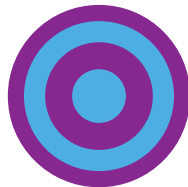


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MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

DISCLOSEABLE TRANSACTION DISPOSAL OF RICHFUL ZONE INTERNATIONAL LIMITED

On 9 April 2010, the Company and the Purchaser entered into the Agreement pursuant to which the Company agreed to sell or procure to sell and the Purchaser agreed to purchase or procure to purchase the Sale Shares, representing the entire issued share capital of Richful Zone at the Consideration of HK\$79,200,000.

The Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirement under the Listing Rules.

THE AGREEMENT

Date: 9 April 2010

Parties to the Agreement: (1) The Company, the vendor
(2) The Purchaser

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and its principal activity is investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is an Independent Third Party.

Assets to be disposed of:

The Purchaser conditionally agreed to purchase and procure to purchase the Sale Shares, representing the entire issued share capital of Richful Zone.

Consideration:

The Consideration for the Sale Shares is HK\$79,200,000 which is to be satisfied by the Purchaser procuring Forefront to issue the Consideration Shares credited as fully paid at HK\$0.24 per Consideration Share to the Company or as it may direct on Completion.

The Consideration was determined after arm's length negotiation between the parties with reference to the unaudited net assets value of the Richful Zone Group of approximately HK\$129 million as set out in the unaudited consolidated management accounts of the Richful Zone Group as at 31 December 2009 and the valuation of the Forest Land in an amount of HK\$165 million as at 31 March 2010 appraised by an independent professional valuer appointed by the Purchaser (the value attributable to the 50% of the Concession Rights and Interest held by the Richful Zone Group is therefore HK\$82.5 million). The issue price of the Consideration Shares is determined with reference to the recent market performance of Forefront Shares.

Conditions:

Completion is subject to the following conditions precedent:

- (i) a due diligence investigation on the Richful Zone Group and its assets (including but not limited to the Concession Contract, the Concession Rights and Interests, the Forest Land and the Forestry Contracts) to be carried out pursuant to the Agreement having been completed to the reasonable satisfaction of the Purchaser in its sole discretion;
- (ii) the approval of the Agreement and transactions contemplated hereunder by Shareholders of the Company who are permitted to vote in accordance with the Listing Rules, if required;
- (iii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Consideration Shares;
- (iv) the receipt by the Purchaser of legal opinion(s) to be issued by a firm of PRC lawyers on matters including but not limited to title of the Forest Land, ownership of the Concession Rights and Interests and validity of transactions contemplated under the Agreement;
- (v) if applicable, the obtaining of all consents by the Company from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Agreement and any of the transaction contemplated hereunder; and
- (vi) there having been no breach by the Company of any obligation, undertakings, representations and warranties under the Agreement;

If the conditions above have not been fulfilled (or waived by the Purchaser) on or before 5 July 2010 (or such other date as the parties may agree in writing), the Agreement shall thereupon terminate, the parties shall have no further claims against each other under the Agreement for costs, damages compensation or otherwise, save in respect of antecedent breaches and claims. Pursuant to the Agreement, the Purchaser may waive the above conditions (i), (iv) and (vi) in writing.

Completion:

Completion shall take place at 11:00 a.m. on the third Business Day after satisfaction or waiver (as applicable) of the conditions above (or such other date and time as the parties to the Agreement may agree).

Upon completion, the Richful Zone Group will cease to be subsidiaries of the Company and its financial results will not be consolidated into the Group's financial statements.

INFORMATION ON THE RICHFUL ZONE GROUP

Richful Zone is a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company. Richful Zone is also the legal and beneficial owner of the entire issued share capital of Allied Loyal. Besides the interest in Allied Loyal, Richful Zone has no other assets or business.

Allied Loyal, a direct wholly-owned subsidiary of Richful Zone, is an investment holding company incorporated in the British Virgin Islands whose principal asset is the 50% interest in the economic gains including future capital gains and future cash flow profit accrued under the Forestry Contracts in respect of the forest land use right (林地使用權) and forest tree ownership right (林木所有權) of the Forest Land granted by the People's Government to CCSL. The Forest Land comprises of three parcels of forestry sites in Simao District (思茅區), Puer City (普洱市), Yunnan Province (雲南省), the PRC with total site area of approximately 36,735 Chinese Mu. The Forest Land was valued at HK\$165 million as at 31 March 2010 by an independent qualified professional valuer appointed by the Purchaser. The Forest Land is currently managed by CCSL which is obliged to transfer 50% of the forest land use right (林地使用權) and forest tree ownership right (林木所有權) of the Forest Land to Allied Loyal upon the request from Allied Loyal.

Based on the unaudited consolidated management accounts of the Richful Zone Group, the net assets of the Richful Zone Group as at 31 December 2009 was approximately HK\$129 million and the losses (both before and after taxation and extraordinary items) of the Richful Zone Group were approximately HK\$3 million and HK\$3 million for the year ended 31 December 2009 and year ended 31 December 2008 respectively.

Upon Completion, the Group is expected to incur an impairment on disposal of investment held for sale in an amount of approximately HK\$50 million, subject to the audit of the financial statements of the Group for the year ended 31 March 2010. The impairment represents the difference between the Consideration and the nets assets value of the Richful Zone Group of approximately HK\$129 million as at 31 December 2009.

REASONS FOR THE DISPOSAL

Since the acquisition by the Group in 2009, the Richful Zone Group has been generated no income. In view of the national policy to scale down the domestic harvesting and domestic timber supply, the Directors are of opinion that it is unlikely for the Richful Zone Group to have a positive contribution to the Group in short and medium term and the Group should take this opportunity to dispose of its interest in PRC forestry market.

Furthermore, upon Completion, the Group will receive 330,000,000 Consideration Shares representing approximately 14.24% of the issued share capital of Forefront as enlarged by the issue of the Consideration Shares. The Group intends to hold the Consideration Shares as an investment for trading. Therefore, the Disposal will enhance the liquidity and financial flexibility of the Group by switching the Forest Land held into liquid securities.

Forefront, a company incorporated in the Cayman Islands with its shares are listed on the Stock Exchange (Stock Code: 885), is an investment holding company. Through its subsidiaries and associated companies, Forefront is principally engaged in the business of selling and distribution of Nissan motor vehicles, operating of the Nissan 4S shops, provision of heavy motor vehicle repair and maintenance services in the PRC, provision of logistic services in Hong Kong and the PRC, manufacturing of carbon fiber in the PRC, properties investments, securities trading and money lending business.

As reflected in its latest unaudited interim consolidated accounts of Forefront as at 30 June 2009, the gearing ratio of Forefront together with its subsidiaries as computed on the basis of net borrowings to total equity was zero and the net assets value was approximately HK\$502 million. On the basis of 1,689,943,609 issued shares of Forefront as at 30 June 2009, the net assets per Forefront share was approximately HK\$0.30. Based on the closing price of Forefront Shares on 8 April 2010 of HK\$0.244, being the last trading day of Forefront Shares before the date of this announcement, Forefront Shares are trading at a discount of approximately 18.67% as compared to its net assets per share as at 30 June 2009. The Directors are of the view that there is a potential price appreciation in Consideration Shares in medium to long term and opportunities for the Group to capture and realise such gains.

In view of the above reasons, the Directors (including the independent non-executive Directors) consider the terms of the Disposal to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

The Company is an investment holding company listed on the Stock Exchange with its subsidiaries principally engaged in the (i) the trading of investments; (ii) loan financing; (iii) manufacturing and sale of accessories for photographic, electrical and multimedia products and (iv) property investment.

The Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirement under the Listing Rules.

DEFINITIONS

In this announcement, the following terms shall have the meanings set opposite them unless the context requires otherwise:

“Agreement” the conditional agreement dated 9 April 2010 entered into between the Company and the Purchaser in relation to the sale and purchase of the entire issued share capital of Richful Zone;

“Allied Loyal”	Allied Loyal International Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of Richful Zone;
“Business Day”	a day (other than Saturday or Sunday) on which banks are open for business in Hong Kong;
“CCSL”	China Capital Strategy Limited, a company incorporated in Hong Kong with limited liability;
“Company”	Mascotte Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange;
“Completion”	completion of the Disposal under the Agreement;
“Concession Contract”	the concession contract (特許協議轉讓合同) dated 18 June 2007 entered into among CCSL, Amerinvest International Forestry Group Limited and Allied Loyal, pursuant to which Allied Loyal acquired 50% of the Concession Rights and Interests in respect of the Forest Land from Amerinvest International Forestry Group Limited;
“Concession Rights and Interests”	the economic gains including future capital gains and future cash flow profit accrued under the Forestry Contracts in respect of the Forest Land;
“Connected Persons”	the meaning ascribed to it under the Listing Rules;
“Consideration”	HK\$79,200,000 being the consideration for the disposal of the Sale Shares;
“Consideration Share(s)”	330,000,000 new ordinary share(s) of HK\$0.10 each to be issued by Forefront to the Company or as it may direct on Completion;
“Director(s)”	the director(s) of the Company;
“Disposal”	the disposal by the Company of the Sale Shares to the Purchaser under the Agreement;
“Forefront”	Forefront Group Limited, a company incorporated in the Cayman Islands, whose shares are listed on the Stock Exchange (stock Code: 885);
“Forefront Share(s)”	existing ordinary share(s) of HK\$0.10 each in the issued share capital of Forefront;

“Forest Land”	three parcels of forest land located in (i) Forest No.92, Nan Xian He Ying Pan Mountain, Liu Shun Village, Simao District, Puer City, Yunnan Province (雲南省普洱市思茅區六順鄉南線河營盤山) with a site area of approximately 10,182 Chinese Mu; (ii) Forest No.104, Gan Niu Zhai Mountain, Yi Xiang Town, Simao District, Puer City, Yunnan Province (雲南省普洱市思茅區倚象鎮趕牛寨大山) with a site area of approximately 16,344 Chinese Mu; and (iii) Forest No.104, Gan Niu Zhai Mountain, Yi Xiang Town, Simao District, Puer City, Yunnan Province (雲南省普洱市思茅區倚象鎮趕牛寨大山) with a site area of approximately 10,209 Chinese Mu;
“Forestry Contracts”	the contracts entered into between the People’s Government and CCSL in respect of the granting of the forest land use right (林地使用權) and forest tree ownership right (林木所有權) of the Forest Land by the People’s Government to CCSL;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Third Party”	a person who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is a third party independent of the Company and Connected Persons of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“People’s Government”	the People’s Government of Simao District, Puer City, Yunnan Province (雲南省普洱市思茅區人民政府), formerly known as the People’s Government of Cuiyun District, Simao City, Yunnan Province (雲南省思茅市翠雲區人民政府);
“PRC”	the People’s Republic of China;
“Purchaser”	Regent Square Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Forefront;
“Richful Zone”	Richful Zone International Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. It is also the sole legal and beneficial owner of Allied Loyal;
“Richful Zone Group”	Richful Zone and Allied Loyal;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale Shares”	17,478,973 ordinary shares of US\$1.00 each in Richful Zone, representing the entire issued share capital of Richful Zone;

“Shareholders”	The shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	Per cent.

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

Hong Kong, 9 April 2010

As at the date of this announcement, the executive Directors of the Company are Mr. Peter Temple Whitelam (Chairman), Mr. Lo Yuen Wa Peter (Acting Chief Executive Officer), Mr. Lam Suk Ping, Ms. Song Jiajia and Mr. Eddie Woo; and the independent non-executive Directors of the Company are Mr. Chan Sze Hung, Mr. Frank H. Miu, Ms. Hui Wai Man, Shirley, and Dr. Agustin V. Que.