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MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

VOLUNTARY ANNOUNCEMENT

This announcement is made by Mascotte Holdings Limited (“**the Company**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the status of the polycrystalline silicon business.

UPDATE ON THE STATUS OF THE POLYCRYSTALLINE SILICON BUSINESS

As explained in the circular of the Company dated 19 December 2011 (the “**VSA Circular**”) regarding the very substantial acquisition and connected transaction, Sun Materials Technology Co. Ltd (“**Sun Materials**”) was undergoing enhancement work in the run up to commencement of production to introduce further improvements in efficiency in the production process. It was envisaged that such enhancement would bring about significantly improved yield of silicon tetrafluoride from a key piece of intermediate production equipment with the ultimate benefit of further decreasing overall production costs of polycrystalline silicon. The Company acknowledged that, due to the complexities, sophistication and the highly technical nature of the equipment concerned, the enhancement work would require time to accomplish and would inevitably have a knock on effect on the timing of production commencement. Nevertheless, the Company believed that the potential benefits to be derived from the enhancement work vastly outweigh the disadvantages associated with the additional time required. At the time of the VSA Circular, it was expected that production would commence with the enhanced process before the end of the year 2011.

The Company wishes to provide an update to the shareholders and potential investors on the status of the aforesaid enhancement work in the first quarter of the current year. After installation of the enhanced production equipment has been completed, the research and development and operation teams of Sun Materials have been debugging and tuning various delicate components of the new equipment installed. This process has taken a longer period of time than originally anticipated and is currently ongoing and production has therefore not yet commenced at this moment in time. Despite this, positive progress on silicon tetrafluoride yield enhancement has been achieved. The Company estimates, based on the progress that has been made in the current quarter, that a yet more favorable yield is achievable through the continuous development work which is currently being carried out. The resultant improvement in silicon tetrafluoride yield will drive down overall production cost particularly through savings in the usage of feedstock, while the capacity is considered to be the same as originally planned. A milestone level of yield, which translates into a desired level of overall competitiveness of the entire production process, has been set internally. Upon reaching this milestone yield in due course, which is currently expected to be within the second quarter of 2012, Sun Materials will proceed with revenue production for its existing customers.

The Company believes that at the present moment it would be premature to assess whether there is any expected impairment loss relating to the technology deployed by Sun Materials in relation to its polycrystalline silicon production, as a fair and reasonable assessment can only be performed by taking into account crucial business and operating factors including the outcome of the currently ongoing enhancement work and the revised production timeline as referred to above. Nevertheless, the Company considers that at present there is no indication that an impairment loss has already occurred.

The Company has been constantly monitoring the progress of the enhancement and as at the date of this announcement is not aware of any events which may have a material adverse impact on the business of the Company.

By Order of the Board
Mascotte Holdings Limited
Suen Yick Lun Philip
Executive Director

Hong Kong, 30 March 2012

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

Executive Directors

Mr. Peter Temple Whitelam (*Chairman*)
Mr. Lo Yuen Wa Peter (*Managing Director*)
Mr. Eddie Woo
Mr. Suen Yick Lun Philip
Mr. Lau King Hang
Dr. Wu Yi-Shuen

Non-executive Director

Dr. Chuang, Henry Yueheng (*Deputy-Chairman*)

Independent Non-executive Directors

Mr. Frank H. Miu
Dr. Agustin V. Que
Mr. Robert James Iaia II
Dr. Chien, Yung Nelly