will be increased from USD4,000,000 (equivalent to approximately HK\$31,200,000) to USD6,700,000 (equivalent to approximately HK\$52,260,000). The full amount of the VM Capital Increase will be contributed in the form of cash by Taiwan Mayer.

THE VM CAPITAL INCREASE

The VM Agreement

Date: 5 November 2010

Parties: Guangzhou Mayer, Taiwan Mayer and Winner

Guangzhou Mayer is a non wholly-owned subsidiary of the Company.

Taiwan Mayer is the ultimate controlling Shareholder.

Winner is a substantial shareholder of Vietnam Mayer.

As at the date of this announcement, the equity interest in Vietnam Mayer is held by Guangzhou Mayer, Taiwan Mayer and Winner as to 50%, 30% and 20% respectively. On 14 October 2010, Taiwan Mayer and Winner entered into a sale and purchase agreement pursuant to which Taiwan Mayer agreed to purchase and Winner agreed to dispose of the 20% issued share capital of Vietnam Mayer (the “**Winner Agreement**”). The Winner Agreement is not completed as at the date of this announcement.

Subject Matter

Pursuant to the VM Agreement, the charter capital of Vietnam Mayer will be increased from USD4,000,000 (equivalent to approximately HK\$31,200,000) to USD6,700,000 (equivalent to approximately HK\$52,260,000). The full amount of the VM Capital Increase will be contributed in the form of cash by Taiwan Mayer.

Under the VM Capital Increase of USD2,700,000 (equivalent to approximately HK\$21,060,000), the additional capital contribution of Guangzhou Mayer, Taiwan Mayer and Winner will be nil, USD2,700,000 (equivalent to approximately HK\$21,060,000) and nil respectively.

Upon completion of the VM Capital Increase, the equity interest in Vietnam Mayer owned by Guangzhou Mayer will be decreased to 29.85% and Vietnam Mayer will cease to be a subsidiary of the Company.

Condition precedent

The VM Agreement is conditional on the approval of the Independent Shareholders in the EGM of the VM Agreement and the transactions contemplated thereunder.

Completion

Completion of the VM Capital Increase shall take place after the completion of the relevant registration procedures by Vietnam Mayer.

The table below illustrates the shareholding structure of Vietnam Mayer (i) as at the date of this announcement; and (ii) upon completion of the Winner Agreement and the VM Capital Increase:

	As at the date of this announcement			Upon completion of the Winner Agreement and the VM Capital Increase		
	Contributed capital		% of equity interest	Contributed capital		% of equity interest
	USD	HKD equivalent		USD	HKD equivalent	
Guangzhou Mayer	2,000,000	15,600,000	50.00	2,000,000	15,600,000	29.85
Taiwan Mayer	1,200,000	9,360,000	30.00	4,700,000	36,660,000	70.15
Winner	800,000	6,240,000	20.00	–	–	–
Total	4,000,000	31,200,000	100	6,700,000	52,260,000	100

The VM Capital Increase of USD2,700,000 (equivalent to approximately HK\$21,060,000) and the respective additional contribution by the Vietnam Mayer Shareholders were determined by the management of Vietnam Mayer with reference to (i) the capital requirements of Vietnam Mayer for its future development; and (ii) the percentage equity interest in Vietnam Mayer as at the date of the VM Agreement.

Given that it is the intention of the Company to dispose its entire equity interest in Vietnam Mayer through Guangzhou Mayer under the Previous Disposal (which is not completed as at the date of this announcement due to the prolonged relevant regulatory procedures), the Company decided not to further invest in Vietnam Mayer. Accordingly, Guangzhou Mayer forfeited its rights to make additional capital contribution in accordance to its existing percentage equity interest in Vietnam Mayer under the VM Capital Increase. In addition, since it is Winner's intention to dispose its entire equity interest in Vietnam Mayer under the Winner Agreement, Winner also decided not to further invest in Vietnam Mayer. In view of the above and the capital requirements of Vietnam Mayer for its future development, Taiwan Mayer agreed to take up the part of additional capital contribution which was entitled to Guangzhou Mayer and Winner.

Given the above, the Directors (excluding the independent non-executive Directors) consider that the terms of the VM Agreement (including the amount of the VM Capital Increase) are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Information on Vietnam Mayer

Vietnam Mayer is incorporated in Vietnam with limited liability and is an indirect non wholly-owned subsidiary of the Company. Vietnam Mayer is principally engaged in manufacturing and trading of carbon steel tubes for machine structural purposes in Vietnam.

Set out below is a summary of the unaudited financial information on Vietnam Mayer for the eight months ended 31 August 2010 and the audited financial information on Vietnam Mayer for the two years ended 31 December 2009 prepared in accordance with the relevant financial reporting standards:

	For the eight months ended 31 August 2010 (unaudited) VND	For the year ended 31 December 2009 (audited) VND	For the year ended 31 December 2008 (audited) VND
Consolidated Income Statement			
Revenue	68,089,400,729	41,176,812,176	53,347,888,689
Net profit before taxation	9,304,842,751	2,100,566,293	5,454,445,156
Net profit after taxation	9,070,139,539	1,857,161,554	5,454,445,156
	As at 31 August 2010 (unaudited) VND	As at 31 December 2009 (audited) VND	As at 31 December 2008 (audited) VND
Consolidated Balance Sheet			
Total assets	132,956,212,512	98,746,405,500	61,758,878,557
Total liabilities	51,220,254,491	26,080,587,018	1,119,561,230
NAV	81,735,958,021	72,665,818,481	60,639,317,327

Loss on the VM Capital Increase

Based on the existing information available to the Company, the Directors estimate that the expected loss to be recorded in the Group's consolidated financial statements arising from the VM Capital Increase is approximately RMB544,000 (equivalent to approximately HK\$620,000).

REASONS FOR THE VM TRANSACTION

The Group is principally engaged in manufacturing and trading of steel pipes, steel sheets and other products made of steel, property investment and leasing of aircrafts for rental purposes.

The management of Vietnam Mayer has identified expansion opportunity for Vietnam Mayer and estimated the capital requirements for its future development. Subsequently, the management of Vietnam Mayer proposed the VM Capital Increase of USD2,700,000 (equivalent to approximately HK\$21,060,000) to finance the said capital requirements.

Given that it is the intention of the Company to dispose its entire equity interest in Vietnam Mayer through Guangzhou Mayer under the Previous Disposal (which is not completed as at the date of this announcement due to the prolonged relevant regulatory procedures), the Company decided not to further invest in Vietnam Mayer. Accordingly, Guangzhou Mayer forfeited its rights to make additional capital contribution in accordance to its existing percentage equity interest in Vietnam Mayer under the VM Capital Increase.

Taken into account the above reasons for the VM Capital Increase, the Directors (excluding the independent non-executive Directors) consider that the VM Capital Increase is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

The VM Capital Increase constitutes a deemed disposal of the Company under Rule 14.29 of the Listing Rules.

Taiwan Mayer is the ultimate controlling Shareholder and a substantial shareholder of Vietnam Mayer. Winner is a substantial shareholder of Vietnam Mayer. Accordingly, the VM Capital Increase constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. In addition, as the applicable percentage ratios (as defined under the Listing Rules) in respect of the VM Capital Increase are more than 5% but less than 25%, the VM Capital Increase also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Accordingly, the VM Capital Increase is subject to the reporting, announcement and Independent Shareholders' approval requirements of the Company under the Listing Rules.

The Company will seek approval of the Independent Shareholders by way of poll on the VM Agreement and the transactions contemplated thereunder at the EGM. Since (i) Taiwan Mayer is the ultimate controlling Shareholder and has material interests in the VM Capital Increase; and (ii) Winner is a substantial shareholder of the Vietnam Mayer and has material interests in the VM Capital Increase, (i) Taiwan Mayer and its associates, which are interested in a total of 200,000,000 Shares (representing approximately 28.94% of the Company's existing issued share capital as at the date of this announcement); and (ii) Winner and its associates, which is not interested in any Share as at the date of this announcement, are required to abstain from voting on the relevant resolution(s) approving the VM Agreement and the transactions contemplated thereunder at the EGM.

The EGM will be held to consider and, if thought fit, approve the ordinary resolution(s) in respect of the VM Agreement and the transactions contemplated thereunder.

GENERAL

An Independent Board Committee comprising Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang, Mr. Alvin Chiu and Mr. Peter V.T. Nguyen (all being independent non-executive Directors) has been established to (i) advise the Independent Shareholders as to whether the terms of the VM Agreement are fair and reasonable so far as the Independent Shareholders are concerned and whether the VM Capital Increase is in the interests of the Company and the Shareholders as a whole; and (ii) advise the Independent Shareholders on how to vote in respect of the VM Capital Increase after taking into account the recommendation of an independent financial adviser to be appointed by the Company.

A circular containing, among other things, (i) further details of the VM Capital Increase; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the VM Capital Increase; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the VM Capital Increase; and (iv) a notice convening the EGM is expected to be despatched to the Shareholders no later than 26 November 2010 in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used shall have the following meanings:

“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors

“Company”	Mayer Holdings Limited (Stock code: 1116), a company incorporated in the Cayman Islands with limited liabilities and the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, to approve by the Independent Shareholders the VM Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Guangzhou Mayer”	Guangzhou Mayer Corporation Limited, a company incorporated in the PRC and a non wholly-owned subsidiary of the Company
“Independent Board Committee”	the independent committee of the Board comprising the independent non-executive Directors, namely Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang, Mr. Alvin Chiu and Mr. Peter V.T. Nguyen, to advise the Independent Shareholders regarding the VM Capital Increase
“Independent Shareholders”	Shareholders other than Taiwan Mayer and Winner (if applicable) and their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Previous Disposal”	the proposed disposal of 50% equity interest of Vietnam Mayer by the Company to Taiwan Mayer as announced by the Company on 21 January 2010, which has not been completed as at the date of this announcement
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Taiwan Mayer”	Mayer Steel Pipe Corporation, a company incorporated in Taiwan whose shares are listed on the Taiwan Stock Exchange Corporation, and the ultimate controlling Shareholder
“Vietnam”	Socialist Republic of Vietnam
“Vietnam Mayer”	Vietnam Mayer Company Limited, a company incorporated in Vietnam with limited liabilities and an indirect non wholly-owned subsidiary of the Company
“VM Agreement”	a conditional capital increase agreement dated 5 November 2010 entered into among Guangzhou Mayer, Taiwan Mayer and Winner in relation to the VM Capital Increase
“VM Capital Increase”	the proposed increase of the charter capital of Vietnam Mayer of USD2,700,000 (equivalent to approximately HK\$21,060,000)
“Winner”	Winner Industrial Corporation, a company incorporated in Somoa with limited liabilities and a substantial shareholder of Vietnam Mayer
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“VND”	Vietnamese đồng, the lawful currency of Vietnam
“%”	per cent.

By Order of the Board
Mayer Holdings Limited
Hsiao Ming-chih
Chairman

Hong Kong, 5 November 2010

Unless otherwise specified in this announcement, amounts denominated in USD or in RMB, or in VND have been converted, for the purpose of illustration only, into HK\$ as follows:

$$\begin{aligned} \text{HK\$7.8} &= \text{USD1} \\ \text{HK\$1.14} &= \text{RMB1} \\ \text{HK\$0.0003975} &= \text{VND1} \end{aligned}$$

As at the date of this announcement, the executive Directors of the Company are Mr. Hsiao Ming-chih, Mr. Lai Yueh-hsing, Mr. Lo Haw, Mr. Chiang Jen-chin, Mr. Lu Wen-yi and Mr. Cheng Koon Cheung; the non-executive Directors are Mr. Chan Kin Sang, Mr. Chen Guoxiang and Mr. Li^{Deqiang}; and the independent non-executive Directors of the Company are Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang, Mr. Alvin Chiu and Mr. Peter V.T. Nguyen respectively.

If there is any inconsistency between the Chinese names of the PRC entities mentioned in this announcement and their English translations, the Chinese names shall prevail.

** For identification purposes only.*