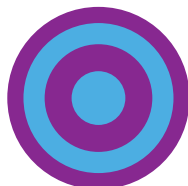


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MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

TERMINATION OF THE PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Reference is made to the announcement of Mascotte Holdings Limited (the “**Company**”) dated 24 December 2012 (the “**Announcement**”) in respect of the placing on a fully underwritten basis by the Placing Agent for a total of 176,000,000 new Shares to be issued under Specific Mandate. Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

After trading hours on 30 January 2013, the Company and the Placing Agent entered into a termination deed (“**Deed**”) to terminate the Placing Agreement at a consideration of HK\$100,000 payable to the Placing Agent by the Company. Pursuant to the Deed, both the Company and the Placing Agent have been released of their respective obligations under the Placing Agreement.

As stated in the Announcement, the Company planned to use the intended use proceeds of approximately HK\$27.62 million from the Placing to pay interest payment for outstanding indebtedness of the Group. The Company considers that the termination of the Placing Agreement will not have any material impact on the existing business and financial position of the Group if the Company can proceed the proposed rights issue as announced by the Company on 4 January 2013 (“**Proposed Rights Issue**”) in a timely manner. The Company considers that the termination of the Placing Agreement is in the interests of the Company and the Shareholders as a whole.

Nevertheless, the Company still needs to rely on other fund raising activities in particular the Proposed Rights Issue for its working capital and capital expenditure requirements, and the placing of notes (as first announced on 28 December 2012) for repayment of part of the Consideration Bonds. Apart from that, the Company will refresh the general mandate before the forthcoming annual general meeting as to facilitate future equity fund raising in a timely manner, as well as to contemplate other fund raising activities and to look for potential investor/partner to the Group's existing operations, in order to combat its financial difficulties.

By Order of the Board
MASCOTTE HOLDINGS LIMITED
Lo Yuen Wa Peter
Managing Director

Hong Kong, 30 January 2013

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

Executive Directors

Mr. Peter Temple Whitlam (*Chairman*)
Mr. Lo Yuen Wa Peter (*Managing Director*)
Mr. Eddie Woo
Mr. Suen Yick Lun Philip
Mr. Lau King Hang

Independent Non-executive Directors

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