

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of United Pacific Industries Limited (the "Company") will be held at Flat B, 19th Floor, Chai Wan Industrial Centre, 20 Lee Chung Street, Chai Wan, Hong Kong on Wednesday, 28th August, 2002, at 10:00 am for the following purposes:-

1. To receive and consider the audited financial statements and the Reports of the Directors and Auditors for the year ended 31st March, 2002;
2. To re-elect the retiring Directors and to fix the remuneration of Directors;
3. To appoint Auditors and to authorise the Directors to determine their remuneration;
4. As special business, to consider and, if thought fit, pass with or without modifications the following resolutions as Ordinary Resolutions:--

A. "THAT

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; or (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company 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, and the said approval shall be limited accordingly; and

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- (d) for the purposes of this Resolution:--

"Relevant period" means the period from the passing of this Resolution 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 Company's Bye-laws or any applicable laws to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the Directors of the Company 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 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 outside Hong Kong)."

B. "THAT

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase shares of HK\$0.10 each in the Capital of the Company at such prices as the Directors of the Company at their discretion may determine;
- (c) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period 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 of this Resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:--

"Relevant Period" means the period from the passing of this Resolution 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 Company's Bye-laws or any applicable laws to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the Company in general meeting."

C. "THAT

conditional upon the passing of the Resolutions A and B set out in item 4 of the notice convening this Meeting, the aggregate nominal amount of the shares in the Company which shall have been repurchased by the Company pursuant to and in accordance with the Resolution B set out in item 4 above shall be added to the aggregate nominal amount of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to and in accordance with the Resolution A set out in item 4 above, provided that the amount of share capital repurchased by the Company 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 this Resolution."

By Order of the Board

Lawrence Oei

Secretary

Hong Kong, 22nd July, 2002

Registered Office:--

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong:--

Flat B
19th Floor
Chai Wan Industrial Centre
20 Lee Chung Street
Chai Wan
Hong Kong

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Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or two proxies to attend and, vote in his stead. A proxy need not be a member of the Company.
2. To be valid, a proxy form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited at the Company's principal place of business in Hong Kong, Flat B, 19th Floor, Chai Wan Industrial Centre, 20 Lee Chung Street, Chai Wan, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The Register of Members will be closed from 23rd August, 2002 to 28th August, 2002 (both days inclusive), during which period no transfer of shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the Annual General Meeting and who are entitled to any dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Secretaries Limited of 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on 22nd August, 2002.
4. With respect to Resolution A proposed under item 4 above, the Directors wish to state that they have no immediate plans to issue additional new shares of the Company. The Ordinary Resolution is being sought from shareholders as a general mandate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Under the Listing Rules the present general mandate to issue new shares will lapse unless it is renewed at the forthcoming Annual General Meeting.
5. With respect to Resolutions B and C proposed under item 4 above, approval is being sought from shareholders for a general mandate to be given to the Directors to repurchase shares and to issue shares as a result of such repurchases. In accordance with the Listing Rules and the Code on Share Repurchases, an explanatory statement in connection with the general mandate to repurchase shares will be dispatched to the shareholders together with the annual report.