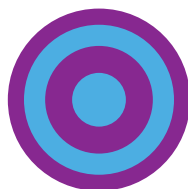


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MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2010 AND PROPOSED BONUS ISSUE OF SHARES

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 2010 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Notes</i>	2010 <i>HK\$’000</i>	2009 <i>HK\$’000</i>
Turnover	2	241,871	134,872
Cost of sales		(104,084)	(143,514)
Gross profit (loss)		137,787	(8,642)
Other income		850	44,290
Net unrealised holding gain (loss) on financial assets at fair value through profit or loss		18,087	(139,008)
Impairment loss on assets held for sale		(48,742)	–
Selling and distribution costs		(7,737)	(8,742)
Administrative expenses		(71,444)	(49,547)
Reversal of impairment loss (Impairment loss) for loan and interest receivables	10(a)	80,000	(182,500)
Gain on fair value changes on investment properties		1,711	360
Finance costs		(5)	(43)
Profit (Loss) before taxation	4	110,507	(343,832)
Income tax expense	5	(1,657)	(1,458)
Profit (Loss) for the year		108,850	(345,290)
Other comprehensive income			
Exchange differences on translating foreign operations		–	3,200
Total comprehensive income (loss) for the year		108,850	(342,090)

	<i>Notes</i>	2010 HK\$'000	2009 <i>HK\$'000</i>
Profit (loss) attributable to:			
Owners of the parent		108,631	(345,273)
Non-controlling interests		219	(17)
		<u>108,850</u>	<u>(345,290)</u>
Total comprehensive income (loss) attributable to:			
Owners of the parent		108,631	(342,135)
Non-controlling interests		219	45
		<u>108,850</u>	<u>(342,090)</u>
Earnings (Loss) per share	7		
Basic		HK\$0.23	HK\$(1.34)
Diluted		HK\$0.23	HK\$(1.34)
		<u>HK\$0.23</u>	<u>HK\$(1.34)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Non-current assets			
Investment properties		20,350	18,639
Property, plant and equipment		5,050	5,948
Prepaid lease payments		4,703	5,368
Goodwill		–	–
Available-for-sale financial assets		45,000	20,000
Loan and interest receivables	<i>10</i>	11,929	–
		87,032	49,955
Current assets			
Financial assets at fair value through profit or loss	<i>8</i>	357,648	152,576
Inventories		8,727	5,586
Prepaid lease payments		665	665
Trade and bills receivables	<i>9</i>	20,258	24,358
Loan and interest receivables	<i>10</i>	50,285	105,920
Other receivables and prepayments		19,513	20,782
Bank balances and cash		75,720	33,228
		532,816	343,115
Assets classified as held for sale	<i>11</i>	79,242	–
		612,058	343,115
Current liabilities			
Trade payables	<i>12</i>	9,327	7,548
Other payables and accrued charges		22,161	14,962
Income tax payable		12,642	10,839
		44,130	33,349
Liabilities directly associated with assets classified as held for sale	<i>11</i>	42	–
		44,172	33,349
Net current assets		567,886	309,766
Total assets less current liabilities		654,918	359,721
Capital and reserves			
Share capital		59,052	28,592
Reserves		592,202	327,684
Equity attributable to owners of the parent		651,254	356,276
Non-controlling interests		3,664	3,445
Total equity		654,918	359,721

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 of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2009 consolidated financial statements. The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year had no significant effects on the results and financial position of the Group for the current and prior years, except that certain presentation and disclosures of consolidated financial statements items have been revised.

HKAS 1 (Revised): Presentation of Financial Statements

HKAS 1 (Revised) requires transactions with owners to be presented separately from all other income and expenses in a revised statement of changes in equity. The revised standard however allows non-owner changes in equity to be shown in a single statement (the statement of comprehensive income) or two statements (the income statement and the statement of other comprehensive income). The Group has elected to prepare one statement. In addition, the revised Standard requires that when comparative information is restated or reclassified, a statement of financial position as at the beginning of the comparative period, in addition to the statements of financial position as at the end of the current period and the comparative period, should be presented. Since the Group did not restate comparative information during the year, this new requirement has no impact on the consolidated financial statements.

Amendments to HKFRS 7: Financial Instruments: Disclosures

Amendments to HKFRS 7 require additional disclosure about fair value measurements and liquidity risk. The fair value measurement disclosures are presented, and the liquidity risk disclosures are not significantly impacted by the amendments. The Group has taken advantage of the transitional provisions set out in the amendments, under which comparative information for the newly required disclosures about the fair value measurements of financial instruments are not provided in the consolidated financial statements.

HKFRS 8: Operating Segments

The Standard replaces HKAS 14: Segment Reporting. It requires segment information to be reported based on internal information used by the Group’s chief operating decision maker to evaluate the performance of operating segments and allocate resources to those segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments previously identified under HKAS 14. Adoption of this standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under HKAS 14.

Improvements to HKFRS (2008)

Improvements to HKFRS (2008) contain improvements to a number of standards aiming to remove inconsistencies and clarify wording in the standards. The adoption of those improvements had resulted in a number of changes in the details of the Group’s accounting policies.

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

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Dividend income from listed investments	1,363	764
Interest income from loan receivables	3,417	24,206
Handling fee income	–	5,000
Gross rental income	854	4,937
Net profit (loss) from the sales of financial assets at fair value through profit or loss	88,143	(86,246)
Sales of goods	148,094	186,211
	<u>241,871</u>	<u>134,872</u>

3. SEGMENT INFORMATION

The directors have been identified as the chief operating decision makers to evaluate the performance of operating segments and to allocate resources to those segments based on the Group's internal reporting in respect of these segments. The directors consider loan financing, investments, manufacture and sales of goods and property investment (i.e. rental of properties) are the Group's major operating segments. Segment results represent the profit before taxation earned or loss incurred by each segment. The following analysis is the measure reported to the directors for the purposes of resources allocation and assessment of segment performance.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment:

Year ended 31 March 2010

	Loan financing <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Manufacture and sales of goods <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Turnover					
To external customers	<u>3,417</u>	<u>89,506</u>	<u>148,094</u>	<u>854</u>	<u>241,871</u>
Segment results	<u>83,406</u>	<u>107,584</u>	<u>5,221</u>	<u>865</u>	197,076
Unallocated other income					768
Unallocated corporate expenses					(87,332)
Finance costs					(5)
Profit before taxation					110,507
Income tax expense					(1,657)
Profit for the year					<u>108,850</u>

There were no inter-segment sales during the year ended 31 March 2010 (2009: Nil).

Year ended 31 March 2009

	Loan financing <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Manufacture and sales of goods <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Turnover					
To external customers	<u>29,206</u>	<u>(85,482)</u>	<u>186,211</u>	<u>4,937</u>	<u>134,872</u>
Segment results	<u>(155,703)</u>	<u>(224,825)</u>	<u>9,653</u>	<u>42,314</u>	(328,561)
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>(345,290)</u>

Geographical information

The Group's sales of goods are principally carried out in Europe, United States of America, Hong Kong and other regions in the 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:

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Europe	65,192	104,364
United States of America	30,748	31,344
Hong Kong	101,547	(47,774)
Other regions in the PRC	17,621	12,437
Others	26,763	34,501
	<u>241,871</u>	<u>134,872</u>

4. PROFIT(LOSS) BEFORE TAXATION

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Profit (Loss) before taxation has been arrived at after charging/(crediting):		
Amortisation of intangible assets	2,054	–
Auditor's remuneration	1,552	1,050
Cost of inventories recognised as expenses	104,084	143,514
Depreciation of property, plant and equipment	1,576	1,667
Equity-settled share-based payment	12,199	–
Impairment allowance on other receivables	–	416
Operating leases payments in respect of premises	2,084	3,478
Release of prepaid lease payments	665	665
Staff costs including directors' emoluments and contributions to retirement benefits schemes	37,285	38,556
Exchange loss, net	9	127
Loss (Gain) on disposal of property, plant and equipment	33	(2,870)
Gain on disposal of subsidiaries	–	(40,708)
	<u> </u>	<u> </u>
Gross rental income from investment properties	(854)	(4,937)
Less: direct operating expenses that generated rental income	663	649
	<u> </u>	<u> </u>
	<u>(191)</u>	<u>(4,288)</u>

5. INCOME TAX EXPENSE

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
The charge comprises:		
Current year		
Hong Kong	1,130	809
Other regions in the PRC	461	615
	<u> </u>	<u> </u>
	1,591	1,424
Under provision in prior years		
Other regions in the PRC	66	34
	<u> </u>	<u> </u>
	<u>1,657</u>	<u>1,458</u>

Hong Kong Profits Tax is calculated at 16.5% (2009: 16.5%) on the estimated assessable profits for the year.

Subsidiaries in the PRC are subject to Enterprise Income Tax. PRC Enterprise Income Tax is calculated at the prevailing tax rate at 25% (2009: 25%) on taxable income determined in accordance with the relevant laws and regulations in the PRC.

6. DIVIDENDS

No dividend has been proposed by the directors for the years ended 31 March 2010 and 2009.

7. EARNINGS (LOSS) PER SHARE

The calculation of basic and diluted earnings (loss) per share attributable to owners of the parent is based on the following data:

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Earnings (Loss)		
Profit (Loss) for the purpose of basic and diluted earnings (loss) per share	<u>108,631</u>	<u>(345,273)</u>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	468,455,508	258,415,148
Effect of dilutive potential ordinary shares:		
Convertible notes	8,499,873	–
Share options	<u>180,017</u>	<u>–</u>
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	<u>477,135,398</u>	<u>258,415,148</u>

The Company had no dilutive potential ordinary shares for the year ended 31 March 2009. Accordingly, the diluted loss per share was same as the basic loss per share.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Investments held for trading		
– Equity securities, listed in Hong Kong	(a) 343,445	126,463
Investments designated as at fair value through profit or loss upon initial recognition		
– Unlisted convertible notes	(b) <u>14,203</u>	<u>26,113</u>
	<u>357,648</u>	<u>152,576</u>

(a) The fair value of listed equity securities is based on quoted market price in active markets at the end of the reporting date.

(b) The fair value of unlisted convertible notes at the statement of financial position has been measured by an independent qualified professional valuer, Asset Appraisal Limited, based on reliable estimates of price obtained in actual market transactions.

9. TRADE AND BILLS RECEIVABLES

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Trade and bills receivables	28,245	32,345
Less: Allowances for doubtful debts	<u>(7,987)</u>	<u>(7,987)</u>
	<u>20,258</u>	<u>24,358</u>

Ageing analysis

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

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Ageing analysis of trade and bills receivables:		
Within 60 days	14,056	12,725
61 – 150 days	4,812	11,615
More than 150 days	<u>1,390</u>	<u>18</u>
	<u>20,258</u>	<u>24,358</u>

10. LOAN AND INTEREST RECEIVABLES

	<i>Note</i>	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Fixed-rate loan receivables		11,929	162,000
Variable-rate loan receivables		<u>72,500</u>	<u>125,500</u>
		84,429	287,500
Interest receivables		<u>285</u>	<u>920</u>
		84,714	288,420
Less: Impairment allowance	<i>(a)</i>	<u>(22,500)</u>	<u>(182,500)</u>
		62,214	105,920
Less: Balance due within one year included in current assets		<u>(50,285)</u>	<u>(105,920)</u>
Balance due after one year included in non-current assets		<u>11,929</u>	<u>–</u>

(a) **Impairment allowance**

The Group determines the allowance for impaired debts based on the evaluation of collectability and ageing analysis of accounts and on management's judgement, including assessment of change of credit quality, collaterals and the past collection history of each borrower.

Movement in allowance for impaired debts is as follows:

	<i>Note</i>	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Balance at beginning of the year		182,500	–
Increase during the year			
Key Rise International Limited (“Key Rise”)		–	160,000
Tack Fat Group International Limited		–	22,500
Decrease during the year in respect of allowance made on Key Rise			
– Recovered following the arrangement of debt assignment	(i)	(80,000)	–
– Written off following the arrangement of debt assignment	(i)	(80,000)	–
Balance at end of the year		22,500	182,500

(i) **Arrangement of debt assignment**

On 3 August 2009, the Company and Wellsmart Limited (“Wellsmart”) entered into a deed of assignment (the “Deed”) and pursuant to which the Company agreed to sell and Wellsmart agreed to purchase the right to recover the total outstanding principal sum due from Key Rise and the interest accrued thereof as of the date of the Deed (i.e. approximately HK\$207,000,000), with a consideration of HK\$80,000,000. The consideration has been paid by Wellsmart in 5 equal installments during the year.

The management considers that the impairment allowance made on the amount due from Key Rise should be reversed up to the extent of the amount recovered from Wellsmart, i.e. HK\$80,000,000, through the arrangement of debt assignment. The remaining unsettled amount of HK\$80,000,000 due from Key Rise should be considered as uncollectible and written off together with the impairment allowance of the same amount accordingly.

An ordinary resolution to approve the Deed was duly passed by the shareholders of the Company at the special general meeting held on 5 October 2009.

11. ASSETS CLASSIFIED AS HELD FOR SALE

	<i>Note</i>	2010 <i>HK\$'000</i>
Assets classified as held for sale		
Intangible assets	(b)	127,984
Less: Impairment allowance		(48,742)
		79,242
Liabilities directly associated with assets classified as held for sales		42

- (a) Subsequent to the end of reporting period, the Group disposed entire equity interest of Richful Zone International Limited (“Disposal Group”), a subsidiary of the Company, to a wholly-owned subsidiary of Forefront Group Limited (“Forefront”), a company whose shares are listed on the Stock Exchange, at a consideration of HK\$79.2 million which is satisfied by the issuance of 330 million new shares of Forefront at HK\$0.24 each. As the selling price is lower than the carrying amount of net assets of the Disposal Group, an impairment loss has been recognised in these consolidated financial statements accordingly.
- (b) The intangible assets represented the rights to (i) obtain the 50% of forestry land use rights and forestry trees entitlement of three forestry sites in Simao District, Puer City Yunnan Province, the PRC and (ii) share 50% of distributable profits of these forests.

The term of forestry land use rights and forestry tree entitlement of these three forestry tree sites are 50 years from 24 January 2007 to 23 January 2057.

12. TRADE PAYABLES

	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Ageing analysis of trade payables:		
Within 60 days or on demand	9,214	7,478
61 – 150 days	20	–
More than 150 days	93	70
	9,327	7,548

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS AND BUSINESS REVIEW

As anticipated in the Company's positive profit alert announcement issued on 30 April 2010, the Group has achieved a turnaround from loss of the previous year. Profit attributable to shareholders for the year ended 31 March 2010 amounted to HK\$108.6 million, as compared to a loss of HK\$345.3 million last year. Turnover for the year amounted to HK\$241.9 million, representing an increase of approximately HK\$107.0 million from HK\$134.9 million for the previous year. The increase in turnover was largely brought about by the turnover of HK\$88.1 million derived from the trading of securities for which a negative turnover of HK\$86.2 million was recorded last year; such increase was partially offset by the decrease in sales of the manufacturing division to HK\$148.0 million this year from HK\$186.2 million for the previous year. The basic and diluted earnings per share was HK\$0.23, as compared to the basic and diluted loss per share of HK\$1.34 for the previous year.

The recovery of the Hong Kong stock market which saw the benchmark Hang Seng Index rebounded to 21,239.35 points at the end of the year under review from 13,576.02 points a year earlier had substantial contribution to the turnaround of the Group's financial results for the current year. Benefitting from this recovery, the Group's securities trading activities registered net realized and unrealized gains of HK\$106.2 million in respect of the year ended 31 March 2010, as compared to net realized and unrealized loss of HK\$225.2 million for the previous year when the market was hard hit by the global financial tsunami. In addition, a HK\$80 million partial reversal of impairment allowance in respect of a loan receivable was recorded in the current year, as compared to impairment allowances of HK\$182.5 million made in the previous financial year.

The Group's profit for the current year was reduced by the impairment allowance of HK\$48.7 million made in respect of the Group's 50% economic interests in certain forestry land in Puer City in the Yunnan Province of the People's Republic of China through the wholly owned subsidiary of Richful Zone International Limited. The Group has disposed the project subsequent to the end of the financial year at a loss equivalent to the amount of impairment allowance made.

Sales for the Group's manufacturing business dropped by HK\$38.1 million or 20.5% from the previous year as demand for the European Market has not recovered to the previous level as the result of the economic downturn. Contribution from this segment to the Group's results was HK\$5.2 million, as compared to HK\$9.7 million for the previous year.

PROSPECTS

In the Company's 2009 interim report, we commented that although the turbulence brought about by the financial tsunami appeared to have stabilized and signs that a recovery has commenced, we cautioned that the process was not expected to be speedy. Indeed, in the first half of 2010, with the exception that Mainland China which continued to pose respectable GDP growth, solid rebound remained to be seen in other major economies in the world. Unemployment rate in the United States, for example, is still only marginally below a two digit figure; and sovereign debt issues in countries such as Greece continue to cast uncertainties on the pace of economic recovery in the Eurozone.

Against this background, the Group would exercise caution and adopt a prudent and conservative approach in conducting its business. We remain committed to our strategy of diversification and broadening of the Group's long term sustainable income base. We endeavour to make the Group financially solid and to put the Group in a favorable position to capitalize on investment opportunities as they arise. To this end, the Company successfully completed a share placement in April 2010 of 109,184,800 new shares at a price of HK\$0.99 per share which raised net proceeds of HK\$105.2 million and further enlarged our capital base. The Group remains debt-free and is in a strong liquidity position. We are actively exploring suitable investment opportunities to enhance the Company's value to our shareholders. The Group is currently looking into many projects including but not limited to a possible investment in a renewable energy related project which, if it materializes, has good potential for long term growth and return.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 March 2010, the Group's total equity amounted to HK\$651.3 million (31 March 2009: HK\$356.3 million); net current assets totaled HK\$567.9 million (31 March 2009: HK\$309.8 million), which included cash and cash equivalents totaling HK\$75.7 million (31 March 2009: HK\$33.2 million). The Group did not have any outstanding bank borrowings as at 31 March 2010 (31 March 2009: nil).

EVENTS AFTER THE REPORTING PERIOD

In addition to the events happened after the reporting period and disclosed in note 11(a) to the consolidated financial statements, on 8 March 2010, the Company and Chung Nam Securities Limited ("CNSL"), a placing agent entered into a placing agreement pursuant to which CNSL conditionally agreed to place an aggregate of 109,184,800 placing shares at a price of HK\$0.99. The placing was completed on 28 April 2010.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2010 (2009: Nil).

BONUS ISSUE OF SHARES

The directors of the Company have recommended a bonus issue of three (3) new shares, credited as fully paid, for every (two) 2 shares held by the shareholders of the Company whose names appear on the register of members of the Company on 29 July 2010 and subject to the following conditions: (i) the passing by the shareholders of the Company at a special general meeting of an ordinary resolution approving the bonus issue; and (ii) the Listing Committee of the Stock Exchange agreeing to grant the approval for the listing of, and permission to deal in, the bonus shares to be issued pursuant to the bonus issue. Such bonus shares credited as fully paid will rank *pari passu* in all respects with the existing issued shares in the Company.

The Board proposes the bonus issue in recognition of the continual support of the shareholders. In addition, the Board believes that the bonus issue will enhance the liquidity of the shares in the market and thereby strengthening the capital base of the Company.

The expected timetable of the bonus issue is as follows:

Expected Timetable

2010

Last day of dealings in the shares on a cum-entitlement basis. Tuesday, 20 July

First day of dealings in the shares on an ex-entitlement basis Wednesday, 21 July

Latest time for lodging the share option exercise form together with a remittance in cash for the amount of the exercise price for the respective shares in order to be qualified for the bonus issue. 4:00 p.m., Thursday, 22 July

Latest time for lodging transfers of the shares for registration in order to qualify for the bonus issue. 4:30 p.m., Thursday, 22 July

Closure of register of members Friday, 23 July to Thursday, 29 July (both days inclusive)

Latest date and time to return form of proxy for the special general meeting 9:00 a.m., Tuesday, 27 July

Date and time of the special general meeting 9:00 a.m., Thursday, 29 July

Record date. Thursday, 29 July

Register of members re-opens. Friday, 30 July

Certificates for the bonus shares expected to be dispatched Friday, 6 August

Dealings in bonus shares commence Tuesday, 10 August

A circular containing further details of the bonus issue will be despatched to the shareholders of the Company on or about 14 July 2010.

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 2010.

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 2010 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 the Company’s three INEDs. The consolidated financial statements for the year ended 31 March 2010 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 23 July 2010 to 29 July 2010 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for the bonus issue, 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., 22 July 2010.

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.irasia.com/listco/hk/mascotte/index.htm>). 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, 7 July 2010

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. Lam Suk Ping, Ms. Song Jiajia and Mr. Eddie Woo; and the Independent Non-executive Directors of the Company are Mr. Frank H. Miu, Dr. Agustin V. Que and Mr. Robert James Iaia.