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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)

INSIDE INFORMATION DISPOSAL OF A SUBSIDIARY

This announcement is made by Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

DISPOSAL OF A SUBSIDIARY

On 5 March 2025, the Vendor (a wholly-owned subsidiary of the Company) and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Purchaser agreed to purchase from the Vendor and the Vendor agreed to sell to the Purchaser the Sale Shares at the consideration of RMB1.

LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal exceeds 5%, the Disposal does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

DISPOSAL OF A SUBSIDIARY

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* *For identification purpose only*

Assets to be disposed

Pursuant to the Sale and Purchase Agreement, the Sale Shares, representing the entire issued share capital of the Target Company, would be sold from the Vendor to the Purchaser free from all encumbrances together with all rights to any dividend or other distribution declared, made or paid after the date of the Sale and Purchase Agreement.

Consideration

The Consideration payable for the Sale Shares of RMB1 will be settled by way of cheque or other manner as agreed between the Vendor and the Purchaser on the Completion Date (or such other date as agreed between the Vendor and the Purchaser).

The nominal Consideration was determined after negotiations between the Vendor and the Purchaser taking into account of, among other things, (i) the minimal net book value of the Target Group as at 30 June 2024; (ii) the limited prospect of the re-development of Yuetang Village operated under the Target Group; and (iii) the anticipated financial resources, time and management efforts to be put in by the Group in relation to the Unauthorized Disposal and certain litigation involving conduct of former management of the Target Group.

Having considered the above and the factors described in the paragraph headed “Reasons for and benefits of the Disposal” below, the Directors consider the Consideration to be fair and reasonable and in the interest of the Shareholders as a whole.

Completion

Completion will take place on the Completion Date (or such other date as agreed between the Vendor and the Purchaser).

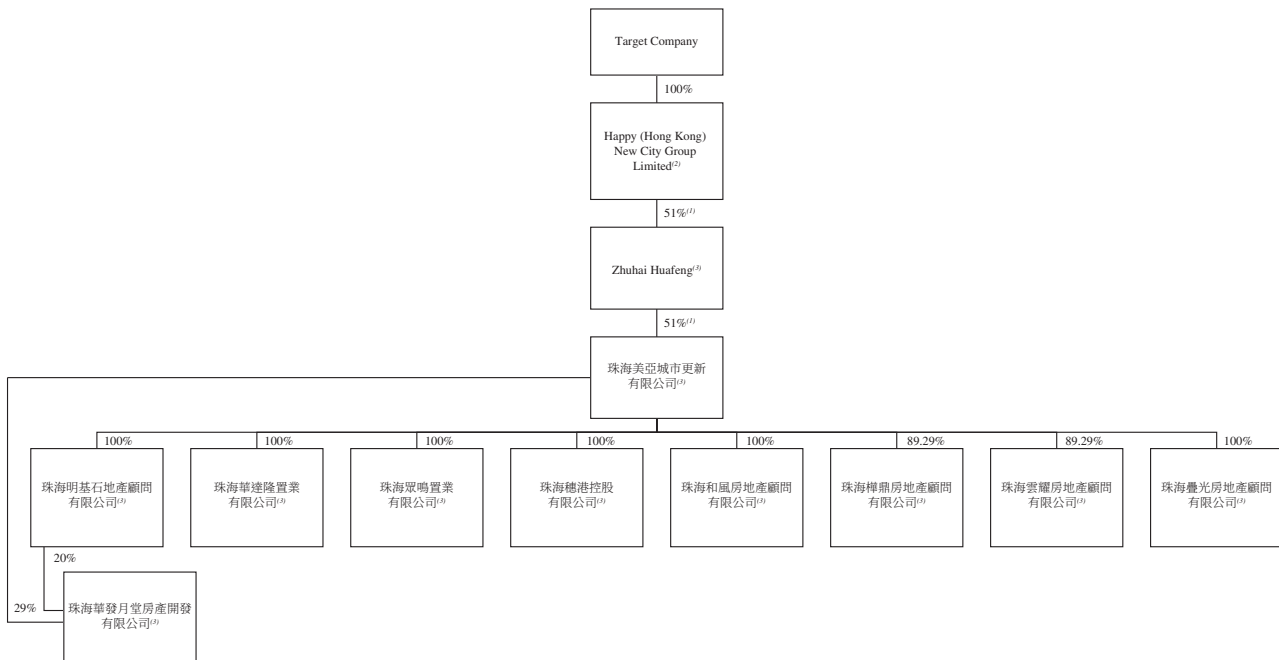
Upon Completion, the Company will cease to hold any interests in the Target Group, and the consolidated financial results of the Target Company will no longer be consolidated into the Company’s consolidated financial statements. It is expected that the Group will recognise no gain or loss on the Disposal, the actual amount of which will be subject to final audit by the Company’s independent auditors.

The Group intends to use the net proceeds arising from the Disposal as general working capital of the Company.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. It was acquired by the Group pursuant to the 2019 SPA. The Target Group is engaged in the businesses of urban renewal project planning and consulting in the PRC.

The structure of the Target Group is set out as below:



Notes:

1. The relevant interests of this subsidiary were disposed without the authorizations from the Company
2. Incorporated in Hong Kong
3. Incorporated in the PRC

The financial information of the Target Group for the two financial years ended 30 June 2024 according to its management accounts is set out below:

	For year ended 30 June 2023	For the year ended 30 June 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Profit/(loss) before tax	(682)	(106)
Profit/(loss) after tax	(682)	(106)

The primary assets held by the Target Group are (i) an interest in an associate company engaged in the re-development of Yuetang Village; and (ii) certain prepayments and trade receivables. As disclosed in the profit warning announcement of the Company dated 5 March 2025 and in the section headed “Reasons for and Benefits of the Disposal” of this announcement below, considering that, among other matters, (i) the re-development of Yuetang Village under the Target Group is still in its preliminary development stage and has been put on-hold in recent years; and (ii) the business of the Target Company cannot continue, the Company and the audit committee of the Company have come into conclusion that it is not commercially reasonable for the Company to continue to invest its time and resources in the Target Company, and the Group is expected to record a one-off loss due to the provision for impairment loss in respect of its investment in the Target Company of the amount of approximately RMB335.06 million for the financial year ended 30 June 2023. As at 30 June 2024, the unaudited net book value of the Target Group was approximately RMB1 after the provision for impairment loss as abovementioned.

Moreover, the Company has been seeking legal advice on the possible legal actions and/or initiated legal proceedings to recover the potential losses suffered by the Group in connection with the 2019 SPA and further announcement(s) will be made by the Company on this matter as and when appropriate.

INFORMATION ON THE PURCHASER

The Purchaser is an individual currently serving as the legal representative in a PRC company engaging in, among others, the provision of computer system services. She also had certain years of property investment experience in the PRC.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Purchaser is an Independent Third Party.

INFORMATION ON THE COMPANY, THE GROUP AND THE VENDOR

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in (i) the Steel Business; and (ii) urban renewal project planning and consulting in the PRC.

The Vendor is principally engaged in investment holding and is a wholly-owned subsidiary of the Company.

Upon completion of the Disposal, the remaining principal business of the Steel Business, as well as the new business of the development of the applications of nano phase change energy storage material(s) with nano-scale technologies, will continue to be operated under the Company's principal operating subsidiary, Guangzhou Mayer Corporation Limited, and its subsidiaries.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group acquired the Target Company in late 2019 with a view to diversifying the Group's business into urban renewal project planning and consulting in the PRC. Regrettably, as disclosed in the announcement of the Company dated 30 June 2023, the re-development of Yuetang Village under the Target Group has been put on-hold and for the year ended 30 June 2024, the Target Group incurred a loss after tax of RMB106,000. Coupled with the above, there has been certain litigation against former management of the Target Group involving their conduct. As a result of the above, the operations of the Target Group have been affected and the prospect of the business operated thereunder remains largely uncertain.

Furthermore, as disclosed in the announcement of the Company dated 15 January 2024, it came to the Board's attention that the Unauthorized Disposal took place without the authorization and/or approval from the Board and in the event that the Unauthorized Disposal was completed effectively (which the Group denies), the Group lost control over Zhuhai Huafeng and its subsidiaries. The Board has been consulting professional parties on the possible recourse to protect the interests of the Group. However, such actions will inevitably involve considerable financial resources and management efforts for any legal proceedings in respect of the Unauthorized Disposal, and depending on the result of the legal proceedings, there is no absolute certainty that the Group can recover its loss in relation to the Unauthorized Disposal.

Under such circumstances, the Board had started considering the option of disposing of the Target Company and approached various potential buyers to solicit their interest. The Group was in contact with the Purchaser on the Disposal and the Purchaser agreed to purchase the Sale Shares at the Consideration of RMB1 based on (i) the minimal net book value of the Target Group; (ii) the re-development progress of Yuetang Village; (iii) the risks associated with the Unauthorized Disposal; and (iv) the litigation involving matters of the Target Group.

Having considered (i) the poor financial performance of the Target Group; (ii) the limited asset value of the Target Group as compared to the Group as a whole; and (iii) the legal costs and management efforts in legal proceedings and the resumption of re-development of Yuetang Village of the Target Group, the Board is of the view that it is of benefit to dispose of the Target Company.

Furthermore, upon completion of the Disposal, the Group can utilize its resources to re-focus on its existing Steel Business, which remains solid and brings a stable stream of revenue to the Group, as well as the development of the applications of nano phase change energy storage material(s) with nano-scale technologies, which is a new business line of the Group as disclosed in its announcement dated 30 September 2024.

Based on the above, the Directors are of the view that the Disposal and the terms of the Sale and Purchase Agreement are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal exceeds 5%, the Disposal does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended since 9:00 a.m. on 29 September 2023 and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions shall have the respective meanings set out below unless the context requires otherwise:

“2019 SPA”	the sale and purchase agreement dated 11 June 2019 entered into by, among others, the Vendor (as purchaser) on the acquisition of the Sale Shares involving the issue of promissory note by the Vendor and ordinary shares by the Company, details of which were disclosed in the announcement of the Company dated 11 June 2019
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“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 are listed and traded on the main board of the Stock Exchange (stock code: 1116)
“Completion”	completion of the Disposal
“Completion Date”	12 March 2025
“Consideration”	RMB1, being the consideration for the Sale Shares

“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares from the Vendor to the Purchaser pursuant to the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries (from time to time)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) (where applicable), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administration Region and Taiwan for the purpose of this announcement
“Purchaser”	Ms. Yan Jianfeng (鄢劍峰)
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement dated 5 March 2025 entered into between the Vendor and the Purchaser in relation to the Disposal

“Sale Shares”	10,000 shares of the Target Company of par value of US\$1.00 each, representing the entire issued share capital of the Target Company
“Shareholder(s)”	holder(s) of the ordinary share(s) in the share capital of the Company
“Steel Business”	the processing, manufacturing and selling of steel sheets, steel pipes and other steel products in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to the expression under the Listing Rules
“Target Company”	Happy (Hong Kong) New City Group Limited, a company incorporated in the BVI with limited liability, which is wholly-owned by the Vendor immediately prior to Completion
“Target Group”	the Target Company and its subsidiaries (from time to time)
“Unauthorized Disposal”	the unauthorized assignment of the right to 珠海豐社房地產策劃有限公司 to inject RMB14.7 million into the registered capital of Zhuhai Huafeng, that resulted in a decrease of the Target Company’s indirect shareholding in Zhuhai Huafeng from 100% to 51%, details of which were disclosed in the announcement of the Company dated 15 January 2024
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendor”	Elate Ample Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company

“Yuetang Village”	Yuetang Village* (月堂村) located in Sanzhao Town, Jinwan District, Zhuhai, the PRC
“Zhuhai Huafeng”	Zhuhai Mayer HuaFeng Development Co., Limited* (珠海美亞華豐發展有限公司, a company incorporated in the PRC with limited liability and indirectly owned as to 100% by the Target Company prior to the Unauthorized Disposal
“%”	per cent

By order of the Board
Mayer Holdings Limited
Ip Yun Kit
Chairman and Executive Director

Hong Kong, 5 March 2025

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Ip Yun Kit (Chairman), Mr. Cheung Ka Yue (Chief Executive Officer) and Ms. Zhang Yana; and three Independent Non-Executive Directors, namely Mr. Lau Kwok Hung, Mr. Lu Jianping and Mr. Du Ning.

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