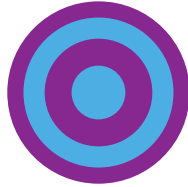


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

ANNOUNCEMENT ON THE LETTER OF INTENT IN RELATION TO THE PROPOSED TRANSACTION

This announcement is made by Mascotte Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”), to provide information about the Company’s latest business development to its shareholders.

THE LETTER OF INTENT

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to announce that on 4 June 2014, Sun Mass Corporation and Sun Mass Funding Corporation (“**Vendor**”), wholly-owned subsidiaries of the Company, entered into a letter of intent (“**Letter of Intent**”) with an individual which is an independent third party to the Company (“**Proposed Purchaser**”) in relation to the proposed disposal of (“**Proposed Transaction**”) the entire issued share capital of Sun Mass Energy Limited (“**Sun Mass**”, together with its subsidiaries, “**Sun Mass Group**”). The Vendor agreed to sell and the Proposed Purchaser agreed to buy the entire issued share capital of Sun Mass at a total consideration of HK\$1.00. The Proposed Purchaser and the Vendor agree to enter into a conditional agreement, completion of which is subject to, inter alia, the approval (if required) of shareholders of the Company.

Sun Mass will cease to be a subsidiary of the Company upon completion of the conditional agreement. Thereafter, the Group will cease to have any responsibility for all business operation, financial and legal matters of Sun Mass Group, including but not limited to bank and other borrowings.

If the conditional agreement is not completed on or before September 4, 2014 (or such later date which may agree by the Proposed Purchaser and the Vendor in writing), the Letter of Intent will lapse.

Based on the information available to the Group, the Proposed Transaction does not constitute a notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

INFORMATION ON SUN MASS

Sun Mass, a company incorporated with limited liability in the British Virgin Islands, is an indirect wholly-owned subsidiary of the Company, and its principal business is investment holding. Sun Mass is an immediate holding company of Lution International Holdings Co., Ltd (祿訊國際股份有限公司) (“**Lution**”) which is a company incorporated with limited liability in Taiwan and its principal business is investment holding. Sun Materials Technology Co., Ltd. (山陽科技股份有限公司) (“**Sun Materials**”), a company incorporated with limited liability in Taiwan, is wholly-owned by Lution, and its principal business is the manufacture and sale of solar grade polycrystalline silicon in Taiwan. Sun Mass, Lution and Sun Materials are collectively defined as Sun Mass Group.

REASONS FOR ENTERING INTO THE LETTER OF INTENT

The Group principally engages in the business of manufacture and sale of solar grade polycrystalline silicon in Taiwan, investment and trading of securities, provision of finance, property investment and manufacturing and sale of accessories for photographic products.

As of the date of this announcement, Sun Mass Group has a pledged bank borrowing of approximately HK\$36,841,000 (NTD 139,999,000) which is secured by the land and the manufacturing factory located at Letzer Industrial Zone (“**Letzer**”) in Yi-Lan County, Taiwan (台灣宜蘭縣利澤工業區), and the total outstanding interest payable on this pledged bank borrowing is approximately HK\$2,929,000 (NTD11,129,000). Furthermore, there is a long-term leasing agreement between Sun Materials and Letzer pursuant to which Sun Materials is entitled to use the land for 20 years with an option to purchase the land at an agreed price. As of the date of this announcement, the outstanding lease payment is approximately HK\$119,046,000 (NTD452,377,000) for the remaining thirteen years. Save as mentioned above, the present monthly operating costs are now approximately HK\$1.0 million after downsizing the daily operation of Sun Mass Group from time to time. Sun Materials is now merely a cost center and not able to generate any income to provide funding for its recurring operating costs and financial obligations. In view of the latest net liability position of the Sun Mass

Group, the Board is of the view that the Proposed Transaction will release the financial burden of the Company to provide funding for the monthly operating costs, payment of interest and principal of the pledged bank borrowing.

The Board would like to emphasise that no legally binding agreement in relation to the Proposed Transaction has been entered into by the Company with the Proposed Purchaser as at the date of this announcement. As the Proposed Transaction may or may not be materialized, shareholders and bondholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
MASCOTTE HOLDINGS LIMITED
Suen Yick Lun Philip
*Managing Director, Chief Executive Officer
and Company Secretary*

Hong Kong, 6 June 2014

As at the date of this announcement, the Board comprises the following Directors:–

Executive Directors

Mr. Chung Yuk Lun (*Acting Chairman*)
Mr. Suen Yick Lun Philip (*Managing Director
and Chief Executive Officer*)
Mr. Eddie Woo
Miss Wong Yuen Mui
Ms. Shum Ching Yee Jennifer

Independent Non-executive Directors

Mr. Frank H. Miu
Dr. Agustin V. Que
Mr. Robert James Iaia II
Mr. Hung Cho Sing