

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the "Meeting") of Pak Tak International Limited (the "Company") will be held at Units 404-411, 4th Floor, Fanling Industrial Centre, 21 On Kui Street, On Lok Tsuen, Fanling, New Territories, Hong Kong on Wednesday, 24th August, 2005 at 11:00 a.m. for the purposes of transacting the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors (the "Directors") and auditors of the Company and its subsidiaries for the year ended 31st March, 2005.
2. (A) To re-elect Mr. Chow Chan Lum as the Independent Non-executive Director (Note 5).  
(B) To re-elect Ms. Ko Hay Yin, Karen as the Independent Non-executive Director (Note 6).  
(C) To authorise the Board of Directors to fix the Directors' remuneration for the ensuing year.
3. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company for the ensuing year and authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolutions with or without amendments as ordinary resolutions:
  - (A) **"THAT:**
    - (1) a general mandate be and is hereby unconditionally given to the Board of Directors of the Company during the Relevant Period to issue, allot or otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers, subject to the following conditions:
      - (a) such mandate shall not extend beyond the Relevant Period save that the Board of Directors of the Company may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such powers to allot, issue and deal with additional shares in the capital of the Company at any time during or after the end of the Relevant Period; and
      - (b) the aggregate nominal amount of shares in the capital of the Company which may be allotted, issued or otherwise dealt with by the Board of Directors of the Company pursuant to such mandate, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (iii) the exercise of any option under any share option scheme of the Company adopted by its shareholders or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of options to subscribe for or rights to acquire shares of the Company; or (iv) any scrip dividend or other similar scheme implemented in accordance with the Bye-laws of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution no. 4(A); and

## NOTICE OF ANNUAL GENERAL MEETING *(Continued)*

- (2) for the purpose of this Resolution no. 4(A):

“Relevant Period” means the period from the passing of this Resolution no. 4(A) until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by its Bye-laws or any applicable laws of Bermuda to be held; and
- (c) the revocation or variation of the authority given under this Resolution no. 4(A) by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Board of Directors of the Company to holders of shares on its Register of Members on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Board of 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, any territory applicable to the Company).”

- (B) **“THAT:**

- (1) a general mandate be and is hereby unconditionally given to the Board of Directors of the Company during the Relevant Period to exercise all powers of the Company to repurchase shares in the capital of the Company and to make offers, agreements and options which might require the exercise of such powers subject to the following conditions:

- (a) the exercise of all powers pursuant to such mandate shall be subject to and in accordance with all applicable laws and requirements and regulations of the relevant stock exchange; and
- (b) the aggregate nominal amount of shares in the share capital of the Company which may be repurchased pursuant to such mandate shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing Resolution no. 4(B); and

- (2) for the purposes of this Resolution no. 4(B):

“Relevant Period” means the period from the passing of this Resolution no. 4(B) until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by its Bye-laws or any applicable laws of Bermuda to be held; and
- (c) the revocation or variation of the authority given under this Resolution no. 4(B) by an ordinary resolution of the shareholders of the Company in general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING *(Continued)*

(C) “**THAT** conditional upon the passing of the ordinary resolutions set out in items 4(A) and 4(B) in the notice convening this Meeting, the general mandate granted to the Board of Directors of the Company pursuant to the authority given in the resolution set out in item 4(A) in the notice convening this Meeting to issue, allot or otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during the Relevant Period (as defined in Resolution no. 4(A)) be and is hereby extended by the addition to the aggregate nominal amount of shares in the capital of the Company which may be issued, allotted or otherwise dealt with pursuant to such general mandate of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Board of Directors of the Company pursuant to their exercise of the powers of the Company to repurchase such shares in accordance with the ordinary resolution set out in item 4(B) in the notice convening this Meeting.”

5. To consider and, if thought fit, to pass the following resolutions with or without amendments as special resolutions:

“**THAT** the Bye-laws of the Company be amended as follows:

(A) By inserting the words “voting by way of poll is required by the rules of the Designated Stock Exchange or” after the words “decided on a show of hands unless” in the third sentence of Bye-law 66.

(B) By substituting the existing Bye-law 87 (1) in its entirety with the following new Bye-law 87(1):

87(1). At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation. In addition, there shall also be required to retire by rotation any Director who at an annual general meeting shall have been a Director at each of the preceding two annual general meetings and who was not elected or re-elected at either such annual general meeting and who has not otherwise ceased to be a Director (either by resignation, retirement, removal or otherwise) and been re-elected by a general meeting at or since either such annual general meeting, notwithstanding any other provisions in the Bye-laws and/or that the total number of Directors to retire at the relevant annual general meeting would as a result exceed one-third of the Directors for the time being.”

On behalf of the Board

**Cheng Chi Tai**

*Chairman*

Hong Kong, 11th July, 2005

## NOTICE OF ANNUAL GENERAL MEETING *(Continued)*

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of business in Hong Kong:*

Units 404-411, 4th Floor  
Fanling Industrial Centre  
21 On Kui Street, On Lok Tsuen  
Fanling, New Territories  
Hong Kong

*Notes:*

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies (if a member who is the holder of two or more shares) to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) A form of proxy is enclosed. To be valid, the form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Standard Registrars Limited, at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjourned Meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Meeting if you so desire.
- (3) The Register of Members of the Company will be closed from 17th August, 2005 (Wednesday) to 24th August, 2005 (Wednesday), both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending the Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Standard Registrars Limited, at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 16th August, 2005 (Tuesday).
- (4) An Explanatory Statement containing further details regarding ordinary resolution no. 4(B) as required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited will be dispatched to the members of the Company together with the 2005 annual report of the Company.
- (5) Mr. CHOW Chan Lum, aged 54, is a partner of Wong Brothers & Company, Certified Public Accountants. Mr. Chow is a member of Foreign Experts Consultative Committee on China Independent Auditing Standards, Finance Ministry, PRC and serves on a number of committees of the Hong Kong Institute of Certified Public Accountants including Auditing & Assurance Standards Committee, PRC Accounting and Auditing Sub-Committee, Practice Review Committee, Investigation Panel, Examination Panel, Complaints Panel, Taxation Committee and Professional Standards Monitoring Committee. He also carries duties in a variety of functional and social organizations, and is currently a member of the People's Political Consultative Committee, Guangdong Province, China. Mr. Chow does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Mr. Chow has confirmed that he is not related to the other Directors, or the senior management or the substantial or controlling shareholders of the Company. The Company has not entered and does not propose to enter into any service contract with Mr. Chow (excluding contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation)) in relation to his appointment as an Independent Non-executive Director of the Company.



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## NOTICE OF ANNUAL GENERAL MEETING *(Continued)*

- (6) Ms. KO Hay Yin, Karen, aged 52, has been the director of Kaiban Limited since 1990, a management consultancy practice in Hong Kong. Ms. Ko was previously the chief executive officer and an executive director of Goldwiz Holdings Limited (formerly known as Hong Kong Toy Centre International Limited) whose shares are listed on The Stock Exchange of Hong Kong Limited. Ms. Ko has been in the toy manufacturing industries for over 20 years. She graduated from The Hong Kong Polytechnic University (formerly known as The Hong Kong Polytechnic) in 1975 and obtained a Master degree in Business Administrative in 1987 from The University of Macau (formerly known as The University of East Asia). Ms. Ko does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Ms. Ko has confirmed that she is not related to the other Directors, or the senior management or the substantial or controlling shareholders of the Company. The Company has not entered and does not propose to enter into any service contract with Ms. Ko (excluding contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation)) in relation to her appointment as an Independent Non-executive Director of the Company.