



PLAYMATES HOLDINGS LIMITED

彩星集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 635)

Form of proxy for use at the Special General Meeting or any adjournment thereof

I/We¹ _____
of _____
being holder(s) of _____² shares of HK\$0.10 each in the capital of PLAYMATES HOLDINGS LIMITED (“the Company”) HEREBY APPOINT the Chairman of the meeting³ or _____
of _____
as my/our proxy to act for me/us at the Special General Meeting (or at any adjournment thereof) of the Company, to be held at Island Ballroom A, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 25 January 2008 at 9:00 a.m. and in particular (but without limitation) at such meeting (or any adjournment thereof) to vote for me/us and in my/our name(s) in respect of the resolutions set out in the notice concerning the said meeting as indicated below, or, if no such indication is given, as my/our proxy thinks fit.

Ordinary Resolutions	For ⁴	Against ⁴
<p>A1. “THAT, conditional upon the passing of Special Resolution B1 below and the fulfilment of all conditions therein and 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 shares of HK\$0.01 each of Playmates Toys Limited (“Playmates Toys”) in issue (“Playmates Toys Shares”) as mentioned in the listing document of Playmates Toys dated 31 December 2007 (the “Listing Document”, a copy of which has been tabled at the meeting marked “A” and signed by the Chairman for the purpose of identification), Playmates Toys and its subsidiaries (“Playmates Toys Group”) be and are hereby spun-off from the Company’s group by the declaration of a special interim dividend for the year ending 31 December 2007 in a sum equal to the nominal value of not less than approximately 222,523,256 Playmates Toys Shares representing approximately 45% of the entire issued share capital of Playmates Toys, which will be transferred among the holders of shares in the capital of the Company on the register of members of the Company at 4:00 p.m. on 25 January 2008 on the condition that the same shall not be paid in cash but be satisfied by the distribution of the Playmates Toys Shares (the “Spin-Off by way of Distribution”) to such holders (or as they may direct) in proportion as near as may be to their then existing holdings of shares in the capital of the Company on the terms and conditions set out in the circular sent to the shareholders of the Company dated 31 December 2007 (the “Circular” of which the Notice of Special General Meeting forms a part and a copy of which has been tabled at the meeting marked “B” and signed by the Chairman for identification purpose) and the directors of the Company be and are hereby authorised to give effect to such spin-off, distribution and transfer provided that:–</p> <p>(a) in the case of persons having registered addresses not in Hong Kong (except for persons whose addresses, as shown on the register of members of the Company at the close of business on the Distribution Record Date, are in the United Kingdom, Malaysia, Singapore, Macau and the United States) the relevant Playmates Toys Shares 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 HK\$100 in which case such amount will be retained for the benefit of the Company; and</p> <p>(b) no fractional entitlements to the Playmates Toys Shares shall be issued as 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.</p> <p>AND the directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary or expedient at their absolute discretion to give effect to the transactions contemplated by and implement the Spin-Off by way of Distribution.”</p>		
<p>A2. “THAT conditional on the passing of ordinary resolution A1 above and the fulfilment of all conditions therein and subject to the conditions in the Circular for the approval of the Playmates Toys Option Scheme (hereafter defined) being fulfilled, the rules of the share option scheme of Playmates Toys (the “Playmates Toys Option Scheme”, a copy of which has been tabled at the meeting marked “C” and signed by the Chairman for purpose of identification) be and are hereby approved;</p> <p>AND the directors of Playmates Toys and the Company be and are hereby authorised to do all such acts and things as they consider necessary or expedient at their absolute discretion to give effect to the transactions contemplated by and implement the Playmates Toys Option Scheme.”</p>		

Special Resolutions	For ⁴	Against ⁴
<p>B1. “THAT subject to the conditions in the Circular for the Capital Reorganisation (hereafter defined) being fulfilled, with effect from 4:00 p.m. on the date on which this resolution is passed (the “Effective Date”):–</p> <p>(a) the nominal value of the issued share capital of the Company be reduced by cancelling paid up capital to the extent of HK\$0.09 on each of the shares of HK\$0.10 in the capital of the Company in issue on the Effective Date (the “Capital Reduction”) so that each issued share in the capital of the Company shall be treated as one fully-paid up share of HK\$0.01 in the capital of the Company (the “Reduced Share”);</p> <p>(b) subject to and forthwith upon the Capital Reduction taking effect, the credit arising from the Capital Reduction be credited to the contributed surplus account of the Company where they may be utilised in accordance with the bye-laws of the Company and all applicable laws at the discretion of the directors of the Company (the “Application of Credit”); and</p> <p>(c) forthwith upon the Capital Reduction taking effect, every ten (10) Reduced Shares be consolidated into one (1) share of HK\$0.10 (the “Consolidated PHL Share”) in the issued capital of the Company (the “Share Consolidation”);</p> <p>AND the directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary or expedient at their absolute discretion to give effect to the transactions contemplated by and implement the Capital Reduction and the Share Consolidation (collectively the “Capital Reorganisation”).</p>		
<p>B2. “THAT subject to the conditions set out in the Circular for the amendments to the Company’s Bye-Laws being fulfilled, the Bye-Laws of the Company be amended by amending or adding (as appropriate) the following Bye-Laws of the Company in the manner set out in appendix II of the Circular:–</p> <p>(i) Bye-Law 46; (ii) Bye-Law 57A; (iii) Bye-Law 66; (iv) Bye-Law 67; (v) Bye-Law 87(1); (vi) Bye-Law 96; (vii) Bye-Law 120(2); (viii) Bye-Law 153; (ix) Bye-Law 153A; (x) Bye-Law 153B; (xi) Bye-Law 154(2); (xii) Bye-Law 156; (xiii) Bye-Law 160; (xiv) Bye-Law 161; and (xv) Bye-Law 163</p> <p>AND the directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary or expedient at their absolute discretion to give effect to the transactions contemplated by and implement the Bye-Laws amendments and/or additions.”</p>		

Signature⁶ _____

Dated _____

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares registered in your name(s) to which the proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all those shares in the Company registered in your name(s).
3. If any proxy other than the Chairman of the meeting is preferred, strike out the words “the Chairman of the meeting” herein inserted and insert the name and address of the proxy desired in the space provided. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON(S) WHO SIGN(S) IT.**
4. **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK IN THE BOX MARKED “FOR” THE RELEVANT RESOLUTION. IF YOU WISH TO VOTE AGAINST A RESOLUTION, TICK IN THE BOX MARKED “AGAINST” THE RELEVANT RESOLUTION.** Failure to tick either box will entitle your proxy to cast your vote at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the meeting other than that referred to in the notice convening the meeting.
5. In order to be valid, this form of proxy, 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 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 the holding of the meeting or any adjourned meeting.
6. This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either under its common seal or under the hand of an officer or attorney or other person duly authorised.
7. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
8. The proxy need not be a member of the Company but must attend the meeting in person to represent you.
9. Completion and deposit of the form of proxy will not preclude you from attending and voting at the meeting if you so wish.

** for identification purpose only*