



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of the members of UAC of Nigeria Plc will be held at Arthur Mbanefo Hall, Golden Tulip Festac, Lagos (Formerly Durbar Hotel), Amuwo-Odofin, Lagos State on Friday, 17th December, 2010 at 10.00am to transact the following business:

SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions:

- A. "That subject to all relevant regulatory approvals being obtained, the Directors be and are hereby authorized to restructure the Company by transferring to and vesting the assets and liabilities of UAC Foods and UAC Dairies Divisions of the Company and the Company's ordinary shares in Spring Waters Nigeria Limited in UAC Foods Limited, its wholly owned subsidiary.
- B. That subject to obtaining the approval of the relevant regulatory authorities, pursuant to Article 87(b) of the Company's Articles of Association the Directors be and are hereby authorized to enter into a Joint Venture relationship between UAC Foods Limited and Tiger Brands Limited of South Africa by selling, transferring and otherwise disposing of forty-nine percent (49%) of the authorized share capital of UAC Foods Limited to the said Tiger Brands Limited at an agreed consideration through the issuance and allotment of an appropriate number of ordinary shares in UAC Foods Limited at a price to be determined on the agreed basis and upon such additional terms and conditions as the Directors may deem fit;
- C. That the Directors be and are hereby authorized to enter into and execute any agreements, deeds, notices and any other documents and acts necessary for and or incidental to giving effect to resolutions A & B above.
- D. That the Directors be and are hereby authorized to appoint such professional advisers, and to perform all such other acts and do all such other things as may be necessary for or incidental to effecting the above resolutions, including without limitation, notifying and/or obtaining the approval and complying with directives of all relevant regulatory bodies.
- E. That the Directors be and are hereby authorized to take any further action that may be required to give effect to the resolutions passed at this Extra-ordinary General meeting".

Dated the 10th November, 2010

BY ORDER OF THE BOARD

GODWIN A SAMUEL
COMPANY SECRETARY/LEGAL ADVISER

Registered Office
UAC House
1-5 Odunlami Street
Lagos

PROXY

A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a Proxy to attend and vote instead of him and such a Proxy need not also be a member of the Company. A Proxy form is enclosed and if it is to be valid for the purposes of the meeting, it must be completed, stamped and deposited at the registered Office of the Company or with the Registrars at UAC House, 1-5 Odunlami Street, Lagos not less than 48 hours before the time for holding the meeting.

Closure of Register of Members

The Register of Members and Transfer Books of the Company will be closed on 24th and 25th November, 2010 (both dates inclusive) for the purpose of attending the Extraordinary General Meeting.

CHAIRMAN'S LETTER

Dear Shareholders,

This letter seeks to provide relevant information on the resolutions ("Resolutions") proposed for your consideration and approval at the forthcoming Extraordinary General Meeting ("EGM") of UAC of Nigeria Plc ("UACN" or "Company"), a notice of which is set out at the end of this document.

Resolution A

Proposed Restructuring of the Company

UACN has for over a century remained a foremost private enterprise and leader in the economic advancement of Nigeria. A leading food-focused conglomerate, the Company's operations also span logistics, real estate, paints and automobile sectors of the Nigerian economy. The Company operates through five divisions, nine subsidiaries and one associated company.

In line with the Company's growth plans, operating Divisions are being unbundled into limited liability Companies. At the end of the exercise, UACN would have been transformed into a holding Company structure. Your Directors have taken a decision, subject to your approval, to restructure the Company by transferring the assets and liabilities of UAC Foods and UAC Dairies Divisions (together "Divisions"), and the Company's shares in Spring Waters Nigeria Limited to a newly incorporated limited liability company, UAC Foods Limited. The objective of the unbundling is to empower the units to optimally pursue market opportunities in a timely manner. The emergence of UAC Property Development Company Plc as a leading real estate development company in Nigeria after the unbundling of UACN's erstwhile Property Division validates the appropriateness of this approach.

The new UAC Foods Limited will continue to manufacture the products currently being manufactured by the Divisions and Spring Waters Nigeria Limited, including Gala Sausage Roll, Funtime Cake, Snaps Cheeseballs, Funtime Coconut Chips, Gala Crunchies, Supreme Ice-cream, Supreme Flavoured Milk, Delite Fruit Juice, Swan Water and other products.

Resolution B

Proposed Joint Venture with Tiger Brands Limited

Since the divestment of Unilever from the Company in 1994, management has been in discussions with various groups with a view to source an operations partner for collaboration on mutually beneficial terms. In this regard, your Directors commenced discussions with Tiger Brands Limited ("Tiger Brands"), a leading Fast Moving Consumer Goods (FMCG) company in South Africa, in 2008. The engagement process was accelerated early this year leading to the proposal now tabled before you.

The proposal is for a strategic collaboration between UACN and Tiger Brands in the Nigerian market which leverages synergies and complementarities in the common businesses, particularly in snacks

CHAIRMAN'S LETTER (CONTD)

and treats, beverages and dairies to create a formidable combined alliance under a joint venture. Key areas of synergies include product and brand portfolio enabling capabilities in terms of product innovation, brand building, channel and customer management, operating expertise, technology as well as marketing and distribution competencies. The collaboration will strengthen the market position of UAC Foods Limited in readiness for the intense and growing local and international competition.

Under the proposed joint venture, Tiger Brands will invest in UAC Foods Limited to the limit of 49% shareholding while UACN retains 51% holding, subject to shareholder and regulatory approvals in Nigeria and South Africa. The consideration will, amongst other things, be based on the audited 2010 results of the affected UACN businesses.

After due consideration of your Company's strategic objectives as stated above and the potential benefits of a joint venture, your Directors are of the opinion that the most optimal means of growing the business and maximising shareholder value is to enter into the proposed joint venture with Tiger Brands.

Overall, your Directors shall take all steps possible to ensure a fair, transparent and independently managed process of entering into the proposed joint venture, with the ultimate objective of enhancing your Company's capacity to take advantage of existing and emerging opportunities in the Food & Beverage industry in Nigeria.

The Directors now seek your consideration and approval in order to commence the process of entering into relevant agreements to give effect to the proposed joint venture.

About Tiger Brands Limited

Tiger Brands Limited is the largest packaged Food Company in South Africa. It has a strong historical pedigree like UAC having been listed on the Johannesburg Stock Exchange in 1944. The company is based in Sandton, South Africa. In addition to its South African operations, Tiger Brands has direct and indirect interests in international businesses in Chile, Zimbabwe, Kenya and Cameroon. Tiger Brands, together with its subsidiaries, manufactures, distributes, and markets fast-moving consumer goods in South Africa and internationally. It offers various food products, such as grains under the Ace, Albany, Golden Cloud, Jungle, King Korn, Morvite, and Tastic names; groceries under the All Gold, Black Cat, Colmans, Fatti's & Moni's, and KOO names; snacks and treats under the Anytime, Beacon, Black Cat, FFWD, Inside Story, Jelly Tots, Maynards, Smoothies, and Wonderbar names; beverages under the Energade, Hall's, Oros, and Roses names; and meat products under the Bokkie, Enterprise, and Like-it-Lean names.

CHAIRMAN'S LETTER (CONTD)

The company also provides personal care products under the Gill, Ingram's Camphor Cream, Kair, Lemon Lite, Perfect Touch, and Protein Feed names; baby care products under the Elizabeth Anne's and Purity names; and home care products under the Airoma, Bio-Classic, Doom, FastKill, ICU, Jeyes, Peaceful Sleep, and Rattex names. In addition, it is involved in fishing, processing, marketing, and trading various marine species; the cold storage operations; and the production of mayonnaise, as well as the food service and home meal replacement activities.

Benefits of a Strategic Partnership with Tiger Brands

The proposed joint venture is being driven by the need for a strategic partnership with an experienced international player that would bring technical and marketing expertise. In this regard, Tiger Brands is a preferred partner for the following reasons:

- Tiger has track record of developing, acquiring and growing market leading local brands. Most of its products are either first or second in their categories in South Africa.
- The company has a strong portfolio of heritage brands similar to UAC
- Tiger Brands has best-in-class manufacturing capabilities in different food and beverage categories. The company currently operates 46 manufacturing sites in South Africa.
- Tiger Brands has strong product branding and marketing expertise as evidenced by its leading brands. The company also has experience in other emerging markets having established presence in Cameroon and Kenya
- Tiger Brands is a recognised leader in product innovation and R&D driven by a strong emphasis on consumer and market research.
- an [85]-year track record in the business of manufacturing consumer packaged goods in South Africa;
- Tiger Brands has the financial capability to inject additional capital into the business

Based on the above, your Directors are of the view that a joint venture with Tiger Brands will position UAC Foods Limited as a formidable foods and beverage company to take advantage of emerging opportunities in Nigeria.

RESOLUTIONS C, D & E

These resolutions are incidental to resolutions A and B and are therefore supported by the above explanation and information.

Recommendation

After careful consideration of the merits of the proposed joint venture, your Directors believe that the proposal to restructure the Divisions into UAC Foods Limited and enter into a joint venture with Tiger Brands Limited will not only take your Company to the next strategic level, but is also in the best interest of the Company and its shareholders.

CHAIRMAN'S LETTER (CONTD)

Consequently, the Directors unanimously and unequivocally recommend that you vote in favour of each of the Resolutions at the EGM as each of the Directors intend to do in respect of their beneficial holdings in the Company's share capital.

Sincerely yours,

Senator Udoma Udo Udoma

Chairman of the Board