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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 TRANSACTION  
IN RELATION TO  
ACQUISITION OF PROPERTY IN CHONGQING**

The Board announces that, on 23 February 2011, Guangzhou Mayer, a non wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor pursuant to which Guangzhou Mayer conditionally agreed to acquire and the Vendor agreed to sell the Property for cash consideration of RMB60,660,000 (equivalent to approximately HK\$71,579,000).

As the applicable percentage ratios (as set out in the Listing Rules) are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rules 14.06(2) and 14.07 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules but it was inadvertently overlooked and the Company omitted to make an announcement in a timely manner.

On 20 April 2012, Guangzhou Mayer and the Vendor entered into an agreement to terminate the Sale and Purchase Agreement, pursuant to which the Vendor will return to Guangzhou Mayer the sum of the aforementioned cash consideration paid, plus pay 5% of the consideration as compensation, being RMB63,693,000 in total (equivalent to approximately HK\$75,158,000).

**THE ACQUISITION**

The Board announces that, on 23 February 2011, Guangzhou Mayer, a non wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor pursuant to which Guangzhou Mayer conditionally agreed to acquire and the Vendor agreed to sell the Property for a cash consideration of RMB60,660,000 (equivalent to approximately HK\$71,579,000).

\* *For identification purposes only*

## **The Sale and Purchase Agreement**

### **Date:**

23 February 2011

### **Parties:**

Purchaser: Guangzhou Mayer, a non wholly-owned subsidiary of the Company

Vendor: Chongqing Hengyang Property Development Co., Limited, 重慶恒陽房地產開發有限公司, a company incorporated in the PRC with limited liability

The Vendor is principally engaged in property development and investment

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owners are Independent Third Parties

### **Subject matter:**

The Property is a commercial complex located on a piece of land situated at 中國重慶市主城區西永組團 U 標準分區(大學城) (Chongqing city, West Wing Group Main City District, U-standard Sub-district (University City), the PRC) land lot number U7-20-1/02, with developable area of 38,000 square meters and 266 car parking spaces.

The Property is part of the Project which was intended to be developed by the Vendor into a residential cum commercial complex in Chongqing. Under the Sale and Purchase Agreement, the Vendor shall deliver the Property to Guangzhou Mayer before 31 December 2015. In the event that Guangzhou Mayer requires early delivery of the Property, Guangzhou Mayer shall request in writing before 31 December 2013 and the Vendor shall compromise and the delivery of the Property shall not be earlier than 31 December 2014.

### **Consideration and payment terms:**

The consideration of RMB60,660,000 (equivalent to approximately HK\$71,579,000), payable in cash by Guangzhou Mayer, was determined after arm's length negotiations between Guangzhou Mayer and the Vendor and with reference to current market conditions.

Under the Sale and Purchase Agreement, the consideration of the Acquisition shall be payable by Guangzhou Mayer to the Vendor in cash in the following manner:

- (i) RMB50,660,000 (equivalent to approximately HK\$59,779,000) shall be payable on or before 25 February 2011; and

- (ii) RMB10,000,000 (equivalent to approximately HK\$11,800,000) shall be payable on or before 31 March 2011.

No guarantee was given by Guangzhou Mayer for the payment of the consideration in respect of the Acquisition.

The consideration was funded by internal resources of the Company. As of the date of this Announcement, the consideration has been fully paid, with RMB50,660,000 paid on 24 February 2011 and RMB10,000,000 paid on 31 March 2011.

**Delivery conditions:**

Under the Sale and Purchase Agreement, the Vendor shall deliver the Property and the construction costs of the developable area on the ground of the Property (excluding the car parking spaces) shall not be less than RMB2,800 (equivalent to approximately HK\$3,304) per square meter.

The delivery of the construction materials and equipment installation standards should meet the requirements of Guangzhou Mayer's standards. In the event Guangzhou Mayer should request construction costs exceeding RMB2,800 (equivalent to approximately HK\$3,304) per square meter, Guangzhou Mayer shall request a variation order and Guangzhou Mayer has the right to request the Vendor to repair or replace if the agreed standards could not be reached.

**Transfer of rights:**

The parties to the Sale and Purchase Agreement agreed that the completion of the transfer of the rights of the Property shall take place within one year after the delivery of the Property by the Vendor to Guangzhou Mayer.

**Other terms:**

The Vendor agreed to the following terms:

- (i) the Vendor shall fulfil its duties and is responsible for the design of the Property, reporting procedures and development and construction for the smooth delivery of the Property to Guangzhou Mayer;
- (ii) the Vendor shall ensure that the construction quality is in line with local standards and obtain permits related to the Property that continue to be effective;
- (iii) the Vendor warrants that the sale of the Property is free from encumbrances, that the Property is not sold to any other person save and except for Guangzhou Mayer and that the Property is not subject to judicial seizure or any other restrictions on the transaction; and

- (iv) save and except for force majeure circumstances, in the event that the Vendor fails to deliver the Property according to the agreed schedule, from the second day after the agreed delivery date until the actual delivery date of the Property, the Vendor shall be liable to pay a daily penalty fee of one thousandth of the consideration already paid by Guangzhou Mayer.

## **REASONS FOR THE ACQUISITION**

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

The Directors believed that the Property is a viable investment, would broaden the asset and earnings base of the Group and would be beneficial to the Group. Investing in a commercial complex in Chongqing was in line with the Group's overall strategy to enhance its investment portfolio.

Having considered the aforesaid reasons, the Directors considered that the terms of the Sale and Purchase Agreement were fair and reasonable and on normal commercial terms, and that the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

## **TERMINATION OF THE SALE AND PURCHASE AGREEMENT**

As one of the conditions precedent for the proposed disposal of the entire issued share capital of Bamian Investments Pte. Limited (details of which are disclosed in the announcement of the Company dated 5 January 2012), the Company is required to obtain an undertaking from the Vendor to revoke the Sale and Purchase Agreement and to refund the consideration plus 5% of the consideration as compensation.

On 20 April 2012, following arms-length negotiations, Guangzhou Mayer and the Vendor entered into the Termination Agreement to terminate the Sale and Purchase Agreement. Pursuant to the Termination Agreement, the Sale and Purchase Agreement was terminated with effect from 20 April 2012, and the Vendor will pay RMB63,693,000 (equivalent to approximately HK\$75,158,000) to Guangzhou Mayer, being the sum of the aforementioned total consideration of RMB60,660,000 paid by Guangzhou Mayer plus 5% of the consideration as compensation. Pursuant to the Termination Agreement, the Vendor has paid the first instalment of RMB19,107,900 to Guangzhou Mayer before 30 April 2012 and is due to pay the second instalment of RMB44,585,100 before 31 July 2012. The Company will make a further announcement when the Vendor has paid the second instalment to Guangzhou Mayer.

## **GENERAL**

As the applicable percentage ratios (as set out in the Listing Rules) are more than 5% but less than 25%, the Acquisition constituted a discloseable transaction for the Company under Rules 14.06(2) and 14.07 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Acquisition”	the acquisition of the Property pursuant to the terms of the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the agreement dated 23 February 2011 entered into between Guangzhou Mayer and the Vendor in respect of the Acquisition
“associate”	has the meaning ascribed in the Listing Rules
“Board”	the board of Directors
“Company”	Mayer Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company (excluding Xue Wenge, and Li Deqiang)
“Group”	the Company and its subsidiaries
“Guangzhou Mayer”	Guangzhou Mayer Corporation Limited (廣州美亞股份有限公司), a company incorporated in the PRC and a non wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) independent of and not connected with the directors, substantial shareholders or chief executives of the Company or any of its subsidiaries or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Project”	development of a piece of land of residential and commercial usages located at (Chongqing city, West Wing Group Main City District, U-standard Sub-district (University City), the PRC) (中國重慶市主城區西永組團 U 標準分區(大學城)) with land lot numbers: U7-14-1/02, U7-21-2/03, U7-16-1/02, U7-21-1/03, U7-12-1/02, U7-15-1/02, U7-19-1/02, U7-20-2/02, U7-20-1/02 with a site area of 376,104 square meters (564.16 mu) and developable area of 1,095,328 square meters into “重慶臺北原味生活圈” Chongqing Taipei Living Area, a proposed residential and commercial complex in Chongqing, the PRC
“Property”	a commercial complex located on a piece of land situated at 中國重慶市主城區西永組團 U 標準分區(大學城) (Chongqing city, West Wing Group Main City District, U-standard Sub-district (University City), the PRC) land lot number U7-20-1/02, with developable area of 38,000 square meters and 266 car parking spaces
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Termination Agreement”	the agreement dated 20 April 2012 entered into between Guangzhou Mayer and the Vendor to terminate the Sale and Purchase Agreement
“Vendor”	Chongqing Hengyang Property Development Co., Limited (重慶恒陽房地產開發有限公司), a company incorporated in the PRC with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

*For the purpose of this announcement, all amounts denominated in RMB has been translated (for information only) into HK\$ using the exchange rates of RMB1.00: HK\$1.18. Such translation shall not be construed as a representation that amounts of RMB were or may have been converted.*

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

Hong Kong, 25 May 2012

*As at the date of this announcement, the Board comprises five executive directors, namely Mr. Hsiao Ming-chih, Mr. Lai Yueh-hsing, Mr. Chiang Jen-chin, Mr. Lu Wen-yi, and Mr. Xue Wenge; one non-executive director, namely Mr. Li Deqiang; and three independent non-executive directors, namely Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang and Mr. Alvin Chiu.*