
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Playmates Holdings Limited, you should at once hand this Circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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PLAYMATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 635)

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

Resolutions will be proposed at the Annual General Meeting to be held at Fandango Spanish Restaurant, 9th Floor, The Toy House, 100 Canton Road, Tsimshatsui, Kowloon, Hong Kong, on Friday, 18 May 2012 at 10:00 a.m. to approve the matters referred to in this Circular. The notice convening the Annual General Meeting is set out in Appendix III to this Circular. If you are unable to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting.

16 April 2012

CONTENTS

	<i>Pages</i>
Definitions	1
Letter from the Board	3
Appendix I – Repurchase Mandate Explanatory Statement	7
Appendix II – Details of the Directors to be Re-elected	11
Appendix III – Notice of Annual General Meeting	14

DEFINITIONS

In this Circular, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at Fandango Spanish Restaurant, 9th Floor, The Toy House, 100 Canton Road, Tsimshatsui, Kowloon, Hong Kong, on Friday, 18 May 2012 at 10:00 a.m.
“AGM Notice”	the notice dated 16 April 2012 convening the Annual General Meeting as set out in Appendix III to this Circular
“Board”	the board of directors of the Company
“Bye-laws”	Bye-laws of the Company
“Company”	Playmates Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	The general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the grant of such mandate
“Latest Practicable Date”	10 April 2012, being the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information for inclusion in this Circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Repurchase Mandate”	the general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the grant of such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Shareholder(s)”	holder(s) of the Shares
“Shares”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases

LETTER FROM THE BOARD



PLAYMATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 635)

Mr. CHAN Chun Hoo, Thomas (*Chairman*)
Mr. CHENG Bing Kin, Alain (*Executive Director*)
Mr. IP Shu Wing, Charles (*Independent Non-executive Director*)
Mr. LEE Peng Fei, Allen (*Independent Non-executive Director*)
Mr. LO Kai Yiu, Anthony (*Independent Non-executive Director*)
Mr. TO Shu Sing, Sidney (*Executive Director*)
Mr. TSIM Tak Lung (*Deputy Chairman and Non-executive Director*)
Mr. YU Hon To, David (*Independent Non-executive Director*)

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal office:
23rd Floor,
The Toy House,
100 Canton Road,
Tsimshatsui,
Hong Kong

16 April 2012

To Shareholders

Dear Sir or Madam,

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

INTRODUCTION

At the annual general meeting of the Company held on 27 May 2011 resolutions were passed giving general mandates to the Directors to issue and allot Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the rules regulating the repurchase by companies having a primary listing on Stock Exchange of their own shares as contained in the Listing Rules. These mandates will lapse at the conclusion of the forthcoming Annual General Meeting of the Company which is to be held on 18 May 2012 unless renewed at that meeting. It is therefore proposed that the general mandates to issue and allot Shares and to repurchase Shares will be renewed at the Annual General Meeting.

The purpose of this Circular is to provide you with the relevant information regarding the Issue Mandate, Repurchase Mandate and the re-election of Directors; and to seek your approval of the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be put forward at the Annual General Meeting to give a Repurchase Mandate to the Directors to repurchase the Shares at any time until either the conclusion of the next annual general meeting of the Company following the passing of the resolution (unless the mandate is renewed at such meeting) or the expiration of the period within which the next annual general meeting of the Company is required by Bermuda law or the Bye-laws to be held or until the mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is earlier. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the entire issued share capital of the Company at the date of the passing of the resolution approving the Repurchase Mandate.

An explanatory statement as required under the Listing Rules to provide the requisite information is set out in Appendix I hereto.

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given an Issue Mandate to issue new Shares representing up to 20% of the entire issued share capital of the Company as at the date the resolution is passed. In addition, an ordinary resolution will also be proposed at the Annual General Meeting to authorise an extension of such general mandate to the Directors to issue new Shares during the period up to the next annual general meeting of the Company or such earlier period as stated in the relevant resolution by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate such number of Shares that will be repurchased under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the entire issued share capital of the Company comprised 246,690,000 Shares.

Subject to the passing of the ordinary resolution to approve the Issue Mandate and on the basis that no further Shares are issued prior to the Annual General Meeting, the Company would be allowed under the Issue Mandate to issue a maximum of 49,338,000 Shares.

The Directors consider that the Issue Mandate will enhance the flexibility for the Company to raise equity financing in future to the extent permitted under the Listing Rules and the Issue Mandate. The Directors confirm that there is no Share issued by the Company under the Issue Mandate granted in the last annual general meeting on 27 May 2011.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 87(1), at each annual general meeting at least one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement according to the rules of the Designated Stock Exchange. At the forthcoming Annual General Meeting, Mr. Ip Shu Wing, Charles, Mr. Lee Peng Fei, Allen and Mr. Lo Kai Yiu, Anthony are subject to retirement by rotation under Bye-law 87(1), will retire at the Annual General Meeting but all of them will be offering themselves for re-election at the same meeting. The biographical details of Mr. Ip Shu Wing, Charles, Mr. Lee Peng Fei, Allen and Mr. Lo Kai Yiu, Anthony are set out in Appendix II to this Circular.

ANNUAL GENERAL MEETING

The AGM Notice is set out in Appendix III to this Circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate to the number of Shares which are repurchased pursuant to the Repurchase Mandate and the re-election of Directors. No Shareholder or its associate(s) is considered as having material interests different from other Shareholders in any of the resolutions proposed to be passed at the Annual General Meeting and therefore all Shareholders will be entitled to vote on all resolutions at the Annual General Meeting.

A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you are able to attend this meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrars, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

VOTING BY POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, each of the resolutions set out in the AGM Notice will be taken by way of poll.

LETTER FROM THE BOARD

RECOMMENDATION

The Board believe that the granting of the Repurchase Mandate and the Issue Mandate, as well as the re-election of Directors as set out in the AGM Notice are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
CHAN Chun Hoo, Thomas
Chairman

APPENDIX I REPURCHASE MANDATE EXPLANATORY STATEMENT

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate and should be read in conjunction with the letter from the Board hereinbefore appearing.

1. SHARE CAPITAL

As at the Latest Practicable Date, the entire issued share capital of the Company comprised 246,690,000 Shares.

Subject to the passing of the ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 24,669,000 Shares.

2. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available for the purpose in accordance with the Bye-laws and the laws of the jurisdiction in which the Company is incorporated.

The Companies Act 1981 of Bermuda provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company.

3. FINANCIAL EFFECT OF REPURCHASES

In the event that the share repurchase proposed to be authorised were to be carried out in full at any time during the proposed repurchase period, there might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's audited accounts for the year ended 31 December 2011). However, the Directors have no current intention to exercise the Repurchase Mandate to an extent that might result in, having regard to the relevant circumstances, a material adverse impact on the working capital or gearing position of the Company.

APPENDIX I REPURCHASE MANDATE EXPLANATORY STATEMENT

4. SHARE PRICES

The highest and lowest prices at which Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2011	2.950	2.770
May 2011	3.000	2.820
June 2011	2.930	2.680
July 2011	2.930	2.800
August 2011	2.840	2.100
September 2011	2.700	2.100
October 2011	2.400	1.980
November 2011	2.400	2.200
December 2011	2.780	2.220
January 2012	2.870	2.610
February 2012	3.050	2.770
March 2012	3.050	2.860

5. EFFECT OF TAKEOVERS CODE

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the ordinary resolution to be proposed at the Annual General Meeting in accordance with the Listing Rules, the Bye-laws and the applicable laws of Bermuda.

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 Takeovers Code.

As a result, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The following table sets out the interests of substantial Shareholders which fall to be disclosed to the Company under Part XV of the SFO as at the Latest Practicable Date.

Name	Total no. of Shares held	% of Shares
Chan Chun Hoo, Thomas	113,500,000 (<i>Note a</i>)	46.01%
TGC Assets Limited	91,500,000 (<i>Note b</i>)	37.09%

APPENDIX I REPURCHASE MANDATE EXPLANATORY STATEMENT

Note:

- (a) These interests include 91,500,000 Shares held by TGC Assets Limited and 10,000,000 Shares held by Mr. Chan's wife.
- (b) All the issued share capital of TGC Assets Limited is beneficially owned by Mr. Chan Chun Hoo, Thomas.

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then the shareholding of Mr. Chan Chun Hoo, Thomas and TGC Assets Limited would be increased to approximately 51.12% and 41.21% respectively. In the opinion of the Directors, such increase may give rise to a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. However, the Directors have no current intention to exercise the Repurchase Mandate to an extent as would result in takeover obligations.

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, their associates, has any present intention to sell any Shares to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

None of the connected persons (as defined in the Listing Rules) has notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

APPENDIX I REPURCHASE MANDATE EXPLANATORY STATEMENT

6. SHARE REPURCHASES MADE BY THE COMPANY

During the previous six months prior to the Latest Practicable Date, 1,300,000 Shares were repurchased by the Company on the Stock Exchange at prices ranging from HK\$2.32 to HK\$3.00 each as follows:

Date	Number of Shares Repurchased	Price per Share	
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
12 December 2011	100,000	2.37	2.32
13 December 2011	20,000	2.38	2.35
14 December 2011	40,000	2.38	2.36
15 December 2011	64,000	2.38	2.36
16 December 2011	122,000	2.38	2.38
28 December 2011	24,000	2.49	2.45
10 January 2012	106,000	2.70	2.68
11 January 2012	56,000	2.66	2.66
13 January 2012	78,000	2.80	2.80
26 March 2012	150,000	3.00	2.94
27 March 2012	82,000	3.00	2.98
28 March 2012	90,000	3.00	3.00
29 March 2012	230,000	3.00	2.97
30 March 2012	138,000	3.00	2.98
	<u>1,300,000</u>		

Save the Shares repurchased in March 2012, the above Shares were cancelled and redeemed upon repurchase and accordingly the issued share capital of the Company diminished by the nominal value of those shares. The premium paid on repurchase was charged against the share premium account. An amount equivalent to the nominal value of the Shares cancelled was transferred from retained profits to capital redemption reserve. The Shares repurchased in March 2012 will be cancelled and redeemed as soon as practicable.

7. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole for the Directors to have the power to repurchase Shares pursuant to the Repurchase Mandate. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the earnings per Share and will only be made when the Directors believe that such a share repurchase will benefit the Company and its Shareholders as a whole.

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Pursuant to the Listing Rules, the details of the Directors who will retire at the forthcoming Annual General Meeting and offer themselves for re-election are provided below:

IP Shu Wing, Charles

Independent Non-executive Director

Mr. Ip, age 61, was appointed a director of the Company in 1999. He has 38 years of experience in business management and has held a number of key management positions in various multi-national corporations. He has been re-designated from a Non-executive Director to an Independent Non-executive Director of the Company with effect from 25 March 2011.

Mr. Ip does not hold any position with the Company and other members of the Group. Apart from the Company, Mr. Ip has not held any directorship in any other listed companies in the last three years. He does not have any personal relationship with any directors, senior management or any substantial or controlling shareholder of the Company. He has met the independence guidelines as set out in Rule 3.13 of the Listing Rules.

Mr. Ip has entered into a service contract with the Company for a term of three years commencing from 1 July 2011, subject to his re-appointment by the Company at general meeting upon retirement by rotation pursuant to the Bye-laws. Pursuant to the terms of the service contract, he will be entitled to a fixed sum of HK\$120,000 for each financial year of the Company as ordinary remuneration in respect of his capacity as a member of the Board. In addition, the Company shall reimburse him an attendance expense of HK\$5,000 per meeting (or such other fixed fee as the Compensation Committee may recommend from time to time) for attending meetings of the Company.

As at the Latest Practicable Date, Mr. Ip was deemed to be interested, within the meaning of Part XV of the SFO, in 294,480 shares and 137,600 share options of the Company and 2,368,960 shares and 118,040 warrants of Playmates Toys Limited.

There is no other information relating to Mr. Ip that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, and there are no other matters that need to be brought to the attention of holders of securities of the Company.

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

LEE Peng Fei, Allen

Independent Non-executive Director

Dr. Lee, age 71, was appointed a director of the Company in 1993. He holds an honorary doctoral degree in engineering from the Hong Kong Polytechnic University and an honorary doctoral degree in laws from the Chinese University of Hong Kong. He was formerly a member of the Hong Kong Legislative Council from 1978 to 1997 and a senior member of the Hong Kong Legislative Council from 1988 to 1991. Dr. Lee was also a member of the Hong Kong Executive Council from 1985 to 1992. He was a deputy of HKSAR, the 9th and 10th National People's Congress, PRC. He has taken on an active role in public service.

Dr. Lee serves as an independent non-executive director of a number of public companies including AMS Public Transport Holdings Limited, Giordano International Limited, ITE (Holdings) Limited, VXL Capital Limited and Wang On Group Limited, shares of which are listed on the Stock Exchange of Hong Kong. He was also an independent non-executive director of Sam Woo Holdings Limited, a public company listed on the Main Board of the Stock Exchange, until his resignation on 29 April 2011.

Dr. Lee does not hold any position with the Company and other members of the Group. He does not have any personal relationship with any directors, senior management or any substantial or controlling shareholder of the Company. He has also met the independence guidelines as set out in Rule 3.13 of the Listing Rules. The Board considers Dr. Lee independent.

Dr. Lee has entered into a service contract with the Company for a term of three years commencing from 1 July 2011, subject to his re-appointment by the Company at general meeting upon retirement by rotation pursuant to the Bye-laws. Pursuant to the terms of the service contract, he will be entitled to a fixed sum of HK\$120,000 for each financial year of the Company as ordinary remuneration in respect of his capacity as a member of the Board. He will be entitled to a fixed fee of HK\$75,000, HK\$80,000 and HK\$40,000 respectively for each financial year (or such other fixed fee as the Compensation Committee may recommend from time to time) as remuneration of being the chairman of the Compensation Committee, a member of the Audit Committee and a member of the Nomination Committee. In addition, the Company shall reimburse him an attendance expense of HK\$5,000 per meeting (or such other fixed fee as the Compensation Committee may recommend from time to time) for attending meetings of the Company.

As at the Latest Practicable Date, Dr. Lee was deemed to be interested, within the meaning of Part XV of the SFO, in 72,000 shares and 175,000 share options of the Company and 244,000 shares and 31,720 warrants of Playmates Toys Limited.

There is no other information relating to Dr. Lee that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, and there are no other matters that need to be brought to the attention of holders of securities of the Company.

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

LO Kai Yiu, Anthony

Independent Non-executive Director

Mr. Lo, age 63, was appointed a director of the Company in 1993. He is qualified as a chartered accountant by the Canadian Institute of Chartered Accountants and is a member of the Hong Kong Institute of Certified Public Accountants. In addition to over 12 years of professional accounting experience, he has over 32 years of experience in investment banking and other financial services.

He serves as a director of a number of public and private companies including Convenience Retail Asia Ltd., IDT International Limited, Tristate Holdings Limited, Lam Soon (Hong Kong) Limited, Mecox Lane Limited, Bosera Asset Management (International) Company Limited and The Taiwan Fund Inc. His chairmanship and Co-CEO position in Shanghai Century Acquisition Corporation, a company whose shares were previously listed on the American Stock Exchange, had ceased on 23 March 2009 upon completion of the voluntary liquidation of the said company.

Mr. Lo does not hold any position with the Company and other members of the Group. He does not have any personal relationship with any directors, senior management or any substantial or controlling shareholder of the Company. He has also met the independence guidelines as set out in Rule 3.13 of the Listing Rules. The Board considers Mr. Lo independent.

Mr. Lo has entered into a service contract with the Company for a term of three years commencing from 1 July 2011, subject to his re-appointment by the Company at general meeting upon retirement by rotation pursuant to the Bye-laws. Pursuant to the terms of the service contract, he will be entitled to a fixed sum of HK\$120,000 for each financial year of the Company as ordinary remuneration in respect of his capacity as a member of the Board. He will be entitled to a fixed fee of HK\$105,000, HK\$50,000 and HK\$40,000 respectively for each financial year (or such other fixed fee as the Compensation Committee may recommend from time to time) as remuneration of being the chairman of the Audit Committee, a member of the Compensation Committee and a member of the Nomination Committee. In addition, the Company shall reimburse him an attendance expense of HK\$5,000 per meeting (or such other fixed fee as the Compensation Committee may recommend from time to time) for attending meetings of the Company.

As at the Latest Practicable Date, Mr. Lo was deemed to be interested, within the meaning of Part XV of the SFO, in 344,160 shares and 200,000 share options of the Company and 688,320 shares and 89,440 warrants of Playmates Toys Limited.

There is no other information relating to Mr. Lo that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, and there are no other matters that need to be brought to the attention of holders of securities of the Company.

**PLAYMATES HOLDINGS LIMITED***(Incorporated in Bermuda with limited liability)***(Stock Code: 635)**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Fandango Spanish Restaurant, 9/F., The Toy House, 100 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 18 May 2012 at 10:00 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 2011;
2. To re-elect the retiring directors, including:
 - (i) Mr. Ip Shu Wing, Charles;
 - (ii) Mr. Lee Peng Fei, Allen;
 - (iii) Mr. Lo Kai Yiu, Anthony;
3. To appoint auditors; and
4. As special business to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS**A. "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 HK\$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 of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited 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.”

B. “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 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).”

- C. “**THAT**, conditional upon the passing of Resolution No. 4A 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. 4B 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. 4A 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
Ng Ka Yan
Company Secretary

Hong Kong, 16 April 2012

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, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting.