



PLAYMATES HOLDINGS LIMITED

彩星集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 0635)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Level 3, The Harbour Room, The Ritz-Carlton Hong Kong, 3 Connaught Road Central, Hong Kong on Thursday, 28 April, 2005 at 9:00 a.m. for the following purposes:–

1. To receive and consider the accounts and the reports of the directors and auditors for the year ended 31 December, 2004;
2. To declare a final dividend;
3. To re-elect the retiring directors;
4. To fix the ordinary remuneration of the directors;
5. To appoint auditors and to authorise the board of directors to fix their remuneration; and
6. As special business to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:–

ORDINARY RESOLUTIONS

A. **“THAT** the maximum number of directors of the Company for the time being be fixed at twenty and that the directors of the Company be authorised to fill any vacancies on the board and to appoint additional directors up to such maximum number in addition to those in office at the close of this meeting.”

B. **“THAT**, conditional on the Listing Committee of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) granting listing of, and permission to deal in, the warrants (in this and the following Resolutions, the **“Bonus Warrants”**) and any shares in the capital of the Company (in this and the following Resolutions **“Shares”**) to be issued upon any exercise of the subscription rights attaching to the Bonus Warrants, the directors of the Company be and are hereby authorised:–

(a) to create Bonus Warrants, which shall be in registered form, to subscribe, at the initial Exercise Price of \$2.03 per Share, subject to adjustments and the terms and conditions set out in the warrant instrument (in this Resolution, the **“Bonus Warrant Instrument”**, a copy of a draft of which has been produced to the Meeting and signed for the purpose of identification by the Chairman) and such Bonus Warrants could be exercised during the period from 24 May, 2005 to 23 May, 2006 (both days inclusive) and to issue the same by way of bonus to and among the persons who were registered as shareholders of the Company on 28 April, 2005 in the proportion of one Bonus Warrant carrying the right to subscribe at \$2.03 for a Share in the capital of the Company for every 5 Shares held, and those holders of warrants of the Company expiring 23 May, 2005 (**“Warrants 2005”**) who lodge the exercise documents with the branch share registrars of the Company in Hong Kong by 4:00 p.m. on 28 April, 2005 in the proportion of one Bonus Warrant carrying the right to subscribe at \$2.03 for a Share in the capital of the Company for every 5 Shares to be issued and allotted pursuant to such exercise of the subscription right attaching to the Warrants 2005, provided that:–

(i) in the case of persons having registered addresses not in Hong Kong, the relevant Bonus Warrants shall not be issued to such persons but shall be aggregated and sold in the market and the proceeds of sale, after deduction of expenses, distributed pro rata to such persons unless such amount falling to be distributed to any such person is less than \$100 in which case such amount will be retained for the benefit of the Company; and

(ii) no fractional entitlements to Bonus Warrants shall be issued aforesaid, but the fractional entitlements shall be aggregated and sold for the benefit of the Company. The net proceeds of the sale will be retained for the benefit of the Company. The directors of the Company shall do all such acts and things as they consider necessary or expedient to give effect to the foregoing arrangements;

- (b) as a specific mandate to the directors of the Company, to allot and issue shares in the capital of the Company arising from the exercise of subscription rights under such Bonus Warrants or any of them;
- (c) to affix common seal of the Company to and to sign the Bonus Warrant Instrument in accordance with the bye-laws of the Company; and
- (d) to do all such acts and things as the directors of the Company consider necessary or expedient to give effect to the transactions contemplated by the Bonus Warrant Instrument.”

C. **“THAT:–**

- (a) the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares of \$0.10 each in the capital of the Company, subject to paragraph (b) below, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be repurchased by the Company on the Stock Exchange or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) above shall not exceed 10% of the entire issued share capital of the Company on the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution:–

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda or the Company’s bye-laws to be held; or
- (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

D. **“THAT:–**

the granting of an unconditional general mandate to the directors of the Company to issue, allot and deal with unissued shares in the capital of the Company, and to make or grant offers, agreements and options or other rights, and issue warrants and other securities, which would or might require the exercise of such power, subject to the following conditions, be and is hereby generally and unconditionally approved:

- (a) such mandate shall not extend beyond the Relevant Period (as defined below) save that the directors of the Company may during the Relevant Period make or grant offers, agreements and options or other rights, and issue warrants and other securities, which would or might require the exercise of such powers after the expiry of the Relevant Period;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted or issued or dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the mandate granted under this Resolution otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) any share option plan or similar arrangement of the Company from time to time adopted for the grant or issue to eligible participants under such plan and arrangement of the Company and/or any of its subsidiaries of shares or rights to subscribe or otherwise acquire shares of the Company; (iii) the exercise of the subscription rights attaching to the Bonus Warrants; (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company; (v) any adjustment, after the date of grant or issue of any options, warrants or other securities referred to above, in the price at which shares shall be subscribed, and/or the number of shares which shall be subscribed, on exercise of relevant rights under such options, rights to subscribe, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, warrants or other securities; or (vi) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20% of the issued share capital of the Company as at the date of passing this Resolution, and the said approval under this Resolution shall be limited accordingly;

(c) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda or the Company’s bye-laws to be held; or
- (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company made to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company 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 recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

E. “**THAT**, conditional upon the passing of Resolution No. 6C set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot shares pursuant to Resolution No. 6D set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate number of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate, of an aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 6C set out in the notice convening this meeting, provided that such number shall not exceed 10% of the issued share capital of the Company as at the date of passing this Resolution.”

By order of the board
Tracy Fong Yuk Yu
Company Secretary

Hong Kong, 16 March, 2005

Notes:

- (1) Every member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be delivered to the Company’s branch share registrars, Abacus Share Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
- (3) The register of members of the Company will be closed from 22 April, 2005 to 28 April, 2005, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to be qualified for the final dividend and Bonus Warrants, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrars, Abacus Share Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Thursday, 21 April, 2005.

As at the date hereof, the board of directors of the Company comprises the following directors:

Executive Directors: Mr. Thomas Chan Chun Hoo (Chairman), Mr. Sidney To Shu Sing

Independent Non-executive Directors: Mr. Allen Lee Peng Fei, Mr. Anthony Lo Kai Yiu, Mr. David Yu Hon To

Non-executive Directors: Mr. Tsim Tak Lung (Deputy Chairman), Mr. Charles Ip Shu Wing

* *For identification purpose only*