美亞控股有限公司*
MAYER HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01116)
(the "Company")

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2012

Financial Highlights:

- Revenue of the Group for the six months ended 30 June 2012 amounted to approximately RMB219.1 million (for the six months ended 30 June 2011: approximately RMB242.1 million).
- Loss from continuing operations attributable to the owners of the Company for the six months ended 30 June 2012 amounted to approximately RMB19.6 million (for the six months ended 30 June 2011: approximately RMB164.7 million).
- Basic and diluted loss per share for the six months ended 30 June 2012 amounted to approximately RMB 2.01 cents (for the six months ended 30 June 2011: approximately RMB 21.82 cents).
- The directors of the Company do not recommend the declaration of any interim dividend for the six months ended 30 June 2012.

The board of directors of the Company (the "Board") is pleased to present the audited condensed consolidated interim financial results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2012 (the "Period") together with the comparative figures for the corresponding period in 2011.

* *For identification only*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2012

	Notes	Six months ended 30 June 2012 RMB'000 (Unaudited)	2011 RMB'000 (Unaudited) (Restated)
Continuing Operations			
Revenue	*3*	**219,141**	242,063
Cost of sales		**(211,576)**	(221,718)
Gross profit		**7,565**	20,345
Other income		**6,906**	6,258
Other net (loss)/income		**(323)**	11,149
Distribution costs		**(5,359)**	(4,903)
Administrative expenses		**(24,775)**	(17,569)
Other operating expenses		**–**	(6)
(Loss)/profit from operations		**(15,986)**	15,274
Finance costs		**(3,059)**	(1,650)
Loss on de-recognition of an investment		**–**	(172,343)
Impairment loss on amount due from an investee company		**(190)**	–
Impairment loss on joint ventures		**(12)**	–
Share of results of joint ventures		**–**	(4,519)
Loss before tax		**(19,247)**	(163,238)
Income tax expense	*5*	**(920)**	–
Loss from continuing operations		**(20,167)**	(163,238)
Discontinued operations			
Loss from discontinued operations		**–**	(987)
Loss for the period	*4*	**(20,167)**	(164,225)

	Notes	Six months ended 30 June **2012** ***RMB'000*** **(Unaudited)**	 2011 *RMB'000* (Unaudited) (Restated)
Loss for the period attributable to:			
Owners of the Company			
Loss from continuing operations		**(19,554)**	(164,722)
Loss from discontinued operations		**–**	(1,220)
		(19,554)	(165,942)
Non-controlling interests			
(Loss)/profit from continuing operations		**(613)**	1,484
Profit from discontinued operations		**–**	233
		(613)	1,717
		(20,167)	(164,225)
Loss per share	*7*		
From continuing and discontinued operations			
Basic and diluted (RMB cents)		**(2.01)**	(21.82)
From continuing operations			
Basic and diluted (RMB cents)		**(2.01)**	(21.66)
From discontinued operations			
Basic and diluted (RMB cents)		**–**	(0.16)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2012

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Restated)
Loss for the period	**(20,167)**	(164,225)
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Exchange differences on translating foreign operations	**(7,354)**	1,913
Reclassification adjustment relating to foreign operations disposed of during the period	**–**	2,218
	(7,354)	4,131
Items that may not be reclassified to profit or loss:		
Exchange differences on translating foreign operations	**(802)**	(5,847)
Other comprehensive income for the period, net of tax	**(8,156)**	(1,716)
Total comprehensive income for the period	**(28,323)**	(165,941)
Total comprehensive income for the period attributable to:		
Owners of the Company	**(27,710)**	(167,409)
Non-controlling interests	**(613)**	1,468
	(28,323)	(165,941)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2012

	Notes	**30 June 2012** *RMB'000* **(Unaudited)**	31 December 2011 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment		**51,618**	54,007
Prepaid land lease payments		**7,195**	7,306
Interests in joint ventures		**4,090**	11,045
Available-for-sale financial assets		**11,766**	11,766
		74,669	84,124
Current assets			
Inventories		**52,704**	52,390
Trade and other receivables	*8*	**197,495**	202,368
Prepaid land lease payments		**222**	222
Amounts due from joint ventures		**–**	2,548
Pledged bank deposit		**–**	17,074
Cash and cash equivalents		**46,028**	27,720
		296,449	302,322
Current liabilities			
Trade and other payables	*9*	**50,605**	17,679
Amount due to a director		**1,469**	1,481
Bank borrowings		**101,656**	119,475
		153,730	138,635
Net current assets		**142,719**	163,687
Total assets less current liabilities		**217,388**	247,811
NET ASSETS		**217,388**	247,811
Capital and reserves			
Share capital		**88,872**	88,872
Reserves		**82,785**	110,495
Equity attributable to owners of the Company		**171,657**	199,367
Non-controlling interests		**45,731**	48,444
TOTAL EQUITY		**217,388**	247,811

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2012

1. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (the "HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2016. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards (the "HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not applied the other new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of those new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information (the "Interim Financial Statements") have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The Interim Financial Statements do not include all the information and disclosures required in a full set of financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2011 ("2011 Annual Report").

The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of 2011 Annual Report of the Group.

3. REVENUE AND SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the board of directors of the Company, being the Group's chief operating decision maker, for the purposes of resource allocation and performance assessment. The Group has presented the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Steel – PRC: this segment primarily derive its revenue from the manufacture and trading of steel pipes, steel sheets and other products made of steel. These products are manufactured in the Group's manufacturing facilities located in the PRC.

- Investments: this segment invests in equity securities to generate dividend income and interest income and/or to gain from the appreciation in the investments' values in the long term.

- Steel – Vietnam (discontinued): this segment primarily derive its revenue from the manufacture and trading of steel pipes, steel sheets and other products made of steel. These products are manufactured in the Group's manufacturing facilities located in the Vietnam.

- Aircraft (discontinued): this segment leases aircrafts to generate rental income and provides consultancy services to the lessee to generate consultancy fee income. Currently, the operation of aircraft business is located entirely in Taiwan.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's chief operating decision maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets and current assets with the exception of corporate assets. Segment liabilities include all liabilities including trade and other payables and borrowings managed directly by the segments with the exception of corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured. The accounting policies of the reportable segments are the same as the Group's accounting policies. The measure used for reporting segment profit is "EBIT" i.e. "earnings before interest and taxes".

Information regarding the Group's reportable segments as provided to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is set out below:

	Steel – PRC *RMB'000*	**Investment** *RMB'000*	**(Discontinued Operation) Steel – Vietnam** *RMB'000*	**(Discontinued Operation) Aircraft** *RMB'000*	**Total** *RMB'000*
Period ended 30 June 2012 (Unaudited)					
Revenue from external customers	**219,141**	**–**	**–**	**–**	**219,141**
Segment loss	**(6,333)**	**(13)**	**–**	**–**	**(6,346)**
At 30 June 2012 (Unaudited)					
Segment assets	**347,064**	**4,391**	**–**	**–**	**351,455**
Segment liabilities	**148,581**	**–**	**–**	**–**	**148,581**

	Steel – PRC *RMB'000*	Investment *RMB'000*	(Discontinued Operation) Steel – Vietnam *RMB'000*	(Discontinued Operation) Aircraft *RMB'000*	Total *RMB'000*
Period ended 30 June 2011 (Unaudited)					
Revenue from external customers	242,063	–	4,687	3,845	250,595
Segment (loss)/profit	11,397	6,662	(3,509)	2,013	16,563
At 31 December 2011 (Audited)					
Segment assets	340,275	11,351	–	–	351,626
Segment liabilities	127,210	–	–	–	127,210

Reconciliations of reportable segment profit or loss, assets and liabilities:

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Profit or loss:		
Total (loss)/profit of reportable segments	**(6,346)**	16,563
Elimination of discontinued operations	**–**	1,496
Finance cost	**(3,059)**	(1,650)
Loss on de-recognition of investment	**–**	(172,343)
Corporate and unallocated loss	**(9,842)**	(7,304)
Consolidated loss before taxation and discontinued operations for the period	**(19,247)**	(163,238)

	At 30 June 2012	At 31 December 2011
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Assets:		
Total assets of reportable segments	**351,455**	351,626
Corporate and unallocated assets:		
– Available-for-sale financial assets	**11,766**	11,766
– Others	**7,897**	23,054
Consolidated total assets	**371,118**	386,446
Liabilities:		
Total liabilities of reportable segments	**148,581**	127,210
Corporate and unallocated liabilities	**5,149**	11,425
Consolidated total liabilities	**153,730**	138,635

Over 90% of the Group's revenue and assets are derived from customers and operations based in the PRC and accordingly, no further analysis of the Group's geographical information is disclosed.

4. LOSS FOR THE PERIOD

The Group's loss for the period is stated after charging the following:

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**211,576**	221,718
Depreciation	**4,273**	6,884
Amortisation of prepaid lease payments	**111**	1,854
Net exchange losses	**89**	591
Loss on disposal of subsidiaries	**–**	3,271
Staff costs including directors' emoluments		
– Salaries, bonus and allowances	**8,237**	9,977
– Retirement benefits scheme contributions	**1,387**	1,142
	9,624	11,119

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Withholding tax	**920**	–

No provision for Hong Kong Profits Tax has been made for the period as the Group did not generate any assessable profits arising in Hong Kong (six months ended 30 June 2011: Nil).

6. INTERIM DIVIDEND

The Board does not recommend any interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: nil).

7. LOSS PER SHARE

Basic loss per share

(i) From continuing and discontinuing operations

The calculation of basic loss per share is based on the loss attributable to owners of the Company of approximately RMB19,554,000 (six months ended 30 June 2011: loss of approximately RMB165,942,000 (restated)) and the weighted average number of 972,564,000 ordinary shares (six months ended 30 June 2011: 760,411,000 ordinary shares) in issue during the period.

(ii) From continuing operations

The calculation of basic loss per share is based on the loss attributable to owners of the Company of approximately RMB19,554,000 (six months ended 30 June 2011: RMB164,722,000 (restated)) and the weighted average number of 972,564,000 ordinary shares (six months ended 30 June 2011: 760,411,000 ordinary shares) in issue during the period.

Diluted loss per share

Diluted loss per share is equal to basic loss per share as there are no potential ordinary shares outstanding for both period.

8. TRADE AND OTHER RECEIVABLES

The trade and other receivables included trade receivables of approximately RMB144,932,000 as at 30 June 2012. The aging analysis of trade receivables, based on invoiced date, and net of allowance, is as follows:

	30 June 2012	31 December 2011
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0 to 30 days	**46,719**	33,264
31 to 60 days	**49,860**	38,114
61 to 90 days	**25,585**	28,930
91 to 180 days	**20,050**	25,783
Over 180 days	**2,718**	221
	144,932	126,312

9. TRADE AND OTHER PAYABLES

The trade and other payables included trade payables of approximately RMB22,892,000 as at 30 June 2012. The aging analysis of the trade payables, based on the date of receipt of goods, is as follows:

	30 June 2012	31 December 2011
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0 to 30 days	**22,038**	3,854
31 to 60 days	**783**	1,105
61 to 90 days	**2**	–
91 to 180 days	**8**	–
Over 180 days	**61**	52
	22,892	5,011

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF RESULTS

For the six months ended 30 June 2012 (the "Period"), the Group reported consolidated revenue of approximately RMB219,141,000 representing decrease of 9.5% compare to same period last year's RMB242,063,000. Gross profit margin was 3.5% compared to the same period of last year's 8.4%. Loss attributable to owners of the Company was approximately RMB19,554,000, compared with same period of last year's RMB164,722,000. Loss per share for the Period was RMB2.01 cents versus same period of last year's RMB21.66 cents.

BUSINESS REVIEW

The primary business focus for the management of the Company in the year of review is to deal with the difficulties in publishing and despatching the Group's annual results and the annual reports for the year ended 31 December 2011, and also the Group's interim results and the interim report for the six months ended 30 June 2012, respectively, pursuant to the Listing Rules. An updated list of unsolved matters in relation to the failure of publishing the said financial results and reports had been disclosed in the Company's announcement dated 22 November 2012. By the end of 2012, the Company was still unable to inform the shareholders of the Company (the "Shareholders") the dates of the 2011 annual results announcement, the 2012 interim results announcement and the despatch of the 2011 annual report and the 2012 interim report. The Company admitted that such delays had constituted breaches of the Rules 13.49(1), 13.46(2), 13.49(6) and 13.48(1) of the Listing Rules.

At the request of the Company, the trading in the shares of the Company (the "Shares") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") has been suspended with effect from 9:00 a.m. on 9 January 2012 pending the release of an announcement by the Company in relation to the placing of new Shares which was of price-sensitive in nature. As at the date of this results announcement, the Shares continue to be suspended for trading on the Stock Exchange until further notice.

In light of the suspension of the trading in the Shares on the Stock Exchange, the Company had engaged an independent professional adviser to conduct a review of the adequacy of the financial reporting procedures and the internal control systems of the Group. However, the new management of the Company (formed as a result of the Company's two extraordinary general meetings held on 9 October 2014) wonders if there is any relevant review report ever issued by such independent professional adviser.

On 6 January 2012, the Company entered into a conditional placing agreement (as supplemented by a supplemental agreement dated 31 January 2012) with a placing agent on a best endeavour basis for the placing of up to 185,000,000 new Shares to not less than six placees (including the placing agent itself) at the placing price of HK$0.11 per placing share. However, the Company and the placing agent reached mutual agreement to terminate the placing agreement on 21 March 2012.

On 23 February 2011, Guangzhou Mayer Corporation Limited ("Guangzhou Mayer") entered into a sale and purchase agreement with Chongqing Hengyang Property Development Co., Limited (the "Vendor"), pursuant to which Guangzhou Mayer conditionally agreed to acquire and the Vendor agreed to sell a commercial complex for a cash consideration of RMB60,660,000 (the "Sale and Purchase Agreement"). On 20 April 2012, Guangzhou Mayer and the Vendor entered into another agreement to terminate the Sale and Purchase Agreement (the "Termination Agreement"), pursuant to which the Vendor would return to Guangzhou Mayer the sum of the cash consideration paid, plus 5% of the consideration as compensation, being RMB63,693,000 in total. On 24 August 2012, Guangzhou Mayer received the full and final settlement of the Termination Agreement from the Vendor. The details of both the Sale and Purchase Agreement and the Termination Agreement had been provided by the Company's announcements during the financial year under review.

On 21 November 2011, the Company entered into a disposal agreement relating to the disposal of the entire issued shares of Bamian Investments Pte Limited (the "Disposal Agreement"). Since no approval had been obtained from the Stock Exchange and the Shareholders within one year after signing of the Disposal Agreement (that is, before 22 November 2012), the Disposal Agreement had been considered as terminated on 22 November 2012.

On 9 May 2011, the Company had acquired the entire issued share capital of Yield Rise at the total consideration of HK$620 million from Make Success, the vendor. Yield Rise controls the right to develop a designed port and certain real estate projects in the Dan Tien Port of Vietnam. However, the Company subsequently discovered that it was induced into the acquisition transaction by the misrepresentations made by Make Success and its accomplices; therefore, the Company commenced legal proceedings, pursuant to the Misrepresentation Ordinance, in the High Court of Hong Kong under action number of HCA64 of 2012 against Make Success and other allegedly related parties on 12 January 2012 ("HCA64/2012"). Resulted from a court hearing held on 5 April 2012, the Company obtained an interim injunction order from the court (the "Injunction Order") to restrain any movement of the 236,363,636 consideration Shares, being one part of the above-mentioned total consideration of HK$620 million paid to Make Success for the acquisition of Yield Rise. At the date of this results announcement, the Injunction Order is still in force.

Other than the HCA64/2012 case, the Company is also currently involved into various court proceedings which are still pending at the date of this results announcement. The progress of the HCA64/2012 case and the latest updates of those legal proceedings, together with all other material information of the Company, had been disclosed in details by the Company's prompt announcements during the financial year under review.

PRODUCTION AND SALES

The revenue from indirect export sales of steel products in the PRC during the Period was approximately RMB147,110,000, representing a decrease of approximately 10.6% compared with approximately RMB164,584,000 (restated) for the same period of last year. The market for indirect export sales in the PRC continued to be the core market for the Group's steel segment.

The revenue from domestic sales of steel products in the PRC during the Period was approximately RMB70,912,000, representing an decrease of approximately 5.8% compared with the same period of last year's approximately RMB75,247,000 (restated).

The revenue from direct export sales of steel products outside the PRC during the Period was approximately RMB1,119,000 representing an decrease of approximately 49.9% while it was approximately RMB2,232,000 (restated) for the same period of last year.

GROSS PROFIT

The Group recorded a gross profit of approximately RMB7,565,000 for the period, with a gross profit margin of approximately 3.5%, compared with the gross profit of approximately RMB20,345,000 and a gross profit margin of approximately 8.4% for the same period of last year. This was mainly attributable to the increase in the material cost for the Period.

OPERATING EXPENSES

The total operating expenses of the Group for the Period were approximately RMB30,134,000, of which approximately RMB5,359,000 in distribution costs, RMB24,775,000 in administrative expenses and RMB nil in other operating expenses, accounting for approximately 2.4%, 11.3%, and 0% of revenue respectively while the amounts for the same period of last year were approximately RMB4,903,000, RMB17,569,000, and RMB6,000 respectively, accounting for approximately 2.0%, 7.3%, and 0.1% respectively. The increase in operating expenses was mainly attributable to the increase in legal and professional fees for the Period.

FINANCE COSTS

During the Period, the Group incurred approximately RMB3,059,000 in finance costs, compared with approximately RMB1,650,000 for the same period of last year. The Group relied on bank borrowings to finance its trading activities, the increase in finance costs paid during the Period was mainly due to the increase in interest rates.

FINANCIAL RESOURCES AND TREASURY POLICIES

The Group continues to adhere to prudent treasury policies. The Group continued to insure against major receivables in order to lower the risks of credit sales and to ensure that funds would be recovered on a timely basis, hence fulfilling the requirements for debt repayments and working capital commitments.

As at 30 June 2012, the Group had bank deposits and cash balances of approximately RMB46,028,000.

The Group had net current assets of approximately RMB142,719,000 as at 30 June 2012 as compared with RMB163,687,000 as at 31 December 2011. The current ratio (current assets divided by current liabilities) changed to approximately 1.93 as at 30 June 2012 from 2.18 as at 31 December 2011.

The Group had a total of approximately RMB22,827,000 financing facilities from banks were available as at 30 June 2012, of which approximately RMB22,827,000 mainly denominated in US dollars with fixed interest rates, had been drawn down to finance the Group's working capital purposes and capital expenditures.

The gearing ratio (net debt divided by total capital) as at 30 June 2012 was approximately 70.7% while it was 55.9% as at 31 December 2011. Current portion of borrowings accounted for approximately 27.4% and 30.9% of the total assets of the Group as at 30 June 2012 and 31 December 2011, respectively.

CASH FLOW

For the period, the Group generated net cash inflow of RMB25,261,000 from its operating activities, as compared to net cash outflow of approximately RMB14,232,000 for the same period of last year. The increase in net cash inflow from operating activities was primarily due to the increase in profit generated and decrease in trade payables and other payables. Net cash inflow of approximately RMB24,193,000 was from investing activities for the Period, mainly resulted from dividend income. Net cash outflow of approximately RMB22,978,000 was from financing activities, mainly resulted from net repayment of bank borrowings. Banks deposits and cash balances as at 30 June 2012 amounted to approximately RMB46,028,000, mainly denominated in Renminbi ("RMB"), US dollars and HK dollars.

FOREIGN EXCHANGE EXPOSURES

As most of the Group's monetary assets and liabilities are denominated in RMB, US dollars and HK dollars and those currencies remained relatively stable during the Period, the Group was not exposed to any significant foreign exchange risk. In general, it is the Group's policy for each operating entity to borrow in local currencies, where necessary, to minimize currency risk.

CHARGE ON GROUP ASSETS

As at 30 June 2012, no assets were pledged to banks for securing banking or other financing facilities granted to the Group.

CONTINGENT LIABILITIES

The Group has contingent liabilities in connection to the following litigations outstanding up to the date of this report:

1. In January 2012, the Group commenced litigation against Make Success Limited and certain parties (the "Defendants") involved in the acquisition of Yield Rise Limited to claim for the damages and rescission of the agreement for breach of the agreement and misrepresentation made by them and repayment of consideration. The Group is negotiating with the Defendants for the settlement of the claims and proposes to enter a settlement deed with Make Success to resolve the matter of Yield Rise. Pursuant to the draft settlement deed, the Agreement shall be rescinded. Make Success shall (i) return the consideration shares to the Company and (ii) surrender the promissory notes and convertible bonds. The Company shall return the shares in Yield Rise to Make Success. Therefore, the directors consider that the investment in Yield Rise Group, the promissory notes and convertible bonds were not recognised in the consolidated financial statements.

2. On 4 August 2014, Mr. Lai Yueh-Hsing, a former director of the Company, filed a Winding Up Petition dated 29 July 2014 against the Company under the Grant Court of Cayman Islands ("Grant Court") to demand for the repayment of loan of HK$11,030,000 due to him. The Group acknowledged the loan was owing to him. On 7 November 2014 and judgment was handed down by Grant Court to dismiss the petition. Subsequently an appeal against the decision of the Grant Court was filed by Mr. Lai Yueh-Hsing. On 19 October 2017, the Company filed an application to strike out the appeal to the Cayman Islands Court of Appeal. The hearing of the Cayman Islands Court of Appeal was held on 15 November 2017 and order that both the appeal filed by Mr. Lai Yueh-Hsing and the Company be dismissed. Therefore, it is the opinion of the directors that the outcome will not have a material impact on the Group's financial position.

3. Guangzhou Mayer, a subsidiary of the Company, had received a notice dated 6 December 2017 from the Intermediate Court of Guangzhou Municipality, Guangdong Province (the "Intermediate Court") that the Intermediate Court had received the application of the winding up petition against Guangzhou Mayer filed by Wealth & Health Investments Limited and Taishun Industrial (Inner Mongolia) Food Co., Limited. The Intermediate Court has not decided the date for hearing of the said winding up petition. According to legal advice, the winding up petition against Guangzhou Mayer do not meet the conditions required by the relevant laws. The directors believe that the application of the winding up petition will be strike out by Intermediate Court.

4. On 29 March 2012, writs of summons were issued by Capital Wealth Finance Company Limited and Capital Wealth Corporation Limited against the Company to claim the sum of HK$15,500,000 plus relevant legal costs incurred/to be incurred. The Company intends to contest the claim. In the directors' opinion, the ultimate liability, if any, will not have a material impact on the Group's financial position.

EMPLOYMENT, TRAINING AND DEVELOPMENT

As at 30 June 2012, the Group had total of about 300 employees. Total staff costs of for the period were approximately RMB9,624,000, including retirement benefits cost of approximately RMB1,387,000. Remuneration packages of the Group are maintained at a competitive level to attract, retain and motive employees and are reviewed on a periodic basis.

The Group always maintains good relation with its employees and is committed to employee training and development on a regular basis to maintain the quality of our products. In addition, the Company has a share option scheme for the purpose of providing incentives and rewards to eligible participants. No option has been granted under the scheme since its adoption.

OUTLOOK

With its official entrance into Guangzhou Mayer in the third quarter of 2017, the new management of Guangzhou Mayer started to implement comprehensive management, and undertake market restructuring and repositioning. The development of carbon steel cutting, steel pipe and stainless steel pipe businesses have moved onto a steady development track.

Focusing on the businesses in relation to the steel sheets used in motor vehicles and the steel pipes used in motor vehicles as well as stainless steel drinking water pipes, Guangzhou Mayer adjusted its marketing strategies based on the actual situation in response to the market. Striving for creation, improvement and perfection, we aim to expand our market share and enhance the value of our products.

Looking ahead to 2018, we will continue to proceed with our steel processing and distribution business (including carbon steel cutting) and to better serve the existing customers. Meanwhile, we will explore new customers by leveraging on our existing advantages and boost sales through developing new domestic resources for steel plants. We strive to enhance our carbon steel pipe production ability, expand the business of pipes used in motor vehicles and gradually phase out from our low-end pipe business, enhancing the profitability of pipe business. We will actively promote the stainless steel drinking water pipe business by expanding its sales volume through integrating distribution channels, and foster regional direct sales channel at the same time. First, we will strenuously explore the direct sales market for stainless steel pipe materials and pipe fittings in Southern China so as to increase profit. In addition, we will actively seek for new projects that suit the need for corporate development in order to create new growth engines for the Group.

Nowadays, there is worldwide optimism about the PRC's future economic development. The pace of China's economic growth has remained in a reasonable range for years, demonstrating a development trend of growth amidst stability. The successful convention of the "19th National Congress of the CPC" has directed the future economic development of China and is going to pose significant impact on the global economy. Locating in the region of Pearl River Delta, one of the most prosperous regions of China, Guangzhou Mayer has unique advantages and we are confident of Guangzhou Mayer's future development. Stemming from 2017, we will strive to realize our business objectives in 2018, including a 16% growth in carbon steel cutting business, a 20% growth in stainless steel pipe business and a 10% growth in carbon steel pipe business, with more than 1,000 tonnes sales of motor vehicle steel pipes.

With its ability, wisdom and determination and with an unwavering focus on economic benefits, the management of Guangzhou Mayer is committed to optimizing the product structure and developing new products of competitiveness, enhancing product value and increasing customer satisfaction, seizing every opportunity that is beneficial to the Company's development and generating the best return to society, shareholders and investors.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Period, the Group did not have any significant investments held or any material acquisitions or disposals of subsidiaries or associated companies.

CAPITAL COMMITMENTS

The Group had no other significant capital commitments as at 30 June 2012 and 31 December 2011.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") assists the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as may be assigned by the Board from time to time. The Audit Committee comprises independent non-executive directors of the Company; namely, Mr. Lau Kwok Hung (who is also the chairman of the Audit Committee), Mr. Ng Cheuk Lun and Mr. Deng Shimin. The interim results of the Company for the Period have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE

The Company was not in compliance with the following code provisions:

The then code provision	Reason for the non-compliance and improvement actions took or to be taken
A.1.1 to A.1.5, C3.1	Due to loss of records, the Company was unable to ensure there were regular Board meetings and committee meeting were held for the Financial Year.
A.1.8	No insurance cover was arranged for the Financial Year. The Company will arrange insurance cover immediately upon the resumption of trading of the Company's shares.
A.2.1	Mr Hsiao Ming-chih has been both the Chairman and chief executive officer of the Company. Given the Company's current stage of development, the Board considers that vesting the roles of Chairman and chief executive officer in the same person facilitates the execution of the Company's business strategies and maximizes effectiveness of its operations. The Board shall nevertheless review the structure from time to time and shall consider the appropriate adjustment should suitable circumstance arise.
A.2.5	The Company was not in compliance with certain code provisions as set out in the CG Code for the Financial Year. The existing Chairman has confirmed that he will take active action to improve and monitor the corporate governance practice of the Group.
C.1.5	Due to change of auditor, there were no annual and interim results of the Group for the Financial Year presented to regular Board meetings for approval.

INTERIM DIVIDENDS

No dividend was paid during the period of six months ended 30 June 2012. The directors do not recommend the payment of an interim dividend for the Period.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed shares.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement is available for viewing on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.mayer.com.hk). The interim report of the Company for the Period containing all information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

CONTINUED SUSPENSION OF THE TRADING IN THE SHARES OF THE COMPANY

Trading in the shares of the Company (the "Shares") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") has been suspended from 9:00 a.m. on 9 January 2012. The Stock Exchange has placed the Company in the third delisting stage under the Practice Notice 17 to the Listing Rules on 14 June 2017. If the Company does not submit a viable resumption proposal to the Stock Exchange by the end of the third delisting stage (that is, 13 December 2017), the Company's listing status will be cancelled. The Company has engaged legal consultants and a financial adviser to address the matters in respect of the resumption of the trading of the Shares on the Stock Exchange.

Up till the date of this results announcement, the trading in the Shares will continue to be suspended until further notice.

For and on behalf of the Board
Mayer Holdings Limited
Lee Kwok Leung
Chairman and Executive Director

Hong Kong, 9 April 2018

As at the date hereof, the Board comprises three executive directors; namely, Mr. Lee Kwok Leung, Mr. Xu Lidi and Mr. Lin Jinhe; one non-executive director; namely, Mr. Wang Dongqi; and three independent non-executive directors; namely, Mr. Lau Kwok Hung, Mr. Ng Cheuk Lun and Mr. Deng Shimin.