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MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 136)

- 1. RIGHTS ISSUE OF NOT LESS THAN 953,080,050 RIGHTS SHARES
AND NOT MORE THAN 1,239,004,065 RIGHTS SHARES OF HK\$0.1 EACH
AT HK\$0.15 PER RIGHTS SHARE
ON THE BASIS OF ONE RIGHTS SHARE
FOR EVERY TWO EXISTING SHARES HELD
BY QUALIFYING SHAREHOLDERS
AND**
- 2. RESUMPTION OF TRADING**

Underwriter



CHUNG NAM SECURITIES LIMITED

The Company proposes to raise not less than approximately HK\$143 million before expenses (assuming no Option is granted and the Issue Mandate is not utilized on or before the Record Date) and not more than approximately HK\$186 million before expenses (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date) by way of the Rights Issue of not less than 953,080,050 Rights Shares and not more than 1,239,004,065 Rights Shares to the Qualifying Shareholders at a price of HK\$0.15 per Rights Share on the basis of one Rights Share for every two existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders.

For Non-Qualifying Shareholders, the Company will make arrangements to sell the Rights Shares in their nil-paid form in the market and the proceeds of each sale, less expenses, of more than HK\$100 will be paid to Non-Qualifying Shareholders in Hong Kong dollars pro rata to their respective shareholding as soon as practicable.

The Rights Issue is fully underwritten by the Underwriter. The Rights Issue is conditional upon, among others, the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms as referred to in the paragraph headed "Conditions of the Rights Issue" below, and is further subject to the Underwriter not terminating the Underwriting Agreement as referred to in the paragraph headed "Termination of the Underwriting Agreement" below. **Accordingly, the Rights Issue may or may not proceed and Shareholders and the public are reminded to exercise caution when dealing in the Shares of the Company.**

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date. Any transfer of Shares (with relevant share certificates) must be lodged for registration on or before 4:00 p.m. on 2 July 2008 with the Registrar. The register of members of the Company will be closed from 3 July 2008 to 9 July 2008, both days inclusive. No transfer of Shares will be registered during this period.

Any buying or selling of the Shares from now up to the date on which all the conditions to which the Rights Issue is subject are fulfilled, and any buying or selling of nil-paid Rights Shares, are at investors' own risk.

The Directors (including the independent non-executive Directors) consider that it is in the interest of the Company and the Shareholders to enlarge the capital base and to strengthen the financial position of the Group through the implementation of the Rights Issue. The net proceeds of the Rights Issue are estimated to be not less than approximately HK\$138 million after expenses (assuming no Option is granted and the Issue Mandate is not utilized on or before the Record Date) and not more than approximately HK\$180 million after expenses (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date) and will be used by the Company for the acquisition of potential natural resources projects and/or other businesses.

A prospectus containing, among others, details regarding the Rights Issue is expected to be despatched to the Shareholders on 10 July 2008.

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m., on 13 June 2008 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of the trading of the Shares with effect from 9:30 a.m. on 16 June 2008.

RIGHTS ISSUE

Issue statistics

Basis of Rights Issue:	one Rights Share for every two existing Shares held on the Record Date
Number of Shares in issue:	1,906,160,100 Shares (assuming no Option is granted and the Issue Mandate is not utilized on or before the Record Date) or 2,478,008,130 Shares (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date) (<i>Note</i>)
Number of Rights Shares:	Not less than 953,080,050 Rights Shares (assuming no Option is granted and the Issue Mandate is not utilized on or before the Record Date) and not more than 1,239,004,065 Rights Shares (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date), representing approximately 50% of the existing issued share capital of the Company and 33.3% of the enlarged issued share capital of the Company upon the completion of the Rights Issue

Subscription price per Rights Share: HK\$0.15 per Rights Share with nominal value of HK\$0.1 each

Underwriter: Chung Nam Securities Limited, which is an independent third party not connected with the Directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates

Note:

As at the date of this announcement, (i) there are Options to subscribe up to an aggregate of 190,616,010 Shares under the scheme mandate limit available to the Company under the Share Option Scheme and (ii) the Issue Mandate, which authorizes the Directors to issue and allot up to 381,232,020 Shares, has not been utilized. Assuming all of the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date, a total of 571,848,030 new Shares will be issued and hence an additional 285,924,015 Rights Shares will be issued, in which case the maximum number of Rights Shares that to be issued by the Company will become 1,239,004,065.

Save as mentioned above, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the date of this announcement.

Qualifying Shareholders

The Company will send the Prospectus, provisional allotment letters and forms of application for excess Rights Shares to Qualifying Shareholders only.

To qualify for the Rights Issue, a Shareholder must on the Record Date:

- (i) be registered as a member of the Company; and
- (ii) not be a Non-Qualifying Shareholder.

In order to be registered as a member of the Company on the Record Date, Shareholders must lodge any transfer of Shares (together with the relevant share certificate(s)) with the Registrar, on or before 4:00 p.m. (Hong Kong time) on 2 July 2008.

Closure of Register of members

The register of members of the Company will be closed from 3 July 2008 to 9 July 2008, both days inclusive for the purposes of establishing entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

TERMS OF THE RIGHTS ISSUE

Subscription price

The subscription price for the Right Shares is HK\$0.15 per Rights Share and is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or applies for excess Rights Shares or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The subscription price of HK\$0.15 per Rights Share was arrived at after arm's length negotiations between the Company and the Underwriter with reference to recent closing prices of the Shares on the Stock Exchange and represents:

- (i) a discount of approximately 52.38% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on 12 June 2008, being the Last Trading Day;

- (ii) a discount of approximately 42.31% to the theoretical ex-rights price of HK\$0.26 per Share based on the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 60% to the average closing price of HK\$0.375 per Share as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 65.91% to the average closing price of HK\$0.44 per Share as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day.

The Directors (including the independent non-executive Directors) consider that the discount of the subscription price of the Rights Share to closing price of the Share on the Last Trading Day is reasonable on the basis that the terms of the Rights Issue (including the price) are arrived at after arms-length negotiation with the Underwriter and it is a general market practice to issue rights shares at a discount to the market price of the Shares. The subscription price of HK\$0.15 is arrived under commercial negotiation between the Underwriter and the Company. The Company considers it is a general market practice to issue rights shares at a discount to the market price of the Share because (i) the number of issued Shares will be increased as a result of the Rights Issue; (ii) it is normal that the Rights Shares is issued at a discount in this volatile and unpredictable stock market; (iii) the Company can secure a non-interest bearing funding for its development without diluting the shareholdings percentage of each Shareholder; (iv) the subscription price of Rights Issue has to be attractive to Shareholders as a good while raising sufficient fund for the Company's intentions; and (v) the Underwriter is willing to underwrite all the Rights Shares which allows the Company to secure its funding in this volatile stock market. Since all Shareholders can enjoy pro rata participation, a discount to the market price of the Shares is fair and reasonable. The Directors consider that the discount will encourage existing Shareholders to take up their entitlements, so as to share in the potential growth of the Company.

Basis of provisional allotments

One Rights Share for every two existing Shares held by Qualifying Shareholders on the Record Date.

Status of the Rights Shares

When fully paid, issued and allotted, the Rights Shares will rank pari passu in all respects with the then existing Shares. Holders of fully-paid Rights Shares will be entitled to receive all dividends and distributions which are declared, made or paid after the date of issue and allotment of the fully-paid Rights Shares.

Dealings in nil-paid and fully-paid Rights Shares will be subject to the payment of stamp duty in Hong Kong. The board lot of nil-paid rights is same as board lot of Rights Shares, i.e. 2,000.

Rights of Non-Qualifying Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdictions other than Hong Kong and Bermuda. If there are any Shareholders whose addresses as shown on the register of members of the Company are outside Hong Kong as at the Record Date, the Company will exclude the Non-Qualifying Shareholders from the Rights Issue if based on advice which will be provided by the relevant legal advisers, the Directors consider that such exclusion is necessary or expedient on account either of the legal restrictions under the laws of the place or the requirements of the relevant regulatory body or stock exchange in that place pursuant to Rule 13.36(2) of the Listing Rules. Accordingly, the Rights Shares will not be offered to such Non-Qualifying Shareholders.

The Company will issue an announcement before the Record Date to disclose the results of legal enquires under Rule 13.36(2) based on best available information. The legal advice which will be provided by the relevant legal advisers will also be included in the Prospectus.

As at the date of this announcement, the Company has thirteen Overseas Shareholders from China, Macau, U.S.A., Canada and Germany.

The Company will send the Prospectus Documents to the Qualifying Shareholders and the Prospectus to the Non-Qualifying Shareholders (if any) for their information only. The Company will not send provisional allotment letters and forms for application of excess Rights Shares to the Non-Qualifying Shareholders.

The Company will make arrangements for the Rights Shares, which would otherwise have been provisionally allotted to any Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealing in the nil-paid Rights Shares commences, if a premium (net of expenses) can be obtained. The proceeds of each sale, less expenses, of more than HK\$100 will be paid to Non-Qualifying Shareholders in Hong Kong dollars pro rata to their respective shareholding as soon as possible. The Company will retain individual amounts of HK\$100 or less for its own benefits.

Application for excess Rights Shares

Qualifying Shareholders may apply for any unsold entitlements, and any Rights Shares provisionally allotted but not accepted.

Application may be made by completing the forms of application for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares. The Board will allocate the excess Rights Shares at its discretion with reference to the level of acceptance of the Rights Shares and the number of excess Rights Shares available on a fair and reasonable basis on the following principles:

- (1) preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings which will not be made with intention to abuse such mechanism; and
- (2) subject to availability of excess Rights Shares after allocation under principle (1) above, the excess Rights Shares will be allocated to Qualifying Shareholders who have applied for excess Rights Shares on a pro-rata basis to the excess Rights Shares applied by them, with allocations to be made to top up odd lots on best effort's basis.

Investors with their Shares held by a nominee company should note that the Board will regard the nominee as a single shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the top-up of odd lots for allocation of excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For investors whose Shares are held by their nominee(s) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:00 p.m. on 2 July 2008.

Share certificates

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary mail at their own risk on or before 1 August 2008.

Conditions of the Rights Issue

The Right Issue is conditional upon the following conditions being fulfilled:

1. the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms, either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Posting Date and not having withdrawn or revoked such listings and permission on or before 4:00 p.m. on the Settlement Date;
2. the delivery to the Stock Exchange and registration by Registrar of Companies in Hong Kong on or prior to the Posting Date and registration by the Registrar of Companies in Bermuda prior to or as soon as practicable after the Posting Date of the Prospectus Documents and all other documents required by law to be filed or delivered for registration;
3. the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders;
4. the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 5 trading days (other than any suspension pending clearance of this announcement) and no indication being received before 4:00 p.m. on the Settlement Date from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason;
5. the compliance by the Company with certain its obligations under the Underwriting Agreement; and
6. the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated in accordance with its terms.

In the event that the conditions of the Rights Issue are not fulfilled on or before the respective dates determined in the Underwriting Agreement (or such later date as the Company and the Underwriter may agree), none of the Underwriter or the Company shall have any claim against the other arising from the Underwriting Agreement (save for certain fees and expenses referred therein). In such circumstances, the Rights Issue will not proceed.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

UNDERWRITING ARRANGEMENT

Underwriting Agreement

Date:	12 June 2008
Parties:	the Company and the Underwriter
Number of Rights Shares underwritten:	Not less than 953,080,050 Rights Shares and not more than 1,239,004,065 Rights Shares, being all the Rights Shares
Commission:	2.5% of the subscription price for the Underwritten Shares, the Directors consider that such rate is fair and reasonable and was determined after arm's length negotiations between the Company and the Underwriter

Termination of the Underwriting Agreement

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing issued to the Company at any time prior to 4:00 p.m. on the Settlement Date if there occurs:

- (i) an introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); or
- (ii) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing) or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; or
- (iii) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out;

and in the reasonable opinion of the Underwriter, such change would have a material and adverse effect on the business, financial or trading position or prospects of the Group as a whole or the success of the Rights Issue or make it inadvisable or inexpedient to proceed with the Rights Issue.

If, at or prior to 4:00 p.m. on the Settlement Date:

- (i) the Company commits any material breach of or omits to observe any of the obligations, undertakings, representations or warranties expressed to be assumed by it under the Underwriting Agreement which breach or omission will have a material and adverse effect on its business, financial or trading position; or
- (ii) the Underwriter shall receive notification pursuant to the relevant clauses of the Underwriting Agreement of, or shall otherwise become aware of, the fact that any of the representations or warranties contained in the Underwriting Agreement was, when given, untrue or inaccurate or would be untrue or inaccurate if repeated as provided in the relevant clauses of the Underwriting Agreement, and the Underwriter shall, in its reasonable opinion, determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the business, financial or trading position or prospects of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Rights Issue; or
- (iii) the Company shall, after any matter or event referred to in the relevant clauses of the Underwriting Agreement has occurred or come to the Underwriter's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents), in such manner (and as appropriate with such contents) as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company,

the Underwriter shall be entitled (but not bound) by notice in writing issued by the Underwriter to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement.

If the Underwriting Agreement is terminated by the Underwriter before 4:00 p.m. on the Settlement Date or does not become unconditional, the Underwriting Agreement will terminate forthwith (save in respect of any rights and obligations which may accrue under the Underwriting Agreement prior to such termination) and neither the Company nor the Underwriter shall have any claim against the other (save for certain fees and expenses referred to therein) and the Rights Issue will not proceed.

Effects on shareholding structure

The following is the shareholding structure of the Company immediately before and after completion of the Rights Issue:

	As at the date of this announcement		Immediately after completion of the Rights Issue and assuming none of the Directors and the public Shareholders will take up the Rights Shares and the Underwriter takes up its underwriting commitment (assuming no Option is granted and the Issue Mandate is not utilized on or before the Record Date)		Immediately after completion of the Rights Issue and assuming none of the Directors and the public Shareholders will take up the Rights Shares and the Underwriter takes up its underwriting commitment (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date)		Immediately after completion of the Rights Issue and assuming all of the Directors and the public Shareholders will take up the Rights Shares (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date)	
	Shares	approximately %	Share	approximately %	Shares	approximately %	Shares	approximately %
Hennabun Capital Group Limited (note 1)	175,224,000	9.19%	175,224,000	6.13%	175,224,000	4.71%	262,836,000	7.07%
Unity Investments Holdings Limited (note 2)	106,126,000	5.57%	106,126,000	3.71%	106,126,000	2.86%	159,189,000	4.28%
Willie International Holdings Limited (note 3)	97,000,000	5.09%	97,000,000	3.39%	97,000,000	2.61%	145,500,000	3.91%
Mr. Lam Suk Ping (note 4)	2,000,000	0.10%	2,000,000	0.07%	2,000,000	0.05%	3,000,000	0.08%
Holders of Options (note 5)	-	-	-	-	190,616,010	5.13%	285,924,015	7.69%
Shares to be issued and allotted pursuant to Issue Mandate (note 6)	-	-	-	-	381,232,020	10.26%	571,848,030	15.38%
Underwriter (note 7)	0	0%	953,080,050	33.33%	1,239,004,065	33.33%	0	0%
Other public shareholders	1,525,810,100	80.05%	1,525,810,100	53.36%	1,525,810,100	41.05%	2,288,715,150	61.57%
Total	1,906,160,100	100%	2,859,240,150	100%	3,717,012,195	100%	3,717,012,195	100%

Notes:

- Hennabun Capital Group Limited, a company incorporated in the British Virgin Islands whose controlling shareholder is Mr. Chuang Eugene Yue-Chien. Mr. Chuang Eugene Yue-Chien is not connected with any Directors of the Company.
- Unity Investments Holdings Limited (stock code: 913), a company listed on the Stock Exchange, is interested in the share capital of the Company indirectly through its wholly-owned subsidiary, Gufalore Investments Limited, and its indirect wholly-owned subsidiary, Great Panorama International Limited, a direct wholly-owned subsidiary of Gufalore Investments Limited.
- Willie International Holdings Limited (Stock code: 273), a company listed on the Stock Exchange, is interested in the share capital of the Company indirectly through its direct wholly-owned subsidiary, Pearl Decade Limited.
- Mr. Lam Suk Ping is the executive Director of the Company.

5. The Options are granted under the scheme mandate limit under the Share Options Scheme and it is assumed that all the holders of the Options will become public Shareholders after they exercise the Options.
6. It is assumed that Shares will be issued and allotted pursuant to the Issue Mandate to the Directors and their Associates, connected persons (as defined in the Listing Rules) of the Company and no individual Shareholder will hold more than 10% of the Shares as a result of the issue of Shares under the Issue Mandate.
7. The Underwriter has sub-underwritten its underwriting obligations under the Rights Issue to sub-underwriters such that each of the Underwriter and the sub-underwriters (together with their respective parties acting in concert as defined in the Hong Kong Code on Takeovers and Mergers) shall not own 30% or more of the issued share capital of the Company upon completion of the Rights Issue. The Underwriter and the sub-underwriters (and their respective ultimate beneficial owners) are third party independent of, not acting in concert with and shall not be connected with the Directors, chief executive or substantial Shareholders of the Company or their respective Associates.
8. As stipulated in the Underwriting Agreement, in the event that the Underwriter or any of the sub-underwriters mentioned above is required to take up the Rights Shares pursuant to their underwriting/sub-underwriting obligations, the Underwriter will not and shall procure that the sub-underwriters will not own 10% or more of the issued share capital of the Company immediately after the Rights Issue.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

Existing Shares are expected to be dealt in on an ex-rights basis from 30 June 2008.

Dealings in the Rights Shares in nil-paid form are expected to take place from 14 July 2008 to 21 July 2008 (both days inclusive). If the Underwriting Agreement is terminated (see the section headed “Termination of the Underwriting Agreement” above), or if the conditions of the Rights Issue (see the section headed “Conditions of the Rights Issue” above) are not fulfilled or waived, the Rights Issue will not proceed.

Any buying or selling of the Shares from now up to the date on which all such conditions are fulfilled, and any buying or selling of nil-paid Rights Shares, are at investors’ own risk.

If in any doubt, investors should consider obtaining professional advice.

REASONS FOR THE RIGHTS ISSUE AND USE OF THE PROCEEDS

The Directors consider that it is prudent to finance the Group’s long-term growth by long term funding, preferably in the form of equity which will not increase the Group’s finance costs. Furthermore, the Directors consider that it is in the interest of the Company to enlarge its capital base by way of the Rights Issue which will allow all Shareholders the opportunity to participate in the growth of the Company.

Besides, the Board considers that in view of the volatile stock market conditions, the Company should seize this chance to secure equity funding for the Company because the Rights Issue is fully underwritten by the Underwriter. The Rights Issue allows the Company to broaden its Shareholders’ base without diluting their corresponding shareholdings and allows the Shareholder to participate in the long term growth of the Company at a lower price than the current market level.

The entire net proceeds for the Rights Issue is expected to be approximately HK\$138 million (assuming no Option is granted and nil utilization of the Issue Mandate on or before the Record

Date) or approximately HK\$180 million (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date). The net proceeds will be used by the Company mainly for the acquisition of potential natural resources projects and/or other any businesses. As at the date of this announcement, the Company has not identified any specific investment opportunity.

TIMETABLE OF THE RIGHTS ISSUE

The expected timetable for the Rights Issue is set out below:

Last day of dealings in Shares on cum-rights basis	27 June 2008
First day of dealing in Shares on ex-rights basis	30 June 2008
Latest time for lodging transfers of Shares in order to be entitled to the Rights Issue.	4:00 p.m. on 2 July 2008
Register of members closes (both dates inclusive)	3 July 2008 to 9 July 2008
Record Date	9 July 2008
Register of members reopens	10 July 2008
Prospectus Documents expected to be despatched on	10 July 2008
First day of dealings in nil-paid Rights Shares	14 July 2008
Latest time for splitting nil-paid Rights Shares	4:00 p.m. on 16 July 2008
Last day of dealings in nil-paid Rights Shares	21 July 2008
Latest time for acceptance of and payment for Rights Shares and application for excess Rights Shares	4:00 p.m. on 24 July 2008
Expected time for the Rights Issue to become unconditional	4:00 p.m. on 28 July 2008
Announcement of results of the Rights Issue	1 August 2008
Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares expected to be despatched on or before.	1 August 2008
Certificates for fully-paid Rights Shares expected to be despatched on or before.	1 August 2008
Dealings in fully-paid Rights Shares expected to commence on	5 August 2008

Dates specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company. Any change to the anticipated timetable for the Rights Issue will be published as and when appropriate.

CAPITAL RAISING ACTIVITIES DURING PAST 12 MONTHS

Apart from the capital raising activities mentioned below, the Company has not carried out other capital raising activities during the 12 months immediately preceding the date of this announcement. The net proceeds of approximately HK\$562.0 million raised by the Company from the capital raising activities during the 12 months immediately preceding the date of this announcement are summarized below, which is in line with the intended use of proceeds as disclosed in the relevant announcements of the Company:

Date of announcement	Capital raising activity	Net proceeds raised (HK\$)	Intended use of proceeds	Actual use of proceeds
11 June 2007	Placing of 64,800,000 Shares	HK\$28.4 million	As the general working capital of the Company and/or investments	All the proceeds were utilized to invest in securities (<i>note</i>).
17 July 2007	Placing of 104,960,000 Shares	HK\$46.0 million	As the general working capital of the Company and/or investments	All the proceeds were utilized to invest in securities.
17 July 2007	Placing of convertible notes	HK\$487.6 million	As the general working capital of the Company and/or investments	Approximate HK\$231 million was utilized to invest in securities and the remaining proceeds were utilized as loan granted to third parties.
	Total	<u>562.0 million</u>		

Note: The Company considers the investment in securities is a kind of treasury operation and should be treated as a general working capital of the Company.

GENERAL

The Group is principally engaged in the (i) manufacturing and sale of accessories for photographic, electrical and multimedia products and (ii) property investment. The Company will keep its existing business in the foreseeable future.

At the request of the Company, pending the release of this announcement, trading of the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 13 June 2008 and an application has been made for the resumption of trading with effect from 9:30 a.m. on 16 June 2008.

DEFINITIONS

“Acceptance Date”	latest day for acceptance of and payment for the Rights Shares which is expected to be at 4:00 p.m. on 24 July 2008
“Associates”	has the same meaning as ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day”	a full day (other than a Saturday) on which banks are generally open for business in Hong Kong
“Company”	Mascotte Holdings Limited, a company incorporated in the Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate granted to the Directors to allot, issue and deal with the Shares up to a maximum of 20% of the aggregate amount of the share capital of the Company in issue as at the date of the special general meeting of the Company held on 6 May 2008
“Last Trading Day”	12 June 2008, being the date on which the Shares were last traded on the Stock Exchange
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date and whose address(es) as shown on the register of members of the Company on the Record Date is (are) outside Hong Kong where the Directors, based on the advice provided by legal advisers, consider it necessary or expedient to exclude any such Shareholder on account of either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place

“Option(s)”	the option(s) to subscribe for an aggregate of 190,616,010 Shares as at the date of this announcement under the share option scheme of the Company adopted on 21 August 2003 available to be granted by the Company
“Posting Date”	10 July 2008, the expected date for despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus to the Non-Qualifying Shareholders (as the case may be)
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus, the provisional allotment letter and form of application for excess Rights Shares
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	9 July 2008 (or such other date as the Company and the Underwriter may agree), the record date by which entitlements to the Rights Issue will be determined
“Registrar”	Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong
“Rights Issue”	the issue of not less than 953,080,050 Rights Shares but not more than 1,239,004,065 Rights Shares at a price of HK\$0.15 per Rights Share
“Rights Shares”	not less than 953,080,050 Rights Shares (assuming no Option is granted and the Issue Mandate is not utilized on or before the Record Date) and not more than 1,239,004,065 Rights Shares (assuming all the Options are granted and fully exercised and full utilization of the Issue Mandate on or before the Record Date)
“Settlement Date”	the second Business Day after the Acceptance Date or such other date as the Underwriter may agree in writing with the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	share(s) of HK\$0.1 each in the existing capital of the Company
“Share Option Scheme”	the share option scheme of the Company adopted on 21 August 2003
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Underwriter”	Chung Nam Securities Limited, a corporation deemed licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out type 1 regulated activity (dealing in securities), which is not a connected person (as defined in the Listing Rules) of the Company
“Underwriting Agreement”	the underwriting agreement dated 12 June 2008 and entered into between the Company and the Underwriter in relation to the Rights Issue

“Underwritten Shares” not less than 953,080,050 Rights Shares and not more than 1,239,004,065 Rights Shares, being all the Rights Shares

By order of the Board of
Mascotte Holdings Limited
Chung, Wilson
Deputy Chairman and Managing Director

Hong Kong, 13 June 2008

As at the date of this announcement, the Board comprises Mr. Peter Temple Whitelam (Chairman), Mr. Chung, Wilson (Deputy Chairman and Managing Director), Mr. Au Yeung Kai Chor and Mr. Lam Suk Ping as executive Directors, Mr. Chan Sze Hung, Ms. Kristi L Swartz and Ms. Hui Wai Man, Shirley as independent non-executive Directors.