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

**(Stock Code: 1116)**

**LAPSE OF AGREEMENT IN RELATION TO  
VERY SUBSTANTIAL ACQUISITION AND  
CONNECTED TRANSACTION  
AND  
CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement of the Company dated 6 October 2008 and the circular of the Company dated 31 October 2008 in relation to, among other things, the acquisition of the shares in Durban Development Co., Ltd.

The Board announces that certain conditions precedent of the S&P Agreement had not been fulfilled or waived on 31 December 2008, being the long stop date for fulfilment of the conditions precedent of the S&P Agreement. Completion of the S&P Agreement has not taken place. After negotiations between the Company and the Vendors and taking into consideration the recent global economic downturn, the Board decided that, in the interest of the Company and its shareholders as a whole, such long stop date would not be extended. Accordingly, the S&P Agreement became null and void ab initio and the Company's obligations to purchase the shares in Durban Development Co., Ltd. lapsed.

This announcement is made pursuant to Rule 14.36 of the Listing Rules.

**INTRODUCTION**

Reference is made to the announcement of Mayer Holdings Limited (the "Company") dated 6 October 2008 and the circular of the Company dated 31 October 2008 ("Circular") in relation to, among other things, the acquisition of the shares in Durban Development Co., Ltd. Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Circular.

## LAPSE OF S&P AGREEMENT

As set out in the Circular, unless otherwise waived in writing by the Company (save for condition (a) of the Conditions which cannot be waived by the Company), Completion is conditional upon the fulfilment of the Conditions.

Some of the Conditions including the granting of the approval certificates by the relevant approving authority approving the transfer of the Sale Shares and the Additional Durban Shares (as the case may be) had not been fulfilled or waived on 31 December 2008 (“Long Stop Date”). Accordingly, Completion of the S&P Agreement has not taken place. After negotiations between the Company and the Vendors and taking into consideration the recent global economic downturn, the Board decided that, in the interest of the Company and its Shareholders as a whole, the Long Stop Date would not be extended. Accordingly, the S&P Agreement became null and void ab initio and the Company’s obligations to purchase the Sale Shares and the Additional Durban Shares lapsed.

The Company did not pay any deposit for the Acquisition. Save for the fees paid to the financial adviser to the Company, the independent financial adviser to the Independent Board Committee, the valuers of the Company, the reporting accountants of the Company and the legal advisers to the Company, the Company has not incurred other expenses in relation to the Acquisition. Notwithstanding the aforesaid, the Board considers that the lapse of the S&P Agreement will not have any material adverse impact on the business operation and financial position of the Group as a whole.

This announcement is made pursuant to Rule 14.36 of the Listing Rules.

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

Hong Kong, 24 April 2009

*As at the date of this announcement, the executive Directors are Mr. Hsiao Ming-chih, Mr. Lai Yueh-hsing, Mr. Lo Haw, Mr. Cheng Dar-terng, Mr. Chiang Jen-chin and Mr. Lu Wen-yi; the non-executive Director is Mr. Huang Chunfa; and the independent non-executive Directors are Mr. Lin Sheng-bin, Mr. Huang Juihsiang and Mr. Alvin Chiu.*

\* *For identification purpose only*