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PLAYMATES HOLDINGS LIMITED

彩星集團有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code : 0635)

Announcement

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that, further to the Company's submission to the Stock Exchange pursuant to Practice Note 15 of the Listing Rules, the Stock Exchange has granted its approval to the Company to proceed with the Proposed Spin-Off of Playmates Toys Limited and its subsidiaries.

The Board further wishes to announce that on 20 July 2007, Playmates Toys Limited submitted an advance booking form for an application for the listing of, and permission to deal in, the shares of Playmates Toys Limited on the Main Board of the Stock Exchange.

Shareholders of the Company and public investors should note that there is no assurance that the approval of the Listing Committee for the proposed listing of, and permission to deal in, the shares of Playmates Toys Limited will be granted.

As the listing of the shares of Playmates Toys Limited pursuant to the Proposed Spin-Off is subject to, amongst other things, the approval of the Listing Committee, the final decision of the Board and the board of directors of Playmates Toys Limited, the Proposed Spin-Off may or may not proceed, and shareholders of the Company and public investors are advised to exercise caution when dealing in the securities of the Company.

Further announcements will be made to update shareholders of the Company and public investors as and when appropriate.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 27 April 2007, Playmates Holdings Limited (the “**Company**”) announced that the Company had submitted a proposal to the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to Practice Note 15 of the Listing Rules (the “**PN15 Submission**”) for the possible spin-off and separate listing of its toy business on the Main Board of the Stock Exchange (the “**Proposed Spin-Off**”). The Proposed Spin-Off will involve, amongst other things, the consolidation of the Company’s toy business under Playmates Toys Limited, currently an indirect wholly-owned subsidiary of the Company, and the spin-off and separate listing of Playmates Toys Limited and its subsidiaries.

The board of directors (the “**Board**”) of the Company is pleased to announce that, further to the PN15 Submission, the Stock Exchange has granted its approval to the Company to proceed with the Proposed Spin-Off.

The Board further wishes to announce that on 20 July 2007, Playmates Toys Limited submitted an advance booking form for an application for the listing of, and permission to deal in, the shares of Playmates Toys Limited on the Main Board of the Stock Exchange.

Playmates Toys Limited, together with its subsidiaries, are engaged in the design, development, marketing and distribution of promotional toys.

The Company and its subsidiaries, excluding Playmates Toys Limited and its subsidiaries, focus on property investment, property management, securities and other investments which do not compete with the toy business of Playmates Toys Limited and its subsidiaries.

Shareholders of the Company and public investors should note that there is no assurance that the approval of the Listing Committee for the proposed listing of, and permission to deal in, the shares of Playmates Toys Limited will be granted.

As the listing of the shares of Playmates Toys Limited pursuant to the Proposed Spin-Off is subject to, amongst other things, the approval of the Listing Committee, the final decision of the Board and the board of directors of Playmates Toys Limited, the Proposed Spin-Off may or may not proceed, and shareholders of the Company and public investors are advised to exercise caution when dealing in the securities of the Company.

Further announcements will be made to update shareholders of the Company and public investors as and when appropriate.

On behalf of the Board
Chan Chun Hoo, Thomas
Chairman

Hong Kong, 23 July 2007

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

Executive Directors:

Mr. Chan Chun Hoo, Thomas (*Chairman*), Mr. Cheng Bing Kin, Alain, Mr. To Shu Sing, Sidney

Non-executive Directors:

Mr. Tsim Tak Lung (*Deputy Chairman*), Mr. Chow Yu Chun, Alexander (*Independent*), Mr. Ip Shu Wing, Charles, Mr. Lee Peng Fei, Allen (*Independent*), Mr. Lo Kai Yiu, Anthony (*Independent*), Mr. Yu Hon To, David (*Independent*)

* *For identification purpose only*

Please also refer to the published version of this announcement in South China Morning Post.