

MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

ANNOUNCEMENT PURSUANT TO RULE 13.09(1) OF THE LISTING RULES

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

On 1 August 2008, the Borrower paid the sum of HK\$7,266,666.67 to the Company comprising: (i) HK\$3,600,000, being the interest accrued on the Remaining First Repayment Loan for the period from 27 June 2008 to 1 August 2008 (both days inclusive); and (ii) HK\$3,666,666.67, being the interest accrued on the Second Repayment Loan for the period from 11 July 2008 to 1 August 2008 (both days inclusive).

A total amount of HK\$160,000,000 representing the Total Outstanding Loan remains outstanding as at the date of this announcement. The Company and the Borrower have conditionally agreed to further extend the repayment date of the Total Outstanding Loan from 1 August 2008 to 4 December 2008, subject to early repayment.

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules. Reference is made to the announcements of the Company dated 30 May 2008 (the “**1st Announcement**”) and 10 July 2008 (the “**2nd Announcement**”) (collectively the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

REPAYMENT OF THE LOAN

As referred to in the 2nd Announcement concerning the repayment schedule of the Loan, the Borrower agreed to pay to the Company a total amount of approximately HK\$167,266,666.67 on or before 1 August 2008 comprising (i) HK\$60,000,000, being the Remaining First Repayment Loan; (ii) HK\$3,600,000, being the interest accrued on the Remaining First Repayment Loan for the period from 27 June 2008 to 1 August 2008 (both days inclusive); (iii) HK\$100,000,000, being the Second Repayment Loan; and (iv) HK\$3,666,666.67, being the interest accrued on the Second Repayment Loan for the period from 11 July 2008 to 1 August 2008 (both days inclusive). On 1 August 2008, the Borrower paid the sum of HK\$7,266,666.67 to the Company comprising of the amounts mentioned in items (ii) and (iv) above. Accordingly, a total amount of HK\$160,000,000 representing the amount mentioned in items (i) and (iii) above (the “**Total Outstanding Loan**”) remains outstanding as at the date of this announcement.

The Company and the Borrower have conditionally agreed to further extend the repayment date of the Total Outstanding Loan from 1 August 2008 to 4 December 2008, subject to early repayment. Subject to the conditions described below, the Borrower shall pay to the Company a total amount of HK\$192,000,000 (“**New Repayment Amount**”) on or before 4 December 2008 comprising: (i) HK\$160,000,000, being the Total Outstanding Loan; (ii) HK\$30,000,000, being the interest accrued or to be accrued on the Total Outstanding Loan during the period from 2 August 2008 to 4 December 2008 (both days inclusive) at a monthly interest rate of approximately 4.5%; and (iii) HK\$2,000,000, being an extension fee.

CONDITIONS FOR FURTHER EXTENSION OF THE LOAN

The Guarantor has undertaken to the Company that he will procure a third party (the “**3rd Party**”) who is in the process of negotiation with a company listed in Hong Kong (the “**Listco 1**”) for the sale of his interest which represents 60% interest in a coal mine in the PRC (the “**Coal Mine**”) with a value of approximately US\$500 million to the Listco 1 (the “**3rd Party Acquisition**”) to use the sale proceeds of the 3rd Party Acquisition to repay the Total Outstanding Loan on behalf of the Guarantor and if the 3rd Party Acquisition fails to proceed, the Guarantor will procure the 3rd Party to sell his entire interest in the Coal Mine to the Company at a consideration equivalent to the New Repayment Amount on the assumption that the valuation amount of the Coal Mine is equal to or greater than the New Repayment Amount.

The further extension of the repayment of the Total Outstanding Loan as described hereto are subject to the due diligence review of the following items to the satisfaction of the Company:

- i. interviews with the representatives of the 3rd Party and the relevant professional advisors involved in the 3rd Party Acquisition;
- ii. the existence and the conditions of the Coal Mine; and
- iii. the valuation report of the Coal Mine prepared by an independent valuer in such form and substance to the satisfaction of the Company.

REASONS FOR FURTHER EXTENSION OF THE LOAN

Apart from the possibility of acquiring the Coal Mine, the Board has also considered the following in granting a further extension to the Borrower to repay the Total Outstanding Loan:

- i. the Borrower has repaid an interest of HK\$7,266,666.67 on 1 August 2008;
- ii. by granting a further extension of the repayment of the Total Outstanding Loan, the Company will be able to earn an interest of HK\$30,000,000 in aggregate and an extension fee of HK\$2,000,000;
- iii. the Company desires to continue the negotiation with the Borrower and the Guarantor in relation to any possible cooperation opportunities with the Borrower and/or the Guarantor in connection with their investments in the PRC; and
- iv. a company of which the Guarantor is the controlling shareholder has recently entered into a letter of intent with a company listed in Hong Kong (the “**Listco 2**”) in relation to an acquisition of a coal mine in the PRC by Listco 2. Given that the Guarantor has entered into such letter of intent, the Company considered that it is possible for the Guarantor to make available of other acquisition targets to the Company in future.

The Company will make further announcement regarding the above matter as and when required under the Listing Rules.

By order of the Board of
Mascotte Holdings Limited
Lo Yuen Wa Peter
Acting Chief Executive Officer

Hong Kong, 7 August 2008

As at the date of this announcement, the Board comprises Mr. Peter Temple Whitelam (Chairman), Mr. Lo Yuen Wa Peter (Acting Chief Executive Officer), Mr. Au Yeung Kai Chor and Mr. Lam Suk Ping as executive Directors, Mr. Chan Sze Hung, Ms. Kristi L Swartz and Ms. Hui Wai Man, Shirley as independent non-executive Directors.