United Pacific Industries Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00176)

Website: http://unitedpacific.quamir.com

ANNOUNCEMENT OF FINAL AUDITED RESULTS

For the year ended 30 September 2008

HIGHLIGHTS

- Record turnover of HK$1,437.6 million in 2008 compared to HK$1,402.3 million in 2007, an increase of 2.5% achieved in difficult trading circumstances.

- Provision for restructuring costs of HK$17.7 million in 2008 compared to HK$0.5 million in 2007.

- Discount of HK$46.7 million on acquisition of Jade Precision Engineering Pte Ltd in July 2008.

- Profit attributable to shareholders decreased 12.7% to HK$66.7 million in 2008 compared to HK$76.4 million in 2007.

- Basic earnings per share decreased 13.65% to 9.74 HK cents per share in 2008 compared with 11.28 HK cents per share in 2007.

- Profit attributable to shareholders, excluding restructuring costs and discount on acquisition, increased 124% to HK$37.7 million in 2008 compared to HK$16.8 million in 2007.

- Basic earnings per share, excluding restructuring costs and discount on acquisition in both years, increased 123% to 5.51 HK cents per share compared to 2.47 HK cents per share in 2007.

- Net assets increased by HK$31.1 million to HK$368.3 million.

- Low gearing maintained. Gearing ratio of 6.23% in 2008 compared to 7.06% in 2007.

- Interim dividend of 0.5 HK cent per share.

- Final dividend of 0.5 HK cent per share recommended. If the final dividend is approved, total dividends for the year of 1.0 HK cent per share.

SUMMARY FINANCIAL DATA

	2008 *HK$ million*	2007 *HK$ million*
Turnover	1,437.6	1,402.3
Discount on acquisition	46.7	60.1
Restructuring costs	17.7	0.5
Profit attributable to shareholders	66.7	76.4
Profit attributable to shareholders, excluding restructuring costs and discount on acquisition	37.7	16.8
Net assets	368.3	337.2
Cash and cash equivalents and pledged bank deposits	109.9	110.0
Gearing ratio (%)	6.23%	7.06%
Basic earnings per share (in HK cents)	9.74	11.28
Diluted earnings per share (in HK cents)	9.64	11.19
Basic earnings per share (in HK cents) based on profit attributable to shareholders excluding restructuring costs and discount on acquisition	5.51	2.47

The Board of Directors (the "Directors") of United Pacific Industries Limited ("United Pacific Industries", "UPI" or the "Company") is pleased to announce the audited consolidated results of UPI and its subsidiaries (the "Group") for the year ended 30 September 2008 as set out below compared with the audited consolidated results for the year ended 30 September 2007.

CONSOLIDATED INCOME STATEMENT

Years ended 30 September	*Note*	**2008** *HK$'000*	**2007** *HK$'000*
Turnover	3	1,437,608	1,402,305
Cost of sales		(1,063,198)	(1,060,451)
Gross profit		374,410	341,854
Other income		21,844	15,225
Gain on sale of land and buildings		—	1,447
Selling and distribution costs		(235,806)	(219,314)
Administrative costs		(106,633)	(92,623)
Restructuring costs		(17,713)	(476)
Finance costs		(12,474)	(8,773)
Share of results of an associate		1,525	1,528
Gain on sale of a subsidiary		23	—
Discount on acquisition of a subsidiary		46,674	—
Discount on acquisition of minority interests		—	60,095
Profit before tax		71,850	98,963
Income tax charge	4	(5,176)	(7,581)
Profit for the year		66,674	91,382
Attributable to:			
Equity holders of the Company		66,674	76,370
Minority interests		—	15,012
		66,674	91,382
Dividends	5	3,000	—
Earnings per share			
Basic	6	9.74 cents	11.28 cents
Diluted	6	9.64 cents	11.19 cents

Note: The "Discount on acquisition of a subsidiary" relates to the purchase of Jade Precision Engineering Pte Ltd in July 2008. The "Discount on acquisition of minority interests" in the year ended 30 September 2007 arises on the purchase of the remaining 38.2% of Spear & Jackson, Inc.

CONSOLIDATED BALANCE SHEET

At 30 September	Note	2008 HK$'000	2007 HK$'000
Non-current assets			
Property, plant and equipment		272,771	252,478
Prepaid land lease payments under operating leases		625	642
Other intangible assets		1,848	—
Interest in an associate		3,768	3,577
Available-for-sale financial assets		2,912	807
Deferred tax assets		95,129	104,842
		377,053	362,346
Current assets			
Inventories		288,283	285,452
Trade and other receivables	7	311,232	301,397
Tax recoverable		1,839	3,771
Derivative financial instruments		473	—
Pledged bank deposits		5,000	5,000
Cash and cash equivalents		104,915	104,977
		711,742	700,597
Current liabilities			
Trade and other payables	8	296,177	270,406
Interest-bearing bank borrowings - amounts due within one year		92,956	72,986
Obligations under finance leases - amounts due within one year		8,026	8,330
Provisions		18,277	4,733
Tax payable		2,087	2,867
		417,523	359,322
Net current assets		294,219	341,275
Total assets less current liabilities		671,272	703,621

	Note	2008 HK$'000	2007 HK$'000
Non-current liabilities			
Interest-bearing bank borrowings			
- amounts due after one year		21,899	43,742
Obligations under finance leases			
- amounts due after one year		9,982	8,732
Provisions		10,673	14,720
Retirement benefit obligations		240,571	277,199
Deferred tax liabilities		19,870	22,033
		302,995	366,426
Net assets		368,277	337,195
Capital and reserves			
Share capital		72,000	55,706
Reserves		296,277	281,489
Total equity attributable to equity holders of the Company		368,277	337,195

NOTES TO THE CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET

1. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess, or discount on acquisition, is recognised immediately in the consolidated income statement.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except in certain cases that have given rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretations has had no material impact on these financial statements.

HKAS 1 (Amendment)	Presentation of Financial Statements — Capital Disclosures
HKAS 39 and HKFRS 7 (Amendments)	Reclassification of Financial Assets
HKFRS 7	Financial Instruments: Disclosures
HK (IFRIC) — INT 10	Interim Financial Reporting and Impairment
HK (IFRIC) — INT 11	HKFRS 2 — Group and Treasury Share Transactions

In accordance with the HKAS 1 (Amendment) — Presentation of Financial Statements - Capital Disclosures, the Group now reports on its capital management objectives, policies and procedures in the annual report. The new disclosures that become necessary due to this change in HKAS 1 are detailed in the notes to the financial statements.

HKAS 39 and HKFRS 7 (Amendments) — Reclassification of Financial Assets: These amendments permit an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss category in particular circumstances. The amendments also permit an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available-for-sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future. The amendments to HKAS 39 and HKFRS 7 have had no effect on these financial statements.

HKFRS 7 — Financial Instruments: Disclosure is mandatory for reporting periods beginning on 1 January 2007 or later. The new standard replaces and amends the disclosure requirements previously set out in HKAS 32, Financial

Instruments: Presentation and Disclosures, and has been adopted by the Group in its consolidated financial statements for the year ended 30 September 2008. All disclosures relating to financial instruments including the comparative information have been updated to reflect the new requirements. In particular, the Group's financial statements now feature a sensitivity analysis to explain the Group's market risk exposure in regards to its financial instruments and a maturity analysis that shows the remaining contractual maturities of financial liabilities.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective. The Directors anticipate that the application of these HKFRSs will have no material impact on the financial statements of the Group.

HKFRS (Amendments)	Improvements to HKFRSs[(1)]
HKAS 1 (Revised)	Presentation of Financial Statements[(2)]
HKAS 23 (Revised)	Borrowing Costs[(2)]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[(6)]
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[(2)]
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement — Eligible Hedged Items[(6)]
HKFRS 1 (Amendment)	First-time Adoption of HKFRSs and HKAS 27 Consolidated & Separate Financial Statements — Cost of an Investment in a Subsidiary, Joint Venture and Associates[(2)]
HKFRS 2 (Amendment)	Share-based Payments — Vesting Conditions and Cancellation[(2)]
HKFRS 3 (Revised)	Business Combinations[(6)]
HKFRS 8	Operating Segments[(2)]
HK (IFRIC) — INT 12	Service Concession Arrangements[(4)]
HK (IFRIC) — INT 13	Customer Loyalty Programmes[(3)]
HK (IFRIC) — INT 14	HKAS19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[(4)]
HK (IFRIC) — INT 15	Agreements for the Construction of Real Estate[(2)]
HK (IFRIC) — INT 16	Hedges of a Net Investment in a Foreign Operation[(5)]
HK (IFRIC) — INT 17	Distributions of Non-cash Assets to Owners[(6)]

Notes:

[1] Effective for annual periods beginning on or after 1 January 2009, except the amendments to HKFRS 5 which are effective for annual periods beginning on or after 1 July 2009

[2] Effective for annual periods beginning on or after 1 January 2009

[3] Effective for annual periods beginning on or after 1 July 2008

[4] Effective for annual periods beginning on or after 1 January 2008

[5] Effective for annual periods beginning on or after 1 October 2008

[6] Effective for annual periods beginning on or after 1 July 2009

3. TURNOVER AND SEGMENT INFORMATION

Revenue, which is also the Group's turnover, represents total invoiced value of goods supplied less discounts and returns.

Business Segments

The Group's principal business activities are:

- contract manufacturing on OEM and EMS basis of a wide range of power-related and electrical/electronics products ("Contract Manufacturing");

- manufacture, procurement and distribution of a broad line of hand, lawn and garden tools ("Tools");

- manufacture and procurement of magnetic tools and products and provision of magnetic-based industrial solutions ("Magnetics"); and

- manufacture and procurement of a wide range of metrology or measurement tools for industrial, business and consumer use ("Metrology").

With the acquisition of Jade Precision Engineering Pte Ltd in July 2008, the Group's principal segments widened to encompass the manufacture and distribution of stamped, etched and plated leadframes for the semi-conductor industry ("Leadframes").

These five business segments are the basis on which the Group reports its primary segment information. Segment information about these businesses is presented below.

	Contract Manufacturing	Tools	Metrology	Magnetics	Lead-frames	Corporate/ Elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
For the year ended 30 September 2008							
External sales	504,109	619,340	178,992	109,277	25,890	—	1,437,608
Inter-segment sales	1,197	9,420	1,258	598	—	(12,473)	—
	505,306	628,760	180,250	109,875	25,890	(12,473)	1,437,608
Segment profit/(loss)	103	15,419	18,687	18,661	(396)	—	52,474
Unallocated corporate expenses							(1,854)
Interest income							3,195
Restructuring costs							(17,713)
Share of results of an associate							1,525
Gain on sale of a subsidiary							23
Discount on acquisition							46,674
Finance costs							(12,474)
Profit before tax							71,850
Income tax charge							(5,176)
Profit for the year							66,674
Other information							
Additions of property, plant and equipment	3,621	6,084	1,737	240	1,028	329	13,039
Depreciation of property, plant and equipment	9,492	10,044	3,960	825	356	2,775	27,452
Share-based payment expenses	—	—	—	—	—	63	63

Inter-segment sales are charged at prevailing market rates.

	Contract Manufacturing	Tools	Metrology	Magnetics	Lead-frames	Corporate/ Elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 30 September 2008							
Balance Sheet							
Assets							
Segment assets	240,781	473,393	181,908	96,985	113,223	—	1,106,290
Unallocated corporate assets	—	—	—	—	—	(17,495)	(17,495)
Total assets	240,781	473,393	181,908	96,985	113,223	(17,495)	1,088,795
Liabilities							
Segment liabilities	176,582	366,466	75,425	62,532	52,911	—	733,916
Unallocated corporate liabilities	—	—	—	—	—	(13,398)	(13,398)
Total liabilities	176,582	366,466	75,425	62,532	52,911	(13,398)	720,518

	Contract Manufacturing	Tools	Metrology	Magnetics	Corporate/ Elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
For the year ended 30 September 2007						
External sales	529,663	613,999	158,395	100,248	—	1,402,305
Inter-segment sales	—	10,452	3,412	676	(14,540)	—
	529,663	624,451	161,807	100,924	(14,540)	1,402,305
Segment profit	3,446	2,059	14,725	12,988	—	33,218
Unallocated corporate expenses						7,969
Interest income						3,955
Restructuring costs						(476)
Gain on sale of land and buildings						1,447
Share of results of an associate						1,528
Discount on acquisition						60,095
Finance costs						(8,773)
Profit before tax						98,963
Income tax charge						(7,581)
Profit for the year						91,382
Other information						
Additions of property, plant and equipment	9,447	14,766	4,806	2,289	320	31,628
Depreciation of property, plant and equipment	8,802	9,622	2,746	915	3,589	25,674
Share-based payment expenses	—	—	—	—	252	252

	Contract Manufacturing	Tools	Metrology	Magnetics	Corporate/ Elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 30 September 2007						
Balance Sheet						
Assets						
Segment assets	281,513	417,959	178,114	77,922	—	955,508
Unallocated corporate assets	—	—	—	—	107,435	107,435
Total assets	281,513	417,959	178,114	77,922	107,435	1,062,943
Liabilities						
Segment liabilities	188,498	266,911	77,954	54,908	—	588,271
Unallocated corporate liabilities	—	—	—	—	137,477	137,477
Total liabilities	188,498	266,911	77,954	54,908	137,477	725,748

Geographical Segments

The Group's operations are mainly located in Mainland China, Hong Kong, United States of America, South America, Canada, Mainland Europe, the United Kingdom ("UK"), Australasia, Singapore and elsewhere in Asia. The following provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods:

Turnover by geographical market

Years ended 30 September	**2008**	**2007**
	HK$'000	*HK$'000*
The People's Republic of China (the "PRC"):		
Mainland China	47,530	61,791
Hong Kong	39,711	42,521
	87,241	104,312
United States of America, South America and Canada	207,693	254,802
Mainland Europe (excluding UK)	443,113	317,703
UK	310,108	404,567
Australasia	170,895	139,098
Asia (including Singapore but excluding Mainland China and Hong Kong)	134,446	109,351
Others	84,112	72,472
	1,437,608	1,402,305

4. INCOME TAX CHARGE

The charge for the year comprises:

Years ended 30 September	2008	2007
	HK$'000	*HK$'000*
Current taxation:		
Hong Kong	—	68
Mainland China	127	1,626
United States of America	62	—
France	869	821
New Zealand	243	104
	1,301	2,619
Deferred tax	3,875	4,962
	5,176	7,581

(a) Hong Kong profits tax is calculated at 16.5% (2007 - 17.5%) on the estimated assessable profits for the year. Taxation arising in other jurisdictions is provided on the estimated taxable profits arising in those jurisdictions at the prevailing local rates.

The total charge for the year can be reconciled to the profit per the consolidated income statement as follows:

Years ended 30 September	**2008**	**2007**
	HK$'000	*HK$'000*
Profit before tax	71,850	98,963
Tax at the average income tax rate of 21.85% (2007 - 23.25%)	(15,699)	(23,005)
Tax effect of expenses not deductible for tax purposes	(5,704)	(5,211)
Tax effect of income not taxable for tax purposes	9,369	16,597
Tax effect of losses not recognised	(3,984)	(6,223)
Utilisation of tax losses previously not recognised	5,401	14,744
Effect of prior year adjustments	1,596	263
Effect of different tax rates applicable to subsidiaries operating in non Hong Kong jurisdictions	—	680
Increase/(decrease) on recoverable amount of UK deferred tax assets (see below)	3,845	(5,024)
Others	—	(402)
Income tax charge	(5,176)	(7,581)

The adjustment of HK$3.8 million in the year to 30 September 2008 relates to changes in UK tax legislation regarding the tax treatment of capital expenditure on industrial buildings.

With regard to the adjustment of HK$5.0 million in the year to 30 September 2007, the majority of the Group's deferred tax assets relate to temporary differences originating in its UK subsidiaries. At 30 September 2006 such deferred tax balances had been provided for at a rate of 30%. Legislation enacted during 2007, applicable from 6 April 2008, reduced the rate to 28%. The deferred tax assets were reduced at 30 September 2007 to reflect this change in rate.

On 16 March 2007 the PRC promulgated the Law of the People's Republic of China on Enterprise Tax ("the New Law"). On 6 December 2007 the State Council of the PRC issued Implementation Regulations of the New Law. Pursuant to the New Law and Implementation Regulations the enterprise income tax for domestic and foreign invested enterprises will be unified at 25% from 1

January 2008. There will be a transitional period for the PRC's subsidiaries that are currently entitled to preferential tax treatments granted by the relevant tax authorities. PRC subsidiaries currently subject to an Enterprise Income Tax rate lower than 25% will continue to enjoy the lower tax rate and will be gradually transitioned to the new unified rate of 25% within five years after 1 January 2008.

5. DIVIDENDS

Years ended 30 September	**2008**	**2007**
	HK$'000	*HK$'000*
Interim dividend declared and paid of 0.5 HK cent per ordinary share (2007 - nil)	3,000	—

At a Board Meeting held on 17 June 2008, the Directors approved the payment of an interim dividend of 0.5 HK cent per share. The interim dividend was distributed on 29 August 2008 to shareholders whose names appeared on the share register of members of the Company as at the close of business on 21 August 2008.

The Directors propose the payment of a final dividend of HK$3.6 million (0.5 HK cent per ordinary share) for the year ended 30 September 2008. Subject to shareholders' approval, this final dividend will be distributed on or about 5 March 2009 to shareholders whose names appear on the register of members of the Company as at the close of business on 27 February 2009.

The final dividend has not been recognised as a liability at the balance sheet date.

Assuming the final dividend is approved by shareholders at the Annual General Meeting, total dividends for the year will be 1.0 HK cent per share.

6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the profit attributable to equity holders of the Company of HK$66.7 million (2007 - HK$76.4 million) and the weighted average number of ordinary shares of 684,587,886 shares and 691,365,971 shares (2007 - 677,058,400 and 681,935,072) respectively, calculated as follows:

(i) **Weighted average number of ordinary shares**

	2008	**2007**
Issued ordinary shares at 1 October	557,058,400	557,058,400
Effect of new shares issued *(note a)*	7,529,486	—
Effect of bonus issue *(note b)*	120,000,000	120,000,000
Weighted average number of ordinary shares at 30 September	684,587,886	677,058,400
Basic earnings per share (HK$)	9.74 cents	11.28 cents

(ii) **Weighted average number of ordinary shares (diluted)**

	2008	**2007**
Issued ordinary shares at 1 October	557,058,400	557,058,400
Effect of new shares issued *(note a)*	7,529,486	—
Effect of bonus issue *(note b)*	120,000,000	120,000,000
Effect of deemed issue of shares under the Company's share option scheme	6,778,085	4,876,672
Weighted average number of ordinary shares at 30 September	691,365,971	681,935,072
Diluted earnings per share (HK$)	9.64 cents	11.19 cents

(a) Relates to consideration shares issued in respect of the acquisition of Jade Precision Engineering Pte Ltd on 28 July 2008.

(b) The number of shares for 2007 includes the impact of the bonus issue of 1 bonus share for every 5 shares held, which was implemented in 2008.

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables of HK$311.2 million (2007 - HK$301.4 million) include trade receivables of HK$284.6 million (2007 - HK$285.4 million). At the reporting date, the aged analysis of trade receivables, which is stated after provisions for impairment, is as follows:

GROUP	**2008** *HK$'000*	**2007** *HK$'000*
0-60 days	230,398	222,000
61-90 days	32,142	24,455
91-120 days	9,552	15,525
Greater than 120 days	12,513	23,458
	284,605	285,438

The Group allows credit periods ranging from 30 to 120 days to its trade customers depending on their credit status and geographical location. The Directors consider that the carrying amount of the trade and other receivables approximate to their fair value.

Movements in the provision for impairment of trade receivables are as follows:

GROUP	**2008** *HK$'000*	**2007** *HK$'000*
Balance at 1 October	10,298	13,096
Impairment losses recognised	4,316	2,067
Impairment losses reversed	(569)	(5,795)
Currency realignment	(865)	930
Acquisition of a subsidiary	567	—
Balance at 30 September	13,747	10,298

The above provision relates to individually impaired trade debtors that were in default in settlements and no portion of the receivables is expected to be recovered.

Debtors that are past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality.

8. TRADE AND OTHER PAYABLES

Trade and other payables of HK$296.2 million (2007 - HK$270.4 million) include trade payables of HK$191.9 million (2007 - HK$186.7 million). The aged analysis of trade payables at the reporting date is as follows:

GROUP	**2008** *HK$'000*	**2007** *HK$'000*
0-60 days	172,316	174,762
61-90 days	14,522	6,692
Greater than 90 days	5,041	5,246
	191,879	186,700

The Directors consider that the carrying amount of the trade and other payables approximate to their fair value.

9. CONTINGENT LIABILITIES

The Group is, from time to time, subject to legal proceedings and claims arising from the conduct of its business operations, including litigation related to personal injury claims, customer contract matters, employment claims and environmental matters.

The PRC tax authorities are carrying out an examination of the tax returns of the Company's PRC based subsidiaries in respect of the fiscal years 2000 to 2004. No provision has been made by the Group since the examination has not yet been completed and the amounts of the liabilities, if any, cannot be reliably determined.

While it is impossible to ascertain the ultimate legal and financial liabilities with respect to contingent liabilities including lawsuits, the Directors of the Company believe that the aggregate amount of such liabilities, if any, in excess of amounts accrued or covered by insurance, will not have a material adverse effect on the consolidated financial position or results of operations of the Group.

BUSINESS REVIEW AND PROSPECTS

The Board is pleased to report good trading results for the year ended 30 September 2008.

Group Results

In the year ended 30 September 2008, the Group recorded a turnover of HK$1,437.6 million, which represents an increase of 2.5% when compared to the turnover of HK$1,402.3 million for the year ended 30 September 2007.

The Group's operating profit (earnings before finance costs, share of associate's profits, other non-operating items and taxation) increased to HK$53.8 million in the year ended 30 September 2008, up by HK$7.2 million, or 15.5%, from the prior year.

Gross margins have grown from 24.4% in the prior year to 26.0% in the current year, driven by the strong sales performance of high-end products in the Metrology and Magnetics divisions. The overall improvement in gross profit in 2008 compared to 2007 of HK$32.5 million together with the benefit of net increases in other income of HK$6.6 million (principally attributable to exchange gains crystallizing in 2008) more than offset increases in overhead costs of HK$30.5 million.

Consistent with the increase in operating profit, the Group's EBITDA (i.e. earnings before finance costs, share of associate's profits, non-operating items, taxation, depreciation and amortisation) in the current period under review amounted to HK$82.9 million (2007: HK$72.3 million), an increase of HK$10.6 million, or 14.7% over the prior year.

The acquisition of Jade Precision Engineering Pte Ltd ("JPE") was completed in July 2008. The purchase consideration represented a 70% discount to the adjusted fair value of the company's assets at acquisition resulting in a discount on acquisition of HK$46.7 million.

Including the discount on acquisition, the Group's net profit before taxation was HK$71.9 million. This compares to a net profit in the prior year of HK$99.0 million. 2007 benefited from the inclusion of a HK$60.1 million discount arising on the acquisition of the minority interest in Spear & Jackson, Inc ("Spear & Jackson").

The tax charge for the year ended 30 September 2008 was HK$5.2 million (2007: HK$7.6 million).

Profit attributable to equity holders of the Company was HK$66.7 million (2007: HK$76.4 million), a decrease of 12.7% compared to the prior year.

2008 earnings per share were 9.74 HK cents compared to earnings per share of 11.28 HK cents in 2007. Basing the earnings per share calculations on earnings excluding the one time impact of discounts on acquisition and restructuring costs, produces an adjusted earnings per share of 5.51 HK cents in 2008 compared to 2.47 HK cents per share in the prior year.

Group Operations Review

Divisional Results Overview

Although the Contract Manufacturing division saw its operating profits fall by 97.1% in the face of increasingly aggressive competition, the Group's other principal business segments achieved encouraging results with segmental profits for the Tools, Metrology and Magnetics divisions jumping 648.9%, 26.9% and 43.8% respectively when compared to the same period in the prior year. The JPE operation, included for the first time in 2008 following its acquisition in July 2008, recorded a loss of HK$0.4 million.

These results were achieved in the face of an uncertain global business environment and despite continuing cost pressures, particularly in the areas of utilities and raw materials, softening retail markets and adverse currency movements.

These market pressures are not unique to the Group but have adversely affected manufacturers worldwide.

Detailed divisional trading reviews are as follows:

Contract Manufacturing Division (The Pantene Group)

Pantene Industrial Co. Ltd, our original contract manufacturing business, is based in Shenzhen, China. Pantene was founded in 1978. Pantene and its subsidiaries ("Pantene Group") are principally engaged in the design, production and sale of electronic and electrical products to serve consumer, business and industrial needs. Pantene also provides OEM and EMS services, as a vertically-integrated manufacturer providing one-stop solution, from conceptualization to design, tooling, safety and quality approvals, trial runs through mass production. Its core electronic power supply business covers a wide product range that includes voltage converters, power tool chargers, battery chargers, high voltage transformers, cables, coils and solenoids, and components for electronic/electrical/mechanical products. Increasingly, we are utilizing new technologies including optics, ultrasonic, RF (radio frequency), and magneto-electric technologies to produce more sophisticated and complex product lines such as security products and alarms for business and residential use, digital laser measurement devices, laserbeam units, ultrasonic detection devices, thermostat controls, RF alert systems, portable generators and accessory products. Rechargeable battery chargers are sold to the consumer market under the Powerhaus brand name.

Trading conditions in the contract manufacturing sector have been extremely competitive and this situation is exacerbated by the turmoil in world financial and commercial markets. In a softening sales environment, 2008 revenues were 4.6% down on those recorded in the prior year and margins were put under significant pressure due to increasing raw material, labour and utility costs and adverse exchange movements.

Lewis Ho, CEO of the Pantene Group, stated:

"The trading environment became increasingly difficult during the year. Sales revenues fell from HK$529.7 million in the year ended to 30 September 2007 to HK$505.3 million in fiscal 2008. The sales reduction coupled with increases in raw material and labour costs earlier in the year resulted in operating profit falling from HK$3.5 million in 2007 to HK$0.1 million in 2008. These trading conditions have deteriorated further in the first quarter of fiscal 2009 and significant additional restructuring costs have been incurred to realign the division's cost base with current sales demand. Such restructuring will leave us better positioned to benefit from up turns in the market as these arise."

Spear & Jackson

William Fletcher, CEO of Spear & Jackson commented, "The Spear & Jackson group through its principal divisions, Tools, Metrology and Magnetics, operates across a number of different world-wide markets. Each has faced challenging sector conditions as a result of increased costs, softening retail demand, unfavourable exchange rates and the escalating financial turmoil.

The UK and French hand and garden tool businesses have suffered from falling demand but, despite the adverse trading environment, the Metrology and Magnetics businesses have continued to perform excellently delivering improved sales and increased margins. The Australasian operations have again performed well.

To counter increasing costs, the UK reorganisation program has continued with the announcement, in May, of the closure of the Sheffield based woodsaws and builders' tools operations with production now being relocated to Taiwan.

In these difficult trading arenas, emphasis will be placed on core strategies and values to ensure that assets are safeguarded, costs and working capital are controlled and shareholder value maximized."

Tools Division

Our tools division comprises the principal operating subsidiaries, Spear & Jackson Garden Products Ltd and Neill Tools Ltd, the independently managed business of Robert Sorby and subsidiaries in France, Australia and New Zealand that act as distributors.

With a heritage dating back to the 1760s, Spear & Jackson Garden Products Ltd and Neill Tools Ltd offer a broad range of premium quality, well known product brands. The division has manufacturing and assembly facilities in Sheffield, England and St. Chamond, France, and distribution facilities in Australia and New Zealand. The division sells in over 100 countries world-wide under globally recognised brands such as Spear & Jackson, WHS and Tyzack. The Division's policy is to continuously extend and refresh its core product offering with a stream of new products and range extensions.

These companies procure, manufacture, distribute and sell hand hacksaws, hacksaws blades, hacksaw frames, builders' tools, riveter guns, wood saws and lawn, garden and agricultural tools, all non-powered, together with a portfolio of electric powered garden tools.

Trading conditions in the UK were highly competitive, exacerbated by a worsening economic environment, particularly in the retail sector. This channel is unlikely to see improvement in 2009 and the division is therefore focused on initiatives to take market share from competitors.

Export markets fared better, however, with sales up on the previous year driven by the beneficial impact of new product development and improved volumes in Thailand and Dubai. As in the UK, the worldwide recessionary markets are likely to soften demand in these foreign sales sectors.

Major restructuring carried out in the UK over the past two years has significantly improved the trading position and this reorganisation program has continued in the current year with the relocation of the builders' tools and woodsaws operations to Taiwan.

In the year ahead, the senior management team, led by managing director Lee Wells, will continue to develop and launch new product ranges, further increase our distribution base, continue to grow brand franchise income and forge relationships with partners in low cost economies to improve margins and sales.

Robert Sorby, a niche business supplying high-quality English designed and manufactured speciality hand tools for woodworkers, has had a difficult year, mainly attributable to declining sales arising from its direct exposure to the UK retail market and softening sales in the US where overstocking by key customers has had a negative impact on 2008 sales. These sales shortfalls were mitigated by increased sales in the operations retail/e-commerce business.

The distribution and sales outlet in France has again performed creditably with sales and operating profit ahead of the previous year — this against the backdrop of a weakening garden tools market sector.

In our Australian business, all segments of the operation performed well as a result of aggressive sales strategies across all market segments thanks to new product lines, range extensions and increased promotional sales across air, garden, handtools, masonry, measuring and magnetic products. Sales in New Zealand were negatively impacted by a softening retail market and the loss of compressor and tools business with a major national retailer.

Metrology Division

The Metrology division comprises three principal companies: Bowers Metrology Ltd, Bowers Metrology (UK) Ltd and Bowers Eclipse Equipment Shanghai Co Ltd. These businesses are based in Bradford, UK, Bordon, UK, and Shanghai, PRC, respectively. Prior to its sale in January 2008, the division also had a subsidiary, CV Instruments Europe BV, based in Maastricht, The Netherlands.

The Metrology division, led by managing director Steve White, is engaged in the design, manufacturing and distribution of precision measuring instruments for the Automotive, Aerospace and Defence markets. These products range from simple engineers' hand tools such as gauges for checking the threads, diameters and tapers of machined components to highly sophisticated and specialized measuring systems such as precision bore gauges and hardness testing equipment. Products are sold to industrial customers and are exported to more than 50 countries worldwide, including the United States, Germany, and France.

The main manufacturing facility in Bradford, UK, is equipped with the latest in modern manufacturing machinery and techniques. The core product manufactured here being the 3-point internal micrometer range, known as the "Bowers XT", a product sector in which Bowers is the market leader. The UK sales division in Bordon offers a "one-stop-shop" to the UK industrial marketplace, selling predominantly to industrial end-users, with its technical sales team offering solutions to high precision measuring problems.

The Bowers business is complemented by the well-known brand of Moore & Wright and a manufacturing facility in Shanghai. The Shanghai manufacturing facility, which commenced trading in 2006, manufactures several of the Group's testing instruments, while also acting as a sourcing and quality control centre for products sold internationally. In addition, Bowers Shanghai acts as a distribution centre offering in the rapidly expanding Chinese market the entire product range of the Bowers Group. In January 2008 the Company completed the sale of the CV Instruments Europe BV to a team led by its former managing director. Up to that date, that division had been involved in the sale and distribution of a range of portable hardness testing equipment.

2007-08 proved to be a record year for the Bowers Metrology Group, driven mainly by strong exports of the core 3-point bore gauging products. Throughout the year, our distributors in Germany and the USA were placing orders at exceptional levels, resulting in severe capacity pressures on the Bradford manufacturing facility. Overall sales were up 30% compared to the previous year, even when taking into account the more subdued growth in the UK of 15%. Most of this demand was driven by strong economic growth in our key markets, but also in the winning of market share against our main competitors.

Despite the strong sales growth, gross margins were a little disappointing throughout the year. This was mainly due to the capacity pressures, where certain component manufacturing had to be sub-contracted out rather than being done in house. In recent months, negative currency fluctuations also started to affect margins on imported products, particularly with regards to the Swiss Franc and US Dollar.

Our Bowers Shanghai facility continued to develop well throughout the year, reaching a break even point on a monthly basis in August 2008. The business is now in full production with the Eseway bench hardness testers, which were launched in May 2008. Additionally, sales from Shanghai of Moore & Wright hand tools increased significantly, with many new markets being developed, particularly in Asia and South America.

Cash generation for the year was strong, helped by the sale of the CV Instruments Maastricht facility in January 2008. A further injection of capital was made to the Bowers Shanghai subsidiary but it is anticipated that the business will now be self-financing, therefore not requiring any funding from the UK in the future.

Many new products were launched throughout the year, particularly in the Moore & Wright hand tool product grouping. New listings have been won with a number of the UK catalogue houses, the benefit of which will not be seen until early 2009.

The outlook for the coming financial year is less positive. The first quarter should be in line with budget because of the healthy order book, but incoming orders are slowing sharply due to the recent economic turbulence. The UK market is not slowing as much as some of the key export markets, but there is the added problem in the UK of the adverse currency fluctuations. This situation will be monitored very closely over the coming months, with a reduction in employees likely to be required if market conditions do not improve.

Magnetics Division

Eclipse Magnetics has a rich history of leading edge innovation in magnetic tool technology while maintaining its foundation in a core product range that goes back to the early 20th century. The company's strong management team, led by Lee Wells, continues to embrace the many challenging opportunities to ensure continued growth in their operations.

Its key products are permanent magnets (cast alloy), magnetic tools, magnetic chucks and turnkey magnetic systems. Products range from very simple low-cost items to technically complex high value added systems. In addition, Eclipse Magnetics supplies the market with other magnetic devices, sourced from the Far East. It provides both complete factored items to end-customers, as well as sales of component parts to UK manufacturers. Eclipse is also involved in applied magnetics and supplies many areas of manufacturing with products such as separators, conveyors, lifting equipment and material handling solutions. The Eclipse name represents a guarantee of quality and performance and support from a team of highly skilled engineering specialists who continue to innovate new products from the UK incorporating patented technology.

In the 1990s the Engineered Products Division was formed to focus on developing higher technology magnetic products and equipment to serve an increasingly demanding manufacturing and processing industry in a wide number of markets.

In the Separation and Filtration group, Eclipse has seen a surge in new products with patented designs that lead the way in separating ferrous contamination from all powder, granulate, slurry and liquid materials in the processing industry. The Food, Pharmaceutical and Plastics industries are targeted by the division as potentially large customers for new product additions as they are developed.

The company's products are supplied worldwide and through major industrial distribution channels with the UK, Europe and the USA being the strongest markets.

During the year, the completion of the transfer of the division's operations to the main Atlas site in Sheffield, England and the resultant restructuring of its cost base, has helped the division to achieve margin gains despite ever increasing raw material price increases. The business will focus on new product development in 2009, particularly in the high value added handling and separation markets.

Leadframes

The acquisition of the JPE Leadframes business was completed on 28 July 2008 and the company's post acquisition results for August and September have been included in the 2008 consolidated income statement.

Simon Lim, CEO of JPE, noted "We are excited at the opportunities that being part of the UPI Group will offer. Following the acquisition of the company by UPI in July 2008, operating losses were recorded in the months of August and September. In a very tough trading climate, leadframe demand from our major customers has softened and this situation has been exacerbated by adverse currency movements between the Singapore and US dollar. Significant restructuring initiatives have been put in place in September relating to workforce reductions and the transfer of the company's stamping operation to Pantene's PRC facility. This realignment of the company's manufacturing cost base will leave us better positioned to take advantage of upturns in our markets as they arise."

Brands

Significant emphasis within the Group's operations is focused on branding and brands strategy, principally through Spear & Jackson and its subsidiaries.

Spear & Jackson has held leading brand names in its core business since 1760. Neill Tools is one of the largest British based manufacturers of hand tools with leading brand names such as Neill Tools, Eclipse, Elliott Lucas and Spear & Jackson. In the Metrology division, the Moore & Wright brand has been recognised for over 100 years for its traditional craftsmanship while the Bowers name has been at the forefront of international precision measuring equipment for over 50 years. Eclipse Magnetics is a recognised brand name in the UK manufacturing industry because of its long history of supplying quality magnetic tools and magnetic applications. Robert Sorby is a recognised specialist in marketing its wood turning tools.

Pantene manufactures a range of chargers coupled with factored rechargeable batteries which are sold worldwide under the Powerhaus brand name.

Business Review

Trading performance in the year was adversely affected by softening retail demand, increasing competition and the fall out from the financial markets meltdown. This challenging market environment was made more difficult by rises in raw material and other costs, adverse currency movements and severe downward pricing pressures from customers.

These difficult market conditions were particularly hard felt in the Tools and Contract Manufacturing divisions but the negative impact of these factors has been mitigated, however, by strong trading results recorded by the Magnetics division (increased magnetic application sales), Metrology (buoyant markets especially in respect of export sales) and the Australasian distribution subsidiaries in the Tools division (new products launched coupled with successful promotions).

The Contract Manufacturing division has experienced gross profit margin dilution due to increases in labour, utility and raw material costs and adverse currency fluctuations in the earlier part of fiscal 2008. Likewise, the Tools division has continued to face difficult trading conditions across its major UK multiple retail, industrial and trade accounts where housing market difficulties, and financial restrictions in the wake of the credit crunch have adversely affected consumer demand. These factors are in addition to the long-standing issues relating to the mature UK hand tool market that continues to come under increasing attack from cheap overseas imports.

The Group has addressed these problems by implementing operational efficiencies and on-going cost cutting measures. Additionally, the UK restructuring program which was initiated in Spear & Jackson in prior years has been further extended in the final quarter of fiscal 2008 with the announcement of the transfer of the woodsaws and builders' tools operations from the Group's UK manufacturing facility in Sheffield to Taiwan.

As with other areas of our operations, sales demand in our Leadframes division is slowing as a result of the recessionary trends in world economic markets. We believe, however, that the acquisition of JPE will add diversity and depth to our metal stamping operations and enhance our competitiveness as a contract manufacturer of electronic/electrical components and metal stamped parts including leadframes. We will be able to advance more rapidly into high-precision engineering work and, going forward, the new range of leadframes products planned by JPE will give us the opportunity to penetrate new markets, especially in China. At the same time, JPE will benefit from our low-cost structure, economics of scale and other operational synergies.

Prospects and Strategies

Each of the Group's divisions continues to operate under increasingly competitive market conditions. We see no alleviation to this situation. Indeed, in the initial months of our 2009 financial year we are experiencing further deterioration in our trading conditions. This is largely due to the current turmoil in financial markets and is affecting many manufacturing industries world wide. This will inevitably lead to an increasingly stark business environment in our Tool and Contract Manufacturing divisions which have most exposure to the fragile retail market.

This difficult trading landscape is made more challenging, in the case of Tools, by the negative influence of cheap imports which put margins under constant pressure. These difficulties are not unique to your Company but are being experienced across the whole range of manufacturing businesses worldwide. We believe that we are better positioned than most to ride this storm because of the product diversity within the Group and the spread of sales markets, both geographically and by product range, that the Group serves.

We have already reacted decisively to softening sales demand by reducing workforce numbers, particularly in the Contract Manufacturing and Leadframes businesses, and we will continue to drive further cost reductions and efficiencies. Additionally, although certain of our competitors are substantially larger than us, and have greater financial resources, we believe that we compete favourably across the whole range of our activities because of the quality of our products, their pricing and imaginative design. Our reputation, customer service, combined with unique brand offerings enable us to build and maintain customer loyalty.

As a Group, we are benefiting at this time from lower material costs, but this will not fully offset reduced sales or the current adverse effects of currency fluctuations.

The UK tools operations continue to experience particularly tough trading conditions in both their export and home markets. Management will continue to place particular emphasis on new product development and brand franchising.

Similarly, Pantene is adversely affected by weakening sales demand and downward pressures on pricing. Competition is becoming ever stronger and there is no current indication that this situation will improve. Our customer base includes some of the world's biggest names in the consumer product industry. We are proud to be associated with such companies but with this relationship goes the need to consistently deliver high quality products and service levels whilst simultaneously being able to reduce costs, increase flexibility and supply an ever-widening list of products.

Our on-going business strategy is to expand our product lines and customer base so that our product offering base is continually refreshed and improved and sales concentration is better diversified. Our ongoing commitment to excellent customer service and competitive pricing will aid these initiatives. Additionally, the Group will continue to explore opportunities to reduce the cost of its operating base in order to maintain margins and to retain its competitive edge.

In July we completed the purchase of JPE at a significant discount to book value. We are working to realize the potential synergies that can be achieved for the Group from this acquisition and also to restructure the business to reduce its cost base and eliminate inefficiencies. Workforce reductions have already been effected in the first quarter of fiscal 2009 and further manufacturing reorganization initiatives will be implemented in the rest of the year.

Following the completion of the acquisition of JPE, our executive directors and the Group management team continue to look for further acquisitions to extend the Group's activities, where synergistic opportunities at attractive prices can be identified.

In August 2008 we announced we were in discussion with Alford Industries Ltd to acquire the whole of their equity. Those negotiations are on-going and at an advanced stage. Assuming this transaction closes, UPI will have access to more advanced technology in high grade consumer goods.

In 2008 the profit attributable to shareholders benefits from the full year inclusion of 100% Spear & Jackson's trading results and the discount on acquisition of HK$46.7 million relating to the acquisition of JPE.

The 2009 trading climate is far less benign with the start of the current year being marked by huge uncertainty and a deepening of the economic downturn. Trading in the first quarter of fiscal 2009 has shown a significant drop in sales and new orders when compared to the previous year. Results from our Magnetics and Metrology units are holding up well compared to general market trends but even these divisions are exhibiting signs of softness.

Most badly affected are the Tool and Contract Manufacturing units where reductions in sales and orders persist. We anticipate that these trends will persist and, as a consequence, we expect that our results will be lower in 2009 than those which are being reported for the year ended 30 September 2008.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on 27 February 2009 at the Corporate Office at Suite 2705-06, 27/F., Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Tuesday 24 February 2009 to Friday 27 February 2009, 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 to payment of the final dividend, if approved by shareholders, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Secretaries Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong not later than 4:00 p.m. on Monday 23 February 2009. The last day in Hong Kong for dealings in the Shares with entitlement to the final dividend will be on Thursday 19 February 2009. Shares will be traded ex-dividend as from Friday 20 February 2009. The final dividend will be paid on or about Thursday 5 March 2009.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and with the knowledge of the Directors of the Company throughout the period under review and up to the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own Code for Securities Transactions by Directors and Officers (the "Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under Appendix 10 to the Listing Rules. All Directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and the Code during the period under review.

Employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the audited consolidated financial statements for the year ended 30 September 2008.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance that properly protect and promote the interests of its shareholders. The monitoring and assessment of certain governance matters are allocated to three committees: Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee which operate under defined terms of reference and are required to report to the full Board on a regular basis. Full details of the Corporate Governance Report are set out in the Annual Report of the Company for the year ended 30 September 2008.

In the opinion of the Directors, the Company has complied with the code provisions listed in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules throughout the year ended 30 September 2008, with the exception of the following deviations:

Under code provision A.2.1, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr Brian C Beazer has combined the role of Chairman and Chief Executive Officer. The Group considers this structure will not impair the balance of power and authority between the Group and the management and both the Board and senior management of the Group have significantly benefited from the leadership, support and experience of Mr Beazer. Therefore, the Board does not currently propose to separate the functions.

Under code provision A.4.1, non-executive directors should be appointed for a specific term. Under code provision A.4.2, every director should be subject to retirement by rotation at least once every three years. Currently, non-executive directors are not appointed for a specific term. This constitutes a deviation from code provision A.4.1. However, they are subject to retirement by rotation at least once every three years at each annual general meeting under the Byelaws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

PUBLICATION OF DETAILED ANNUAL RESULTS ON THE STOCK EXCHANGE'S WEBSITE

All the financial and other information of the Company required by paragraphs 45(1) to 45(3) inclusive of Appendix 16 of the Listing Rules will be published on the Company's website (http://unitedpacific.quamir.com and www.upi.com.hk) and on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) in due course.

By Order of the Board
United Pacific Industries Limited
BRIAN C BEAZER
Executive Chairman

Hong Kong, 12 January 2009

As at the date hereof, the executive directors of the Company are: Mr Brian C Beazer, Mr David H Clarke, Mr Simon N Hsu, Mr William Fletcher and Mr Patrick J Dyson; the non-executive director is: Mr Teo Ek Tor; and the independent non-executive directors are Dr Wong Ho Ching, Chris, Mr Henry W Lim, Mr Ramon Sy Pascual and Mr Robert Machinist.