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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)

ENTERING INTO OF THE CONSULTANCY AGREEMENT INVOLVING GRANT OF OPTIONS

Financial adviser to the Company

VEDA | CAPITAL
智略資本

This announcement is made by the Company pursuant to Rule 17.06A of the Listing Rules.

On 12 January 2022, the Company entered into the Consultancy Agreement with the Grantee and pursuant to which (i) the Company has appointed the Grantee as a consultant of the Company for provision of the Consultancy Services for a term of two years from the Completion Date; and (ii) the Board has resolved to grant 174,800,000 Options to the Grantee to subscribe for a total of 174,800,000 Shares under the Share Option Scheme, subject to the conditions precedent set out under the Consultancy Agreement, as consideration for the Consultancy Services.

SUMMARY OF THE TERMS OF THE CONSULTANCY AGREEMENT

Date : 12 January 2022

Parties : (i) the Company; and
(ii) the Grantee, as a consultant of the Company

The Grantee is not a Director, chief executive or substantial shareholder of the Company or an associate of any of them.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Grantee and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons

- Term : Two years from the Completion Date
- Fee : The Company shall grant 174,800,000 Options to the Grantee on the Completion Date pursuant to the terms of the Share Option Scheme and the Consultancy Agreement
- Consultancy Services : The Grantee shall provide the Company with the Consultancy Services during the term of the Consultancy Agreement, details of which are set out in the paragraph headed "Reasons for and benefits for entering into of the Consultancy Agreement" in this announcement
- ETB Goals : (i) the Environmental Technology Business is expected to start generating net profit within three fiscal years after commencement of its operations;
- (ii) the Environmental Technology Business is expected to record a gross profit margin of no less than 20% starting from the fourth fiscal year after commencement of its operations; and
- (iii) the Group is expected to achieve a 100% return on its investment in the Environmental Technology Business within seven fiscal years after commencement of its operations

Details of the Options

Grant Date	:	12 January 2022
Exercise price of the Options granted	:	HK\$0.2 per Share, which represents the highest of: <ul style="list-style-type: none">(i) the closing price of HK\$0.1840 per Share as quoted on the Stock Exchange on the Grant Date;(ii) the average of the closing prices per Share as quoted on the Stock Exchange for the five (5) Business Days immediately preceding the Grant Date, being HK\$0.1876 per Share; and(iii) the nominal value of HK\$0.2 per Share.
Number of Options granted	:	174,800,000 (each Option shall entitle the holder thereof to subscribe for one Share)
Validity and exercise period of the Options	:	Subject to the Share Option Scheme, the Options are valid and exercisable in whole or in part for a period of ten years from the date of grant of the Options.
Vesting conditions	:	<ul style="list-style-type: none">(i) 50% of the Options shall be vested on the date of completion of the Joint Venture Agreement to be entered into between the Company and a Business Partner, and shall be exercisable until the expiry date of the validity period; and(ii) conditional upon completion of the Joint Venture Agreement, 50% of the Options shall be vested on the date of the completion of the Equity/Debt Financing by the Company successfully introduced and facilitated by the Grantee, and shall be exercisable until the expiry date of the validity period.

Condition precedent

Completion of the Consultancy Agreement is conditional upon the passing of the necessary resolution(s) by the Shareholders at the EGM approving the grant of Options to the Grantee and the transactions contemplated thereunder.

The condition above cannot be waived. In the event that the condition above is not fulfilled by 30 April 2022 (or such later date as the Company and the Grantee may agree in writing), all rights, obligations and liabilities of the Company and the Grantee in relation to the Consultancy Agreement shall cease and terminate and neither party thereto shall have any claim against the other in respect of the Consultancy Agreement save for any antecedent breach and/or any rights or obligations which may have accrued under the Consultancy Agreement prior to such termination.

Completion

Completion of the Consultancy Agreement, including the grant of the Options by the Company, will be on the Completion Date, being the date falling on the third Business Day after the fulfillment of the condition under the Consultancy Agreement (or such other date as the Company and the Grantee may agree in writing).

REASONS FOR AND BENEFITS FOR ENTERING INTO OF THE CONSULTANCY AGREEMENT

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in (i) the processing, manufacturing and selling of steel sheets, steel pipes and other steel products in the PRC; and (ii) urban renewal project planning and consulting in the PRC.

The Grantee is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of investment advisory services. As at the date of this announcement, the Grantee is wholly owned by Ms. Lin Yu Feng who is a merchant and previously operated the businesses of advertising and healthcare products. The senior management of the Grantee comprises of Mr. Choi and Mr. Ip and their respective information is set out in the paragraphs below.

Senior management of the Grantee

Mr. Choi, a fellow member of CPA Australia, has obtained a master's degree in Corporate Governance from The Hong Kong Polytechnic University. Mr. Choi has more than 15 years of experience in the auditing, accounting and finance industry. He is currently one of the Responsible Officers for Fairy Ambition Limited, a corporation licensed to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO and a member of the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in England.

Mr. Ip, an inventor member of the International Federation of Inventors' Association, Geneva, Switzerland, is the vice chairman of Macao Innovation and Invention Association. Mr. Ip has obtained a doctor's degree from the Southern Cross University in 2002. He is currently a Responsible Officer of Fruit Tree Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO and is familiar with operations concerning the financial market in Hong Kong and is proficient in corporate strategic planning.

The Board considers that the Grantee may leverage on its expertise in investment advisory services and its business network to provide certain consultancy services to the Group to assist and facilitate the development of the Environmental Technology Business.

It has come to the Board's attention that environmental protection related issues in the PRC have been one of the topics being focused and mentioned in the 13th and 14th Five Year Plan for Economic and Social Development of the PRC which aims to, including but not limited, contain carbon pollution and emission and to promote and encourage use of green building materials. Driven by the strengthening policies and the enforcement of environmental protection regulations made by the PRC government, the Board considers that there will be continuous substantial demand and opportunities for the integration and application of environmental technologies for the purposes of lowering operation and production costs and improving services quality and efficiency in the PRC to support and maintain its rapid urbanization and industrialization development.

Pursuant to the Consultancy Agreement, the Grantee shall provide the Company with the following consultancy services, including but not limited to:

- (i) the business and investment, consultation and advisory services to be rendered by the Grantee to the Group to assist and facilitate the development of the Environmental Technology Business;
- (ii) identifies and introduces potential Business Partners to the Group, and assists the Group in entering into the joint venture agreement(s) and/or business cooperation agreement(s) with the potential Business Partners in relation to the development of the Environmental Technology Business;
- (iii) prepares various proposals in relation to the Equity/Debt Financing to be conducted by the Company to meet the Group's financing needs required for the development of the Environmental Technology Business;
- (iv) facilitates the Equity/Debt Financing by way of introducing investors, placing agents, underwriters and/or banking institutions;
- (v) liaises closely with the Group and its professional parties in relation to conducting of the due diligence on the potential Business Partner(s), the negotiation of the terms of the joint venture agreement(s) and/or business cooperation agreement(s) with potential Business Partner(s) and the execution of the relevant agreement(s);
- (vi) liaises closely with the Group and its professional parties in relation to conducting of the due diligence on the potential placees, the negotiation of the terms of the placing and/or subscription agreement with the Company and the execution of the relevant agreement(s); and
- (vii) makes recommendations to the Group on how to develop and improve the performance of the Environmental Technology Business.

Based on the above, the Board is of the view that the entering into of the Consultancy Agreement and the grant of Options will (i) provide incentives to the Grantee to promote the success of the Environmental Technology Business of the Group, including facilitating the Group to obtain source of funding for its development; (ii) fully encourage the Grantee to introduce potential Business Partners to the Company; and (iii) safeguard the best interests of the Shareholders, as well as better align the interests of all stakeholders and ensure the Company's long-term sustainable development.

LISTING RULES IMPLICATIONS

As at the date of the announcement, there are 2,158,000,000 Shares in issue with no outstanding Options granted under the Share Option Scheme and the maximum number of Shares available for issue under the Share Option Scheme is 174,800,000.

Upon full exercise of the Options, the Shares to be allotted and issued thereunder represent (i) approximately 8.10% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 7.49% of the enlarged share capital of the Company.

The proposed grant of 174,800,000 Options to the Grantee, upon exercise in full of the Options to be granted to the Grantee, will result in the Shares to be issued in the 12-month period up to and including the Grant Date representing in aggregate over 1% of the Shares in issue.

Pursuant to Rule 17.03(4) of the Listing Rules, where any further grant of Options to the Grantee would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such person (including exercised, cancelled and outstanding) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the relevant class of Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Grantee and its close associates (or its associates if the Grantee is a connected person) abstaining from voting.

Accordingly, the Company proposes to seek the approval of the proposed grant of the Options to the Grantee by the Shareholders at the EGM. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Grantee and its close associates do not have any interest in the Shares within the meaning of Part XV of the SFO. Accordingly, no Shareholder is required to abstain from voting in respect of the resolutions to approve the grant of the Options at the EGM.

As at the date of this announcement, no options have been granted to the Grantee by the Company under the Share Option Scheme and any other share option schemes of the Company except for the Options proposed to be granted to the Grantee.

A circular containing, amongst other things, further information in relation to the grant of Options to the Grantee as required under the Listing Rules, together with the notice of the EGM, will be despatched to the Shareholders in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions shall have the following respective meanings when used herein:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong
“Business Partner”	a company or institution, which is engaging in the Environmental Technology Business, to be introduced by the Consultant and identified by the Company as a business partner to form a joint venture with for the development of the Environmental Technology Business
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Mayer Holdings Limited (美亞控股有限公司*), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed and traded on the main board of the Stock Exchange (stock code: 1116)
“Completion Date”	the date falling on the third Business Day after the fulfillment of all the conditions under the Consultancy Agreement (or such other date as the Company and the Grantee may agree in writing)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consultancy Agreement”	the consultancy agreement dated 12 January 2022 entered into between the Company and the Grantee in relation to the provision of the Consultancy Services

“Consultancy Services”	the consultancy services to be provided by the Grantee to the Company under the Consultancy Agreement, details of which are set out in the paragraph headed “Reasons for and benefits for entering into of the Consultancy Agreement” in this announcement
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and approve the grant of the Options by the Company to the Grantee and the transactions contemplated thereunder
“Environmental Technology Business”	the environmental technology related business in the PRC, including but not limited, applying or provision of environmental technologies, products, equipment, and systems in the production of steel compounds and other industrial compound materials
“Equity/Debt Financing”	the proposed equity and/or debt financing to be conducted by the Company for engaging in or development of the Environmental Technology Business, which shall meet the relevant financing needs of the Group and from which gross proceeds shall be no less than HK\$200,000,000
“ETB Goals”	the goals of the Environmental Technology Business under the Consultancy Agreement, details of which are set out in the paragraph headed “Summary of the terms of the Consultancy Agreement” in this announcement
“Grant Date”	12 January 2022
“Grantee”	Sino Light Investment Advisory Limited, a company incorporated in Hong Kong with limited liability
“Group”	the Company and its subsidiaries for the time being

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture Agreement”	the joint venture agreement to be entered into between the Group and the Business Partner for the formation of a joint venture company to engage in the development and operation of the Environmental Technology Business with the ETB Goals
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Choi”	Mr. Choi Wai Hung, Keith, one of the senior management members of the Grantee
“Mr. Ip”	Mr. Ip Yun Kit, one of the senior management members of the Grantee
“Option(s)”	the share options to be granted to the Grantee under the Share Option Scheme
“PRC”	the People’s Republic of China and for the purpose of this announcement excludes Hong Kong, the Special Administrative Region of Macau and Taiwan
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of a nominal value of HK\$0.20 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 31 May 2019

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

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

Hong Kong, 12 January 2022

As at the date hereof, the Board comprises four executive Directors, namely Mr. Lee Kwok Leung, Mr. Zhou Shi Hao, Mr. Chen Zhirui and Mr. Xiao Libo; three non-executive Directors, namely Mr. Lam Chung Chak, Ms. Cheng Bo Kei Peggy and Dr. Cheung Ka Yue; and four independent non-executive Directors, namely Mr. Lau Kwok Hung, Dr. Li Yutong, Mr. Wong Chi Kin and Mr. Chan Chun Kit.

* *For identification purpose only*