



# MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

## ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2009

### RESULTS

The Board of Directors (the “Board”) of Mascotte Holdings Limited (the “Company”) announces the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2009 together with the comparative figures for the previous year as follows:

### CONSOLIDATED INCOME STATEMENT

	<i>Notes</i>	<b>2009</b> <b>HK\$'000</b>	2008 <i>HK\$'000</i> <i>(restated)</i>
<b>Turnover</b>	2, 3	<b>134,872</b>	148,455
Cost of sales		<u>(143,514)</u>	<u>(149,799)</u>
Gross loss		<b>(8,642)</b>	(1,344)
Other income		<b>44,290</b>	18,720
Net unrealised holding loss on financial assets at fair value through profit or loss		<b>(139,008)</b>	(161,349)
Selling and distribution costs		<b>(8,742)</b>	(6,396)
Administrative expenses		<b>(49,547)</b>	(47,013)
Impairment allowance for loan and interest receivables		<b>(182,500)</b>	–
Gain (Loss) on fair value changes on investment properties		<b>360</b>	(29,295)
Finance costs		<u>(43)</u>	<u>(2,607)</u>
<b>Loss before taxation</b>	4	<b>(343,832)</b>	(229,284)
Income tax expense	5	<u>(1,458)</u>	<u>(3,504)</u>
<b>Loss for the year</b>		<b><u>(345,290)</u></b>	<b><u>(232,788)</u></b>
Attributable to:			
Equity holders of the Company		<b>(345,273)</b>	(232,808)
Minority interests		<u>(17)</u>	<u>20</u>
		<b><u>(345,290)</u></b>	<b><u>(232,788)</u></b>
Loss per share	7		
Basic		<b><u>HK\$ (1.34)</u></b>	<b><u>HK\$ (1.92)</u></b>

## CONSOLIDATED BALANCE SHEET

	<i>Notes</i>	<b>2009</b> <b>HK\$'000</b>	2008 HK\$'000 <i>(restated)</i>
<b>Non-current assets</b>			
Investment properties		<b>18,639</b>	133,373
Property, plant and equipment		<b>5,948</b>	7,877
Prepaid lease payments		<b>5,368</b>	5,926
Available-for-sale financial assets		<b>20,000</b>	–
Goodwill		–	–
		<b>49,955</b>	147,176
<b>Current assets</b>			
Financial assets at fair value through profit or loss	8	<b>152,576</b>	173,928
Inventories		<b>5,586</b>	8,100
Prepaid lease payments		<b>665</b>	653
Trade and bills receivables	9	<b>24,358</b>	28,541
Loan and interest receivables	10	<b>105,920</b>	226,753
Other receivables and prepayments		<b>20,782</b>	23,846
Income tax recoverable		–	22
Bank balances and cash		<b>33,228</b>	41,426
		<b>343,115</b>	503,269
<b>Current liabilities</b>			
Trade payables	11	<b>7,548</b>	13,467
Other payables and accrued charges		<b>14,962</b>	17,549
Income tax payable		<b>10,839</b>	9,908
		<b>33,349</b>	40,924
<b>Net current assets</b>		<b>309,766</b>	462,345
Total assets less current liabilities		<b>359,721</b>	609,521
<b>Capital and reserves</b>			
Share capital		<b>28,592</b>	190,616
Reserves		<b>327,684</b>	415,505
Equity attributable to equity holders of the Company		<b>356,276</b>	606,121
Minority interests		<b>3,445</b>	3,400
Total equity		<b>359,721</b>	609,521

Notes:

## 1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards (“HKAS”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2008 consolidated financial statements.

The measurement basis used in the preparation of these financial statements is historical cost, except for investment properties and certain financial instruments, which are measured at fair value.

## 2. TURNOVER

	Note	2009 HK\$'000	2008 HK\$'000 (restated)
Dividend income from listed investments		764	–
Interest income from loan receivables	(a)	24,206	1,753
Handling fee income		5,000	–
Gross rental income		4,937	7,410
Net losses from the sales of financial assets at fair value through profit or loss	(b)	(86,246)	(59,653)
Sales of goods		186,211	198,945
		<u>134,872</u>	<u>148,455</u>

Note:

- (a) The Group classified the interest income from loan receivables as other income in the prior year’s consolidated income statement. During the year, loan financing was presented as a separate business segment for account presentation purpose. In the opinion of the directors, it is more appropriate to classify the related activities as operating activities so as to provide more relevant information in respect of the Group’s operations. The effect of this change in presentation was to increase turnover and decrease other income for the year ended 31 March 2009 by HK\$24,206,000.

To conform with the current year’s presentation, turnover was increased and other income was decreased by HK\$1,753,000 for the year ended 31 March 2008. This has resulted in no change in the results of the Group in respect of the current and prior years.

- (b) The Group’s proceeds from the sales of financial assets at fair value through profit or loss and the corresponding carrying amount were separated into “Turnover” and “Cost of investments held for trading” respectively, in prior year’s consolidated income statement. During the year, the Group changed its presentation, as in the opinion of the directors, to conform with market practice, it is more appropriate to present the losses or gains from the sales of financial assets at fair value through profit or loss in “Turnover” on a net basis.

The effect of this change in presentation was to decrease turnover and cost of investments held for trading for the year ended 31 March 2009 by HK\$268,407,000, representing the carrying amount of investments at fair value through profit or loss disposed of during the year.

To conform with the current year's presentation, the carrying amount of financial assets at fair value through profit or loss disposed of for the year ended 31 March 2008 of HK\$502,582,000 has been offset against turnover, resulting in a decrease in turnover and cost of investments held for trading for that year by the same amount. This has resulted in no change in the results of the Group in respect of the current and prior years.

### 3. SEGMENT INFORMATION

#### Business segments

For management purposes, the Group is currently organised into four operating divisions – investments, manufacture and sales of goods, loan financing and property investment (i.e. rental of properties). These divisions are the basis on which the Group reports its primary segment information.

#### For the year ended 31 March 2009

	Investments <i>HK\$'000</i>	Manufacture and sales of goods <i>HK\$'000</i>	Loan financing <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>Turnover</b>					
To external customers	<u>(85,482)</u>	<u>186,211</u>	<u>29,206</u>	<u>4,937</u>	<u>134,872</u>
Segment results	<u>(224,825)</u>	<u>9,653</u>	<u>(155,703)</u>	<u>42,314</u>	<u>(328,561)</u>
Unallocated other income					3,282
Unallocated corporate expenses					(18,510)
Finance costs					<u>(43)</u>
Loss before taxation					(343,832)
Income tax expense					<u>(1,458)</u>
Loss for the year					<u><u>(345,290)</u></u>

#### For the year ended 31 March 2008 (restated)

	Investments <i>HK\$'000</i>	Manufacture and sales of goods <i>HK\$'000</i>	Loan financing <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>Turnover</b>					
To external customers	<u>(59,653)</u>	<u>198,945</u>	<u>1,753</u>	<u>7,410</u>	<u>148,455</u>
Segment results	<u>(229,199)</u>	<u>15,944</u>	<u>1,753</u>	<u>(13,815)</u>	<u>(225,317)</u>
Unallocated other income					12,183
Unallocated corporate expenses					(13,543)
Finance costs					<u>(2,607)</u>
Loss before taxation					(229,284)
Income tax expense					<u>(3,504)</u>
Loss for the year					<u><u>(232,788)</u></u>

## Geographical segments

The Group's sales of goods are principally carried out in Europe, United States of America, Hong Kong and other regions in the People's Republic of China ("PRC"). Property investment is carried out in other regions in the PRC. Investments trading and loan financing are carried out in Hong Kong.

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods/services:

	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i> <i>(restated)</i>
Europe	<b>104,364</b>	117,894
United States of America	<b>31,344</b>	28,842
Hong Kong	<b>(47,774)</b>	(49,226)
Other regions in the PRC	<b>12,437</b>	18,585
Others	<b>34,501</b>	32,360
	<b>134,872</b>	148,455

## 4. LOSS BEFORE TAXATION

	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Loss before taxation has been arrived at after charging/(crediting):		
(Reversal of allowance) Allowance for inventories	<b>(252)</b>	150
Auditor's remuneration	<b>1,050</b>	980
Change in fair value of investment properties	<b>(360)</b>	29,295
Cost of inventories recognised as expenses	<b>143,514</b>	149,649
Depreciation of property, plant and equipment	<b>1,667</b>	2,340
Equity-settled share-based payment	–	4,024
Impairment allowance on other receivables	<b>416</b>	44
Impairment allowance on loan and interest receivables	<b>182,500</b>	–
Minimum lease payments for operating leases in respect of rented premises	<b>3,478</b>	3,548
Release of prepaid lease payments	<b>665</b>	639
Staff costs including directors' emoluments and contributions to retirement benefits schemes	<b>38,556</b>	38,791
Exchange loss (gain), net	<b>127</b>	(2,132)
Gain on disposal of property, plant and equipment	<b>(2,870)</b>	(10,289)
Gain on disposal of investment properties	–	(300)
Gain on disposal of subsidiaries	<b>(40,708)</b>	(3,955)
Gross rental income from investment properties	<b>(4,937)</b>	(7,410)
Less: direct operating expenses that generated rental income	<b>649</b>	640
	<b>(4,288)</b>	(6,770)

## 5. INCOME TAX EXPENSE

	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i>
The charge comprises:		
Current year		
Hong Kong	<b>809</b>	1,709
Other regions in the PRC	<b>615</b>	1,795
	<u><b>1,424</b></u>	<u>3,504</u>
Under provision in prior years		
Other regions in the PRC	<b>34</b>	–
	<u><b>1,458</b></u>	<u>3,504</u>

Hong Kong Profits Tax is calculated at 16.5% (2008: 17.5%) on the estimated assessable profits for the year.

Taxation arising in other regions in the PRC is calculated at the rates prevailing in the relevant jurisdictions.

Subsidiaries in the PRC are subject to new Enterprise Income Tax Law with effective from 1 January 2008. The new enterprise income tax rates for domestic and foreign enterprises are unified at 25%, subject to certain transitional arrangements. Pursuant to the relevant laws and regulations in the PRC, one of the Company's PRC subsidiaries was exempted from PRC income tax for two years starting from its first profit-making year (i.e. calendar year 2005), followed by a 50% reduction for the next three years.

## 6. DIVIDEND

No dividend has been proposed by the directors for the years ended 31 March 2009 and 2008.

## 7. LOSS PER SHARE – BASIC

The calculation of basic loss per share attributable to equity holders of the Company is based on the following data:

	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Loss for the purpose of basic loss per share	<u><b>(345,273)</b></u>	<u>(232,808)</u>
	<b>No. of shares</b>	
	<b>2009</b>	2008 <i>(restated)</i>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u><b>258,415,148</b></u>	<u>121,381,565</u>

No diluted loss per share is presented for the year 2009 as there were no potential ordinary shares in issue during the year. No diluted loss per share was presented for the year 2008 as all of the Company's share options granted and convertible notes issued, which had been fully exercised and converted respectively during the year 2008, have an anti-dilutive effect.

The weighted average number of ordinary shares adopted in the calculation of the basic loss per share for years 2009 and 2008 has been adjusted to reflect the impacts of share consolidation and rights issue during the year.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>Notes</i>	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Investments held for trading			
– Equity securities, listed in Hong Kong	<i>(a)</i>	<b>126,463</b>	173,928
Investments designated as at fair value upon initial recognition			
– Unlisted convertible notes	<i>(b)</i>	<b>26,113</b>	–
		<b>152,576</b>	173,928

- (a) The fair value of listed equity securities is based on quoted market prices in active markets at the balance sheet date.
- (b) The fair value of unlisted convertible notes at the balance sheet has been measured by an independent qualified professional valuer, Asset Appraisal Limited, based on reliable estimates of prices obtained in actual market transactions.
- (c) Included in the amount of listed equity securities above is the Group's investment in Unity Investments Holdings Limited ("Unity"), a limited liability company incorporated in the Cayman Islands with shares listed in the Stock Exchange. The investment represents about 27.81% of the ordinary shares of Unity. Management is of the view that there is no intention to participate and to exercise any significant influence in the management of Unity.

## 9. TRADE AND BILLS RECEIVABLES

	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Trade and bills receivables	<b>32,345</b>	36,626
Less: Allowances for doubtful debts	<b>(7,987)</b>	(8,085)
	<b>24,358</b>	28,541

### Ageing analysis

The Group allowed a credit period ranging from 30 days to 150 days to its trade customers. The aged analysis of trade and bills receivables (net of allowances for doubtful debts) is as follows:

	<b>2009</b> <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Aged analysis of trade and bills receivables:		
Within 60 days	<b>12,725</b>	17,906
61 – 150 days	<b>11,615</b>	10,635
More than 150 days	<b>18</b>	–
	<b>24,358</b>	28,541

## 10. LOAN AND INTEREST RECEIVABLES

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i> <i>(restated)</i>
Fixed-rate loan receivables	162,000	200,000
Variable-rate loan receivables	125,500	25,000
	<hr/>	<hr/>
	287,500	225,000
Interest receivables	920	1,753
	<hr/>	<hr/>
	288,420	226,753
Less: impairment allowance	(182,500)	–
	<hr/>	<hr/>
	<b>105,920</b>	<b>226,753</b>
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## 11. TRADE PAYABLES

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Ageing analysis of trade payables:		
Within 60 days or on demand	7,478	13,392
61 – 150 days	–	5
More than 150 days	70	70
	<hr/>	<hr/>
	<b>7,548</b>	<b>13,467</b>
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## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL RESULTS

As anticipated in the Company's profit warning announcements dated 28 April 2009 and 16 July 2009, a substantial loss was recorded for the year ended 31 March 2009. Loss attributable to equity holders for the year was HK\$345.3 million, as compared the loss of HK\$232.8 million in the previous year.

Loss per share for the year ended 31 March 2009 was HK\$1.34 (2008: HK\$1.92 (restated)).

### FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2009 (2008: Nil).



## **BUSINESS REVIEW AND PROSPECTS**

### **Securities Investment**

During the year under review and particularly in the second half, the global economy has been experiencing its worst crisis in recent decades. The financial tsunami originated from the subprime mortgage crisis in the United States caused turbulences of an unprecedented scale throughout financial markets worldwide and eventually fed through into a sharp downturn in the general global economy. As a consequence the Group's securities trading activities have badly suffered and reported realised and unrealised losses totalling HK\$225.2 million for the year (2008: HK\$221.0 million). Some cautious optimism can, however, be drawn from the stock market rebound occurring after the financial year end which may bring about an improvement in securities trading results for the new year.

### **Manufacture and Sale of Photographic, Electrical and Multimedia Accessories**

During the year, this segment's turnover decreased from HK\$198.9 million to HK\$186.2 million, representing a decrease of 6.4% as compared with last year. Fuelled by encouraging demand for the Group's photographic products, the first half was relatively strong with steady customer demand. However, the economic recession began to impact this segment's business in the second half of the year. The increase in material and labour costs and the appreciation of the Renminbi, has eroded the gross margin of this segment by around 2% as compared to last corresponding year.

Europe continued to be this segment's largest market, accounting for approximately 56.0% of the segment's turnover of this year (2008: 59.3%). Total export sales to Europe decreased to HK\$104.4 million (2008: HK\$117.9 million), representing a decrease of 11.5% as compared to that of the last corresponding year. The management has good knowledge and confidence in this market and will adhere to its established strategy to further penetrate into this very huge market.

### **Loan financing**

The Group commenced providing loan financing to third party borrowers in the previous year. In the year under review, interest income from loan receivables amounted to HK\$24.2 million, which represented a substantial increase from the amount of HK\$1.8 million for the previous year. However, there exists significant uncertainties relating to the repayment abilities of certain borrowers to whom loans totalling HK\$182.5 million have been advanced and accordingly an impairment allowance for this amount in full has been made this year which has a substantial negative impact on the results for the year.

### **Property Investment**

During the year property rental income amounted to HK\$4.9 million, as compared to HK\$7.4 million last year. Such decrease is mainly caused by the disposal of the investment property in Guangzhou via the disposal of Jet Star Industries Limited in the second half of the year, following which the Group's property portfolio has become relatively minor in scale.

## **Prospects**

In recent months, concerted efforts by central banks and governments especially from G7 countries to stabilise the financial markets and to stimulate the general economy appear to have curtailed the downward spiral that was experienced earlier in the year. Major stock markets around the world have registered certain degree of rebound as we entered the second quarter of 2009. However, it remains premature to conclude that the world economy and the securities market have reached the point where a recovery can be expected to be forthcoming, particularly with the added uncertainty associated with the recent outbreak of the influenza A (H1N1). Against this background the Group will continue to exercise extreme caution and adopt a prudent approach in conducting its activities.

Regarding the Group's manufacturing activities, the management continues to focus on new revenue channels in the business of accessories for photographic, multimedia and electrical products. The high street retail markets have taken a hard hit with the recession and this is reflected in the overall results. This was due to many retailers depleting their warehouses before reordering and all players in the market taking wait and see approach towards economic recovery.

As predicted our main photographic market has picked up for the Group. However, this was not enough to cover the shortfall in the electronics and multimedia market, where we are facing fierce competition in terms of pricing – in particular from China and other low cost production bases such as Vietnam. Nevertheless, we are still providing service, quality and flexibility at a competitive price to the A brand hardware manufacturers. Improving green standards in manufacturing and materials paired with meeting the high requirements for product specifications in our major markets gives us the opportunity to serve not only our existing customer at the highest level, but is opening opportunities to attain business from more A brand customers. G24 Innovations will be able to supply merchantable solar panels by the third quarter of 2009 and we continue to remain confident that solar bag products will have a good and unique potential even in poorer economic times. There has been major interest not only from our traditional customer segment but also the fashion and leisure sports industry for solar bags.

Despite the challenging circumstances the Group's financial position remains solid with strong liquidity and no outstanding bank borrowings. Recognising the challenging economic environment surrounding us, the Group is adopting a cautious approach in conducting its business and is exercising strict control over operating costs. At the same time the Group remains committed to its diversification strategy aiming to invest in suitable projects, particularly natural resources investment opportunities in the PRC, to broaden the Group's long term sustainable income base. Subsequent to the financial year end, the Group has made its first move in natural resources investment through the acquisition of Richful Zone International Limited ("Richful Zone") which was completed in July 2009.

## **LIQUIDITY AND CAPITAL RESOURCES**

In August 2008, the Company completed a rights issue of 953,080,050 shares (before the capital reorganisation referred to below) raising net proceeds of approximately HK\$138 million. In March 2009, the Company completed a capital reorganisation pursuant to which (i) the nominal value of the Company's issued shares was reduced from HK\$0.10 each to HK\$0.01 each by way of a capital reduction with the credit arising from the capital reduction of HK\$257.3 million applied to set off against the Company's accumulated losses; and (ii) every ten shares of the reduced nominal value of HK\$0.01 each were consolidated into one share with nominal value of HK\$0.10 each. On completion of the capital reorganisation and as at the end of the current final year, the number of issued shares of the Company was 285,924,015 with nominal value of HK\$28.6 million.

As at 31 March 2009, the Group's total equity amounted to HK\$356.3 million (31 March 2008: HK\$606.1 million); net current assets totaled HK\$309.8 million (31 March 2008: HK\$462.3 million), which included cash and cash equivalents totaling HK\$33.2 million (31 March 2008: HK\$41.4 million). The Group did not have any outstanding bank borrowings as at 31 March 2009 (31 March 2008: nil).

## **POST BALANCE SHEET EVENT**

- (a) Subsequent to the balance sheet date, the Group acquired the entire equity interest of Richful Zone, a company incorporated in the British Virgin Islands, from its immediate holding company at a consideration of HK\$130 million, satisfied by the issuance of 3 years 4% convertible bond of the Company. Upon full conversion of the convertible bond at the initial conversion price of HK0.50 per share (subject to customary anti-dilutive adjustment), an aggregate of 260,000,000 shares will be issued, representing approximately (i) 90.93% of the issued share capital, before issue of conversion shares, of the Company (ii) 47.63% of the issued share capital of the Company as enlarged by the issue of the conversion shares. Up to 9 July 2009, 200,000,000 shares had been issued upon conversion of convertible bond at HK\$0.50 each.

Richful Zone, through its wholly-owned subsidiary owns 50% of the concession rights and interests in respect of a forestry land in the PRC, with a total site area of approximately 37,000 Chinese Mu.

- (b) On 27 March 2009, the Company and Union Glory Finance Inc. ("Union Glory"), a subsidiary of the Company accepted the provisional allotment of 142,449,836 rights shares of Unity, at a subscription price of HK\$0.10 each. The total subscription amount of HK\$14,245,000 had been paid before year end and included in other receivables and prepayments in the consolidated balance sheet at 31 March 2009.

Subsequent to the balance sheet date, on 6 April 2009, total of 142,449,836 ordinary shares of Unity at HK\$0.10 each were issued and allotted to the Company and Union Glory. Together with the existing shareholding immediately before the allotment of rights shares, the Company and Union Glory jointly owned about 23.75% of the entire issued share capital of Unity, the Group becomes a substantial shareholder of Unity. Management is of the view that there is no intention to participate and to exercise any significant influence in the management of Unity. The Group would account for the allotted shares of Unity, together with the existing shareholding immediately before the allotment, as "Financial assets at fair value through profit or loss" in the consolidated balance sheet.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

There was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities during the year ended 31 March 2009.

## **CODE ON CORPORATE GOVERNANCE**

The Company has complied with the provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules during the year ended 31 March 2009 except for Code Provision A.4.1 which provides that non-executive directors should be appointed for specific terms, subject to re-election. The independent non-executive directors ("INEDs") of the Company are not appointed for specific terms but they are subject to retirement by rotation and re-election at the annual general meetings of the Company. Pursuant to Bye-law

87(1) of the current Bye-laws of the Company, each director shall be subject to retirement by rotation at least once every three years at the annual general meeting. This means that the terms of appointment of the directors, including INEDs, cannot exceed three years.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in Appendix 10 of the Listing Rules (the "Model Code"). On specific enquiries made, all Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company.

## **AUDIT COMMITTEE**

The Audit Committee is principally responsible for reviewing and supervising the Group's financial reporting process and internal control system and providing advice and recommendations to the Board of the Company. The Audit Committee comprises three INEDs, namely Ms. Hui Wai Man, Shirley (Chairman of Audit Committee), Mr. Chan Sze Hung and Ms. Kristi L Swartz. The consolidated financial statements for the year ended 31 March 2009 of the Group have been reviewed by the audit committee.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 2 September 2009 to 4 September 2009 (both dates inclusive), during which period no transfer of Shares will be effected. For the purpose of ascertaining the members' entitlement to attend the forthcoming annual general meeting of the Company, all transfers, accompanied by the relevant share certificates, will have to be lodged with the Company's share registrar, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m., 1 September 2009.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT**

This results announcement is published on the Stock Exchange's website (<http://www.hkex.com.hk>) and the Company's website (<http://www.mascotte.com>). The annual report will be dispatched to the shareholders and will be available on websites of the Stock Exchange and the Company in due course.

On Behalf of the Board  
**Lo Yuen Wa Peter**  
*Acting Chief Executive Officer*

Hong Kong, 28 July 2009

*As at the date of this announcement, the executive directors of the Company are Mr. Peter Temple Whitelam (Chairman), Mr. Lo Yuen Wa Peter (Acting Chief Executive Officer), Mr. Au Yeung Kai Chor, Mr. Lam Suk Ping and Ms. Song Jiajia; and the independent non-executive directors of the Company are Mr. Chan Sze Hung, Ms. Kristi L Swartz and Ms. Hui Wai Man, Shirley.*