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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Upbest Group Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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### UPBEST GROUP LIMITED

美建集團有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 335)

### PROPOSALS RELATING TO GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY

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The notice convening an Annual General Meeting of Upbest Group Limited to be held on 28th August, 2008, at which, among others, the above proposals will be considered, is set out on page 13 to 16 of this circular.

Whether or not you propose to attend the Annual General Meeting, 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.

*Notes:*

1. Any member entitled to attend and vote may appoint one or more proxies to attend the meeting instead of him and to vote on a poll. A proxy need not be a member of the Company.
2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the principal place of business of the Company at 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong not less than 48 hours before the time for holding the meeting (or adjourned meeting, as the case may be).
3. The register of members of the Company will be closed from 18th August, 2008 to 22nd August, 2008, both days inclusive, for the purpose of establishing entitlements of the shareholders of the Company to attend the Company's annual general meeting. During such period, no transfer of Shares will be registered. In order to qualify for the proposed final dividend and voting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Standard Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 15th August, 2008.
4. Subject to the passing of the necessary resolution at the forthcoming Annual General Meeting, the final dividend will be payable on 2nd December, 2008, to shareholders whose names appear on the register of member on 18th August, 2008. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.

\* For identification purpose only

29th July, 2008

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## DEFINITIONS

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*In this circular, except where the context otherwise requires, the following terms shall have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be held at 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong on 28th August, 2008 at 10:30 a.m.
“Articles of Association”	the Articles of Association of the Company
“Board”	the board of Directors of the Company
“Company”	Upbest Group Limited (stock code: 335), a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	legal currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	22nd July, 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Issue Mandate”	a general mandate to the Board to allot, issue and deal with new Shares and/or other securities of the Company not exceeding 20 per cent. of the issued share capital of the Company as at the date of passing the relevant resolution
“Notice of Annual General Meeting”	notice convening the Annual General Meeting contained in page 13 to 16 of this circular
“Repurchase Mandate”	a general mandate to the Board to exercise the powers of the Company to repurchase at any time from the date of passing the relevant resolution until the conclusion of the next annual general meeting of the Company, up to a maximum of 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution

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## DEFINITIONS

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“Share(s)”	share(s) of HK\$0.01 each of and in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers

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## LETTER FROM THE MANAGEMENT

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### UPBEST GROUP LIMITED

美建集團有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 335)

*Non-Executive Directors:*

Dr. Wong King Keung, Peter (*Chairman*)

Mr. Wong Ching Hung, Thomas

*Executive Directors:*

Mr. Cheng Kai Ming, Charles

Mr. Suen Man Tak, Stephen

Mr. Li Kwok Cheung, George

Ms. Cheng Wai Ling, Annie

Mr. Cheng Wai Lun, Andrew

*Independent Non-Executive Directors:*

Mr. Pang Cheung Hing, Alex

Mr. Chan Chung Yee, Alan

Mr. Fuk Ho Kai

*Registered office:*

Ugland House

South Church Street

P.O. Box 309

Grand Cayman

Cayman Islands

British West Indies

*Principal place of business:*

2nd Floor

Wah Kit Commercial Centre

302 Des Voeux Road Central

Hong Kong

29th July, 2008

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS RELATING TO  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
AND  
NOTICE OF ANNUAL GENERAL MEETING  
OF THE COMPANY**

**INTRODUCTION**

The purpose of this circular is to seek your approval and provide you with the information regarding the proposals to grant general mandates to issue and repurchase shares. Your approval of the said proposals will be sought at the Annual General Meeting.

\* For identification purpose only

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## LETTER FROM THE MANAGEMENT

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### GENERAL MANDATE FOR REPURCHASE BY THE COMPANY OF ITS OWN SECURITIES

At the annual general meeting held on 6th September, 2007, a general mandate was given on that date to the Board to exercise the powers of the Company to repurchase Shares up to a maximum of 10 per cent. of the issued share capital of the Company on that date and such mandate will lapse at the conclusion of the Annual General Meeting.

Your attention is drawn to an ordinary resolution set out in the notice of Annual General Meeting. Such ordinary resolution proposes to seek your approval to grant the Repurchase Mandate at the Annual General Meeting.

An explanatory statement, as required under the relevant rules set out in the Listing Rules of the Stock Exchange regulating companies whose primary listing is on the Stock Exchange for the repurchase of their own securities on the Stock Exchange, to provide the requisite information for your consideration of the Repurchase Mandate is set out in the Explanatory Statement in the Appendix I of this circular.

### GENERAL MANDATE TO ISSUE NEW SECURITIES OF THE COMPANY

It will be proposed at the Annual General Meeting, an ordinary resolutions as set out in the notice of Annual General Meeting, for granting the New Issue Mandate to the Board and extending the New Issue Mandate by adding to it the aggregate nominal amount of the Shares repurchased by the Company under the Repurchase Mandate.

As at the Latest Practicable Date, there were 1,295,501,318 Shares in issue and subject to the passing of the necessary ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, exercise in full of the New Issue Mandate could accordingly result in up to 259,100,263 Shares being issued by the Company during the course of the period prior to the next annual general meeting to be held in 2009.

### RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of ten directors, namely Dr. Wong King Keung, Peter (Chairman), Mr. Wong Ching Hung, Thomas, Mr. Cheng Kai Ming, Charles, Mr. Suen Man Tak, Stephen, Mr. Li Kwok Cheung, George, Ms. Cheng Wai Ling, Annie, Mr. Cheng Wai Lun, Andrew, Mr. Pang Cheung Hing, Alex, Mr. Chan Chung Yee, Alan and Mr. Fuk Ho Kai.

Pursuant to Article 116 of the existing Articles of Association, Dr. Wong King Keung, Peter, Ms. Cheng Wai Ling, Annie, Mr. Pang Cheung Hing, Alex and Mr. Fuk Ho Kai shall retire by rotation at the Annual General Meeting. Dr. Wong King Keung, Peter, due to his personal reason, will not offer himself for re-election. Dr. Wong King Keung, Peter confirmed that he has no disagreement with the Board and there is no matter in respect of his retirement that needs to be brought to the attention of the Shareholders. Ms. Cheng Wai Ling, Annie, Mr. Pang Cheung Hing, Alex and Mr. Fuk Ho Kai being eligible, offers themselves for re-election at the Annual General Meeting.

Pursuant to Article 119 of the existing Articles of Association, Mr. Chan Chung Yee, Alan who was appointed during the current year shall hold office until the next following annual general meeting of the Company, being eligible, would offer himself for re-election.

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## LETTER FROM THE MANAGEMENT

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Details of the retiring directors proposed for re-election at the Annual General Meeting are set out in the Appendix II of this circular.

### PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 80, at any general meeting a resolution put to the vote at the meeting shall be determined in the first instance by a show of hands of the members present in person or by proxy or (in the case of a member being a corporation) by its duly authorised representative and entitled to vote unless a poll is required under the Listing Rules or (before or on the declaration of the result of the show of hands) is duly demanded:

- (a) by the Chairman; or
- (b) by at least five members present in person or by proxy or (in the case of a member being a corporation) by its duly authorised representative for the time being entitled to vote at the meeting; or
- (c) by any member or members present in person or by proxy or (in the case of a member being a corporation) by its duly authorised representative and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all shares conferring that right.

Unless a poll is duly required or demanded in accordance with the foregoing provisions, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by any particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

### PROXY

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not they intend to attend the meeting, shareholders are requested to complete and return the form of proxy to the principal place of business of the Company at 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting should shareholders so desire.

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## LETTER FROM THE MANAGEMENT

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### RECOMMENDATION

The Board consider that the proposal mentioned above, including the proposals for the grant of the New Issue Mandate and the Repurchase Mandate of the Company, are in the best interests of the Company as well as its shareholders. Accordingly, the Board recommend that all shareholders vote in favour of the resolutions to be proposed at the Annual General Meeting.

### GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this circular.

### RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,  
By Order of the Board  
**Upbest Group Limited**  
**SUEN Man Tak, Stephen**  
*Executive Director*

The Appendix serves as an explanatory statement, as required by the Listing Rules, to provide information to you with regard to the Repurchase Mandate.

## **1. THE LISTING RULES**

The Listing Rules permits companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange or on another stock exchange on which the securities of the companies may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

### **(a) Source of funds**

Repurchases must be funded out of funds legally available for such purpose in accordance with the constitutive documents of the company and the laws of the jurisdiction in which the company is incorporated.

### **(b) Maximum number of shares to be repurchased**

The shares which are proposed to be repurchased by a company must be fully paid up. A maximum of 10 per cent. of the issued share capital as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were 1,295,501,318 Shares in issue and subject to the passing of the necessary ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, exercise in full of the Repurchase Mandate could accordingly result in up to 129,550,131 Shares being repurchased by the Company during the course of the period prior to the next annual general meeting to be held in 2009.

## **3. REASON FOR REPURCHASES**

The Board believes that it is in the best interests of the Company and its shareholders to have a general authority from shareholders to enable the Board to repurchase the Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or net assets per Share and/or its earnings per Share and will only be made when the Board believe that such repurchases will benefit the Company and its shareholders.

## **4. FUNDING OF REPURCHASES**

Repurchases of the Shares will be funded entirely from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for the purchase in accordance with the Memorandum and Articles of Associations of the Company and the applicable laws of the Cayman Islands.

There might be a material adverse effect on the working capital requirements or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the 2008 Annual Report) in the event that the Repurchase Mandate is exercised in full at any time. However, the Board do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company at the time of the relevant purchases unless the Board determine that such repurchases are, taking account of all relevant factors, in the best interests of the Company.

## **5. GENERAL**

The Board have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules and any applicable laws of the Cayman Islands.

None of the directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the shareholders.

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

If a shareholder's proportionate interest in the voting rights of the Company increases as a result of the Board exercising the powers of the Company to repurchase its Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, 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 Rule 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, CCAA Group Limited ("CCAA") was interested in 930,475,657 Shares, representing 71.82 per cent. of the issued share capital of the Company.

In the event that the Repurchase Mandate is exercised in full, CCAA's interest would be increased to approximately 79.80 per cent, of the issued share capital of the Company. The Board have no intention to repurchase Shares to such an extent as would result in the number of listed shares which are in the hands of the public falling below the relevant prescribed minimum percentage. The Board is not aware of any consequences which may be being obligated to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

**6. THE SHARE PRICES**

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

	<b>The Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
July 2007	2.50	1.21
August 2007	1.52	0.82
September 2007	1.05	0.85
October 2007	0.95	0.82
November 2007	0.93	0.65
December 2007	0.93	0.75
January 2008	0.85	0.73
February 2008	0.90	0.77
March 2008	0.86	0.74
April 2008	1.25	0.78
May 2008	0.82	0.70
June 2008	0.79	0.66
July 2008 (up to the Latest Practicable Date)	0.77	0.66

**7. REPURCHASES OF SHARES MADE BY THE COMPANY**

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

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## APPENDIX II      DETAILS OF DIRECTOR PROPOSED FOR RE-ELECTION

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The biographical details of the Directors eligible for re-election at the Annual General Meeting are set out below:

### **Executive Director**

**Ms. Cheng Wai Ling Annie**, aged 29, is an executive director of the Company. She is responsible for overseeing the daily operations of the Company. Ms. Cheng received her bachelor degree in Business Administration (Accounting and Finance) from the University of Hong Kong. She is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. Prior to joining the Company, she had served with an international audit firm. Save as disclosed above, Ms. Cheng has not held directorship in any listed public companies in Hong Kong for the past three years.

As at the Latest Practicable Date, CCAA Group Limited (“CCAA”), being the substantial shareholder of the Company, is interested in 930,475,657 Shares, representing 71.82% of the issued share capital of the Company within the meaning of Part XV of the SFO. Ms. Cheng is one of the beneficiaries of a trust which assets include interests in the entire issued share capital of CCAA (the “Trust”). Ms. Cheng is the daughter of Mr. Cheng Kai Ming, Charles, an executive director of the Company, and the sister of Mr. Cheng Wai Lun, Andrew, an executive director of the Company. Each of Mr. Cheng Kai Ming, Charles and Mr. Cheng Wai Lun, Andrew is also one of the beneficiaries of the trust.

The Company has not entered into a service contract with Ms. Cheng. She is entitled for an emolument of HK\$234,000 per annum and commission income derived through the Company’s subsidiaries under normal commercial terms from time to time. The amount of the annual emoluments for Ms. Cheng was determined by the Board with reference to her experience, responsibilities and duties as well as the prevailing market conditions and commission income is derived through the Company’s subsidiaries under normal commercial terms from time to time. Her appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

### **Independent Non-Executive Director**

**Mr. Pang Cheung Hing, Alex**, aged 53, is an independent non-executive director, member of the audit committee and member of the remuneration committee of the Company. Prior to November 2001, Mr. Pang worked as a senior director in the Enforcement Division of the Securities and Futures Commission of Hong Kong. From November 2001 to February 2003, he served as a Commissioner in the Strategy & Development Committee of the China Securities Regulatory Commission. He is now running his own consultancy company. He also holds directorship in a fund management company based in Shanghai. Professionally, he is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He is also an associate member of the Chartered Institute of Management Accountants and Institute of Chartered Secretaries and Administrators. Saved as disclosed above, Mr. Pang does not hold directorship in any listed public companies in Hong Kong for the past three years.

As at the Latest Practicable Date, Mr. Pang does not have any interest in the Shares within the meaning of Part XV of the SFO. He has no relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

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## APPENDIX II      DETAILS OF DIRECTOR PROPOSED FOR RE-ELECTION

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The Company has not entered into a service contract with Mr. Pang. He is entitled for an emolument of HK\$50,000 per annum. The amount of the annual emoluments for Mr. Pang was determined by the Board with reference to his experience, responsibilities and duties as well as the prevailing market conditions. His appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

**Mr. Chan Chung Yee, Alan**, aged 41, is an independent non-executive director, member of the audit committee and member of the remuneration committee of the Company. Mr. Chan holds two master degrees of Practising Accounting and Business Law from Monash University, Australia. Professionally, he is a fellow member of The Institute of Chartered Secretaries and Administrators in UK, The Hong Kong Institute of Company Secretaries and The Hong Kong Institute of Directors. He is also an associate member of the Hong Kong Institute of Certified Public Accountants, CPA Australia, Institute of Certified Management Accountants of Australia, and The Hong Kong Institute of Bankers. He is also a member of the Chinese People's Political Consultative Conference of Yun Fu, Guangdong and the secretarial general of China Hong Kong Macau Boundary Crossing Bus Association. Currently, he is the managing director and founder of a transportation company which is a subsidiary of a listed company. He is also appointed as an independent non-executive director of UBA Investments Limited with effect from 19th September, 2007. Save as disclosed above, Mr. Chan has not held any directorship in any listed public companies for the last three years.

As at the Latest Practicable Date, Mr. Chan does not have any interest in the Shares within the meaning of Part XV of the SFO. He has no relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

The Company has not entered into a service contract with Mr. Chan. He is entitled for an emolument of HK\$50,000 per annum. The amount of the annual emoluments for Mr. Chan was determined by the Board with reference to his experience, responsibilities and duties as well as the prevailing market conditions. His appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

**Mr. Fuk Ho Kai**, aged 34, was appointed as independent non-executive director of the Company. He has over 10 years experience in the field of IT & management consulting. Mr. Fuk obtained a Bachelor degree from the Chinese University of Hong Kong. He is currently the management of a mainland IT & management consulting firm. Mr. Fuk did not hold any other directorship in listed public companies for the last three years.

As at the Latest Practicable Date, Mr. Fuk does not have any interest in the Shares within the meaning of Part XV of the SFO. He has no relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

The Company has not entered into a service contract with Mr. Fuk. He is entitled for an emolument of HK\$30,000 per annum. The amount of the annual emoluments for Mr. Fuk was determined by the Board with reference to his experience, responsibilities and duties as well as the prevailing market conditions. His appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

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## **APPENDIX II            DETAILS OF DIRECTOR PROPOSED FOR RE-ELECTION**

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Save as disclosed, in relation to the re-election of Ms. Cheng, Mr. Pang, Mr. Chan and Mr. Fuk, there is no information which is discloseable nor is/was they involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of shareholders of the Company.

As at the date of this circular, the Board consists of Dr. Wong King Keung, Peter as non-executive director and chairman, Mr. Wong Ching Hung, Thomas as non-executive director, Mr. Cheng Kai Ming, Charles, Mr. Suen Man Tak, Stephen, Mr. Li Kwok Cheung, George, Ms. Cheng Wai Ling, Annie and Mr. Cheng Wai Lun, Andrew as executive directors; and Mr. Pang Cheung Hing, Alex, Mr. Chan Chung Yee, Alan and Mr. Fuk Ho Kai as independent non-executive directors.

In the opinions of the Directors, other than the above said matters, there are no other matters need to be brought to the attention of the shareholders of the Company in relation to the re-election of the above retiring directors.

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## NOTICE OF ANNUAL GENERAL MEETING

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### UPBEST GROUP LIMITED

美建集團有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 335)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Upbest Group Limited (the “Company”) will be held at 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong on 28th August, 2008 at 10:30 a.m. for the following purposes:

- (1) To receive and consider the financial statements and the reports of the directors and auditors for the year ended 31st March, 2008;
- (2) To declare a final dividend;
- (3) To re-elect directors and to authorise the directors to fix their remuneration;
- (4) To re-appoint auditors for the ensuing year and to authorise the directors to fix their remuneration;
- (5) To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

(A) **“THAT:**

- (a) subject to paragraph (c) of this resolution and without prejudice to resolution 5(B) set out in the notice of this meeting, the exercise by the Board during the Relevant Period (as defined in paragraph (d) of this resolution) of all powers of the Company to issue, allot and deal in the Shares and to issue, allot and grant securities convertible into Shares or options, warrants or similar rights to subscribe for any shares in the Company or such convertible securities and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
  - (i) a Rights Issue (as defined in paragraph (d) of this resolution);
  - (ii) any scrip dividend scheme or similar arrangements implemented in accordance with the Articles of Association of the Company; or
  - (iii) an issue of Shares under the share option scheme of the Company or any similar arrangements for the time being adopted by the Company for the grant or issue to employees or directors of the Company and/or any of its subsidiaries of Shares or right to acquire Shares; or
  - (iv) the exercise of the rights of subscription or conversion under the terms of any securities or notes for the time being in force which are convertible into any shares in the Company;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly;

- (d) for the purpose 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 of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution 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 Board to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the law of, or the requirements of any recognised regulatory body or any stock exchange in, any territory).”

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## NOTICE OF ANNUAL GENERAL MEETING

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(B) **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Board during the Relevant Period (as defined in resolution 5(A)(d) set out in the notice of this meeting) of all the powers of the Company to repurchase the Shares on the Stock Exchange or on any other exchange on which the Shares may be listed and which is recognised by the Securities and Futures Commission and the Stock Exchange (the “Recognised Stock Exchange”) subject to and in accordance with all applicable laws, and in accordance with the provisions of, and in the manner specified in, the Rules Governing the Listing of Securities on the Stock Exchange or the rules of any other Recognised Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly”; and
- (c) for the purpose 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 of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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- (C) “**THAT** conditional upon the passing of the resolutions 5(A) and 5(B) set out in the notice of this meeting, the aggregate nominal amount of Shares which shall have been repurchased by the Company pursuant to and in accordance with resolution 5(B) set out in the notice of this meeting shall be added to the aggregate nominal amount of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Board pursuant to and in accordance with resolution 5(A) set out in the notice of this meeting, provided that such additional amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

By Order of the Board  
**SUEN Man Tak, Stephen**  
*Executive Director*

Hong Kong, 29th July, 2008

*Notes:*

1. Any member entitled to attend and vote may appoint one or more proxies to attend the meeting instead of him and to vote on a poll. A proxy need not be a member of the Company.
2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the principal place of business of the Company at 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong not less than 48 hours before the time for holding the meeting (or adjourned meeting, as the case may be).
3. The register of members of the Company will be closed from 18th August, 2008 to 22nd August, 2008, both days inclusive, for the purpose of establishing entitlements of the shareholders of the Company to attend the Company's annual general meeting. During such period, no transfer of Shares will be registered. In order to qualify for the proposed final dividend and voting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Standard Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 15th August, 2008.
4. Subject to the passing of the necessary resolution at the forthcoming Annual General Meeting, the final dividend will be payable on 2nd December, 2008, to shareholders whose names appear on the register of member on 18th August, 2008. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.