
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Universal Technologies Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

環球實業科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1026)

**GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE
SHARES, REFRESHMENT OF SHARE OPTION SCHEME MANDATE LIMIT,
RE-ELECTION OF DIRECTORS, PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION, PROPOSED ADOPTION OF THE AMENDED
AND RESTATED MEMORANDUM OF ASSOCIATION
AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Universal Technologies Holdings Limited to be held at Units 601–608, 6/F, Harbour View Two, Phase Two, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong, at 11 a.m. on Monday, 30 April 2012 is set forth on pages 29 to 36 of this circular. Whether or not you are able to attend the AGM in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with Hong Kong Registrars Limited, the branch share registrar and transfer office of the Company, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

27 March 2012

CONTENTS

	<i>Page</i>
Definitions	1
Letter From The Board	4
Appendix I — Explanatory Statement on Repurchase Mandate	11
Appendix II — Details of the Directors to be Re-elected	16
Appendix III — Proposed Amendments to the Articles	21
Notice of Annual General Meeting	29

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at Units 601–608, 6/F, Harbour View Two, Phase Two, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong, at 11 a.m. on Monday, 30 April 2012.
“Amended and Restated Memorandum and Articles”	the memorandum of association and articles of association of the Company having consolidated all of the proposed amendments referred to in Resolution 9 of the notice of AGM and all previous amendments made pursuant to resolutions passed by the members of the Company at general meetings, proposed to be adopted as the Amended and Restated Memorandum and Articles in substitution for and to the exclusion of the existing Memorandum and Articles
“Articles”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Universal Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed and traded on the Stock Exchange of Hong Kong Limited
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Scheme Mandate Limit”	the Scheme Mandate Limit as refreshed at the annual general meeting of the Company held on 6 May 2011, being 10% of the issued share capital of the Company as at 6 May 2011
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Share Option Scheme”	the share option scheme adopted by the Company on 12 October 2001, which was terminated on 22 June 2010 when the listing of the Shares were transferred from the GEM to the Main Board of the Stock Exchange
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	23 March 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles”	the memorandum of association and articles of association of the Company as amended from time to time
“New Issue Mandate”	an ordinary resolution will be proposed in the AGM to grant the Directors a general mandate to allot, issue and deal with shares not exceeding 20% of the share capital of the Company in issue as at the date of passing the resolution of the New Issue Mandate
“Repurchase Mandate”	an ordinary resolution will be proposed in the AGM to grant the Directors a general mandate to repurchase issued shares of HK\$0.01 each in the capital of the Company, on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares of the Company may be listed, up to a maximum of 10% of the share capital of the Company in issue as at the date of passing the resolution of the Repurchase Mandate
“Resolution No. 5”	ordinary resolution no. 5 as set out in the Notice of AGM
“Resolution No. 6”	ordinary resolution no. 6 as set out in the Notice of AGM
“Resolution No. 7”	ordinary resolution no. 7 as set out in the Notice of AGM
“Resolution No. 8”	ordinary resolution no. 8 as set out in the Notice of AGM
“RMB”	Chinese Yuan, the lawful currency of the PRC
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, which must not in aggregate exceed 10% of the Shares in issue as at the date on which the Share Option Scheme is approved by way of ordinary resolution of the shareholders in the extraordinary general meeting on 12 August 2010 and thereafter, if refreshed, shall not exceed 10% of the Shares in issue as at the date of the approval of the refreshed limit by the Shareholders
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 12 August 2010
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Repurchase
“%”	per cent



UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

環球實業科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1026)

Executive Directors:

Mr. Lau Yeung Sang (*Chairman*)
Mr. Xu Hui (*Chief Executive Officer*)
Mr. Liu Ruisheng
Madam Luan Yumin
Mr. Chang Hung Lun

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Non-Executive Director:

Mr. Chow Cheuk Lap

Head Office and

Principal Place of Business:

Units 601–608, 6/F
Harbour View Two
Phase Two
Hong Kong Science Park
Pak Shek Kok
New Territories
Hong Kong

Independent Non-Executive Directors:

Mr. Meng Lihui
Mr. Fong Heung Sang
Dr. Cheung Wai Bun, Charles, *J.P.*

27 March 2012

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE
SHARES, REFRESHMENT OF SHARE OPTION SCHEME MANDATE LIMIT,
RE-ELECTION OF DIRECTORS, PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION, PROPOSED ADOPTION OF THE AMENDED
AND RESTATED MEMORANDUM OF ASSOCIATION
AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM for the year ended 31 December 2011 of the Company to be held at Units 601–608, 6/F, Harbour View Two, Phase Two, Hong Kong

LETTER FROM THE BOARD

Science Park, Pak Shek Kok, New Territories, Hong Kong at 11 a.m. on Monday, 30 April 2012. This includes: (i) the ordinary resolutions granting the Directors general mandates to issue new Shares and to repurchase Shares; (ii) the ordinary resolution for refreshment of the Scheme Mandate Limit; (iii) the ordinary resolution for re-election of Directors; (iv) the special resolution for amendments to the existing Articles; and (v) the special resolution for adoption of the Amended and Restated Memorandum and Articles.

GENERAL MANDATES

On 6 May 2011, ordinary resolutions were passed by the Shareholders giving general unconditional mandates to the Board to:

- (1) allot, issue and deal with additional Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution on 6 May 2011;
- (2) repurchase such number of Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution on 6 May 2011;

The above general mandates will lapse at the conclusion of the AGM. It is therefore proposed to seek for your approval of the ordinary resolutions to be proposed at the AGM to give fresh general mandates to the Board.

NEW ISSUE MANDATE

At the AGM, Resolution No. 5 will be proposed which, if passed, will give the Board the New Issue Mandate.

In addition, conditional upon the Resolution No. 5 and Resolution No. 6 being passed, the aggregate nominal amount of the share capital repurchased by the Company under the Resolution No. 6 shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Board pursuant to Resolution No. 5 in order to provide flexibility for issuing new shares when it is in the interests of the Company.

REPURCHASE MANDATE

At the AGM, Resolution No. 6 will be proposed to grant to the Directors the Repurchase Mandate. Under such mandate, the number of shares that the Company may repurchase shall not exceed 10% of the share capital of the Company in issue on the date of passing the resolution.

Details of Resolution No. 5 and Resolution No. 6, together with the extensions of the New Issue Mandate and the Repurchase Mandate as stated in Resolution No. 7, are set out in the notice of AGM.

LETTER FROM THE BOARD

EXPLANATORY STATEMENT

This circular contains the explanatory statement set out in Appendix I as required under the Listing Rules to give all the information reasonably necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the granting of a mandate to the Directors to exercise the powers of the Company to repurchase its own Shares.

REFRESHMENT OF SHARE OPTION SCHEME MANDATE LIMIT

The GEM Share Option Scheme adopted by the Company on 12 October 2001 was terminated, upon the listing of the shares of the Company being transferred from GEM to the Main Board of the Stock Exchange on 22 June 2010. The Board adopted a new share option scheme (“Share Option Scheme”) which is in compliance with the Listing Rules and obtained the approval of the shareholders in accordance with the Listing Rules at the Company’s extraordinary general meeting held on 12 August 2010.

Upon termination of the GEM Share Option Scheme, no further options may be offered thereunder. However, in respect of the outstanding options, the provisions of the GEM Share Option Scheme shall remain in force. The outstanding options granted under the GEM Share Option Scheme shall continue to be subject to the provision of the GEM Share Option Scheme.

Under the rules of the Share Option Scheme:

- (i) the number of Shares subject to options that may be granted shall not exceed 10% of the Shares in issue at the date of the approval of the Share Option Scheme or of the refreshment of the Scheme Mandate Limit;
- (ii) the Company may seek Shareholders’ approval to renew the Scheme Mandate Limit. However, the Scheme Mandate Limit to be refreshed shall not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders’ approval. Options previously granted under the Share Option Scheme and other share option schemes (including those outstanding, cancelled, lapsed in accordance with the schemes or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. A circular must be sent to Shareholders in connection with the meeting at which their approval will be sought;
- (iii) the Company may seek separate approval of the Shareholders in general meeting to grant options beyond the Scheme Mandate Limit to participants specifically identified by the Company before the aforesaid Shareholders’ meeting where such approval is sought; and
- (iv) the overall limit on the number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other option scheme of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

LETTER FROM THE BOARD

At the annual general meeting of the Company held on 6 May 2011, the Scheme Mandate Limit was refreshed and approved by the then Shareholders such that the total number of Shares which may fall to be issued upon exercise of all options to be granted under the Share Option Scheme must not exceed 153,821,885 Shares, representing 10% of the issued share capital of the Company as at 6 May 2011. Up to the Latest Practicable Date, options carrying the rights to subscribe for 153,820,000 Shares have been granted under the Existing Scheme Mandate Limit, out of which 15,700,000 options were exercised, no options were lapsed and 138,120,000 options are outstanding. None of these options were cancelled. Accordingly, the Company is permitted to grant further options to subscribe for 1,885 Shares under the Existing Scheme Mandate Limit, being approximately 0% of the issued share capital of the Company as at the Latest Practicable Date.

As at the Latest Practicable Date, there were a total of 184,170,000 outstanding options granted under the previous Scheme Mandate Limit and Existing Scheme Mandate Limit, representing approximately 10.85% of the issued share capital of the Company as at the Latest Practicable Date. None of the grantees has been granted with options which exceed the limit of 1% of the issued share capital of the Company in the 12 months period up to and including the respective dates of grant as set out in Rule 17.03(4) of the Listing Rules.

The Directors consider that the Company should refresh the Scheme Mandate Limit so that the Company can have more flexibility to provide incentive to Participants by way of granting options to them. If the refreshment of the existing Scheme Mandate Limit is approved at the AGM, based on the 1,696,878,858 Shares in issue as at the Latest Practicable Date and assuming no new Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to grant options to subscribe for up to a total of 169,687,885 Shares, representing 10% of the issued share capital of the Company as at the date of the AGM. The number of Shares which may be issued upon exercise of such maximum amount of options which may be granted after approval of the refreshment of the Scheme Mandate Limit plus the 184,170,000 options outstanding as at the Latest Practicable Date will not exceed 30% of the total number of Shares in issue.

The proposed refreshment of the Scheme Mandate Limit is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, such number of Shares, representing 10% of the Shares in issue as at the date of AGM, which may fall to be allotted and issued pursuant to the exercise of options which may be granted under the Share Option Scheme up to the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for granting the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of the options granted under the Share Option Scheme up to the refreshed Scheme Mandate Limit.

The Directors consider that the refreshment of the Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole because it enables the Company to reward and motivate its employees and other selected Participants under the Share Option Scheme. The refreshment of the Scheme Mandate Limit is in line with purpose of the Share

LETTER FROM THE BOARD

Option Scheme. An ordinary resolution will be proposed at the forthcoming AGM to approve the refreshment of the existing Scheme Mandate Limit in the terms as set out in Resolution No. 8 of the Notice of AGM.

RE-ELECTION OF DIRECTOR

Dr. Cheung Wai Bun, Charles, *J.P.*, was appointed as an Independent Non-executive Director on 6 September 2011. Mr. Xu Hui was appointed as an Executive Director and as the Chief Executive Officer of the Company on 12 March 2012. Pursuant to Article 86 (3) of the Company's Articles, Dr. Cheung Wai Bun, Charles, *J.P.* and Mr. Xu Hui shall hold the office until the conclusion of the AGM and are eligible for re-election at the AGM.

In accordance with Article 87 of the Company's Articles, Mr. Lau Yeung Sang, and Madam Luan Yumin shall retire from the office by rotation, and being eligible, offer themselves for re-election at the AGM.

Mr. Liu Ruisheng although not subject to retirement by rotation at the AGM wishes to retire at the AGM, being eligible, offer himself for re-election at the AGM.

Particulars of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

PROPOSED AMENDMENTS TO THE EXISTING ARTICLES

The Board proposes to amend the existing Articles in order to bring the Articles in line with current amendments made to the Listing Rules that has come or will come into effect on 1 January 2012 and 1 April 2012 respectively and with amendments made to the Companies Law (2011 Revision) of the Cayman Islands.

The principal effects of certain major proposed amendments to the existing Articles are summarized as follows:

- (i) the proposed amendments to Article 59(2): the notice of general meeting of the Company shall specify the particulars of resolutions to be considered at the meeting.
- (ii) the proposed amendments to Articles 66, 67 and 84(2): all resolutions at general meetings of the Company shall be decided by poll other than a resolution which relates purely to a procedural or administrative matter as may be permitted under the Listing Rules to be voted by a show of hands;
- (iii) the proposed amendments to Article 86(3): any Director appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.
- (iv) the proposed amendments to Articles 2(1) and 122: physical board meeting shall be held rather than by way of passing written resolution to deal with matter in which a substantial shareholder or Director has a conflict of interest; and

LETTER FROM THE BOARD

- (v) the proposed amendments to Article 103: no longer permit a Director to disregard 5% interest when considering whether the Director has a material interest which would prevent him from forming part of the quorum or voting at board meeting.

Details of the amendments to the existing Articles are set out in Appendix III to this circular.

The legal advisors to the Company as to the Hong Kong laws and laws of the Cayman Islands have respectively confirmed that the proposed amendments to the existing Articles are in compliance with the requirements of the Listing Rules and the laws of the Cayman Islands. The Company also confirms that there is nothing unusual about the proposed amendments to the Articles for a company listed in Hong Kong.

PROPOSED ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES

The Board would like to take this opportunity to propose that the Amended and Restated Memorandum and Articles incorporating the proposed amendments to the Articles and consolidating the various previous amendments made to the memorandum of association at the AGM of the Company.

Pursuant to Article 166 of the existing Articles, the proposed amendments to the existing Articles and adoption of the Amended and Restated Memorandum and Articles will be subject to the approval by the Shareholders in the form of special resolutions.

ANNUAL GENERAL MEETING

The AGM Notice convening the AGM is set out in pages 29 to 36 of this circular and a form of proxy for use at the AGM is herein enclosed.

Any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, pursuant to Rule 13.39(4) of the Listing Rules. Therefore, all the resolutions put to vote at the AGM shall be taken by poll.

An announcement will be made by the Company following the conclusion of the AGM to inform you of the poll results.

The Notice and a form of proxy for use at the AGM are enclosed with the 2011 Annual Report. To be valid, the form of proxy for use at the AGM must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at Hong Kong Registrars Limited, the branch share registrar and transfer office of the Company, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48

LETTER FROM THE BOARD

hours before the time fixed for holding the AGM or any adjournment thereof. Completion of the form of proxy and returning it to the Company will not preclude you from attending and voting in person at the AGM or at any adjourned thereof should you so wish.

RESPONSIBILITY STATEMENT

This circular, for which the directors of the Company collectively and individually accept responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (1) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (2) there are no other matters the omission of which would make any statement in this circular misleading; and
- (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

RECOMMENDATION AND DOCUMENTS FOR INSPECTION

The Directors consider that all resolutions as set out in the Notice are in the interests of the Company and its shareholders and so recommend you to vote in favour of the relevant resolutions at the AGM.

Copies of existing Articles and memorandum of association and the proposed Amended and Restated Memorandum and Articles are available for inspection at the principal place of business of the Company at Units 601–608, 6/F, Harbour View Two, Phase Two, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong during normal office hours (from 9:00 a.m. to 6:00 p.m.) on any business day (excluding Saturday, Sunday and public holidays) from the date of this circular up to and including the date of the AGM.

Yours faithfully

By Order of the Board

UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

Lau Yeung Sang

Chairman

This is an explanatory statement given to all shareholders of the Company, as required by the Listing Rules, to provide requisite information of the Repurchase Mandate.

1. LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules contain provisions regulating the repurchase by companies whose primary listings are on the Stock Exchange of their securities on the Stock Exchange, the following is a summary of certain provisions of the Listing Rules relating to repurchase of securities.

(a) Shareholders' approval

All proposed repurchase of securities on the Stock Exchange by a company with primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by special approval of a particular transaction.

(b) Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprises 1,696,878,858 Shares of HK\$0.01 each. Subject to the passing of the Resolution No. 6 set out in the notice of AGM and on the basis that no further Shares are issued nor repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 169,687,885 shares (being 10% of the Shares in issue as at the Latest Practicable Date) during the period from the date of passing of the Resolution No. 6 as set out in the notice up to (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 articles of association of the Company or any applicable law to be held; or (iii) the revocation or variation or renewal of the Repurchase Mandate by ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.

(c) Reasons for repurchases

The Directors have no present intention to repurchase any Shares but they consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchase and is beneficial to the Company when appropriate. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings and/or its dividend per Share. There might be a material adverse impact on the working capital or gearing position of the Company (as compared to the position disclosed in the audited accounts for the year ended 31 December 2011) in the event that the proposed repurchases pursuant to the Repurchase Mandate are to be carried out in full at any time during the proposed repurchase period. However, the Directors will 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 of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(d) Source of Funds

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Memorandum and Articles of the Company and the applicable laws of the Cayman Islands.

The Company is empowered by its Memorandum and Articles to repurchase its Shares. The laws of the Cayman Islands state that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of Shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under the laws of the Cayman Islands, the repurchased Shares will remain being part of the authorised but unissued share capital.

(e) Undertaking

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention, in the event that the proposed Repurchase Mandate is approved by the Company's shareholders, to sell any Shares to the Company. At the Latest Practicable Date, no connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell any Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is approved by the Company's Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Memorandum and Articles of the Company and any applicable laws of the Cayman Islands.

(f) Effects of the Takeovers Code and minimum public float

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a shareholder, or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

If the Repurchase Mandate are exercised in full, the percentage shareholding of the substantial shareholders of the Company before and after such repurchase will be as follows:

Substantial Shareholders	Number of Shares	% before Repurchase	% after Repurchase
World One Investments Limited (<i>Note 1</i>)	269,320,000	15.87%	17.63%
Lau Sik Suen(<i>Note 2</i>)	230,600,000	13.59%	15.10%
Ever City Industrial Limited (<i>Note 3</i>)	106,000,000	6.25%	6.94%

Notes:

- (1) World One Investments Limited is wholly and beneficially owned by Mr. Lau Yeung Sang.
- (2) Lau Sik Suen is the son of Mr. Lau Yeung Sang. He is also the nephew of Mr. Liu Ruisheng.
- (3) Ever City Industrial Limited is equally and beneficially owned by Mr. Choi Hung Fai and Mr. Zhou Hang.

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above substantial shareholders will be increased to approximately the percentage shown in the last column above. As a result of such increase in the shareholding of the substantial shareholders of the Company, World One Investments Limited and Lau Sik Suen, will collectively be treated as parties 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 Rule 32 of the Takeovers Code.

Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as result of any repurchase be made under the Repurchase Mandate.

The Directors will not exercise the Repurchase Mandate (whether in whole or in part) to the extent which will result in the number of Shares being held by the public falling below the relevant minimum prescribed percentage of the Company as required by the Stock Exchange, which is currently 25% of the entire issued share capital of the Company.

2. SHARE REPURCHASE

In the six months preceding the Latest Practicable Date, the Company purchased 13,620,000 Shares on the Stock Exchange. These repurchased shares were cancelled. Details of the repurchase were as follows:

Date of Repurchase	Number of Shares Repurchased	Price Per Share		Aggregate Price Paid HK\$
		Highest HK\$	Lowest HK\$	
24 November 2011	4,310,000	0.405	0.400	1,738,550
28 November 2011	990,000	0.405	0.400	398,500
29 November 2011	450,000	0.435	0.435	195,750
30 November 2011	100,000	0.425	0.425	42,500
1 December 2011	920,000	0.435	0.435	400,200
13 December 2011	780,000	0.460	0.460	358,800
14 December 2011	440,000	0.460	0.460	202,400
28 December 2011	1,500,000	0.465	0.460	691,500
29 December 2011	250,000	0.475	0.475	118,750
4 January 2012	1,260,000	0.475	0.465	591,000
5 January 2012	620,000	0.475	0.470	293,900
6 January 2012	80,000	0.465	0.465	37,200
9 January 2012	1,000,000	0.465	0.460	462,500
11 January 2012	420,000	0.465	0.460	194,700
16 January 2012	220,000	0.465	0.465	102,300
18 January 2012	<u>280,000</u>	0.465	0.465	<u>130,200</u>
	<u>13,620,000</u>			<u>5,958,750</u>

Save as disclosed above, there were no other share repurchases made by the Company (whether on the Stock Exchange or otherwise) during the said six months period.

3. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
March	0.280	0.250
April	0.410	0.265
May	0.475	0.355
June	0.460	0.430
July	0.630	0.430
August	0.710	0.540
September	0.650	0.560
October	0.600	0.480
November	0.540	0.395
December	0.500	0.435
2012		
January	0.520	0.450
February	0.550	0.435
March (Up to Latest Practicable Date)	0.520	0.400

The following sets out the details of the Directors who will retire and, being eligible, offer themselves for re-election at the AGM pursuant to the Articles:

BIOGRAPHICAL INFORMATION**Executive Directors***Mr. Lau Yeung Sang*

Mr. Lau, aged 65, is one of the founders, the Chairman of the Board and an executive Director. Mr. Lau is responsible for the overall strategic planning and coordination with the directors and key management of the Company. He has over 30 years experience in the business operation in the PRC.

Mr. Lau is wholly beneficially interested in World One Investment Limited which holds 269,320,000 Shares of the Company, representing 15.87% of the total issued share capital of the Company as at the Latest Practicable Date. Save as disclosed above, Mr. Lau is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Mr. Lau is also the director of Universal Cyberworks International Limited, Universal Technologies Investment Limited, Universal Enterprise Resources Limited, Universal Technologies (Hong Kong) Limited, International Payment Solutions Holdings Limited, International Payment Solutions (Hong Kong) Limited and Universal Enterprises Investment Holdings Limited, all of which are subsidiaries of the Company. Save as disclosed above, Mr. Lau does not hold any positions in any subsidiaries of the Company.

Mr. Lau does not hold directorship in other listed public companies in the past three years.

Mr. Lau is the brother of Mr. Liu Ruisheng, an executive Director. Mr. Lau is also the father of Mr. Lau Sik Suen, a substantial shareholder. Save as disclosed, Mr. Lau does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Lau has entered into a service agreement with the Company. His appointment is subject to the retirement by rotation in accordance with the articles of association of the Company and re-election by shareholders and termination in accordance with the terms of the service agreement. For the year ended 31 December 2011, the remuneration of Mr. Lau was HK\$108,000. The emoluments of Mr. Lau is determined and approved by the Board with reference to the qualification, experience, duties and responsibilities of Mr. Lau in the Company.

Save as disclosed above, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter that ought to be brought to the attention of the Shareholders.

Mr. Xu Hui

Mr. Xu, aged 44, is an executive Director and the Chief Executive Officer of the Company. Prior to joining the Company, he held a senior position in a conglomerate in Jiangsu Province, the People's Republic of China with responsibilities for strategic planning and management of different businesses: including human resources, procurement, land reserve management, tourism marketing and logistics management. Mr. Xu was also previously the deputy general manager of human resources of an investment company, the deputy general manager of a logistics company, the chief operations officer of a real estate company, and the chairman of a tourism company. With his background in areas ranging from property investment, financial guarantee, real estate, logistics and tourism, Mr. Xu is well adapted in diversified corporate environment. Mr. Xu was awarded a Bachelor in Arts degree by 蘇州鐵道師範學院 (Suzhou Railway Teachers College*) and a Master of Business Administration by China Europe International Business School.

Save as disclosed above, Mr. Xu does not hold directorship in other listed companies in the past three years. Mr. Xu does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Xu is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Mr. Xu has entered into a director's service agreement with the Group on 12 March 2012 for an initial term of two years commencing from 12 March 2012 to 11 March 2014 and shall continue thereafter subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the articles of association of the Company. Pursuant to the agreement, Mr. Xu is entitled to director's remuneration of HK\$5,000 per month. It was determined on arm's length negotiation between the parties with reference to prevailing market conditions.

Mr. Xu has entered into letter of employment with the Company on 12 March 2012 for an initial term of two years commencing from 12 March 2012 terminable by either party giving the other party two months written notice or payment in lieu. Pursuant to the letter of employment, Mr. Xu is entitled to salary of HK\$80,000 per month. Mr. Xu's emoluments has been approved by the Remuneration Committee of the Board, with reference to the qualifications and experience of Mr. Xu as well as market practice and conditions.

Save as disclosed above, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters that ought to be brought to the attention of the Shareholders.

Madam Luan Yumin

Madam Luan, aged 35, is an executive Director. She holds a Bachelor Degree of Human Resource from Nanjing University of Science and Technology. Before joining the Company, Madam Luan was the human resources supervisor in AMD. She has assumed the office of human resources manager, business executive and senior management since she

* English translation for identification purpose only

joined the Company in 2001. With a profound understanding of the market and business pattern of payment industry and experience, Madam Luan does a great job in expanding business while handling the risks well under control.

Madam Luan is the general manager and director of Universal eCommerce China Limited (“eCommerce”) which is deemed to be a wholly owned subsidiary of the Company. Madam Luan holds 49% interest in eCommerce. Madam Luan is also a director of Universal ECPAY Limited, International Payment Solutions Holdings Limited and International Payment Solutions (Hong Kong) Limited. Save as disclosed above, Madam Luan does not hold any positions in any subsidiaries of the Company.

Madam Luan does not hold any directorship in any other listed company in the past three years.

Madam Luan does not have any relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Madam Luan is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Madam Luan has entered into service agreement with the Company. Her appointment is subject to retirement by rotation in accordance with the articles of association of the Company and re-election by shareholders and termination in accordance with the terms of the service agreement. For the year ended 31 December 2011, the remuneration of Madam Luan was HK\$645,000. The emoluments of Madam Luan is determined and approved by the Board with reference to the qualification, experience, duties and responsibilities of Madam Luan in the Company.

Save as disclosed above, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter that ought to be brought to the attention of the Shareholders.

Mr. Liu Ruisheng

Mr. Liu, aged 67, is an executive Director. Mr. Liu was appointed as an executive Director on 8 March 2004. Mr. Liu has years of solid experiences gained from e-commerce related companies in the PRC.

As at the Latest Practicable Date, Mr. Liu is the holder of options to subscribe for 15,000,000 Shares, representing approximately 0.88% of the issued share capital of the Company under the Share Option Scheme. Save as disclosed above, Mr. Liu has no interest in the securities of the Company within the meaning of Part XV of the SFO.

Currently, Mr. Liu is the director of Universal eCommerce China Limited (“eCommerce”) which is deemed to be a wholly owned subsidiary of the Company. Mr. Liu holds 51% interest in eCommerce. Mr. Liu is also a director of International Payment Solutions (China) Limited. Save as disclosed above, Mr. Liu does not hold any positions in any subsidiaries of the Company.

Mr. Liu does not hold directorship in other listed companies in the past three years.

Mr. Liu is the brother of Mr. Lau Yeung Sang, an executive Director, Chairman and substantial shareholder. Mr. Liu is also the uncle of Mr. Lau Sik Suen, a substantial shareholder. Save as aforesaid, Mr. Liu does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Liu has entered into a director's service agreement with the Company. His appointment is subject to retirement by rotation in accordance with the articles of association of the Company and re-election by shareholders and termination in accordance with the terms of the service agreement. For the year ended 31 December 2011, the remuneration of Mr. Liu was HK\$54,000. The emoluments of Mr. Liu is determined and approved by the Board with reference to the qualification, experience, duties and responsibilities of Mr. Liu in the Company.

Save as disclosed above, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter that ought to be brought to the attention of the Shareholders.

Non-Executive Directors

Dr. Cheung Wai Bun, Charles, J.P.

Dr. Cheung, aged 75, is an independent non-executive Director. He was awarded with Honorary Doctorate by John Dewey University in the United States in 1984. He obtained a Master degree in Business Administration and a Bachelor of Science degree in Accounts and Finance from New York University in the United States in 1962 and 1960, respectively.

Dr. Cheung is a Visiting Professor of School of Business of Nanjing University, China. Dr. Cheung is also the Special Advisor to the President of the University of Victoria, B.C., Canada. He is a member of Hospital Governing Committee of both Kowloon Hospital and Hong Kong Eye Hospital. He was a former director and advisor of the Tung Wah Group of Hospitals. Dr. Cheung was also Chief Executive & Executive Deputy Chairman of Mission Hills Group.

Dr. Cheung is a director and Vice Chairman of Executive Committee of Metropolitan Bank (China) Ltd., and a director and director of Audit Committee of China Resources Bank of Zhuhai Co., Ltd. He is also a Senior Adviser to the Metropolitan Bank & Trust Company, Philippines.

Dr. Cheung is an independent non-executive Director and Chairman of respective Audit Committees of Shanghai Electric Group Company Limited (stock code: 2727), Pioneer Global Group Limited (stock code: 224) and China Financial International Investments Limited (stock code: 721), all of which are listed on the Main Board of the Stock Exchange. He is an independent non-executive Director, a member of Audit Committee and Chairman of Remuneration Committee of Grand T.G Gold Holding

Limited (stock code: 8299), a company listed on the GEM Board of the Stock Exchange. In addition, he is an Executive Chairman of Lightscape Technologies Inc.. Dr. Cheung is also a Council Member of the Hong Kong Institute of Directors.

He was awarded the Directors of the Year Awards 2002 of “Listed Company Non-Executive Director”. Dr. Cheung was elected Outstanding Director Award by the Chartered Association of Directors, Outstanding Management Award by Chartered Management Association, and Outstanding CEO Award by the Asia Pacific CEO Association in December 2010.

Save as disclosed above, Dr. Cheung does not hold directorship in other listed companies in the past three years. Dr. Cheung does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Cheung is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Dr. Cheung has entered into a director’s service agreement with the Company on 6 September 2011 for an initial term of two years commencing from 6 September 2011 to 5 September 2013 and shall continue thereafter subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the articles of association of the Company. Pursuant to the agreement, Dr. Cheung is entitled to HK\$20,000 per month as director’s remuneration which was determined on arm’s length negotiation between the parties with reference to prevailing market conditions.

Save as disclosed above, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters that ought to be brought to the attention of the Shareholders.

Details of the proposed amendments to the Articles are set out as follows:

1. A new definition under Article 2(1) is to be inserted after the definition “Subsidiary and Holding Company”:

“substantial shareholder” **a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.**

2. The original Article 59(2) which reads:

“(2) The notice shall specify the time and place of the meeting and, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding up of a Member and to each of the Directors and the Auditors.”

is to be revised as:

“(2) The notice shall specify the time and place of the meeting and **particulars of resolutions to be considered at the meeting and**, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding up of a Member and to each of the Directors and the Auditors.”

3. The original Article 66 which reads:

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.”

is to be revised as:

“66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting **on a poll** every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll **save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.**

(2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (b) 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 representing not less than one tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (c) 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 up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.”

4. The original Article 67 which reads:

“67. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

is to be revised as:

“67. **Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.** The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

5. The original Article 84(2) which reads:

“(2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person were an individual shareholder and registered holder of the relevant number of shares of the Company held by the clearing house (or its nominee(s)).”

is to be revised as:

“(2) **Where a Member is** ~~If~~ a clearing house (or its nominee(s) **and, in each case,** being a corporation), ~~is a Member,~~ it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be **deemed to have been duly authorised without further evidence of the facts and be** entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person ~~were an individual shareholder and was the~~ registered holder of ~~the relevant number of~~ shares of the Company held by the clearing house (or its nominee(s)) **in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.**”

6. The original Article 86 (3) which reads:

“(3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.”

is to be revised as:

“(3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following ~~annual~~ general meeting of the Company and shall then be eligible for re-election.”

7. The original Article 103 which reads:

“103.(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/ themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) is/ are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;

- (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or
 - (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) own(s) five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.
- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such

Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

is to be revised as:

“103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/ themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) is/ are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company; or
- (v) **Intentionally deleted.** ~~any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/ are beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or~~

- (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.
- (2) ~~A company shall be deemed to be a company in which a Director and/or his associate(s) own(s) five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right~~ **Intentionally deleted.**
- (3) ~~Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction~~ **Intentionally deleted.**
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

8. The original Article 122 which reads:

“122. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid.”

is to be revised as:

“122. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. **Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.**”

NOTICE OF ANNUAL GENERAL MEETING



UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

環球實業科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1026)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Universal Technologies Holdings Limited (the “Company”) will be held at Units 601-608, 6/F, Harbour View Two, Phase Two, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on Monday, 30 April 2012 at 11 a.m.

ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2011;
2. To declare the final dividend for the year ended 31 December 2011;
3. To re-elect directors and to authorise the board (the “Board”) of directors (the “Directors”) of the Company to fix the directors’ remuneration;
4. To re-appoint auditors and to authorise the Board to fix their remuneration;

As special business, to consider and if thought fit, pass the following:

5. **“THAT**

- (a) subject to paragraph (c) of this Resolution, 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 the new additional shares in the capital of the Company, and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph

NOTICE OF ANNUAL GENERAL MEETING

- (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), (ii) the exercise of 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 its subsidiaries and/or other eligible persons of shares or rights to acquire shares of the Company or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of 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 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 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 articles of association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

“Rights Issue” means an offer of shares, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Company or by the Directors of the Company to the holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion 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).”

6. **“THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of the shares of the Company to be purchased 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 passing 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 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 articles of association of the Company or any applicable law to be held; and
 - (ii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- 7. “**THAT** conditional upon Resolutions 5 and 6 being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution 6 shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution 5 above.”
- 8. “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued pursuant to the exercise of options which may be granted under the refreshed scheme mandate limit (the “Scheme Mandate Limit”) under the share option scheme of the Company adopted on 12 August 2010 (the “Share Option Scheme”) and any other scheme(s) of the Company, representing 10 per cent. of the issued share capital of the Company as at the date on which this resolution is passed:
 - (i) approval be and is hereby granted for refreshing the Scheme Mandate Limit of up to 10 per cent. of the Shares in issue as at the date on which this resolution is passed; and
 - (ii) the Directors be and are hereby authorised, at their absolute discretion, (i) to grant options to subscribe for Shares within the refreshed Scheme Mandate Limit in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme within the refreshed Scheme Mandate Limit.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

9. “**THAT** the articles of association of the Company (the “Articles”) currently in effect be and are hereby amended in the following manner:

(a) Article 2(1)

By inserting the following new definition of “substantial shareholder” immediately after the definition of “Subsidiary and Holding Company”:

“substantial shareholder”	a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.
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(b) Article 59 (2)

By inserting the words “particulars of resolutions to be considered at the meeting and,” after the words “the time and place of the meeting and” in the first sentence of article 59 (2).

(c) Article 66

By deleting the existing Article 66 its entirety and substituting therefor the following:

“66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to

NOTICE OF ANNUAL GENERAL MEETING

maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

- (2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
 - (b) 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 representing not less than one tenth of the total voting rights of all Members having the right to vote at the meeting; or
 - (c) 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 up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.”

(d) Article 67

By deleting the existing Article 67 in its entirety and substituting therefor the following:

“67. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

NOTICE OF ANNUAL GENERAL MEETING

(e) Article 84(2)

By deleting the existing Article 84(2) in its entirety and replacing therefor the following:

“84. (2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.”

(f) Article 86 (3)

By deleting the word “annual” after the words “only until the next following” in the last sentence of Article 86 (3).

(g) Article 103

- (i) By adding the word “or” at the end of the existing Article 103(1)(iv).
- (ii) By deleting the existing article 103 (1) (v) in its entirety and replacing therewith the words “Intentionally deleted”.
- (iii) By deleting the existing article 103 (2) in its entirety and replacing therewith the words “Intentionally deleted”.
- (iv) By deleting the existing article 103 (3) in its entirety and replacing therewith the words “Intentionally deleted”.

(h) Article 122

By inserting the following new sentence after the last sentence in article 122:

“Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.”

NOTICE OF ANNUAL GENERAL MEETING

10. “**THAT** the memorandum of association and articles of association of the Company (the “Memorandum and Articles”) in the form of the document marked “A” and produced to this meeting and for the purpose of identification signed by the chairman of this meeting, which consolidates all of the proposed amendments referred to in Resolution 9 above and all previous amendments made pursuant to resolutions passed by the members of the Company at general meetings be approved and adopted as the Amended and Restated Memorandum and Articles in substitution for and to the exclusion of the existing Memorandum and Articles with immediate effect.”

By Order of the Board
Universal Technologies Holdings Limited
Lau Yeung Sang
Chairman

Hong Kong, 27 March 2012

Notes:

- (1) The register of members of the Company will be closed from Wednesday, 25 April 2012 to Monday, 30 April 2012 (both days inclusive) to facilitate the processing of proxy voting. To be entitled to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at rooms 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 24 April 2012.

The register of members of the Company will be closed from Tuesday, 8 May 2012 to Friday, 11 May 2012 (both days inclusive). In order to qualify for the proposed final dividend for the year ended 31 December 2011, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at Room 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 7 May 2012.

- (2) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company but must attend the meeting in person to represent you.
- (3) In order to be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company’s branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183, Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

- (4) In case of joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.