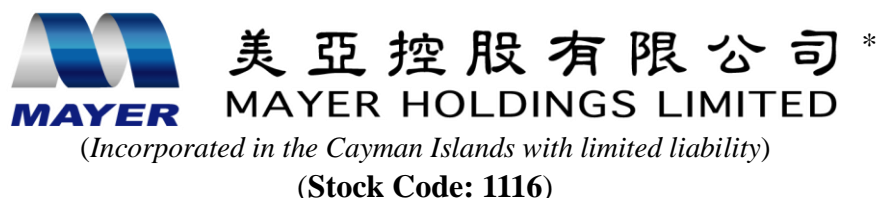


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INSIDE INFORMATION

This announcement is made by Mayer Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

On 7 March 2016, the Company was notified by the Securities and Futures Commission (the “**SFC**”) that it has commenced proceedings in the Market Misconduct Tribunal (the “**MMT**”) against (i) the Company for failing to disclose price sensitive information as soon as reasonably practicable; and (ii) the following persons for their reckless or negligent conduct causing the alleged breach by the Company of the provisions of the statutory corporate disclosure regime:

- Chan Lai Yin, Tommy (former company secretary and financial controller)
- Hsiao Ming-chih (former chairman and executive Director)
- Lai Yueh-hsing (former executive Director)
- Huang Jui-hsiang (former independent non-executive Director)
- Chiang Jen-chin (former executive Director)
- Lu Wen-yi (former executive Director)
- Xue Wenge (former executive Director)
- Li Deqiang (non-executive Director)
- Lin Sheng-bin (former independent non-executive Director)
- Alvin Chiu (former independent non-executive Director)

Pursuant to the notice served by the SFC to the Company on 7 March 2016 (the “**Notice**”), the SFC has the following findings:-

* For identification purposes only

1. Between April and August 2012, while auditing the Company's financial statements for the year ended 31 December 2011, the then auditors of the Company repeatedly communicated with the Company's management about issues they identified (the "**Outstanding Audit Issues**") including:
 - (i) the nature of the disposal of a wholly-owned subsidiary of the Company for a consideration of HK\$15,500,000 is questionable;
 - (ii) the Company's projects in Vietnam, which were acquired by the Company at a consideration of HK\$620,000,000, were not under the Company's control and their prospects were far less promising than originally valued and contemplated; and
 - (iii) two subsidiaries of the Company's jointly controlled entity had entered into two supply agreements with two different suppliers and had made substantial prepayments of US\$10,000,000 and US\$4,000,000 respectively (the "**Substantial Prepayments**"), without security, to those suppliers which appeared to be irrecoverable.
2. On 23 August 2012, the Company's then auditors indicated that they would qualify their audit opinion for the financial statements for the year ended 31 December 2011 if the Outstanding Audit Issues were not resolved ("**Potential Qualified Audit Report**").
3. On 27 December 2012, the Company received a resignation letter from its then auditors. However, the Company only disclosed the auditors' resignation together with brief details of the Outstanding Audit Issues on 23 January 2013.

The SFC alleges that the resignation of the then auditors of the Company, the Outstanding Audit Issues together with the Potential Qualified Audit Report and the Substantial Prepayments were specific information regarding the Company, price sensitive and not generally known to the public at the material time.

The Company is seeking legal advice in respect of the Notice and will make further announcement(s) as and when appropriate.

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

Hong Kong, 14 March 2016

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lee Kwok Leung, Mr. Xu Lidi and Mr. Lin Jinhe; two non-executive Directors, namely Mr. Li Deqiang and Mr. Xia Liangbing, and three independent non-executive Directors, namely Mr. Lau Kwok Hung, Mr. Ng Cheuk Lun and Mr. Huang Jianwei.