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福記食品服務控股有限公司
FU JI Food and Catering Services Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1175)

HK\$1,000,000,000 ZERO COUPON CONVERTIBLE BONDS DUE 2009

(Stock Code : 1506)

**RMB1,500,000,000 HK\$ SETTLED ZERO COUPON CONVERTIBLE BONDS
DUE 2010**

(Stock Code : 1603)

**GENERAL DISCLOSURE UNDER RULE 13.09 OF
THE LISTING RULES
AND
SUSPENSION OF TRADING**

This announcement is made pursuant to Rule 13.09 of the Listing Rules with respect to the Convertible Bonds issued by the Company and the Term Facility Agreement and certain outstanding loan agreements to which the Company is a party.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

Reference is made to the announcements of FU JI Food and Catering Services Holdings Limited (the “Company”) dated 28 July, 2009, 25 August, 2009 and 22 September 2009 in relation to the postponement of board meeting, delay in publication of annual results announcement and dispatch of annual report for the year ended 31 March 2009 and suspension of trading (together the “Delay Announcements”).

CONVERTIBLE BONDS

The trust deed dated 9 November 2006 between the Company and The Bank of New York Mellon, formerly known as The Bank of New York, (the “First Trust Deed”) constituting HK\$1,000,000,000 zero coupon convertible bonds due 2009 convertible into ordinary shares of the Company (the “Convertible Bonds Due 2009”) provides, among other things, that the Company shall send to The Bank of New York Mellon as trustee the annual report of the Company within 180 days after the end of its fiscal year. Any breach of this requirement would, following the expiry of the curation period of 15 days (if the breach is in the opinion of the trustee capable of remedy), constitute an event of default under the Convertible Bonds Due 2009.

The trust deed dated 18 October 2007 between the Company and Capita Trust Company Limited (the “Second Trust Deed”) constituting RMB\$1,500,000,000 HK\$ settled zero coupon convertible bonds due 2010 convertible into ordinary shares of the Company (the “Convertible Bonds Due 2010”) provides, among other things, that the Company shall send to Capita Trust Company Limited as trustee the annual report of the Company within 180 days after the end of its fiscal year. As with the First Trust Deed, any breach of this requirement would, following the expiry of the curation period of 15 days (if the breach is in the opinion of the trustee capable of remedy), constitute an event of default under the Convertible Bonds Due 2010.

The Convertible Bonds Due 2009 and Convertible Bonds Due 2010 are collectively referred to as the “Convertible Bonds”.

On and at any time after the occurrence of an event of default under either the First Trust Deed or the Second Trust Deed, the relevant trustee acting at its discretion may, or if certain conditions prescribed in the trust deeds are fulfilled will be required to, (a) give notice to the Company that the bonds are immediately due and repayable for an early redemption amount determined in accordance with the terms of the relevant trust deeds; and (b) enforce repayment of the relevant Convertible Bonds. The relevant trustee will not be bound to take proceedings to enforce repayment of the relevant Convertible Bonds unless it shall have been indemnified and/or secured to its satisfaction.

TECHNICAL DEFAULTS

The delay in the publication of the annual results for the year ended 31 March 2009 (as more particularly described in the Delay Announcements) has resulted in a technical default under the terms of the First Trust Deed and the Second Trust Deed. Under the terms of both trust deeds, the 180-day period expired on 27 September 2009.

The Convertible Bonds Due 2009 and the Convertible Bonds Due 2010 are due for redemption on 9 November 2009 and 18 October 2010, respectively. There are no defaults of payment obligations under each of the relevant trust deeds.

The Company intends to request a waiver (or, in the alternative, a forbearance) in respect of the technical defaults under the Convertible Bonds. For this purpose, holders of the Convertible Bonds are requested to identify themselves to the Company by sending a fax to (852) 3105 9955.

The occurrence of any such defaults has triggered cross-default provisions under certain loan facilities of the Company or its subsidiaries, whereupon the relevant lenders may demand immediate repayment of all sums outstanding. See section headed “Banking Facilities” below.

BANKING FACILITIES

The Company and an international lender entered into a term facility agreement on 15 August 2007, as amended on 2 May 2008 and 8 April 2009 (the “Term Facility Agreement”) under which the Company obtained a banking facility in the sum of US\$15 million. The Term Facility Agreement requires the Company to, *inter alia*, make available its annual financial statements within 120 days after the end of its fiscal year. The 120-day period expired on 29 July 2009.

The delay in the publication of the annual results for the year ended 31 March 2009 (as more particularly described in the Delay Announcements) has resulted in a technical default under the terms of the Term Facility Agreement. Despite this technical default, the Company has been fulfilling its monthly payment obligations for any principal and interest as they fall due under the terms of the Term Facility Agreement. Nonetheless, the Company has requested a waiver (or in the alternative, a forbearance) in respect of any technical default under the Term Facility Agreement.

On and at any time after the occurrence of an event of default, the agent appointed pursuant to the Term Facility Agreement may, and shall if so directed by the majority lenders, *inter alia*, declare all or part of the loan and accrued interest be immediately due and payable. As of the date of this announcement, there remains three outstanding instalments each for the sum of US\$2,280,000 payable on 1 October 2009, 1 November 2009 and 1 December 2009, respectively.

There are another five short-term general corporate and working capital loans with a number of different lenders in the PRC with an aggregate outstanding principal amount of approximately RMB 550,000,000. These facilities have been advanced to certain of the PRC subsidiaries of the Company.

The occurrence of the above technical default under the Term Facility Agreement has resulted in technical cross-defaults under terms of the First Trust Deed and the Second Trust Deed. There could also be technical cross-defaults under the five short-term loan agreements, whereupon the relevant PRC lenders could demand immediate repayment of certain or all sums outstanding under such loan facilities. The Company has requested or in the process of requesting either a waiver or a forbearance in respect of the technical defaults under the relevant loan agreements.

The Company considers that none of the facilities or other bank loans described in this section is significant to the operations of the Company. As of the date of this announcement, based on the recent discussions held between the Company on one hand, and the relevant trustees and lenders on the other hand, the relevant trustees and lenders have not communicated to the Company any intention to demand immediate repayment of the Convertible Bonds and the above-mentioned banking facilities. In these circumstances, the technical breaches that have occurred do not give rise to any general disclosure obligation under Rule 13.19 of the Listing Rules.

REMEDIAL STEPS

As at the date of this announcement, the Company has not defaulted on any repayment obligation under any of the Convertible Bonds, Term Facility Agreement, and the above-mentioned loan agreements to which the Company or its subsidiaries are a party. Despite the absence of any default of any payment obligation, the Company is taking immediate steps to identify all underlying holders of the Convertible Bonds, with a view to implementing a form of waiver, or alternatively a forbearance, in respect of any actual or prospective default. There is no assurance that any such waiver or forbearance will be obtained.

The Company will proceed to form an independent taskforce as referred to in the Company's announcement dated 22 September 2009 to ascertain the reasons for the delay in the publication of the Company's annual results for the year ended 31 March 2009. The taskforce will likely comprise one or two independent non-executive directors of the Company and one independent qualified accountant. In addition to that taskforce, the board of directors of the Company has decided to engage a reputable professional business advisory firm to assist the Company with its efforts to finalise the annual results and to respond and address issues and concerns that any holder of the Convertible Bonds and other creditors may have regarding the technical defaults described in this announcement.

In relation to the Convertible Bonds, the Company has engaged Lynchpin Bondholder Management, an external bondholder communications consultancy firm, to identify the holders of the Convertible Bonds. Such identification will enable the Company to work in a constructive and efficient manner with the holders, while maintaining communications with the relevant trustees.

Meanwhile, the Company will continue to use its best endeavours to complete all the outstanding work required in finalising its annual results and annual report for the year ended 31 March 2009.

SUSPENSION OF TRADING

At the request of the Company, trading in the securities of the Company has been suspended from 9:30 a.m. on 29 July 2009 and will remain suspended until the release of an announcement relating to the publication of its annual results and despatch of its annual report for the year ended 31 March 2009.

The Company will make announcements on further developments relating to the Convertible Bonds and the banking facilities as and when appropriate.

By Order of the Board
福記食品服務控股有限公司

FU JI Food and Catering Services Holdings Limited

Wei Dong
Chairman

Shanghai, 30 September 2009

As at the date of this announcement, the Board comprises Wei Dong, Yao Juan, Tung Fai and Ku Wang as executive directors and Tsui Wai Ling, Carlye, Wong Chi Keung, Su Gang Bing and Yang Liu as independent non-executive directors.