



# MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

## MONTHLY ANNOUNCEMENT ON CONVERSION OF CONVERTIBLE NOTES DUE IN 2010

The Company made this announcement pursuant to paragraph (a) under the heading “Dilution effect on Shareholders” of the Announcement and the Circular.

Reference is made to the announcement of Mascotte Holdings Limited (the “Company”) dated 17 July 2007 (the “Announcement”) and the Company’s circular dated 31 July 2007 (the “Circular”). The Company makes this announcement pursuant to paragraph (a) under the heading “Dilution effect on Shareholders” of the Announcement and Circular. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as in the Announcement and the Circular.

The Company is pleased to announce that the placing of second tranche of the Convertible Notes of in aggregate principal amount of HK\$125,000,000 was completed and issued by the Company on 31 October 2007.

The Company would like to report that it has not received any notice of exercise of the conversion rights attached to the Convertible Notes during the month of October 2007.

The details regarding the status of conversion of the Convertible Notes issued in the month of October 2007 are as follows:

- (a) Conversion of the Convertible Notes issued: Nil
- (b) Redemption of the Convertible Notes: Nil
- (c) The outstanding principal amount of the Convertible Notes: HK\$125,000,000
- (d) The total number of Shares issued during the month: Nil
- (e) The total issued share capital of the Company for the month of October 2007 were as follows:

	<b>Issued share capital (HK\$)</b>	<b>Number of issued Shares</b>
As at 1 October 2007	<u>94,226,010</u>	<u>942,260,100</u>
As at 31 October 2007	<u>94,226,010</u>	<u>942,260,100</u>

*Note: There are HK\$250,000,000 Convertible Notes at the Conversion Price of HK\$0.40 per Conversion Share still undergone the placing by the Placing Agent pursuant to the CN Placing Agreement.*

By Order of the Board of  
**Mascotte Holdings Limited**  
**Ms. Chan Oi Ling, Maria Olimpia**  
*Chairperson*

Hong Kong, 2 November 2007

*As at the date of this announcement, the Board comprises Ms. Chan Oi Ling, Maria Olimpia (Chairperson), Mr. Lam Yu Ho, Daniel (Managing Director), Mr. Au Yeung Kai Chor, Ms. Wong Dickie and Mr. Peter Temple Whitelam as executive Directors, Mr. Wong Yui Leung, Larry, Mr. Lui Wai Shan, Wilson, Mr. Cheung Ngai Lam and Mr. Chan Sze Hung as independent non-executive Directors.*