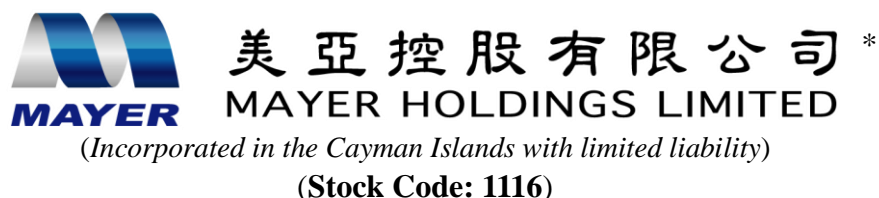


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INSIDE INFORMATION – THE PETITION

This announcement is made by Mayer Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Reference made to the Company’s announcement dated 14 March 2016, among other matters, the Outstanding Audit Issues identified by the then auditor of the Company as questionable transactions (Collectively, the “**Transactions**”) between April 2012 and August 2012, while auditing the Company’s financial statements for the year ended 31 December 2011, as below:-

- (i) the disposal of a wholly-owned subsidiary of the Company for a consideration of HK\$15,500,000;
- (ii) the Company’s projects in Vietnam, which were acquired by the Company at a consideration of HK\$620,000,000; and
- (iii) two subsidiaries of the Company’s jointly controlled entity had entered into two supply agreements with two different suppliers and had made substantial prepayments of US\$10,000,000 and US\$4,000,000 respectively (the “**Prepayments**”), without security, to those suppliers.

On 30 June 2016, the Securities and Futures Commission (the “**Petitioner**”) served the Company, among others, a sealed copy of petition (the “**Petition**”) filed in the High Court (the “**Court**”) under Miscellaneous Proceedings No. 1673 of 2016. Pursuant to the Petition, four respondents are three former directors (the “**Director(s)**”) of the Company and the

** For identification purposes only*

Company respectively as follows:-

Hsiao Ming-Chih	(former chairman and executive Director)	(the “ 1st Respondent ”)
Lai Yueh-Hsing	(former executive Director)	(the “ 2nd Respondent ”)
Huang Jui-Hsiang	(former independent non-executive Director)	(the “ 3rd Respondent ”)
Mayer Holdings Limited		(the “ 4th Respondent ”)

Pursuant to the Petition, the 1st Respondent, 2nd Respondent and 3rd Respondent conducted in a manner involving defalcation, misfeasance or misconduct towards the Company and/or unfairly prejudicial to its members or part of its members under the SFO. In particular, in causing the Company to commit to the Transactions, Hsiao Ming-Chih, Lai Yueh-Hsing and Huang Jui-Hsiang have failed to perform their duties owed to the Company with care, skill, and competence in matters concerning the Company’s financial position, due diligence and assessment of contractual counterparty’s ability to meet contractual targets and recoverability of the Prepayments.

Therefore, the Petitioner prays as follows:-

- (1) Disqualification orders to be made against Hsiao Ming-Chih, Lai Yueh-Hsing and Huang Jui-Hsiang under section 214(2)(d) of the SFO under which each of them shall not, for such period as the Court might determine, without leave of the Court:
 - (a) be, or continue to be, a director, liquidator, or receiver or manager of the property or business, of any listed or unlisted company in Hong Kong including the Company or any of its subsidiaries and affiliates; and
 - (b) in any way directly or indirectly be concerned, or take part, in the management of any listed or unlisted company in Hong Kong including the Company or any of its subsidiaries and affiliated.
- (2) An order under section 214(2)(b) of the SFO that the Company shall itself bring court proceedings against Ming-Chih, Lai Yueh-Hsing and Huang Jui-Hsiang and/or other parties at fault to seek recovery of compensation or damage for the loss and damage suffered by the Company as a result of Hsiao’s, Lai’s and Huang’s breach of their director’s duties at common law, in relation to the Transactions;
- (3) Further or alternatively, an order under section 214(2)(e) of the SFO that Ming-Chih, Lai Yueh-Hsing and Huang Jui-Hsiang be liable to pay such amount as the Court shall consider appropriate to the Company to compensate for its loss and damage;
- (4) Further or other relief; and
- (5) Costs.

The Court hearing date has been fixed on 8 September 2016.

The Company is seeking legal advice in respect of the Petition and will make further announcement(s) as and when appropriate.

Continuous Suspension of Trading

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended from 9:00 a.m. on 9 January 2012. The trading in the shares of the Company will remain suspended until further notice.

By order of the Board
Mayer Holdings Limited
Lee Kwok Leung
Chairman and Executive Director

Hong Kong, 4 July 2016

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lee Kwok Leung, Mr. Xu Lidi and Mr. Lin Jinhe; two non-executive Directors, namely Mr. Li Deqiang and Mr. Xia Liangbing; and three independent non-executive Directors, namely Mr. Lau Kwok Hung, Mr. Ng Cheuk Lun and Mr. Deng Shimin.