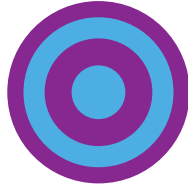


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*This announcement is for information purposes only and does not constitute an invitation or a solicitation of an offer to acquire, purchase or subscribe for any securities of the Company.*



## **MASCOTTE HOLDINGS LIMITED**

**馬斯葛集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 136)**

### **PROPOSED BONUS WARRANTS ISSUE**

The Board proposed the Bonus Warrants Issue to the Shareholders whose names appear on the register of members of the Company on the Record Date on the basis of one (1) Warrant for every five (5) Shares held on the Record Date. Warrants to be issued in relation to the Bonus Warrants Issue will not be available to the Excluded Shareholders.

Each Warrant will entitle the holder thereof to subscribe in cash for one New Share at an initial subscription price of HK\$0.1 per New Share, subject to adjustment, at any time during the period which is expected to commence on the date of issue of the Warrants and end on the date falling 24 months from the date of issue of the Warrants (both days inclusive). The Bonus Warrants Issue is conditional upon, among other things, the approval by the Shareholders of issue of the Warrants and the New Shares at the SGM; and the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the New Shares.

A circular containing, amongst other things, further details of the Bonus Warrants Issue and a notice of the SGM will be despatched to the Shareholders as soon as practicable.

\* *For identification purpose only*

## **THE PROPOSED BONUS WARRANTS ISSUE**

The Board proposed, subject to the satisfaction of the conditions below, to make the Bonus Warrants Issue to the Shareholders whose names appear on the register of members of the Company on the Record Date on the basis of one (1) Warrant for every five (5) Shares held on the Record Date. Warrants to be issued in relation to the Bonus Warrants Issue will not be available to the Excluded Shareholders.

## **INITIAL SUBSCRIPTION PRICE AND SUBSCRIPTION PERIOD**

The Warrants will be issued in registered form and each Warrant will entitle the holder thereof to subscribe in cash for one New Share at an initial subscription price of HK\$0.1 per New Share, subject to customary anti-dilutive adjustments in market transactions of this type in certain events, including, among other things, share consolidations, share subdivisions, capitalisation issues and capital distributions, at any time during the period which is expected to commence on the date of issue of the Warrants and end on the date falling 24 months from the date of issue of the Warrants, which are expected to be from 24 February 2015 to 23 February 2017 (both days inclusive).

The initial subscription price of HK\$0.1 per New Share represents:

- (i) a discount of approximately 19.35% to the closing price of HK\$0.124 per Share as quoted on the Stock Exchange on 24 December 2014 (being the date of this announcement);
- (ii) a discount of approximately 22.48% to the average closing price of approximately HK\$0.129 per Share as quoted on the Stock Exchange for the past five trading days ended on 24 December 2014; and
- (iii) a discount of approximately 21.88% to the average closing price of approximately HK\$0.128 per Share as quoted on the Stock Exchange for the past ten trading days ended on 24 December 2014.

## **SHARES TO BE ISSUED UPON EXERCISE OF THE WARRANTS**

Assuming no further Shares will be issued or repurchased by the Company on or before the Record Date, on the basis of 26,693,205,185 Shares in issue as at the date of this announcement, 5,338,641,037 Warrants would be issued pursuant to the Bonus Warrants Issue. Full exercise of the subscription rights attaching to the 5,338,641,037 Warrants at the initial subscription price of HK\$0.1 per New Share would result in the issue of 5,338,641,037 New Shares, representing approximately 20% of the aggregate number of issued ordinary shares of the Company as at the date of this announcement and approximately 16.67% of the aggregate number of issued ordinary shares of the Company as enlarged by the issue of such New Shares, and the receipt by the Company of subscription monies amounting to approximately HK\$533.86 million.

Assuming further issue of Shares upon (i) conversion of all outstanding principal amount of the Convertible Bonds into 7,777,777,777 Shares at the conversion price of HK\$0.09 per Share, (ii) exercise of all the outstanding share options granted under the Share Option Scheme – 2003 in full which will lead to the issue of 78,955 Shares at the exercise price of HK\$3.134 per Share and (iii) the grant and subsequent exercise of all the existing available but unissued share options under the Share Option Scheme - 2013 of the Company which will lead to the issue of 2,423,507,839 Shares, on or before the Record Date, on the basis of the maximum 36,894,569,756 Shares then in issue, 7,378,913,951 Warrants at the initial subscription price of HK\$0.1 per New Share will be issued, the exercise of which will result in the issue of 7,378,913,951 New Shares, representing approximately 20% of the maximum number of 36,894,569,756 issued ordinary shares of the Company and approximately 16.67% of the maximum number of 44,273,483,707 issued ordinary shares of the Company as enlarged by the issue of New Shares, and the receipt by the Company of subscription monies amounting to approximately HK\$737.89 million.

Save as disclosed above, the Company does not have any other equity securities which remain to be issued on exercise of any other subscription rights as described in Rule 15.02(1) of the Listing Rules as at the date of this announcement. Therefore, if the Warrants are immediately exercised in full, such exercise will not exceed 20% of the issued equity capital of the Company at the time such Warrants are issued.

## **FRACTIONAL ENTITLEMENTS**

Fractional entitlements to the Warrants, if any, will not be issued to the Shareholders but will be aggregated and sold for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

## **OVERSEAS SHAREHOLDERS**

In determining whether it would be necessary or expedient to exclude the Overseas Shareholders on the Record Date, the Directors will make enquiry pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange of the relevant place in which such Overseas Shareholder is residing. If the Directors are of the view that, after such enquiry, the exclusion of such Overseas Shareholder is necessary or expedient on account 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, the Warrants will not be granted to such Overseas Shareholder(s).

In view of the above, Warrants which would otherwise be issued to such Overseas Shareholder(s) under the Bonus Warrants Issue will be sold in the market as soon as possible if a premium, net of expenses, can be obtained. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to such Overseas Shareholder(s). Remittance thereof will be posted to such Overseas Shareholder(s), at his own risk, unless the amount falling to be distributed to such person is less than HK\$100, in which case it will be retained for the benefit of the Company.

**All Overseas Shareholders should consult their professional advisers as to whether or not they are permitted to participate in the Bonus Warrants Issue or whether any government or other consents are required or other formalities need to be observed.**

## **CONDITIONS TO THE BONUS WARRANTS ISSUE**

The Bonus Warrants Issue will be conditional upon, among other things, the following conditions:

- (a) the passing by the Shareholders at the SGM of the necessary resolution(s) to approve the issue of the Warrants and the New Shares and the transactions contemplated thereunder; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the New Shares.

## REASONS FOR THE BONUS WARRANTS ISSUE

In recognition of the continued support of the Shareholders, the Board proposes the Bonus Warrants Issue so as to allow the Shareholders to participate in the growth of the Company. The Bonus Warrants Issue will also strengthen the capital base of the Company when the subscription rights attaching to the Warrants are exercised.

The Company intends to use the subscription monies received from the Bonus Warrants Issue to finance the interest expenses to be incurred on the outstanding convertible bonds of the Company, to capture any potential investments that may arise and as general working capital of the Group.

## FUND RAISING ACTIVITY OF THE GROUP IN THE PAST TWELVE MONTHS

Date of announcement	Fund raising activity	Net proceeds raised (Approximately)	Proposed use of the net proceeds	Actual use of the proceeds
11 September 2014	Placing of 847,015,679 placing shares at the placing price of HK\$0.09 per placing share	HK\$73.44 million	Intended to be used for the repayment of the outstanding indebtedness of approximately HK\$44.3 million and the balance in the sum of approximately HK\$29.14 million for general working capital of the Group	Used as intended

Save as disclosed above, the Company has not conducted any other fund raising activities in the past twelve months immediately preceding the date of this announcement.

## LISTING

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the New Shares. The New Shares will rank pari passu in all respects with the then existing issued Shares.

## **CERTIFICATES FOR THE WARRANTS AND THE BOARD LOT**

Subject to the satisfaction of the conditions to the Bonus Warrants Issue, it is expected that certificates for the Warrants will be posted on or before Tuesday, 24 February 2015 at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Warrants are expected to commence on the Stock Exchange on Wednesday, 25 February 2015.

The Warrants are expected to be traded on the Stock Exchange in board lots of 80,000 Warrants carrying rights to subscribe for 80,000 Shares at the initial subscription price of HK\$0.1 per New Share, subject to adjustment.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 9 February 2015 to Wednesday, 11 February 2015 (both days inclusive) in order to establish entitlements of the Shareholders to the Bonus Warrants Issue.

The last day for dealing in Shares cum-entitlements to the Bonus Warrants Issue will be Wednesday, 4 February 2015. In order to qualify for the Bonus Warrants Issue, all outstanding transfer of Shares should be lodged with the share registrar of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Friday, 6 February 2015.

## **EXPECTED TIMETABLE**

The expected timetable for the Bonus Warrants Issue set out below is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Bonus Warrants Issue will be fulfilled. All times and dates in this announcement refer to Hong Kong local times and dates. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

The expected timetable for implementing the Bonus Warrants Issue is set forth below:

**2015**

- Despatch of circular. . . . . Friday, 16 January
- Latest time for lodging proxy forms for the SGM. . . . . 4:00 p.m. on  
Sunday, 1 February
- SGM. . . . . 4:00 p.m. on Tuesday, 3 February
- Announcement of the results of the SGM . . . . . Tuesday, 3 February
- Last day of dealings in Shares cum-entitlements  
to the Bonus Warrants Issue . . . . . Wednesday, 4 February
- First day of dealings in Shares ex-entitlements  
to the Bonus Warrants Issue . . . . . Thursday, 5 February
- Latest time for lodging forms of transfer of  
Shares to ensure entitlement  
to the Bonus Warrants Issue . . . . . 4:30 p.m. on Friday, 6 February
- Closure of register of members of the Company . . . . . Monday, 9 February to  
Wednesday, 11 February  
(both days inclusive)
- Record Date . . . . . Wednesday, 11 February
- Despatch of the Warrant certificates by . . . . . Tuesday, 24 February
- Commencement of dealings in the Warrants. . . . . 9:00 a.m. on Wednesday, 25 February

## **GENERAL**

A circular containing, amongst other things, further details of the Bonus Warrants Issue and a notice of the SGM will be despatched to the Shareholders as soon as practicable.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Bonus Warrants Issue”	the proposed bonus issue of Warrants by the Company to the Shareholders (other than Excluded Shareholders) whose names appear on the register of members on the Record Date, on the basis of one (1) Warrant for every five (5) Shares held on the Record Date
“Company”	Mascotte Holdings Limited (Stock Code: 136), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Convertible Bonds”	the 5 percent unsecured convertible bonds in the aggregate principal amount of HK\$1,450 million issued by the Company on 14 July 2011
“Director(s)”	the director(s) of the Company
“Excluded Shareholder(s)”	Shareholder(s) whose address(es) (as shown on the register of members of the Company on the Record Date) are not in Hong Kong and whom the Directors are of the view that it would be necessary or expedient to exclude from the Bonus Warrants Issue under the laws of the places of his/her/their registered address(es) or the requirements of the relevant regulatory body or stock exchange in that place
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China



“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	ordinary share(s) in the share capital of the Company which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company at the close of business on the Record Date is/are outside Hong Kong
“Record Date”	Wednesday, 11 February 2015, being the record date for ascertaining the entitlements of Shareholders to the Bonus Warrants Issue
“SGM”	the special general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Bonus Warrants Issue
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Scheme - 2003”	the share option scheme of the Company adopted on 21 August 2003 and expired on 20 August 2013
“Share Option Scheme - 2013”	the share option scheme of the Company adopted at the special general meeting held on 31 October 2013
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant(s)”	warrant(s) proposed to be issued by the Company to subscribe for New Shares at an initial subscription price of HK\$0.1 per New Share, subject to adjustment

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent

By order of the Board  
**MASCOTTE HOLDINGS LIMITED**  
**Chung Yuk Lun**  
*Acting Chairman*

Hong Kong, 24 December 2014

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

*Executive Directors*

Mr. Chung Yuk Lun (*Acting Chairman*)

Mr. Chow Chi Wah, Vincent

*Non-executive Director*

Mr. Eddie Woo

*Independent Non-executive Directors*

Mr. Frank H. Miu

Mr. Robert James Iaia II

Mr. Hung Cho Sing

Mr. Chung Kong Fei, Stephen