

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



美亞控股有限公司\*  
MAYER HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 01116)

(the “**Company**”)

## CLARIFICATION ANNOUNCEMENT

Reference are made to (i) the announcement of the Company dated 20 July 2018 in relation to, among others, (i) the Settlement Deed and the Share Buy-backs; (ii) the Capital Reorganisation; (iii) the allotment and issue of the Remuneration Shares; and (iv) the Open Offer (the “**Announcement**”); and (ii) the announcement of the Company dated 8 August 2018 in relation to the updates on Guangzhou Mayer (the “**Updates Announcement**”).

Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement and the Updates Announcement unless otherwise stated.

\* *For identification purpose only*

The Company wishes to clarify that, due to certain inadvertent clerical errors, the principal performance targets of Guangzhou Mayer for the years of 2018 and 2019 (the “**Performance Targets**”) as set out in the Updates Announcement shall be amended and replaced as follows:

<b>Turnover</b> <i>(in RMB million)</i>	<b>2018</b> <b>(approximately)</b>	<b>2019</b> <b>(approximately)</b>
Carbon Strip and Carbon Plate	350	345
Carbon Pipe	54	70
Stainless Steel Pipe	37	43
Stainless Steel Fitting	36	42
	<hr/>	<hr/>
Total for the year	477	500
	<hr/>	<hr/>
<b>Profit before tax</b> <i>(in RMB million)</i>	<b>2018</b> <b>(approximately)</b>	<b>2019</b> <b>(approximately)</b>
Carbon Strip and Carbon Plate	12	12
Carbon Pipe	1	4
Stainless Steel Pipe	1	1
Stainless Steel Fitting	2	3
	<hr/>	<hr/>
Total for the year	16	20
	<hr/>	<hr/>

The Company wishes to further clarify that the Performance Targets disclosed in the Updates Announcement and this announcement constitute a profit forecast under Rule 10 of the Takeovers Code and would need to be reported on by the Company’s financial adviser and its accountants or auditors in accordance with Rule 10 of the Takeovers Code.

The Company would like to draw the attention of the Shareholders and potential investors of the Company that the Updates Announcement does not meet the disclosure standards required by Rule 10 of the Takeovers Code and the Performance Targets disclosed therein have not been reported on in accordance with the Takeovers Code. **Shareholders and potential investors of the Company should exercise caution in placing reliance on such forecasts in assessing the merits and demerits of the Share Buy-backs and the respective transactions contemplated thereunder.**

The Performance Targets (as amended and disclosed in this announcement) have been reported on in accordance with the Takeovers Code and the reports from the Company’s auditors and financial adviser on the Performance Targets (as amended and disclosed in this announcement) have been lodged with the Executive. Pursuant to Rule 10.4 of the Takeovers Code, following the publication of the Updates Announcement and this announcement, the reports from the Company’s auditors and financial adviser on the Performance Targets (as amended and disclosed in this announcement) are required to be included in the next document to be sent to the Shareholders which is expected to be the circular in connection with, among others, the Share Buy-backs to be despatched to the Shareholders on or before 21 September 2018.

Except as stated above, all other information and contents set out in the Updates Announcement remain unchanged.

### **Principal assumptions of the Performance Targets**

Guangzhou Mayer is principally engaged in the processing and manufacturing of steel sheets and steel pipes.

The principal assumptions (including commercial assumptions) upon which the Performance Targets (as amended and disclosed in this announcement) were based are set out below:

- there will be no material changes in the existing political, legal, and economic conditions in the PRC that would materially affect the economic benefits attributable to Guangzhou Mayer;
- the revenue of Guangzhou Mayer for the year 2018 is based on the actual sales for the seven months ended 31 July 2018 while the forecast for the five months ending 31 December 2018 is referenced to the revenue proportion of the same period in 2016 and 2017;
- the estimated revenue of Guangzhou Mayer for the year ending 31 December 2019 increased by approximately 5% as compared to the revenue forecast in 2018 taking into account of the factors including but not limited to the economic growth, the impact of the new capital expenditure and the obtaining of the IATF16949 certificate (as mentioned below);
- As Guangzhou Mayer has obtained the IATF16949 certificate in June 2018, which is a technical specification for automotive sector quality management systems, the Directors expect that by meeting the standard and becoming a qualified supplier of automobile manufacturers, Guangzhou Mayer will be able to enter into the automotive parts and components market, which in turn support the growth in revenue and the gross margin;
- there will be no material change to the cost structure of Guangzhou Mayer, including but not limited to the material cost, labour cost, production cost, finance cost, and selling, general and administrative expenses, and the forecasted cost structure of Guangzhou Mayer is in line with the actual cost structure of Guangzhou Mayer for the seven months ended 31 July 2018 by referencing to the actual cost ratio to revenue;
- there will be no material change in the tax rates and relevant government policies in the PRC; and
- the transactions contemplated under the Resumption Proposal are expected to be completed during 2018 and the Adjusted Shares will be resumed trading on the Stock Exchange before end of 2018. Hence, part of the proceeds from the Open Offer will be applied to the capital expenditure of Guangzhou Mayer (i.e. approximately HK\$93.73 million) and general working capital of Guangzhou Mayer (i.e. approximately HK\$39.14 million) upon Resumption which is expected to be on 21 November 2018.

The Directors confirm that the Performance Targets (as amended and disclosed in this announcement) including the bases and assumptions have been made after due care and consideration.

ZHONGHUI ANDA CPA Limited, the auditors of the Company, is of the opinion that so far as the accounting policies and calculations are concerned, the Performance Targets (as amended and disclosed in this announcement) have been properly compiled in accordance with the bases and assumptions adopted by the Directors and are presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2017.

Veda Capital, the financial adviser of the Company, is of the opinion that the Performance Targets (as amended and disclosed in this announcement) including the bases and assumptions, for which the Directors are solely responsible for, have been made by the Directors after due care and consideration.

The reports from ZHONGHUI ANDA CPA Limited and Veda Capital on the Performance Targets (as amended and disclosed in this announcement) have been lodged with the Executive, the contexts of which are included in the appendices to this announcement.

Each of ZHONGHUI ANDA CPA Limited and Veda Capital has given and has not withdrawn its consent to the publication of this announcement with the inclusion of its letter and/or report and/or opinion (as the case may be) and references to its name in the form and context in which they included.

## **CONTINUED SUSPENSION OF THE TRADING IN THE SHARES**

The Company requested to suspend the trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 9 January 2012 pending the release of an announcement by the Company which was of price-sensitive in nature. Trading in the Shares will continue to be suspended until further notice.

For and on behalf of the Board  
**Mayer Holdings Limited**  
**Lee Kwok Leung**  
*Chairman and Executive Director*

Hong Kong, 18 September 2018

*As at the date hereof, the Board comprises three executive directors, namely Mr. Lee Kwok Leung, Mr. Xu Lidi and Mr. Lin Jinhe; one non-executive director, namely Mr. Wang Dongqi; and three independent non-executive directors, namely Mr. Lau Kwok Hung, Ms. Chen Yen Yung and Mr. Deng Shimin.*

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable enquiries, to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*

*The English text of this announcement shall prevail over its Chinese text.*

## APPENDIX I – REPORT FROM ZHONGHUI ANDA CPA LIMITED

*The following is the text of a letter received from ZHONGHUI ANDA CPA Limited, the auditors of the Company, addressed to the Directors and prepared for the sole purpose of inclusion in this announcement.*



The Board of Directors  
Mayer Holdings Limited  
21st Floor,  
No. 88 Lockhart Road  
Wanchai  
Hong Kong

Dear Sirs,

### **Performance Targets for the Two Years Ending 31 December 2019**

We refer to the principal performance targets of Guangzhou Mayer Corporation Limited (“**Guangzhou Mayer**”) as set out in the announcements of the Company dated 8 August 2018 and 18 September 2018 in respect of the profit forecast of Guangzhou Mayer for the two years ending 31 December 2019 (the “**Performance Targets**”).

### **Directors’ Responsibilities**

The Performance Targets have been prepared by the directors of the Company based on the management accounts of the Guangzhou Mayer for the seven months ended 31 July 2018 and a forecast result of the Guangzhou Mayer for the remaining seventeen months ending 31 December 2019.

The directors of the Company are solely responsible for the Performance Targets.

### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Reporting Accountants' Responsibilities**

Our responsibility is to express an opinion on the accounting policies and calculations of the Performance Targets based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 “Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness” and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the directors of the Company have properly compiled the Performance Targets in accordance with the bases and assumptions adopted by the directors of the Company and as to whether the Performance Targets are presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

## **Opinion**

In our opinion, so far as the accounting policies and calculations are concerned, the Performance Targets have been properly compiled in accordance with the bases and assumptions adopted by the directors of the Company and are presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2017.

Yours faithfully,

**ZHONGHUI ANDA CPA Limited**

*Certified Public Accountants*

Hong Kong

## APPENDIX II – REPORT FROM VEDA CAPITAL

*The following is the text of a letter received from Veda Capital, the financial adviser of the Company, addressed to the Directors and prepared for the sole purpose of inclusion in this announcement.*

**VEDA | CAPITAL**  
**智 略 資 本**

Veda Capital Limited  
Room 1106, 11/F  
Wing On Centre  
111 Connaught Road Central  
Hong Kong

18 September 2018

The Board of Directors  
Mayer Holdings Limited  
21st Floor  
No. 88 Lockhart Road  
Wan Chai  
Hong Kong

Dear Sirs,

We refer to the announcement of the Company dated 20 July 2018 in relation to, among other things, (i) the Settlement Deed and the Share Buy-backs; (ii) the Capital Reorganisation; (iii) the allotment and issue of the Remuneration Shares; and (iv) the Open Offer (the “**Announcement**”). Capitalised terms used in this letter shall have the same meanings as defined in the Announcement unless otherwise specified.

We also refer to the principal performance targets of Guangzhou Mayer as set out in the announcements of the Company dated 8 August 2018 and 18 September 2018 in respect of the profit forecast of Guangzhou Mayer for the two years ending 31 December 2019 (the “**Performance Targets**”). We note that the Performance Targets constitute profit forecasts pursuant to Rule 10 of the Takeovers Code and require to be reported on pursuant to Rule 10 of the Takeovers Code.

We have reviewed the Performance Targets upon the relevant information and documents provided by the Group, in particular the unaudited consolidated management accounts of the Group for the seven months ended 31 July 2018 (the “**Management Accounts**”), which you as the Directors are solely responsible for and formed the key bases upon the Performance Targets, and discussed the Management Accounts and other relevant information and documents with the Directors. We have also reviewed and discussed with the Directors the underlying assumptions of the Performance Targets.

In respect of the accounting policies and calculations concerned, upon which the Performance Targets have been made, we have considered the report addressed to the Board from ZHONGHUI ANDA CPA Limited, being the auditors of the Company. ZHONGHUI ANDA CPA Limited is of the opinion that so far as the accounting policies and calculations are concerned, the Performance Targets have been properly compiled in accordance with the

bases and assumptions adopted by the Directors and are presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2017.

On the basis of the foregoing, we are satisfied that the Performance Targets including the bases and assumptions, for which the Directors are solely responsible for, have been made by the Directors after due care and consideration.

For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and/or discussed with the Group. We have not assumed any responsibility for independently verifying the accuracy and completeness of such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of the Group. Save as provided in this letter, we do not express any other opinion or views on the Performance Targets. The Directors remain solely responsible for the Performance Targets.

Yours faithfully,  
For and on behalf of  
**Veda Capital Limited**  
**Hans Wong**  
*Chairman*