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If you have sold all your shares in Matrix Holdings Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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MATRIX

MATRIX HOLDINGS LIMITED

美力時集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1005)

PROPOSAL INVOLVING GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES REFRESHMENT OF THE SHARE OPTION SCHEME LIMIT AND RE-ELECTION OF RETIRING DIRECTORS

A notice convening the annual general meeting of Matrix Holdings Limited (the "Company") to be held at Sunshine Hotel, Imperial Banquet Room IV-V, 2/F., Imperial Wing, 1 Jiabin Road, Shenzhen, China on Thursday, 5th May, 2011, at 2:30 p.m. (the "AGM") is set out in the 2010 Annual Report of the Company sent together with this circular. A form of proxy for use at the AGM is enclosed with this circular.

Whether or not you propose to attend the AGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's Branch Share Registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or the adjourned meeting (as the case may be). Completion and return of a proxy form will not preclude shareholders from attending and voting at the general meeting if they so wish.

31st March, 2011

* For identification purpose only

CONTENT

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	4
Share Issue Mandate	5
Share Repurchase Mandate	5
Extension to the Share Issue Mandate	6
Refreshment of the Share Option Scheme Limit	6
Directors Proposed to be re-elected	8
Annual General Meeting	8
Action to be Taken	8
Voting at the Annual General Meeting	9
Recommendation	9
Responsibility Statement	9
Appendix I – Explanatory Statement to the Share Repurchase Mandate	10
Appendix II – Biographical Details of Directors proposed to be re-elected at the Annual General Meeting	13

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires.

“AGM”	the annual general meeting of the Company to be held at Sunshine Hotel, Imperial Banquet Room IV-V, 2/F., Imperial Wing, 1 Jiabin Road, Shenzhen, China on Thursday, 5th May, 2011 at 2:30 p.m.
“AGM Notice”	the notice convening the AGM, which is set out in the 2010 Annual Report sent together with this circular
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	Matrix Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Existing Issue Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 27th May, 2010 to allot, issue and deal with Shares not exceeding 20 per cent. of the aggregate number of Shares comprised in the share capital of the Company in issue as at 27th May, 2010
“Existing Repurchase Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 27th May, 2010 to repurchase Shares not exceeding 10 per cent. of the aggregate number of Shares comprised in the share capital of the Company in issue as at 27th May, 2010
“Group”	the Company and its subsidiaries
“HK\$” and “cents”	Hong Kong dollars and cents, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	28th March, 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ordinary Resolutions”	the ordinary resolutions to be proposed and passed at the AGM for the matters as set out in the AGM Notice
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 5B of the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571) of the laws of Hong Kong, as amended from time to time
“Share Option Scheme”	the share option scheme adopted by the Company on 17th December, 2002
“Share Option Scheme Limit”	the maximum number of Shares which may be issued upon the exercise of all share options granted or to be granted under the Share Option Scheme and any other share option scheme(s) as may from time to time be adopted by the Company as permitted under the Listing Rules, being 10% of the issued share capital of the Company as at the date of the approval of the refreshment of such limit
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Share(s)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate

DEFINITIONS

“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD

MATRIX
MATRIX HOLDINGS LIMITED
美力時集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1005)

Directors:

Executive Directors:

Cheng Yung Pun (*Chairman*)
Arnold Edward Rubin (*Vice-Chairman*)
Cheng Wing See, Nathalie
Cheung Kwok Sing
Leung Hong Tai
Tsang Chung Wa
Tse Kam Wah
Yu Sui Chuen

Independent Non-Executive Directors:

Loke Yu alias Loke Hoi Lam
Mak Shiu Chung, Godfrey
Wan Hing Pui

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

**Principal Place of Business
in Hong Kong:**

Suite Nos. 223-231, 2/F.
Tsim Sha Tsui Centre
66 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

31st March, 2011

To the Shareholders of the Company

Dear Sir or Madam,

**PROPOSAL INVOLVING
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
REFRESHMENT OF THE SHARE OPTION SCHEME LIMIT
AND
RE-ELECTION OF RETIRING DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with the information in respect of the Ordinary Resolutions to be proposed at the AGM for, amongst other things:–

- (i) granting to the Directors the Share Issue Mandate;

* *For identification purpose only*

LETTER FROM THE BOARD

- (ii) granting to the Directors the Share Repurchase Mandate;
- (iii) extending the Share Issue Mandate by adding to it the aggregate number of the issued Shares repurchased under the Share Repurchase Mandate;
- (iv) the refreshment of the share option scheme limit; and
- (v) the re-election of the retiring Directors.

SHARE ISSUE MANDATE

An ordinary resolution will be proposed at the AGM for the purpose of renewing the Existing Issue Mandate granted to Directors to allot, issue and otherwise deal with the Shares. The Existing Issue Mandate will expire at the conclusion of the AGM. The Share Issue Mandate is subject to a limit up to 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing the resolution.

As at the Latest Practicable Date, the issued share capital of the Company comprised 712,294,228 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 142,458,845 Shares.

SHARE REPURCHASE MANDATE

The Repurchase Resolution will be proposed for the purpose of renewing the Existing Repurchase Mandate granted to the Directors to repurchase Shares. The Existing Repurchase Mandate will expire at the conclusion of the AGM. The Share Repurchase Mandate is subject to a limit up to 10 per cent. of the issued share capital of the Company as at the date of passing the resolution. An explanatory statement to the Share Repurchase Mandate as required under the Listing Rule is set out in the Appendix I to this circular.

As at the Latest Practicable Date, the issued share capital of the Company comprised 712,294,228 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be issued pursuant to the Share Repurchase Mandate on the date of passing the resolution approving the Share Repurchase Mandate will be 71,229,422 Shares.

LETTER FROM THE BOARD

EXTENSION TO THE SHARE ISSUE MANDATE

Subject to the passing at the AGM of the proposed resolution regarding the Share Issue Mandate and the Repurchase Resolution, an ordinary resolution will be proposed at the AGM to authorise the Directors to issue new shares in an amount not exceeding the aggregate nominal amount of the Shares repurchased pursuant to the Share Repurchase Mandate.

Subject to the passing of the relevant ordinary resolutions at the AGM, the proposed Share Issue Mandate, Repurchase Share Mandate and extension to the Share Issue Mandate will continue in force for the period from the passing of such resolutions until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable law to be held; or (iii) the date on which such authority is revoked or varied by ordinary resolution of the Shareholders at a general meeting of the Company.

Shareholders are referred to the AGM Notice, set out in the 2010 Annual Report of the Company sent together with this circular, for details of all the resolutions to be proposed at the AGM. With reference to these resolutions, the Board wishes to state that it has no immediate plans to repurchase any Shares or to issue any new Shares, whether for cash or otherwise, pursuant to the relevant mandates.

REFRESHMENT OF THE SHARE OPTION SCHEME LIMIT

On 17th December, 2002, the Company adopted the Share Option Scheme in compliance with the Listing Rules in respect of the share option schemes of a listed company.

At the annual general meeting of the Company held on 29th May, 2008, Shareholders approved the refreshment of the Share Option Scheme limit so that the total number of Shares which may fall to be issued upon exercise of all share options to be granted under the Share Option Scheme be adopted by the Company shall not exceed 67,285,535 Shares, representing 10% of the issued share capital (672,855,350 Shares) of the Company at 29th May, 2008, being the date of approval of such refreshed limit. Since then, the Company has granted or offered to grant options carry rights to subscribe for a total of 45,200,000 Shares, out of which none of them has been lapsed, exercised or cancelled. At the Latest Practicable Date, the total number of Shares which might be issued upon exercise of all outstanding share options granted is 45,200,000 Shares, representing 6.35% of the existing issued share capital of the Company.

LETTER FROM THE BOARD

The purpose of the Share Option Scheme is to enable the Company to attract, retain and motivate eligible participants to strive for future developments and expansions of the Group. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. The Directors consider that it is in the interests of the Company and the shareholders as a whole for the Company to refresh the limit under the Share Option Scheme so as to enable the Company have more flexibility to provide incentives to those eligible participants of the Share Option Scheme by way of granting share options to them.

In accordance with the Listing Rules 17.03(3) note 1 and 2, the Group may seek approval by its shareholders in general meeting for 'refreshing' the 10% limit under the Scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the Group (or the subsidiary) under the limit as 'refreshed' must not exceed 10% of the relevant class of securities in issue as at the date of approval of the limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as 'refreshed'. However, the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the Group (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the Group (or the subsidiary) if this will result in the limit being exceeded.

If the refreshment of the Share Option Scheme mandate limit is approved at the AGM, based on 712,294,228 Shares in issue as at the Latest Practicable Date and assuming that further Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to grant further options under the Share Option Scheme for subscription of up to a total of 71,229,422 Shares, representing 10% of the issued share capital of the Company as at the date of the AGM.

The refreshment of the Limit under the Share Option Scheme is conditional upon:

- (a) the Shareholders passing an ordinary resolution to approve the refreshment of the Share Option Scheme at the AGM; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued upon the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the AGM.

LETTER FROM THE BOARD

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued upon the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the AGM.

DIRECTORS PROPOSED TO BE RE-ELECTED

In accordance with clause 99 of the Bye-laws of the Company, Mr. Cheng Yung Pun, Mr. Arnold Edward Rubin, Mr. Mak Shiu Chung, Godfrey and Mr. Wan Hing Pui will retire by rotation at the AGM. In accordance with clause 91 of the Bye-laws of the Company, Mr. Tsang Chung Wa will retire by rotation at the AGM. These five directors retiring, being eligible, offer themselves for re-election. The particulars of these five Directors which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The AGM Notice is set out in the 2010 Annual Report of the Company sent together with this circular.

The Register of Members of the Company will be closed from Thursday, 28th April, 2011 to Thursday, 5th May, 2011, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM of the Company, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on 27th April, 2011.

ACTION TO BE TAKEN

A proxy form for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkex.com.hk). Whether or not you intend to attend the AGM, you are requested to complete the proxy form and return it to the abovementioned Branch Share Registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding of the meeting or the adjourned meeting (as the case may be). Completion and return of a proxy form will not preclude shareholders from attending and voting at the general meeting if they so wish.

LETTER FROM THE BOARD

VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. A resolution put to the vote at the meeting shall be decided on a poll pursuant to the existing Bye-Law 69.

RECOMMENDATION

The Directors consider that proposals of the Share Issue Mandate, the Share Repurchase Mandate, the extension to the Share Issue Mandate, the refreshment of the Share Option Scheme Limit and Re-election of Retiring Directors are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend all the Shareholders should vote in favour of these resolutions as set out in the AGM Notice to be proposed at the AGM.

Smart Forest Limited, the controlling shareholder of the Company as defined in the Listing Rules, which holds 73.27% shareholding of the Company as at the Latest Practicable Date, has indicated that they intend to vote in favour of these resolutions in respect of their holding of Shares.

RESPONSIBILITY STATEMENT

This circular for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

As at the date of hereof, the Board comprises Mr. Cheng Yung Pun, Mr. Arnold Edward Rubin, Mr. Yu Sui Chuen, Ms. Cheng Wing See, Nathalie, Mr. Cheung Kwok Sing, Mr. Leung Hong Tai, Mr. Tsang Chung Wa and Mr. Tse Kam Wah as executive Directors and Dr. Loke Yu alias Loke Hoi Lam, Mr. Mak Shiu Chung, Godfrey and Mr. Wan Hing Pui as independent non-executive Directors.

By Order of the Board
Cheng Yung Pun
Chairman

This Appendix serves as an explanatory statement as required under the Listing Rules to provide you with the information necessary for your consideration of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 712,294,228 Shares.

Exercise in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the approval of the Share Repurchase Mandate, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 71,229,422 Shares representing not more than 10% of the issued share capital of the Company as at the date of the Resolution.

2. REASONS FOR REPURCHASE

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and its Shareholders. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or and/or its earnings per Share and will only be made when the Directors believe that such a purchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities which will be funds legally available in accordance with the provisions of the Bye-laws of the Company and the Bermuda laws for the purpose. It is envisaged that the funds required for any repurchase would be derived from those funds of the Company, legally permitted to be utilised in this connection, including capital paid up on the Shares to be repurchased, profits otherwise available for distribution and sums standing to either the share premium account or contributed surplus account of the Company.

On the basis of the consolidated financial position of the Company as at 31st December, 2010 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position or the gearing position of the Company in the event that purchase of all the Shares the subject of the Share Repurchase Mandate were to be carried out in full during the Share Repurchase Mandate period. No purchase would be made in circumstances that would have a material adverse impact on the working capital position or the gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements).

4. SHARE PRICES

The highest and lowest market prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date are as follows:–

	Shares	
	Highest	Lowest
	<i>(HK\$)</i>	<i>(HK\$)</i>
2010		
March	1.410	1.230
April	1.350	1.240
May	1.250	1.030
June	1.450	1.070
July	1.410	1.280
August	1.350	1.180
September	1.350	1.250
October	1.650	1.200
November	1.720	1.430
December	1.780	1.600
2011		
January	1.620	1.390
February	1.600	1.400
March (up to the latest practicable date)	1.650	1.380

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), have any present intention, if the Share Repurchase Mandate is approved, to sell any Shares to the Company or its subsidiaries.

No connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, if the Share Repurchase Mandate is approved by Shareholders.

6. TAKEOVER CODE

If as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Rule 32 of the Takeover Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeover Code) depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code as a result of such increase.

As at the Latest Practicable Date, according to the Register kept by the Company pursuant to Section 336 of the SFO, Smart Forest Limited controlled approximately 73.27% of the entire issued share capital of the Company. On the basis that the issued share capital of the Company remains unchanged up to the date of the AGM, if the Repurchase Mandate is exercised in full, the controlling interests of Smart Forest Limited in the Company will increase to approximately 81.41% of the issued capital of the Company. The Directors are not aware of any Shareholders or group of Shareholders acting in concert who will become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code as a result of repurchase of Shares. The Directors will also have no present intention to exercise the power to repurchase shares on the Stock Exchange pursuant to the repurchase Mandate to such an extent as to result in the number of Shares held by the public falling below 25%.

7. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

This Appendix set out the details of directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at AGM of the Company

Mr. Cheng Yung Pun, aged 59

Mr. Cheng was appointed Chairman of the Company in September 2000. He is responsible for the overall corporate policies, development strategies and monitoring the overall management of the Group. Mr. Cheng has in-depth knowledge and extensive experience in business operations in Greater China. Mr. Cheng has more than 30 years' extensive experience in plastic toys manufacturing, property development and investment. Mr. Cheng is also a director of Smart Forest Limited (his wholly owned company) which in turn owns share interests of the Company. He is the father of Ms. Cheng Wing See, Nathalie, executive Director of the Company. He holds approximately 73.27% interest in the issued share capital of the Company through Smart Forest Limited as at the latest practicable date. He has resigned as chairman and executive director of Wah Nam International Holdings Limited, a company listed on the Stock Exchange, on 16th February, 2009.

There is no service agreement entered into between the Company and of Mr. Cheng in respect of his appointment as the director and chairman of the Company. The appointment of Mr. Cheng has no fixed term, but his term of office is subject to retirement by rotation and re-election in accordance with the Company's Bye-Laws. Mr. Cheng would be entitled to emolument as determined by the Board (except determining his own remuneration) and/or the remuneration committee subject to the authorization granted by the Shareholders in the general meeting of the Company from time to time, currently being about HK\$975,000 for the year 2010.

Mr. Cheng is also a director of some of the Company's subsidiaries. Save as disclosed above, he does not (i) hold other positions with the Company and other members of the Group; (ii) have any directorship in any public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) have other major appointments and professional qualifications; (iv) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (v) have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor is other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Arnold Edward Rubin, aged 63

Mr. Rubin was appointed executive director and vice chairman of the Company in July 2007. He is responsible for the marketing development and assisting the Chairman in overall strategies, management and operation of the Group as a Vice Chairman of the Company. Mr. Rubin has over 44 year's of extensive experience in the toy industry. He is currently an advisor to the Toy Industry Association Board of Directors and has served as Chairman of both the Toy Industry Association and Toy Industry Foundation. He is currently serving as the President of the International Council of Toy Industries.

There is no service contract entered into between the Company and of Mr. Rubin in respect of his appointment as the director and vice chairman of the Company. However, an employment agreement was executed between Funrise, Inc., (a wholly-owned subsidiary of the Company) and him for a date commencing on 9th June, 2010 and continuing for a period of three years thereafter regarding his appointment as a chief executive officer and director of Funrise, Inc. (the "Employment Agreement"). According to the Employment Agreement, he is entitled to an annual initial base gross salary of US\$600,000 (exclusive of other entitlements from various benefit plans). The amount of his emolument was in a total amount of about HK\$4,784,000 (inclusive of basic salary and contribution to provident fund) for the year 2010. His emolument would be determined by the Board (except determining his own remuneration) and/or the remuneration committee subject to the authorisation granted by the Shareholders in the general meeting of the Company from time to time.

Mr. Rubin is also a director of some of the Company's subsidiaries. Save as disclosed above, he does not (i) hold other positions with the Company and other members of the Group; (ii) have any directorship in any public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) have other major appointments and professional qualifications; (iv) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (v) have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor is other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Tsang Chung Wa, aged 47

Mr. Tsang was appointed executive director of the Company on 11st January, 2011. He holds a Diploma in Management Studies awarded jointly by The Hong Kong Management Association and The Hong Kong Polytechnic University. He has over 22 years' experience in the operation, sales and production management of toy industry. His experience ranges from managing marketing activities of the corporations in the base outside Hong Kong to business development. He joined the Group over 10 years and is currently responsible for the marketing management and the related business management works. Mr. Tsang holds approximately 0.58% share interest in the issued share capital of the Company (beneficially interested in 1,124,251 ordinary shares and 3,000,000 underlying shares derived from the share option granted by the Company) as at the latest practicable date.

There is no service agreement between the Company and Mr. Tsang in respect of his appointment as executive director of the Company. Mr. Tsang will have no fixed term of service with the Company for being an executive director of the Company but will be subject to retirement by rotation and re-election at annual general meetings in accordance with the bye-laws of the Company. Mr. Tsang is entitled to receive the annual basic salary and contribution to provident fund of an aggregated amount of about HK\$792,000 under the employment contract with the Company's overseas subsidiary for his marketing director related titles in some of the Group's members for the year 2010. His emolument would be determined by the Board (except determining his own remuneration) and/or the remuneration committee subject to the authorization granted by the Shareholders in the general meeting of the Company from time to time.

Save as disclosed above, he does not (i) hold other positions with the Company and other members of the Group; (ii) have any directorship in any public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) have other major appointments and professional qualifications; (iv) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (v) have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor is other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Mak Shiu Chung Godfrey, aged 48

Mr. Mak was appointed to the board as independent non-executive director and member of the audit committee and remuneration committee of the Company. Mr. Mak holds a Bachelor of Science degree in business studies from Bradford University School of Management, United Kingdom and a Master of Business Administration degree from the University of Wales, United Kingdom. He is a Member of the Hong Kong Securities Institute; a Member of The Chartered Institute of Marketing and an Associate of The Institute of Chartered Secretaries and Administrators. Mr. Mak is a Co-Chairman of DeTeam Company Limited, a company listed on the Stock Exchange. Mr. Mak has over 20 years of experiences in the field of corporate finance. He joined the Company in May 2000.

There is no service agreement entered into between the Company and of Mr. Mak. The appointment of Mr. Mak has no fixed term, but his term of office is subject to retirement by rotation and re-election in accordance with the Company's Bye-Laws. Mr. Mak would be entitled to emolument as determined by the Board and/or the remuneration committee (except determining his own remuneration) subject to the authorization granted by the Shareholders in the general meeting of the Company from time to time, currently being HK\$72,000 as director's fee for the year 2010.

Save as disclosed above, he does not (i) hold other positions with the Company and other members of the Group; (ii) have any directorship in any public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) have other major appointments and professional qualifications; (iv) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (v) have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor is other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Wan Hing Pui, aged 80

Mr. Wan was appointed to the board as independent non-executive director and a member of the audit committee and remuneration committee of the Company. Mr. Wan has over 52 years of experiences in auditing, taxation and financial management consultancy services. He is an Associate Member of The Institute of Chartered Accountants in England and Wales, a Fellow of Hong Kong Institute of Certified Public Accountants and The Taxation Institute of Hong Kong. He is a sole proprietor of H.P. Wan & Co., a firm of Certified Public Accountants (Practising). He joined the Company in September 2004.

There is no service agreement entered into between the Company and of Mr. Wan. The appointment of Mr. Wan has no fixed term, but his term of office is subject to retirement by rotation and re-election in accordance with the Company's Bye-laws. Mr. Wan would be entitled to emolument as determined by the Board and/or the remuneration committee (except determining his own remuneration) subject to the authorization granted by the Shareholders in the general meeting of the Company from time to time, currently being HK\$72,000 as director's fee for the year 2010.

Save as disclosed above, he does not (i) hold other positions with the Company and other members of the Group; (ii) have any directorship in any public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) have other major appointments and professional qualifications; (iv) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (v) have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor is other matters that need to be brought to the attention of the shareholders of the Company.