
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Mayer Holdings Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**REFRESHMENT OF GENERAL MANDATE
TO ISSUE AND ALLOT SHARES**

Financial Adviser to the Company



**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



KGI Capital Asia Limited

A letter from the independent board committee of Mayer Holdings Limited (the “Company”) containing its recommendation to the independent shareholders of the Company is set out on page 8 of this circular. A letter of advice from KGI Capital Asia Limited containing its advice to the independent board committee and the independent shareholders of the Company is set out on pages 9 to 14 of this circular.

A notice convening an extraordinary general meeting of the Company to be held on Wednesday, 19 September 2007 at Room 501, 5th Floor, Aon China Building, 29 Queen’s Road Central, Hong Kong at 2 p.m. is set out on pages 15 to 17 of this circular. A proxy form for use at the extraordinary general meeting is enclosed. Whether or not you are able to attend the extraordinary general meeting in person, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the extraordinary general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

* For identification purposes only

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DEFINITIONS

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

“2007 AGM”	the annual general meeting of the Company held on 31 May 2007
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	board of Directors
“Company”	Mayer Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at Room 501, 5th Floor, Aon China Building, 29 Queen’s Road Central, Hong Kong on Wednesday, 19 September 2007 at 2 p.m. to approve the refreshment of the Existing Issue Mandate
“Existing Issue Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution approved by the Shareholders at the 2007 AGM to allot, issue and deal in up to 96,000,000 Shares, representing 20% of the issued share capital of the Company as at the date of the 2007 AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising the three independent non-executive Directors established by the Board to advise the Independent Shareholders in relation to the refreshment of the Existing Issue Mandate
“Independent Shareholders”	Shareholders other than Mayer Corporation and its associates
“KGI”	KGI Capital Asia Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders

DEFINITIONS

“Latest Practicable Date”	31 August 2007, being the latest practicable date for ascertaining certain information referred to in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Mayer Corporation”	Mayer Corporation Development International Limited, the controlling Shareholder
“New Issue Mandate”	the general mandate proposed to be sought at the EGM to authorize the Directors to allot, issue and deal with Shares up to 20% of the issued share capital of the Company as at the date of the EGM
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



美亞控股有限公司*

MAYER HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1116)

Executive Directors:

Mr. Lai Yueh-hsing
Mr. Lo Haw
Mr. Cheng Dar-terng
Mr. Chiang Jen-chin
Dr. Lin Meng-chang
Mr. Lu Wen-yi

Non-executive Directors:

Mr. Hsiao Ming-chih
Mr. Huang Chun-fa

Independent Non-executive Directors:

Mr. Lin Sheng-bin
Mr. Huang Jui-hsiang
Mr. Alvin Chiu

Registered Office:

P.O. Box 309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

Principal Office in Hong Kong:

Room 501, 5th Floor
Aon China Building
29 Queen's Road Central
Hong Kong

4 September 2007

To the Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE TO ISSUE AND ALLOT SHARES

INTRODUCTION

The Board announced on 14 August 2007 that the EGM of the Company would be convened to seek approval of the Shareholders for the refreshment of the Existing Issue Mandate to issue and allot Shares.

The purpose of this circular is to (i) provide you with further information in relation to the refreshment of the Existing Issue Mandate; (ii) set out the letter of recommendation from the Independent Board Committee on the refreshment of the Existing Issue Mandate; (iii) set out the letter of advice from KGI to the Independent Board Committee and the Independent Shareholders on the refreshment of the Existing Issue Mandate; and (iv) provide the Shareholders with the notice of the EGM, at which an ordinary resolution will be proposed to consider and, if thought fit, to approve the refreshment of the Existing Issue Mandate.

* For identification purposes only

LETTER FROM THE BOARD

REFRESHMENT OF THE EXISTING ISSUE MANDATE

At the EGM, an ordinary resolution will be proposed to the Independent Shareholders for approval, by way of poll, of the refreshment of the Existing Issue Mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM.

On the basis of 576,000,000 Shares in issue as at the Latest Practicable Date and assuming there is no change in the issued share capital of the Company until the date of the EGM, the New Issue Mandate (if granted) will empower the Directors to issue, allot and deal in up to a maximum of 115,200,000 new Shares.

REASONS FOR THE NEW ISSUE MANDATE

At the 2007 AGM, the Shareholders passed a resolution to grant the Existing Issue Mandate to give the Directors to allot, issue and deal with up to 96,000,000 Shares, representing 20% of the issued share capital of the Company as at the date of the 2007 AGM. During the period from the grant of the Existing Issue Mandate to the Latest Practicable Date, the Existing Issue Mandate has been fully utilized.

There has been no refreshment of the Existing Issue Mandate since the 2007 AGM. The following table summarises the use of the Existing Issue Mandate since the 2007 AGM.

Date of announcement	Description	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
14 August 2007	Issue of 96,000,000 Shares at HK\$0.60 each pursuant to the subscription agreements dated 13 August 2007	HK\$57.3 million	Approximately HK\$23 million for partial payment of the consideration for the acquisition of a property in Taiwan as disclosed in the Company's announcement dated 11 June 2007 and the circular dated 10 July 2007 and the remaining balance of approximately HK\$34.3 million are for general working capital of the Group	Not yet utilized

As the Existing Issue Mandate has been fully utilized, the New Issue Mandate will provide a flexible means for the Company to raise further funds for investment or working capital and/or to procure potential acquisition opportunities for its future business development through the issue of new Shares. As at the Latest Practicable Date, the Company has not identified any investment opportunities. The Directors consider that the New Issue Mandate is in the interests of the Company and the Shareholders as a whole. In light of the above, the Board wishes to seek approval of the Independent Shareholders at the EGM to refresh the Existing Issue Mandate for the Directors to issue and allot new Shares up to 20% of the issued share capital of the Company as at the date of the EGM.

LETTER FROM THE BOARD

The Independent Board Committee, comprising Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang and Mr. Alvin Chiu, being the independent non-executive Directors, has been formed to consider the refreshment of the Existing Issue Mandate. KGI has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

FUND RAISING ACTIVITIES DURING THE PAST 12 MONTHS

The Company conducted the following fund raising activities during the past 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Transaction	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
20 December 2006	Issue of 80,000,000 new Shares at HK\$0.50 each pursuant to the subscription agreements dated 20 December 2006	HK\$39.6 million	General working capital of the Group	Utilized as intended
14 August 2007	Issue of 96,000,000 new Shares at HK\$0.60 each pursuant to the subscription agreements dated 13 August 2007	HK\$57.3 million	Approximately HK\$23 million for partial payment of the consideration for the acquisition of a property in Taiwan as disclosed in the Company's announcement dated 11 June 2007 and the circular dated 10 July 2007 and the remaining balance of approximately HK\$34.3 million are for general working capital of the Group	Not yet utilized

EGM

Pursuant to Rules 13.36(4) and 13.39(4) of the Listing Rules, the refreshment of the Existing Issue Mandate prior to the Company's next annual general meeting shall be subject to the Independent Shareholders' approval by way of poll at the EGM at which any of the controlling Shareholders and their associates shall abstain from voting in favour of the relevant resolution.

As at the Latest Practicable Date, Mayer Corporation, being the controlling Shareholder, is interested in 300,000,000 Shares, representing approximately 52.08% of the issued share capital of the Company. To the best knowledge and belief of the Directors, having made all reasonable enquiries, no associates of Mayer Corporation was interested in any Shares as at the Latest Practicable Date, and therefore only Mayer Corporation is required to abstain from voting in favour of the resolution to approve the refreshment of the Existing Issue Mandate.

LETTER FROM THE BOARD

Set out on pages 15 to 17 of this circular is the notice convening the EGM which will be held at Room 501, 5th Floor, Aon China Building, 29 Queen's Road Central, Hong Kong at 2 p.m. on Wednesday, 19 September 2007 at which an ordinary resolution will be proposed to approve the refreshment of the Existing Issue Mandate.

A proxy form for use at the EGM is enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

PROCEDURES ON DEMANDING A POLL

Pursuant to Article 76 of the Company, a resolution put to vote at a general meeting of the Company shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

- (i) the chairman of the meeting; or
- (ii) at least five Shareholders present in person or by proxy for the time being entitled to vote at the meeting, or
- (iii) any Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) a Shareholder or Shareholders present in person or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular in relation to the Company and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 8 of this circular which contains its recommendation to the Independent Shareholders concerning the refreshment of the Existing Issue Mandate. Your attention is also drawn to the letter of advice from KGI set out on pages 9 to 14 of this circular, containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the refreshment of the Existing Issue Mandate and the principal factors and reasons it has taken into account in arriving at its recommendation.

The Independent Board Committee, having considered the advice from KGI, considers that the refreshment of the Existing Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that such refreshment is in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee has recommended the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the refreshment of the Existing Issue Mandate.

The Directors consider that the refreshment of the Existing Issue Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

Yours faithfully,
For and on behalf of the Board
Mayer Holdings Limited
LAI Yueh-hsing
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



美亞控股有限公司*
MAYER HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1116)

4 September 2007

To the Independent Shareholders

Dear Sir or Madam,

**REFRESHMENT OF GENERAL MANDATE
TO ISSUE AND ALLOT SHARES**

We refer to the circular of the Company dated 4 September 2007 (the “Circular”) to the Shareholders of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

We have been appointed by the Board as members to constitute the Independent Board Committee and to advise the Independent Shareholders in respect of the refreshment of the Existing Issue Mandate, details of which are set out in the letter from the Board contained in the Circular.

KGI has been appointed to advise the Independent Board Committee and the Independent Shareholders in connection with the refreshment of the Existing Issue Mandate. Details of its advice, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 9 to 14 of the Circular.

Having considered the advice of KGI set out on pages 9 to 14 of the Circular, we are of the opinion that the refreshment of the Existing Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that such refreshment is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the refreshment of the Existing Issue Mandate.

Yours faithfully,

For and on behalf of the Independent Board Committee

Mr. Lin Sheng-bin Mr. Huang Jui-hsiang Mr. Alvin Chiu

Independent non-executive Directors

* For identification purposes only

LETTER FROM KGI

Set out below is the text of the letter of advice from KGI Capital Asia Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with the refreshment of the Existing Issue Mandate, prepared for inclusion in this circular.



KGI Capital Asia Limited

27/F ICBC Tower,
Citibank Plaza
3 Garden Road
Central Hong Kong

Tel: 2878 6888
Fax: 2970 0080

4 September 2007

To the Independent Board Committee and the Independent Shareholders
Mayer Holdings Limited
Room 501, 5th Floor, Aon China Building,
29 Queen's Road Central,
Hong Kong.

Dear Sirs,

REFRESHMENT OF GENERAL MANDATE TO ISSUE AND ALLOT SHARES

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the refreshment of the Existing Issue Mandate, details of which are set out in the "Letter from the Board" in the circular (the "Circular") issued by the Company to the Shareholders dated 4 September 2007 of which this letter forms part. Capitalized terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

Pursuant to the Listing Rules, the refreshment of the Existing Issue Mandate by granting the New Issue Mandate to the Directors is subject to the approval of the Independent Shareholders by way of poll at the EGM. Accordingly, the Independent Board Committee has been established to advise whether the refreshment of the Existing Issue Mandate by granting the New Issue Mandate to the Directors is in the interests of the Company and the Shareholders as a whole and is fair and reasonable so far as the Independent Shareholders are concerned. The Independent Board Committee comprises all of the three independent non-executive Directors, namely, Mr. Lin Sheng-bin, Mr. Huang Jui-hsiang and Mr. Alvin Chiu.

LETTER FROM KGI

In accordance with the Rule 13.36(4)(a) of the Listing Rules, the refreshment of the Existing Issue Mandate requires the approval of the Independent Shareholders at the EGM at which the controlling Shareholders and their associates or where there is no controlling Shareholders, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution to approve the refreshment of the Existing Issue Mandate. As at the Latest Practicable Date, Mayer Corporation, being the controlling Shareholder which holds approximately 52.08% issued share capital of the Company, and its associates shall abstain from voting in favour of the relevant resolution to approve the refreshment of the Existing Issue Mandate at the EGM. Voting of the Independent Shareholders at the EGM shall be taken by poll according to Rule 13.39(4)(b) of the Listing Rules.

We have been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the refreshment of the Existing Issue Mandate, so far as the interests of the Independent Shareholders are concerned and whether it is in the interests of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have relied on the accuracy of the information and facts supplied, and the opinions and representations expressed to us by the Company, the Directors and management of the Company. We have also assumed that all statements of belief, opinion and intention made by the Directors in the Circular were reasonably made after due and careful enquiry and are based on honestly-held opinions. We have no reason to doubt the truth, accuracy and completeness of the information and representations referred to in the Circular and provided to us by the Company, the Directors and management of the Company. We have been advised by the Directors that no material facts have been omitted from the information provided to us and referred to in the Circular. We have also assumed that all statement of intention of the Company, the Directors and management of the Company as set out in the Circular will be implemented. We have assumed that all information and representations made or referred to in the Circular and provided to us by the Company, the Directors and management of the Company, for which they were solely and wholly responsible, were true, complete and accurate at the time they were made and shall continue to be true, complete and accurate at the date of the EGM.

In formulating our opinion, we have obtained and reviewed relevant information and documents provided by the Company and the Directors and management of the Company in connection with the transactions and discussed with the management of the Company so as to assess the fairness and reasonableness of the refreshment of the Existing Issue Mandate. Relevant information and documents included, among other things, the Subscription Agreements (as defined below) and the annual report of the Company for the year ended 31st December, 2006. We believe that we have reviewed sufficient information to enable us to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our opinion regarding the refreshment of the Existing Issue Mandate. We consider that we have taken all reasonable steps as required under the Rule 13.80 of the Listing Rules including its notes to formulate our opinion and advice. We have not, however, carried out any independent verification of the information and representations provided to us by the management of the Company and the Directors nor have we conducted any form of independent investigation into the businesses and affairs, financial position or the future prospects of the Company or its respective subsidiaries or associated companies.

LETTER FROM KGI

Our opinion is necessarily based upon the financial, economic, market, regulatory and other conditions as they existed on, and the facts, information, representations and opinions made available to us as of, the Latest Practicable Date. Our opinion does not in any manner address the Company's own decision to proceed with the refreshment of the Existing Issue Mandate. We disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting the opinion expressed herein, which may come or be brought to our attention after the Latest Practicable Date. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion regarding the refreshment of the Existing Issue Mandate by granting the New Issue Mandate to the Directors, we have considered the following principal factors and reasons:

Background of and reasons for the refreshment of the Existing Issue Mandate

According to the announcement of the Company dated 14 August 2007 (the "Announcement"), the Company and the seven subscribers entered into the seven subscription agreements on 13 August 2007 (the "Subscription Agreements"), pursuant to which the Company conditionally agreed to issue, and the subscribers have conditionally agreed to subscribe for, an aggregate of 96,000,000 new Shares (the "Subscription Shares") under the Existing Issue Mandate at a subscription price of HK\$0.60 per Subscription Share (the "Subscription"). The 96,000,000 Subscription Shares represent 20% of the issued share capital of the Company as at the date of the Announcement and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The Subscription Shares will be allotted and issued under the Existing Issue Mandate to issue Shares granted to the Directors at the 2007 AGM. Under the Existing Issue Mandate, the Directors are allowed to allot and issue up to 96,000,000 Shares. As at the date of the Announcement, no part of the Existing Issue Mandate is utilized. As advised by the Directors, as at the Latest Practicable Date, the Subscription had already been completed.

The Existing Issue Mandate granted to the Directors to allot and issue shares at the 2007 AGM was fully utilized as a result of the completion of the Subscription and the issue of the Subscription Shares. In this regard, the Directors are of the view that the refreshment of the Existing Issue Mandate with the grant of the New Issue Mandate would provide a flexible means for the Company to raise further funds for investment or working capital and/or to procure potential acquisition opportunities for its future business development through the issue of new Shares. As such, the Board wishes to seek approval of the Independent Shareholders at the EGM to refresh the Existing Issue Mandate for the Directors to issue and allot new Shares up to 20% of the issued share capital of the Company as at the date of the EGM.

On the basis of 480,000,000 Shares in issue as at the date of the Announcement and assuming there is no change in the issued share capital of the Company until the date of the EGM and since the issuance of 96,000,000 new Shares pursuant to the Subscription had already taken place, the New Issue Mandate (if granted) will empower the Directors to issue and allot up to a maximum of 115,200,000 new Shares.

LETTER FROM KGI

Fund raising activities in the past 12 months

The following table summarized the information relating to the Company's fund raising activities in the past 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Transaction	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
14 August 2007	Issue of 96,000,000 new Shares pursuant to the Subscription Agreements	HK\$57.3 million	Approximately HK\$23 million for partial payment of the consideration for the acquisition of a property in Taiwan as disclosed in the Company's announcement dated 11 June 2007 and the circular dated 10 July 2007 and the remaining balance of approximately HK\$34.3 million are for general working capital of the Group	Not yet utilized
20 December 2006	Issue of 80,000,000 new Shares at HK\$0.50 each pursuant to the subscription agreements dated 20 December 2006	HK\$39.6 million	General working capital of the Group	Utilised as intended

Save as disclosed above, the Company did not conduct any fund raising activities during the past 12 months immediately preceding the Latest Practicable Date.

Financial flexibility

The Directors believed that the granting of the New Issue Mandate will provide the Company with additional flexibility in deciding the source of finance for any acquisition opportunities that may arise in the future and/or for the purpose of raising general working capital of the Group. The Directors believed that the Group may consider to further conduct equity fund raising exercise by issuing new Shares in order to prepare for its future business development if any potential investors offer attract terms for investment in the Shares, which may or may not result in the exercise of the New Issue Mandate. The Directors have confirmed that there is no immediate plan of utilizing the New Issue Mandate.

LETTER FROM KGI

We consider that the granting of the New Issue Mandate could enhance the financing flexibility of the Group to raise funding, if and when required, through placing of Shares for further development of the Group. In addition, the Directors consider that if investment opportunities arise, investment decisions may have to be made within a short period of time and the Directors cannot ascertain whether the then internal resources of the Company are sufficient to satisfy the funding needs; or whether the Company can obtain bank financing in a short period of time at a cost acceptable to the Group. The New Issue Mandate would provide the Group with a flexibility as allowed under the Listing Rules to allot and issue new Shares to raise funding through placing of new Shares for funding such potential acquisitions in the future as and when such opportunity arise in a timely manner.

Other financing alternatives

Other than raising fund by way of issuing equity capital, in appropriate circumstances, the Directors may also consider other financing methods, such as bank financing, debt financing or internal resources to fund its future business development, depending on the then financial position of the Company. However, the use of bank financing and/or debt financing will inevitably create additional interest burden to the Group. As advised by the Directors, the New Issue Mandate provides another alternative to the Directors to finance the Company's future potential businesses and allows the Directors to select the method which serves the best interests of the Company. We are of the view that it is a sensible consideration to make reference to the then financial position of the Company and the prevailing market condition in order to decide on a financing method for the future development of the Company.

Potential dilution to shareholding of the Independent Shareholders

For illustration purpose, we set out below a table setting out the respective shareholding structures of the Company (i) as at the date of the Announcement; (ii) as immediately after the completion of the Subscription; and (iii) upon full utilization of the New Issue Mandate:

Shareholders	Issued Shares as at the date of the Announcement		Issued Shares immediately after the completion of the Subscription		Issued Shares after full utilization of the New Issue Mandate	
	(No. of Shares)	%	(No. of Shares)	%	(No. of Shares)	%
Mayer Corporation (<i>Note</i>)	300,000,000	62.50	300,000,000	52.08	300,000,000	43.40
Other Shareholders:						
Existing public Shareholders	180,000,000	37.50	180,000,000	31.25	180,000,000	26.04
Subscribers	–	–	96,000,000	16.67	96,000,000	13.89
Possible places of new Shares to be issued under the New Issue Mandate	–	–	–	–	115,200,000	16.67
Subtotal	180,000,000	37.50	276,000,000	47.92	391,200,000	56.60
Total	480,000,000	100.00	576,000,000	100.00	691,200,000	100.00

LETTER FROM KGI

Note: Mayer Corporation is a wholly-owned subsidiary of Mayer Steel Pipe Corporation. Mayer Steel Pipe Corporation, a company incorporated in Taiwan, whose shares are listed on the Taiwan Stock Exchange Corporation, is the ultimate controlling Shareholder. Three executive Directors, namely, Messrs. Lo Haw, Chang Dar-terng and Chiang Jen-chin are interested in approximately 6.8%, 1.8% and less than 1% in Mayer Steel Pipe Corporation respectively.

Assuming that (i) the refreshment of the Existing Issue Mandate will be approved at the EGM; and (ii) no Shares will be repurchased and no new Shares will be issued during the period from the Latest Practicable Date to the date of the EGM (both dates inclusive), upon full utilization of the New Issue Mandate, 115,200,000 new Shares can be issued at maximum, representing 20% of the entire issued share capital of the Company upon the completion of the Subscription and approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the new Shares under the New Issue Mandate respectively.

Independent Shareholders should note that the aggregate shareholding of the existing public Shareholders at the date of the EGM will decrease from 31.25% to approximately 26.04% upon full utilization of the New Issue Mandate. Having considered that the New Issue Mandate (i) will enhance the financing flexibility of the Group to raise funding; (ii) will provide more options of financing to the Group for its further business development as well as in exploring other future investment opportunities for its growth; and (iii) the shareholding of all the Shareholders will be diluted to the same extent proportionally to their respective shareholdings upon any utilization of the New Issue Mandate, we are of the view that such potential maximum dilution to shareholding of the Independent Shareholders is acceptable.

CONCLUSION

Having considered the above principal factors and reasons concerning the refreshment of the Existing Issue Mandate, in particular: (1) background of and reasons for the refreshment of the Existing Issue Mandate; (2) enhancement of the financial flexibility to the Group; and (3) the potential dilution effect to the shareholdings of the Independent Shareholders, we are of the view that the refreshment of the Existing Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole and would recommend the Independent Board Committee to advise the Independent Shareholders, and recommend the Independent Shareholders, to vote in favour of the resolution to approve the refreshment of the Existing Issue Mandate at the EGM.

Yours faithfully,

For and on behalf of

KGI Capital Asia Limited

Laurent Leung

Director

Jimmy Chan

Senior Vice President

NOTICE OF THE EGM



美亞控股有限公司*

MAYER HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1116)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Mayer Holdings Limited (the “Company”) will be held at Room 501, 5th Floor, Aon China Building, 29 Queen’s Road Central, Hong Kong on Wednesday, 19 September 2007 at 2 p.m. for the purposes of considering and, if thought fit, passing with or without amendments the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) any issue of shares of the Company upon the exercise of existing warrants to subscribe for shares of the Company or the exercise of options granted under any share option scheme adopted by the Company; or (iii) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

* *For identification purposes only*

NOTICE OF THE EGM

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, or any applicable law of the Cayman Islands to be held; and
- (iii) the date on which the authority given to the Directors by this resolution is revoked or varied by an ordinary resolution by shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares in the Company (“Shares”), or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

By order of the Board
Mayer Holdings Limited
LAI Yueh-hsing
Chairman

Hong Kong, 4 September 2007

Registered office:
P.O. Box 309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

*Head office and principal
place of business in Hong Kong:*
Room 501, 5th Floor
Aon China Building
29 Queen’s Road Central
Hong Kong

NOTICE OF THE EGM

Notes:

1. A member of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, in the event of a poll, vote instead of him. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any Share, any one such persons may vote at the EGM, either personally or by proxy, in respect of such Share as if he was solely entitled thereto, but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons so present whose name stand first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the EGM or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the EGM and in such event, the form of proxy shall be deemed to be revoked.