



MAGNIFICENT HOTEL INVESTMENTS LIMITED

華大酒店投資有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 201)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Magnificent Hotel Investments Limited (the “Company”) will be held at 1st Floor, Grand View Hotel*, 88 Chun Yeung Street, North Point, Hong Kong on Monday, the 27th day of May 2019 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements for the year ended 31 December 2018 together with the Report of the Directors and the Independent Auditor’s Report thereon.
2. To declare a final dividend.
3. (a) Each as a separate resolution, to re-elect the following retiring Directors:
 - (i) To re-elect Mr. William CHENG Kai Man as Director;
 - (ii) To re-elect Mr. CHAN Kim Fai as Director;
 - (iii) To re-elect Mr. LAM Kwai Cheung as Director; and
- (b) To authorise the Board to fix the remuneration of the Directors.
4. To re-appoint Auditor and to authorise the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution of the Company:-

ORDINARY RESOLUTIONS

“THAT:

- (a) subject to paragraph (c) of this resolution and pursuant to Sections 140 and 141 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of the Company and to make agreements which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the directors of the Company during the Relevant Period to make agreements which would or might require shares to be allotted after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, shall not exceed 10% of the total number of the shares of the Company in issue at the date of the passing of this resolution; and
- (d) for the purposes 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 law to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

By Order of the Board
Magnificent Hotel Investments Limited

KOO Ching Fan
Company Secretary

Hong Kong, 18 April 2019

* Grand View Hotel will be re-branded to **RAMADA HONG KONG GRAND VIEW** with effect from 3 May 2019.

Notes:

1. **Concerning resolution numbered 5 above, it is anticipated this general mandate to issue new shares will ONLY be used if the Hong Kong authorities or the Board consider that the Company’s share liquidity in the stock market is not sufficient.**
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him. A proxy need not be a member of the Company.
3. 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 of such power or authority must be deposited at the Company’s Share Registrars, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
4. To ascertain shareholders’ eligibility to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 21 May 2019 to Monday, 27 May 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Share Registrars, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 20 May 2019.

Subject to the approval of the shareholders at the meeting for the proposed final dividend, the register of members of the Company will be closed from Wednesday, 12 June 2019 to Friday, 14 June 2019, both dates inclusive, during which period no transfer of shares of the Company will be registered, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 11 June 2019.

5. With regard to item no.3 of this notice, details of retiring Directors of the Company proposed for re-election are set out below.

(i) Mr. William CHENG Kai Man

Mr. William CHENG Kai Man, Executive Director, aged 57, was appointed as Director of the Company in 1987 and is the chairman of the nomination committee and a member of the remuneration committee of the Company. He is also an executive director of Shun Ho Property Investments Limited, the immediate holding company of the Company and Shun Ho Holdings Limited, the intermediate holding company of the Company. Shares of both companies are listed on the Stock Exchange. He has over 30 years' experience in construction, property investment and development and has over 20 years' experience in hotel management. He graduated in the U.K. and holds a bachelor's degree in civil engineering and a master's degree in structural engineering. He is a director of Trillion Resources Limited and Mercury Fast Limited, they are the Company's substantial shareholders. Save as disclosed above, Mr. William CHENG Kai Man did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is no service contract between Mr. William CHENG Kai Man and the Company. He has no fixed term of service with the Company and will be subject to the rotational retirement and re-election requirements at annual general meetings pursuant to the Articles of Association. The Director's fee payable to Mr. William CHENG Kai Man as executive Director is determined by Shareholders in annual general meeting. At the annual general meeting of the Company held on 24 May 2018, it was approved that the Director's fee for the year ended 31 December 2018 be determined by the Board. Mr. William CHENG Kai Man did not receive Director's fee. Other emoluments paid to Mr. William CHENG Kai Man for the year ended 31 December 2018 was determined at HK\$7,027,000 with reference to his duties and responsibility with the Company, the Company's performance and comparable remuneration in the current market situation. Save as disclosed above, Mr. William CHENG Kai Man is and was not connected with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the date of this notice, Mr. William CHENG Kai Man was deemed to have interest in 6,360,585,437 Shares within the meaning of Part XV of the SFO.

(ii) Mr. CHAN Kim Fai

Mr. CHAN Kim Fai, Independent Non-Executive Director, aged 59, FCCA, CPA (Practising), was appointed to the Board in 2004. He is a member of audit committee, remuneration committee and nomination committee of the Company. He is also an independent non-executive director of Shun Ho Property Investment Limited, the immediate holding company of the Company, Shun Ho Holdings Limited, the intermediate holding company of the Company and EGL Holdings Company Limited. Shares of companies are listed on the Stock Exchange. He holds a bachelor's degree in science from The Chinese University of Hong Kong. He has extensive experience in accounting, corporate finance and financial management. He is a partner of Ivan Chan & Co, CPA. Save as disclosed above, Mr. CHAN Kim Fai did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is a service contract between Mr. CHAN Kim Fai and the Company for the term of one year and he will be subject to the rotational retirement and re-election requirements at annual general meetings pursuant to the Articles of Association of the Company. The Director's fee payable to Mr. CHAN Kim Fai as independent non-executive Director is determined by Shareholders in annual general meeting of the Company. At the annual general meeting of the Company held on 24 May 2018, it was approved that the Director's fee for the year ended 31st December, 2018 be determined by the Board. The Director's fee paid to Mr. CHAN Kim Fai for the Company was determined at HK\$50,000 for the year ended 31 December 2018 with reference to his duties and responsibility with the Company, the Company's performance and current market situation. As at the date of this notice, Mr. CHAN Kim Fai did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. CHAN Kim Fai has served as independent non-executive Director more than 9 years and his re-election will be subject to a separate resolution to be approved by the Shareholders. As independent non-executive Director with in-depth understanding of the Company's operations and business and with professional qualifications, Mr. CHAN has expressed objective views and given independent guidance to the Company over the years, and he continues demonstrating a firm commitment to his role. The Board considers that the long service of Mr. CHAN would not affect his exercise of independent judgment and is satisfied that Mr. CHAN has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director. The Board also considers the re-election of Mr. CHAN as independent non-executive Director is in the best interest of the Company and its Shareholders as a whole.

The nomination committee of the Company had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2018 based on the independence criteria as set out in rule 3.13 of the Listing Rules, including Mr. CHAN Kim Fai. The nomination committee of the Company had considered and nominated the above retiring Director to the Board for it to propose to the Shareholders for re-election at the Annual General Meeting.

Save as disclosed above, Mr. CHAN does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders. The Board is also not aware of any circumstance that might influence Mr. CHAN in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. CHAN is beneficial to the Board with diversity of his comprehensive business experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

(iii) Mr. LAM Kwai Cheung

Mr. LAM Kwai Cheung, Independent Non-Executive Director, aged 58, FCCA, CPA (Practising), was appointed to the Board in 2017. He is a member of audit committee and nomination committee of the Company. He is also an independent non-executive director of Shun Ho Property Investment Limited, the immediate holding company of the Company, Shun Ho Holdings Limited, the intermediate holding company of the Company. Shares of companies are listed on the Stock Exchange. He has extensive experience in accounting, auditing and financial management. He is a practitioner of Terry Lam & Co., CPA. Save as disclosed above, Mr. LAM Kwai Cheung did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is a service contract between Mr. LAM Kwai Cheung and the Company for the term of one year and he will be subject to the rotational retirement and re-election requirements at annual general meetings pursuant to the Articles of Association of the Company. The Director's fee payable to Mr. LAM Kwai Cheung as independent non-executive Director is determined by Shareholders in annual general meeting of the Company. At the annual general meeting of the Company held on 24 May 2018, it was approved that the Director's fee for the year ended 31st December, 2018 be determined by the Board. The Director's fee paid to Mr. LAM Kwai Cheung for the Company was determined at HK\$50,000 for the year ended 31 December 2018 with reference to his duties and responsibility with the Company, the Company's performance and current market situation. As at the date of this notice, Mr. LAM Kwai Cheung did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

The nomination committee of the Company had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2018 based on the independence criteria as set out in rule 3.13 of the Listing Rules, including Mr. LAM Kwai Cheung. The nomination committee of the Company had considered and nominated the above retiring Director to the Board for it to propose to the Shareholders for re-election at the Annual General Meeting.

Save as disclosed above, Mr. LAM does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders. The Board is also not aware of any circumstance that might influence Mr. LAM in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. LAM is beneficial to the Board with diversity of his comprehensive business experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

Save as disclosed above, Mr. William CHENG Kai Man, Mr. CHAN Kim Fai and Mr. LAM Kwai Cheung have confirmed that there are no other matters relating to their re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

6. Concerning resolution numbered 5 above, the Board wishes to state that it has no immediate plans to issue any new shares in the Company. The ordinary resolution is being sought from members as a general mandate in compliance with the Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange. The Board will only consider to issue new Shares pursuant to the general mandate of this financial year of 2019, if the Hong Kong authorities or the Board consider that the Company's share liquidity in the stock market is not sufficient.
7. As at the date of this notice, the executive Directors of the Company are Mr. William CHENG Kai Man, Mr. Albert HUI Wing Ho, Ms. Kimmy LAU Kam May, Ms. NG Yuet Ying and Ms. Jennie WONG Kwai Fong; the non-executive Director of the Company is Madam Mabel LUI FUNG Mei Yee; and the independent non-executive Directors of the Company are Mr. Vincent KWOK Chi Sun, Mr. CHAN Kim Fai and Mr. LAM Kwai Cheung.