



MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

CONVERSION OF CONVERTIBLE NOTES DUE IN 2010

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

Reference is made to the announcements of Mascotte Holdings Limited (the “Company”) dated 17 July 2007, 27 August 2007, 2 November 2007 and 5 November 2007 (the “Announcements”) and the Company’s circular dated 31 July 2007 (the “Circular”). The Company makes this announcement pursuant to paragraph (b) under the heading “Dilution effect on Shareholders” of the Announcements and Circular. Unless the context herein otherwise requires, terms used in this announcements shall have the same meanings as in the Announcements and the Circular.

Placing of third tranche of the Convertible Notes of an aggregate principal amount of HK\$250,000,000 was completed and issued by the Company on 13 November 2007. The Company has received 15 conversion notices for the conversion of the Convertible Notes issued and as a result of which the Company has allotted and issued a total of 625,000,000 Shares to 15 independent places at the Conversion Price of HK\$0.40 per Conversion Share on 13 November 2007. Such Conversion Shares allotted and issued represent approximately 48.78% of the issued share capital of the Company immediately before the conversion and 32.79% of the issued share capital of the Company as enlarged by the newly issued Shares upon conversion.

Details of conversion of the Convertible Notes issued during the period from 5 November 2007 to the date hereof are as follows:

(a) Conversion of the Convertible Notes issued:

Date of Conversion Notice	Number of Conversion Notice	Number of new Shares be issued	Principal amount of Convertible Notes HK\$' million	Conversion Price HK\$
13 November 2007	15	625,000,000	250.0	0.40

(b) Redemption of the Convertible Notes: Nil

(c) The outstanding principal amount of the Convertible Notes after conversion(s) and redemption(s) above: Nil

(d) The total number of Shares issued during the month other than as a result of the conversion of the Convertible Notes: 26,400,000 shares

- (e) Change in the total issued share capital of the Company during the period from 5 November 2007 to the date hereof are as follows:

	Issued share capital (HK\$)	Number of issued Shares
As at 5 November 2007	125,476,010	1,254,760,100
Exercise of share options by participants	<u>2,640,000</u>	<u>26,400,000</u>
	128,116,010	1,281,160,100
Total number of new Shares issued pursuant to conversions of the Convertible Notes on 13 November 2007	<u>62,500,000</u>	<u>625,000,000</u>
As at 13 November 2007	<u><u>190,616,010</u></u>	<u><u>1,906,160,100</u></u>

Note: As at the date hereof, the unaudited total assets of the Company as adjusted by the fund raising exercises subsequent to 31 March 2007 are as follows:

	Date of announcement	Date of share allotment	HK\$
Audited total assets as at 31 March 2007 – pursuant to 2007 annual report			345,221,717
Placing of 64,800,000 shares at HK\$0.45 each	11 June 2007	21 June 2007	28,431,000*
Placing of 104,960,000 shares at HK\$0.45 each	17 July 2007	30 July 2007	46,051,200*
Conversion of Convertible Notes due in 2010			
– conversion of 312,500,000 shares at HK\$0.40 each	27 August 2007	27 August 2007	121,875,000*
– conversion of 187,500,000 shares at HK\$0.40 each	2 November 2007	2 November 2007	73,125,000*
– conversion of 125,000,000 shares at HK\$0.40 each	5 November 2007	5 November 2007	48,750,000*
– conversion of 625,000,000 shares at HK\$0.40 each	13 November 2007	13 November 2007	<u>243,750,000*</u>
As at the date hereof, unaudited total assets adjusted by the fund raising exercises after 31 March 2007			<u><u>907,203,917</u></u>

* net of 2.5% commission

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

Hong Kong, 13 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. Lui Wai Shan, Wilson, Mr. Cheung Ngai Lam, Mr. Chan Sze Hung and Ms. Kristi L Swartz as independent non-executive Directors.