

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Hong Kong Catering Management Limited (the "Company") will be held at World Trade Centre Club Hong Kong, 38/F, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong on 26 August 2004 (Thursday) at 4:30 p.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 March 2004.
2. To declare a final dividend for the year ended 31 March 2004.
3. To re-elect directors of the Company (the "Directors") and to authorise the Board of Directors (the "Board") to fix their remuneration.
4. To appoint auditors for the ensuing year and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS

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

5. (1) **As Ordinary Resolution No. 5(1):**

"THAT:

- (a) subject to paragraph (c) of this Ordinary Resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of the Ordinary Resolution No. 5(2) below) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) 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 Ordinary Resolution shall authorise the Directors during the Relevant Period (as defined in paragraph (c) of the Ordinary Resolution No. 5(2) below) to make and grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) to subscribe for shares in the Company which would or might require the exercise of such power after the end of the Relevant Period (as defined in paragraph (c) of the Ordinary Resolution No. 5(2) below);
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Ordinary Resolution, otherwise than pursuant to (i) a Rights Issue (as defined hereinafter), or (ii) the exercise of the rights of subscription or conversion under the terms of any securities of the Company

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which carry the right to subscribe or are convertible into shares in the Company, or (iii) the exercise of options which may be granted under any share option scheme of the Company, or (iv) an issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company from time to time, shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Ordinary Resolution and the said approval shall be limited accordingly; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors 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 recognized regulatory body or any stock exchange in, or in any territory applicable to the Company).”

(2) As Ordinary Resolution No. 5(2):

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of securities of the Company repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 5% 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 pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purpose of the Ordinary Resolutions Nos. 5(1) and 5(2), “Relevant Period” means the period from the passing of the Ordinary Resolutions Nos. 5(1) and 5(2) 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 Companies Ordinance (Chapter 32 of the laws of Hong Kong) or any applicable laws to be held; or

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- (iii) the revocation or variation of the Resolutions Nos. 5(1) or 5(2) by an ordinary resolution of shareholders of the Company in general meeting.”

(3) As Ordinary Resolution No. 5(3):

“**THAT** conditional upon Resolution No. 5(1) and Resolution No. 5(2) mentioned above being passed, the aggregate nominal amount of the share capital of the Company which shall have been repurchased by the Company under the authority granted to the Directors as mentioned in Resolution No. 5(2) above (up to the maximum of 5% of the aggregate nominal amount of the share capital of the Company as stated in Resolution No. 5(2) above) shall be added to the aggregate nominal amount of the share capital that may be allotted, issued or otherwise dealt with, or agreed conditionally and unconditionally to be allotted, issued or otherwise dealt with by the Directors pursuant to Resolution No. 5(1) above.”

6. As Special Resolution:

“**THAT** the Articles of Association of the Company be and are amended in the following manner:–

- (a) by inserting the following new definition to Article 3 of the Articles of Association:

““associate” has the meaning ascribed to it under the Listing Rules;”

- (b) by inserting the following new Article 65A immediately after the existing Article 65 of the Articles of Association:

“65A. Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

- (c) by deleting the existing Article 75 of the Articles of Association in its entirety and substituting therefor the following:

“75. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

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- (d) by deleting the existing Article 85(H) to (K) of the Articles of Association in its entirety and substituting therefor the following:

“85.(H) Save as otherwise provided by the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his associate(s) is to his knowledge materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement or proposal for giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement or proposal for the giving by the Company of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries 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 or proposal 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 or proposal in which the Director or his associate(s) is/are interested by virtue only of his/their interest in shares or debentures or other securities of the Company in the same manner as other holders of such shares or debentures or other securities of the Company;
- (v) any contract or arrangement or proposal 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 shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director, together with and any of his associate(s) are, is not in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;
- (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associate(s) 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 generally accorded to the employees to which such scheme or fund relates;

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- (vii) any arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the Director or his associate(s) benefit(s) in a similar manner as the employees and which does/do not accord to any Director or his associate(s) as such any privilege or advantage not accorded to the employees to whom such arrangement relates.
- (I) A company shall be deemed to be a company in which a Director and/or his associate(s) owns 5 per cent. or more if and so long as (but only if so long as) he and/or his associate(s), (either directly or indirectly) are the holders of or beneficially interested in 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 associate(s) 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.
- (J) Where a company in which a Director and/or his associate(s) holds 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.
- (K) 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."

By Order of the Board
Wong Tsui Yue, Lucy
Company Secretary

Hong Kong, 8 July 2004

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Notes:

1. Any member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy or proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy together with a power of attorney or other authority, if any, under which it is signed or certified by a notary or an official copy of that power of attorney or authority, must be deposited at the Company's registered office at 27/F, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
3. The register of members will be closed from 21 August 2004 (Saturday) to 26 August 2004 (Thursday), both days inclusive, during which period no transfers of shares will be effected. To determine entitlement to the recommended final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-6, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on 20 August 2004 (Friday).
4. With regard to the business referred to in paragraphs 5 above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company or to repurchase any issued shares of the Company.
5. With respect to Resolution No. 3 above, Mr. Cassam Soliman Gooljarry, Dr. Kwok Lok Wai, William and Ms. Wong Tsui Yue, Lucy will retire at the meeting convened by the above notice, and being eligible, offer themselves for re-election. Details of the abovementioned Directors will be set out in the Company's circular in connection with proposals for re-election of Directors, general mandates to issue and repurchase shares and amendments to the Articles of Association to be despatched to members of the Company together with the 2004 Annual Report.