
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Mascotte Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy, the Annual Report and Accounts of the Company to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0136)

PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company to be held at 30/F., China United Centre, 28 Marble Road, North Point, Hong Kong on Tuesday, 28 August 2007 at 9:00 a.m. or any adjournment thereof is set out on pages 14 to 17 in this circular. A form of proxy is also enclosed.

Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice and to complete and return the enclosed proxy form, in accordance with the instructions printed thereon, to the Company's registrar, Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of the proxy form and its return will not preclude you from attending, and voting at, the Annual General Meeting or any adjourned meeting, if you so wish.

31 July 2007

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at 30/F., China United Centre, 28 Marble Road, North Point, Hong Kong on Tuesday, 28 August 2007 at 9:00 a.m., to consider and, if appropriate, to approve the Ordinary Resolutions or any adjournment thereof;
“Board”	the board of Directors;
“Bye-Laws”	the bye-laws of the Company;
“Code”	the Hong Kong Code on Takeovers and Mergers;
“Company”	Mascotte Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange;
“Designated Stock Exchange”	a stock exchange which is an appointed stock exchange for the purposes of the Companies Act 1981 of Bermuda in respect of which the Shares are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the Shares;
“Directors”	directors of the Company;
“Existing Issue Mandate”	a general mandate granted to the Directors at the special general meeting of the Company held on 11 July 2007 to allot, issue and deal with Shares not exceeding 20% of the aggregate number of shares comprised in the share capital of the Company in issue as at 11 July 2007;
“Existing Repurchase Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 11 July 2007 to repurchase Shares not exceeding 10% of the aggregate number of shares comprised in the share capital of the Company in issue as at 11 July 2007;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

DEFINITIONS

“Latest Practicable Date”	27 July 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Model Code”	The Model Code for Securities Transactions by Directors of Listed Companies;
“Ordinary Resolutions”	the ordinary resolutions to be proposed and passed at the Annual General Meeting for the matters as set out in the notice of the Annual General Meeting;
“Placing”	the placement of 104,960,000 new Shares by the Placing Agent to the placees at the Placing Price under the placing agreement dated 17 July 2007;
“Placing Agent”	Chung Nam Securities Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out type 1 regulated activity (dealing in securities);
“Placing Price”	the placing price of HK\$0.45 per Placing Share under the Placing;
“Placing Share(s)”	104,960,000 new Shares to be placed under the Placing;
“Proposed Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with Shares of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate;
“Proposed Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate;
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$” and “cents”	Hong Kong dollars and cents, the lawful currency in Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0136)

Executive Directors:

Ms. Chan Oi Ling, Maria Olimpia (*Chairperson*)

Mr. Lam Yu Ho, Daniel (*Managing Director*)

Mr. Au Yeung Kai Chor

Ms. Wong, Dickie

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent non-executive Directors:

Mr. Wong Yui Leung, Larry

Mr. Lui Wai Shan, Wilson

Mr. Cheung Ngai Lam

Mr. Chan Sze Hung

*Head office and principal place
of business in Hong Kong:*

1st Floor

Po Chai Industrial Building

28 Wong Chuk Hang Road

Aberdeen

Hong Kong

31 July 2007

To the Shareholders

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The purpose of this circular is to give you information regarding the following resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

The resolutions include, inter alia, (i) granting to the Directors the Proposed Repurchase Mandate; (ii) granting to the Directors the Proposed Issue Mandate; and (iii) re-election of Directors.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the special general meeting of the Company held on 11 July 2007, ordinary resolutions were passed granting the Existing Issue Mandate and the Existing Repurchase Mandate to the Directors.

LETTER FROM THE BOARD

In accordance with the provision of the Listing Rules and the terms of the Existing Issue Mandate and the Existing Repurchase Mandate, the Existing Issue Mandate and the Existing Repurchase Mandate shall lapse at the conclusion of the Annual General Meeting.

Resolutions to consider, and if thought fit, to approve the Proposed Issue Mandate and the Proposed Repurchase Mandate and to authorise the Directors to issue Shares in an amount not exceeding the aggregate nominal amount of Shares purchased pursuant to the Proposed Repurchase Mandate as set out in Ordinary Resolutions numbered 4 to 6 will be proposed at the Annual General Meeting. With reference to the Proposed Issue Mandate and the Proposed Repurchase Mandate, the Directors wish to state that they have no immediate plans to issue or repurchase any Shares pursuant thereto.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Proposed Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions for the Proposed Repurchase Mandate at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

Pursuant to bye-law 87 of the Bye-laws, (i) Mr. Au Yeung Kai Chor, an executive Director; (ii) Ms. Wong, Dickie, an executive Director ; (iii) Mr. Lui Wai Shan, Wilson, an independent non-executive Director; (iv) Mr. Cheung Ngai Lam, an independent non-executive Director ; and (v) Mr. Chan Sze Hung, an independent non-executive Director , will retire from office at the Annual General Meeting by rotation, and being eligible, will offer themselves for re-election.

PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Pursuant to bye-law 66 of the Bye-Laws, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll may be demanded. A poll might be demanded by:

- (a) the chairman of the meeting;
- (b) at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or

LETTER FROM THE BOARD

- (d) a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the rules of Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. Or more of the total voting rights of all members having the right to vote at the meeting.

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a Shareholder.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 30/F., China United Centre, 28 Marble Road, North Point, Hong Kong on Tuesday, 28 August 2007 at 9:00 a.m. is set out on pages 14 to 17 in this circular. A form of proxy is also enclosed.

Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's registrar, Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for holding of the Annual General Meeting or any adjourned meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting, if they so wish.

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of Annual General Meeting, including the proposed resolutions granting the Proposed Issue Mandate and the Proposed Repurchase Mandate, are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of the proposed resolutions at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
Mascotte Holdings Limited
Chan Oi Ling, Maria Olimpia
Chairperson

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the Proposed Repurchase Mandate.

LISTING RULES FOR REPURCHASE OF SHARES

The relevant sections of the Listing Rules which permit companies with primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions are summarized below.

Sources of Funds

Repurchases must be funded out of funds legally available for the purpose and in accordance with the Company's constitutive documents and the laws of the jurisdiction in which the Company is incorporated or otherwise established.

Share Capital

As at the Latest Practicable Date, the number of Shares in issue was 524,800,100 Shares. Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase up to a maximum of 52,480,010 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

Upon the completion of the Placing which is expected to be on 30 July 2007, an additional 104,960,000 new Shares will be allotted and issued and as a result thereof the number of Shares in issue will be increased to 629,760,100 Shares. Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase up to a maximum of 62,976,010 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

Reasons for Repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase Shares in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the currently prevailing market value, it would have a material adverse impact on the working capital position and gearing position of the Company, as compared with the positions disclosed in the audited consolidated accounts of the Company as at 31 March 2007, being the date to which the latest published audited accounts of the Company were made up. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

Share Prices

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the last thirteen months prior to the issue of this circular.

Month	Highest trade price <i>HK\$</i>	Lowest trade price <i>HK\$</i>
2006		
July	0.22	0.19
August	0.24	0.21
September	0.62	0.21
October	0.52	0.41
November	0.45	0.40
December	0.50	0.40
2007		
January	0.49	0.34
February	0.47	0.39
March	0.50	0.39
April	0.47	0.39
May	0.68	0.46
June	0.68	0.50
July (up to the Latest Practicable Date)	1.15	0.48

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their associates currently intends to sell any Shares to the Company or its subsidiaries in the event that the Proposed Repurchase Mandate is approved.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

No connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Proposed Repurchase Mandate is approved.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, Ms. Chan Oi Ling, Maria Olimpia, Director of the Company was interested in approximately 36.84% of the Shares and was the only substantial Shareholder as defined under the Listing Rules. In the event that the Directors exercise the Proposed Repurchase Mandate in full and assuming there is no change in the issued share capital of the Company as at the date of passing of the relevant resolution granting the Proposed Repurchase Mandate, the interest of Ms. Chan Oi Ling, Maria Olimpia in the Shares would be increased to approximately 40.93% of the issued Shares and such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Code. Subject to the aforesaid, the Directors are not aware of any consequence which will arise under the Code as a result of any purchase to be made under the Proposed Repurchase Mandate. The Directors do not have any intention to repurchase Shares up to an amount which would result in the above Shareholder becoming obliged to make a mandatory offer in accordance with Rule 26 of the Code.

The Listing Rules prohibit a company from making a repurchase of shares on the Stock Exchange if the result of the repurchase would be less than 25% (or such other prescribed percentage as determined by the Stock Exchange to constitute the minimum public float of a company) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

The Company has not repurchased any Shares on the Stock Exchange in the six months preceding the date of this circular.

Stated below are the details of the Directors who will be eligible for re-election at the Annual General Meeting:

Mr. AU YEUNG Kai Chor, aged 54, an executive Director, joined the Group in June 2007. He is responsible for the operation and administration in the PRC operation as well as investment and business development activities of the Company. He has over 20 years of experience in casino business and is a member of the senior management of a casino operator. He had engaged in the daily operations of VIP rooms within several casinos in Macau, namely, Neptune VIP Club (澳門葡京海王會貴賓廳), Sands Shing Dao VIP Club (澳門金沙成都會貴賓廳), Wynn Victory VIP Club (澳門永利勝利會貴賓廳) and Neptuno VIP Club (澳門星際海王星貴賓廳), and another casino on board a vessel, Neptune Cruises (澳門海王星郵輪), which operates in international waters. Mr. Au Yeung did not hold any directorships in other listed public companies in the last three years.

There is no service contract between the Company and Mr. Au Yeung. He has no fixed term of service with the Company and he shall hold office until the annual general meeting and re-elect at the annual general meeting in accordance with the Bye-Laws. Mr. Au Yeung is entitled to receive a monthly salary of HK\$40,000 with reference to his duties and responsibilities with the Company.

Save as being an executive Director, Mr. Au Yeung has no relationships with any directors, senior management or substantial or controlling shareholders of the Company. At the Latest Practicable Date, Mr. Au Yeung was not interested in and did not hold any short position in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

There is no other information in relation to Mr. Au Yeung which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save as disclosed herein, there is no other matter which ought to be brought to the attention of holders of securities of the Company in relation to the re-election of Mr. Au Yeung.

Ms. WONG Dickie, aged 36, an executive Director, joined the Group in March 1996. She is responsible for general administration, manufacturing and sale of goods division and the management information system. She holds a bachelor's degree in Economics/System Science from the University of California, Los Angeles and a master's degree in Engineering/Economics System from Stanford University. Ms Wong worked for two international investment banks in Hong Kong for three years prior to joining the Group.

According to the service agreement between the Company and Ms. Wong, she is appointed for a term of three years determinable by notice of 3 months by either party and she shall hold office until the annual general meeting and shall be eligible for re-election at the annual meeting in accordance with the Bye-Laws. Ms. Wong is entitled to receive director's emoluments of HK\$1,200,000 per annum and discretionary performance related bonuses. Such emoluments are determined by reference to her duties, responsibilities and performance and the results of the Group and are subject to review by the remuneration committee from time to time. Ms. Wong is the daughter of Ms. Chan Oi Ling, Maria Olimpia.

Ms. Wong has not held any other directorships in listed public companies in the last three years. At the Latest Practicable Date, Ms. Wong is deemed to be interested in 3,500,000 shares of the Company within the meaning of Part XV of the SFO representing 0.67% of the total issued share capital of the Company.

There is no other information in relation to Ms. Wong which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save as disclosed herein, there is no other matter which ought to be brought to the attention of holders of securities of the Company in relation to the re-election of Ms. Wong.

Mr. LUI Wai Shan, Wilson, aged 42, has been appointed as independent non-executive Director in October 2004. He has over 18 years of experience in the formation technology sector. MR. Lui holds a Bachelor of Science degree in applied mathematics from the University of California, Los Angeles, and a Master of Science degree in computer science and a master degree in business administration, both from the University of Southern California.

Mr. Lui does not hold other directorship in any other companies listed on the Stock Exchange in the past three years.

There is no service contract between the Company and Mr. Lui is entitled to a Director's fee with reference to his roles and responsibilities and prevailing market conditions and as may be approved by the remuneration committee. Currently, Mr. Lui is entitled to a Director fee in the amount of HK\$50,000 annually. Mr. Lui does not entitle to any bonus payment. Mr. Lui is also subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws.

As at the Latest Practicable Date, Mr. Lui was not interested in and did not hold any short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code. Save as being an independent non-executive Director, Mr. Lui has no relationships with any Directors, senior management or substantial or controlling Shareholder of the Company.

There is no other information in relation to Mr. Lui which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save as disclosed herein, there is no other matter which ought to be brought to the attention of holders of securities of the Company in relation to the re-election of Mr. Lui.

Mr. CHEUNG Ngai Lam, aged 38, has been appointed as independent non-executive Director in March 2005. He is a member of the American Institute of Certified Public Accountants and CPA Australia. Mr. Cheung obtained a Bachelor Degree in Social Sciences from the University of Hong Kong in 1991, a Master of Accounting Degree from Curtin University of Technology, Perth, Australia in 1997 and a Master of Science (Investment Management) Degree in Finance from the Hong Kong University of Science and Technology in 2001. He is currently an independent non-executive director of Hong Long Holdings Limited, a listed company on the Hong Kong Stock Exchange. Mr. Cheung has extensive experience in accounting and capital markets, he served at Deloitte Touche Tohmatsu from August 1991 to March 1994, vice president and executive vice president of Daiwa Securities and Japan Asia Securities from March 1994 to March 2005 respectively.

There is no service contract between the Company and Mr. Cheung is entitled to a Director's fee with reference to his roles and responsibilities and prevailing market conditions and as may be approved by the remuneration committee. Currently, Mr. Cheung is entitled to a Director fee in the amount of HK\$50,000 annually. Mr. Cheung does not entitle to any bonus payment. Mr. Cheung is also subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws.

As at the Latest Practicable Date, Mr. Cheung was not interested in and did not hold any short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code. Save as being an independent non-executive Director, Mr. Cheung has no relationships with any Directors, senior management or substantial or controlling Shareholder of the Company.

There is no other information in relation to Mr. Cheung which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save as disclosed herein, there is no other matter which ought to be brought to the attention of holders of securities of the Company in relation to the re-election of Mr. Cheung.

Mr. CHAN Sze Hung, aged 55, has been appointed as independent non-executive Director on 6 June 2007. He has over 20 years of experience in the legal profession and is a consultant of Chan, Lau & Wai, a firm of solicitors in Hong Kong. Mr. Chan is currently the independent non-executive directors of Asia Orients Holdings Limited, Heritage International Holdings Limited and Radford Capital Investment Limited, all of these companies are listed on the Stock Exchange. Mr. Chan graduated from The University of Hong Kong with a degree in law.

There is no service contract between the Company and Mr. Chan. He has no fixed term of service with the Company and shall hold office until the annual general meeting and shall be eligible for re-election at the annual general meeting in accordance with the Bye-Laws. Mr. Chan will be entitled to receive a director's fee in the amount of HK\$200,000 per annum with reference to his duties and responsibilities and the prevailing market conditions.

Save as being an independent non-executive Director, Mr. Chan has no relationships with any directors, senior management or substantial or controlling shareholders of the Company and does not interested in and does not hold any short position in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

There is no other information in relation to Mr. Chan which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save as disclosed herein, there is no other matter which ought to be brought to the attention of holders of securities of the Company in relation to the re-election of Mr. Chan.

NOTICE OF ANNUAL GENERAL MEETING



MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0136)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Mascotte Holdings Limited (the “Company”) will be held at 30/F., China United Centre, 28 Marble Road, North Point, Hong Kong on Tuesday, 28 August 2007 at 9:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company for the year ended 31 March 2007 together with the reports of the directors of the Company (the “Directors”) and auditors thereon;
2. To re-elect retiring Directors and to authorize the Directors to fix all their remuneration;
3. To re-appoint Deloitte Touche Tohmatsu as Auditors and to authorize the Directors to fix their remuneration;

SPECIAL BUSINESS

4. To consider and, if thought fit, pass, with or without modification, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with additional shares of the Company (the “Shares”) or securities convertible into Shares, and to make or grant, offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorizations given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:

- (i) a Rights Issue (as hereinafter defined);
- (ii) the exercise of rights of subscription or conversion under the terms of any warrant issued by the Company or any securities which are convertible into Shares;
- (iii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares;
- (iv) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company;

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

5. To consider and, if thought fit, pass, with or without modification, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company (the “Shares”) on The Stock Exchange of Hong Kong Limited or on any other stock exchanges on which the Shares may be listed and recognized for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchanges (as amended from time to time), be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the bye-laws of the Company to be held; or

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(iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, pass, with or without modification, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of Resolutions 4 and 5 as set out in the notice of this meeting, the general mandate granted to the directors of the Company (the “Directors”) to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to Resolution 4 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5 above, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution.”

By order of the Board

Chiu Wing Keung

Company Secretary

Hong Kong, 31 July 2007

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or, if he is the holder of two or more shares, more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any Share, any one such person may vote at the meeting, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the office of the Company’s branch share registrars, Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
4. In relation to Resolution 2, pursuant to bye-law 87 of the Bye-laws, Mr. Au Yeung Kai Chor, Ms. Wong, Dickie, Mr. Lui Wai Shan, Wilson, Mr. Cheung Ngai Lam and Mr. Chan Sze Hung will retire from office at the Annual General Meeting by rotation, and being eligible, will offer themselves himself for re-election.
5. In relation to Resolution 5, an explanatory statement (as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the “Listing Rules”) is set out in Appendix I to the circular containing this notice.
6. As at the date of this circular, the executive directors of the Company are Ms. Chan Oi Ling, Maria Olimpia, Mr. Lam Yu Ho, Daniel, Mr. Au Yeung Kai Chor, Ms. Wong Dickie and the independent non-executive directors of the Company are Mr. Wong Yui Leung, Larry, Mr. Lui Wai Shan, Wilson, Mr. Cheung Ngai Lam and Mr. Chan Sze Hung.