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PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME AND REFRESHMENT OF SHARE OPTION SCHEME LIMIT

The Board proposes to amend certain provisions of the Share Option Scheme to include the employees and non-executive directors of the Group as participants eligible to participate in the Share Option Scheme.

The Board also proposes to refresh the Share Option Scheme Limit so that the Company may grant options up to 5% of the total number of Shares in issue as at the date of the SGM.

The proposed amendments to the Share Option Scheme and refreshment of the Share Option Scheme Limit are subject to approval of the Shareholders by way of passing ordinary resolutions to be proposed at the SGM.

PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

The Board proposes to amend certain provisions of the share option scheme adopted by the Company on 30 August 2004 (the “**Share Option Scheme**”) to include the employees and non-executive directors (including independent non-executive directors) of the Company and its subsidiaries (the “**Group**”) as participants eligible to participate in the Share Option Scheme.

The amendments to the Share Option Scheme are proposed as part of a review of the Group's remuneration system. The board of directors of the Company (the "**Board**") considers that the proposed inclusion of the employees and non-executive directors of the Group as eligible participants under the Share Option Scheme would induce and incentivize the employees, executives and directors of the Group to contribute to the growth, development and success of the Group and to allow the Company to reward such contribution accordingly.

PROPOSED REFRESHMENT OF SHARE OPTION SCHEME LIMIT

The Board also proposes to refresh the maximum number of shares of HK\$0.10 each of the Company (the "**Shares**") which may be issued upon the exercise of all share options granted or to be granted under the Share Option Scheme and any other share option scheme(s) of the Company, being 5% of the total number of Shares in issue on the date of passing of the relevant resolution approving/refreshing such limit (the "**Share Option Scheme Limit**").

As at the date of this announcement, the total number of Shares in issue was 991,852,107 Shares and the Share Option Scheme Limit was 35,031,217 Shares. Pursuant to Rule 17.03(3) of the Listing Rules, the Company may seek the approval by its Shareholders in general meeting for "refreshing" the Share Option Scheme Limit. If refreshed, the Company may grant share options up to 5% of the total number of Shares in issue as at the date of the SGM. Options previously granted under the Share Option Scheme (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme) will not be counted for the purpose of calculating the Share Option Scheme Limit as refreshed. Based on the total number of Shares in issue as at the date of this announcement, and assuming such total number of Shares in issue remains unchanged on the date of the SGM, the refreshed Share Option Scheme Limit will be 49,592,605 Shares.

The Board believes that it is in the interest of the Company and its shareholders as a whole to refresh the Share Option Scheme Limit to allow further share options to be granted so as to provide incentives to and to reward the contribution of the enlarged group of eligible participants under the Share Option Scheme.

GENERAL

A special general meeting of the Company (“SGM”) will be convened and held on the same day as the forthcoming annual general meeting of the Company which is scheduled to be convened and held on 27 March 2012 to consider and approve the proposed amendments to the Share Option Scheme and refreshment of the Share Option Scheme Limit .

A circular containing, among other things, details of the proposed amendments to the Share Option Scheme and refreshment of the Share Option Scheme Limit will be despatched to the Shareholders in due course together with a notice of the SGM.

By Order of the Board
UNITED PACIFIC INDUSTRIES LIMITED
David H Clarke
Chairman

Hong Kong, 15 February 2012

As the date of this announcement, the Board comprises four Executive Directors, namely Mr. David H Clarke, Mr. Simon N Hsu, Mr. Henry W Lim and Mr. Patrick J Dyson; two Non- Executive Directors, namely Mr. Chan Kin Sang and Mr. Liu Ka Lim and three Independent Non-Executive directors, namely Mr. Robert B Machinist, Mr. Ramon S Pascual and Dr. Wong Ho Ching, Chris.