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SUBSCRIPTION OF NON-LISTED WARRANTS

THE WARRANT SUBSCRIPTION

The Board announces that the Company, after trading hours, entered into the Warrant Subscription Agreement with the Subscriber with terms as stated below.

The Warrant Shares to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants will be issued under the General Mandate.

It is intended that the net proceeds derived from the Warrant Subscription of approximately HK\$1,002,000 (after deducting all the fees and expenses of approximately HK\$150,000) will be applied as general working capital of the Group and any additional proceeds of up to approximately HK\$62,208,000 from the issue of the Warrant Shares upon exercise of the subscription rights attaching to the Warrants in the future will be applied as general working capital and as funds for future development of the Group when investment opportunities arise.

IMPLICATION UNDER THE LISTING RULES

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be issued on exercise of the subscription rights attaching to the Warrants must not, when aggregated with all other equity securities remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued. Option granted under employee or executive share schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of this limit.

As at the date of this announcement, there are no other equity securities of the Company with subscription rights outstanding and not yet exercised.

* For identification purposes only.

Assuming exercise in full of the subscription rights attaching to the Warrants, 115,200,000 Warrant Shares, representing (a) 20% of the existing issued share capital of the Company as at the date of this announcement; and (b) 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of all the Warrant Shares, assuming no Shares are further issued or repurchased. Accordingly, the issue of the Warrants is in compliance with Rule 15.02(1) of the Listing Rules.

THE WARRANT SUBSCRIPTION AGREEMENT

Date

12 July 2010 (after trading hours)

Issuer

The Company

Subscriber

Valley Park Global Corporation

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscriber, its ultimate beneficial owner and their respective associates are (i) Independent Third Parties; and (ii) not a party acting in concert (as defined under the Takeovers Code) with any substantial shareholders of the Company.

In addition, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscriber, its ultimate beneficial owner and their respective associates do not hold any Shares or other convertible securities in the Company as at the date of this announcement.

Number of Warrants

115,200,000 Warrants

Warrant Issue Price

The Warrant Issue Price is HK\$0.01 per Warrant. The aggregate Warrant Issue Price of HK\$1,152,000 payable by the Subscriber will be satisfied by payment of cash at completion of the Warrant Subscription.

Warrant Exercise Price

The Warrant Exercise Price is HK\$0.54 per Warrant Share, subject to adjustment upon occurrence of any of the Adjustment Events and other dilutive events which may have adverse effects on the rights of the holder of the Warrants.

The aggregate of the Warrant Issue Price of HK\$0.01 per Warrant and the Warrant Exercise Price of HK\$0.54 per Warrant Share, (i.e. HK\$0.55) represents:

- (i) a premium of approximately 3.77% over the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the date of the Warrant Subscription Agreement;
- (ii) a premium of approximately 3.77% over the average closing price of HK\$0.530 per Share for the last five consecutive trading days up to and including the date of the Warrant Subscription Agreement; and
- (iii) a premium of approximately 3.97% over the average closing price of HK\$0.529 per Share for the last ten consecutive trading days up to and including the date of the Warrant Subscription Agreement.

The Warrant Exercise Price of HK\$0.54 per Warrant Share represents:

- (i) a premium of approximately 1.89% over the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the date of the Warrant Subscription Agreement;
- (ii) a premium of approximately 1.89% over the average closing price of HK\$0.530 per Share for the last five consecutive trading days up to and including the date of the Warrant Subscription Agreement; and
- (iii) a premium of approximately 2.08% over the average closing price of HK\$0.529 per Share for the last ten consecutive trading days up to and including the date of the Warrant Subscription Agreement.

Both the Warrant Issue Price and the Warrant Exercise Price were determined based on the arm's length negotiations between the Company and the Subscriber, with reference to the current market sentiment, liquidity flow in the capital market and the historical Share price. The Directors consider that both the Warrant Issue Price and the Warrant Exercise Price are fair and reasonable.

Information of the Warrants

The Warrants will be issued to the Subscriber upon completion of the Warrant Subscription in registered form and constituted by a deed poll. The Warrants will rank pari passu in all respects among themselves.

Each Warrant carries the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price and is issued at the Warrant Issue Price.

The subscription rights attaching to the Warrants may be exercised at any time during a period of 12 months commencing from the date immediately after the date of issue of the Warrants. The Warrant Shares, when fully paid and allotted, will rank pari passu in all respects with the then existing issued Shares of the Company.

A total of 115,200,000 Warrants are proposed to be issued. Upon full exercise of the subscription rights attaching to the Warrants, a total of 115,200,000 Warrant Shares will be issued, representing (i) approximately 20% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Warrant Shares upon full exercise of the subscription rights attaching to the Warrants.

Transferability

The Warrants are transferable in integral multiples of 200,000 Warrants. In the event of a transfer of the Warrants to a connected person of the Company, prior approval from the Company and the Stock Exchange will be obtained. The Company undertakes to comply with the relevant Listing Rules and to make necessary announcement(s), where appropriate, if and when the Subscriber makes any transfer of the Warrants to other parties requiring disclosure.

Conditions precedent

The Warrant Subscription Agreement is conditional on, inter alia, the Listing Committee of the Stock Exchange having granted (either unconditionally or subject to conditions to which neither the Company nor the Subscriber shall reasonably object) the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon the exercise in full of the subscription rights attaching to the Warrants.

In the event that the conditions precedent are not fulfilled on or before 11 July 2011 or such later date as the Company and the Subscriber may agree in writing, the Warrant Subscription Agreement will lapse and the Company and the Subscriber shall be released from all their respective obligations thereunder, save for the liabilities for any antecedent breaches thereof.

Completion date

Completion shall take place on or before 16 July 2010.

Voting rights for the holder(s) of the Warrants

Holder(s) of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being holder(s) of the Warrants. Holder(s) of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

MANDATE TO ISSUE THE WARRANT SHARES

The Warrant Shares to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants will be issued under the General Mandate. The Directors are authorised to allot, issue or otherwise deal with up to 115,200,000 new Shares under the General Mandate. As at the date of this announcement, the Directors have not allotted and issued any Shares under the General Mandate. The General Mandate will be used to allot and issue the Warrant Shares.

APPLICATION FOR LISTING

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Warrant Shares to be issued upon the exercise of all Warrants, when aggregated with all other equity securities which remain to be issued on exercise of all other subscription rights, will not exceed 20% of the issued share capital of the Company.

REASONS FOR THE WARRANT SUBSCRIPTION

The Group is 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 Board has considered other alternative fund raising methods such as debt financing, rights issue or open offers but the Board believes that the issue of Warrants is a more appropriate means of fund raising for the Company. The issue of Warrants is not interest bearing and after considering different methods to raise further capital for the Group, the Board considers that the issue of Warrants is most cost-effective. Given the recent fluctuations in the stock market, the Directors consider it prudent for the Company to issue the Warrants to raise sufficient fund for its future diversification and expansion of business.

In view of the immediate inflow of HK\$1,002,000 (after deducting all the fees and expenses of approximately HK\$150,000), coupled with the potential inflow of further capital up to a maximum of HK\$62,208,000 upon exercise in full of the subscription rights attaching to the Warrants, the Directors are of the view that the issue of Warrants provides a good opportunity to strengthen the Group's financial position and in the event the Subscriber fully exercises its subscription rights attaching to the Warrants, the funds received may cater for the future needs of the Company for its operation and development. In view of the above, the Board considers that the terms of the Warrant Subscription Agreement (including the Warrant Issue Price and the Warrant Exercise Price) are fair and reasonable and in the interests of the Company and the Shareholders.

It is intended that the net proceeds derived from the Warrant Subscription of approximately HK\$1,002,000 (after deducting all the fees and expenses of approximately HK\$150,000) will be applied as general working capital of the Group and any additional proceeds of up to approximately HK\$62,208,000 from the issue of the Warrant Shares upon exercise of the subscription rights attaching to the Warrants in the future will be applied as general working capital and as funds for future development of the Group when investment opportunities arise. Since the exercise of the subscription rights attaching to the Warrants is at the discretion of the holder(s) of the Warrants, the Company is currently unable to ascertain the exact additional proceeds which may be raised from the issue of the Warrant Shares. The Company intends to increase its capital investment into new business areas and to seek investment opportunities into energy/ mining/ natural resources sector. As at the date of this announcement, the Company has not identified any specific investment plans save and except for the entering into of an agreement among the Company, Maxipetrol-Petroleros de Occidents S.A., Mr. Hector Daniel Lalin and Mr. Nereo Nestor Martin on 26 November 2009 for the possible acquisition of the entire equity interest in Maxipetrol HK (for details, please refer to the announcement of the Company dated 8 December 2009).

Assuming the exercise in full of the subscription rights attaching to the Warrants, the total funds, including the funds raised by the Warrant Subscription, to be raised is approximately HK\$63,000,000 (after deducting all the fees and expenses of approximately HK\$360,000).

Fund raising exercise by the Company in the past twelve months

The Company has not conducted any fund raising activity during the past 12 months.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 576,000,000 Shares in issue. The shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the completion of the Warrant Subscription but before the full exercise of the subscription rights attaching to the Warrants; and (iii) immediately after the completion of the Warrant Subscription and full exercise of the subscription rights attaching to the Warrants are as follows:

	As at the date of announcement		Immediately after the completion of the Warrant Subscription but before the full exercise of the subscription rights attaching to the Warrants		Immediately after the completion of the Warrant Subscription and full exercise of the subscription rights attaching to the Warrants	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Mayer Corporation Development International Limited	200,000,000	34.72	200,000,000	34.72	200,000,000	28.94
Lee Kwok Leung	63,404,000	11.01	63,404,000	11.01	63,404,000	9.17
Valley Park Global Corporation	-	-	-	-	115,200,000	16.67
Public Shareholders	312,596,000	54.27	312,596,000	54.27	312,596,000	45.22
Total	576,000,000	100	576,000,000	100	691,200,000	100

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be issued on exercise of the subscription rights attaching to the Warrants must not, when aggregated with all other equity securities remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued. Option granted under employee or executive share schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of this limit.

As at the date of this announcement, there are no other equity securities of the Company with subscription rights outstanding and not yet exercised.

Assuming exercise in full of the subscription rights attaching to the Warrants, 115,200,000 Warrant Shares, representing (a) 20% of the existing issued share capital of the Company as at the date of this announcement; and (b) 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of all the Warrant Shares, assuming no Shares are further issued or repurchased. Accordingly, the issue of the Warrants is in compliance with Rule 15.02(1) of the Listing Rules.

DEFINITIONS

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

“Adjustment Events”	(1) alteration to the nominal amount of each of the Shares by reason of any subdivision or consolidation of Shares; or (2) issue of Shares by way of capitalisation of profit or reserves; or (3) capital distribution to all Shareholders or grant to Shareholders rights to acquire for cash assets of the Company or any of its subsidiaries; or (4) offer to the Shareholders new Shares for subscription by way of rights; or grant of any options or warrants to all Shareholders to subscribe for new Shares, at a price which is less than 80%; or (5) issue for cash any securities which are convertible into or exchangeable for or carry rights of subscription for new Shares; or (6) issue for cash any Shares at a price which is less than 80% of the market price; or (7) the repurchase of any Shares or securities convertible into Shares or any rights to acquire Shares by the Company
“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
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors to exercise all powers of the Company to allot, issue and otherwise deal with new Shares or to grant any offers, agreements or options which would or might require Shares to be issued, allotted or disposed of not exceeding 20% of the issued share capital of the Company as at 19 June 2009

“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third parties and their ultimate beneficial owner(s) which are independent of the Company and its connected persons
“Listing Committee”	the listing sub-committee of the Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Subscriber”	Valley Park Global Corporation, a company incorporated in the British Virgin Islands with limited liability and being the subscriber under the Warrant Subscription Agreement
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Repurchases of the Securities and Futures Commission of Hong Kong
“Warrant(s)”	115,200,000 non-listed warrants carrying the rights to subscribe for 115,200,000 Warrant Shares at the Warrant Exercise Price for a term of one year
“Warrant Exercise Price”	the warrant exercise price of HK\$0.54 per Warrant Share (subject to adjustments) at which holder(s) of the Warrants may subscribe for the Warrant Shares
“Warrant Issue Price”	HK\$0.01 per Warrant, being the issue price per Warrant payable in full on application under the Warrant Subscription Agreement

“Warrant Share(s)”	up to 115,200,000 new Shares to be allotted and issued upon exercise of the subscription rights attaching to the Warrants
“Warrant Subscription”	the subscription of 115,200,000 Warrants pursuant to the terms of the Warrant Subscription Agreement
“Warrant Subscription Agreement”	the conditional subscription agreement dated 12 July 2010 entered into between the Company and the Subscriber in relation to the Warrant Subscription
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 12 July 2010

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. Cheng Dar-terng, Mr. Chiang Jen-chin, Mr. Lu Wen-yi and Mr. Cheng Koon Cheung; the non-executive directors of the Company are Mr. Huang Chun-fa and Mr. Chan Kin Sang; 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.

This announcement will remain on the “Listed Company Information” page of the website of the Stock Exchange and the website of the Company for at least 7 days from the date of its posting.