



FU CHEONG INTERNATIONAL HOLDINGS LIMITED

富昌國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 916)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Fu Cheong International Holdings Limited (the “**Company**”) will be held at 11:00 a.m. on 22 May 2004 at Ailingkan Management District, Dalingshan Town, Dongguan, Guangdong Province, the People’s Republic of China to transact the following ordinary business:

1. to receive and approve the audited financial statements and the reports of the directors of the Company (the “**Directors**”) and the Company’s auditors for the year ended 31 December 2003;
2. to re-elect the retiring Directors and to authorise the board of Directors to fix the Directors’ remuneration;
3. to re-appoint the Company’s auditors and to authorise the board of Directors to fix their remuneration;

and, as special business, to consider and, if thought fit, pass the following resolutions as ordinary and/or special resolutions (with or without modifications):

SPECIAL RESOLUTION

4. “**THAT** the articles of association of the Company be and they are altered in the following manner:
 - (a) Article 1(A) be amended by:
 - a. deletion of the definition of “associates” and insertion of the following in its place:

““associates”, in relation to any Director, shall have the meaning as ascribed to it in the Listing Rules;”
 - b. deleting the words “a recognised clearing house within the meaning of section 2 of the Securities and Futures (Clearing Houses) Ordinance (Cap. 420 of the Laws of Hong Kong) or” from the definition of “clearing house”;
 - c. insertion of the following definition immediately before the definition of “debenture” and “debenture holder”:

““Company’s website” shall mean the website of the Company to which the shareholder may have access, the address or domain name of which have been notified to the shareholders at the time the Company seeks the relevant shareholder’s consent for the purposes of Article 180(B), or as subsequently amended by notice given to the shareholders in accordance with Article 180”;
 - d. insertion of the following definitions immediately before the definition of “month”:

““Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China;

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;”
 - e. insertion of the words “or is placed on the Company’s website” after the words “office equipment” on the seventh line of the definition of “writing or printing”;

(b) Article 84 be deleted in its entirety and replaced with the following:

“84. (A) Subject to paragraph (B) of this Article 84, no objection shall be raised to the qualification of any person exercising or purporting to exercise a vote or the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.

(B) At all times during the Relevant Period (but not otherwise), where any shareholder 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 shareholder (whether by way of proxy or, as the case may be, corporate representative) in contravention of such requirement or restriction shall not be counted.”

(c) Article 107 be amended by:

a. insertion of the words “or the appointment of any of his associates” immediately after the word “appointment” on the third line in paragraph (D);

b. insertion of the words “or any of the associate(s) of any such Director(s)” immediately after the word “Directors” on the fourth line in paragraph (E);

c. insertion of the words “or, as the case may be, the associate(s) of such Director” immediately after the words “in relation to each Director” on the sixth line in paragraph (E);

d. insertion of the words “or the appointment of any of his associates” immediately after the words “except that concerning his own appointment” on the ninth line in paragraph (E);

e. deletion of the words “together with any of” and insertion of the word “and” in their place on the thirteenth line in paragraph (E);

f. insertion of the words “in aggregate” immediately after the words “his associates” on the fourteenth line in paragraph (E);

g. deletion of paragraph (G) in its entirety and insertion of the following in its place:

“(G) If to the knowledge of a Director, he or any of his associates, is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company, he shall declare the nature of his or, as the case may be, his associate(s)’ interest at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest or that of his associate(s) then exists, or in any other case at the first meeting of the Directors after he knows that he or his associate(s) is or has become so interested. For the purposes of this Article, a general notice to the Directors by a Director to the effect that (a) he or his associate(s) is a shareholder of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm or (b) he or his associate(s) is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him or any of his associate(s), shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Directors or the Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.”;

h. deletion of paragraph (H) in its entirety and insertion of the following in its place:

“(H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Directors approving any contract or arrangement or proposal in which he or any of his associate(s) is to his knowledge materially interested, and if he shall do so his vote shall not be counted (nor is he counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving by the Company of any security or indemnity to the Director or his associate(s) in respect of money lent or obligation undertaken by him or any of them at the request of or for the benefit of the Company or any company in which the Company has interest;
- (ii) any contract or arrangement 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 company in which the Company has interest for which the Director or his associate(s) has himself/themselves guaranteed or secured or otherwise assumed responsibility in whole or in part and whether alone or jointly under a guarantee or by the giving of security;
- (iii) any contract or arrangement by the Director or his associate(s) to subscribe for shares or debentures or other securities of the Company to be issued pursuant to any offer or invitation to the shareholders or debenture or securities holders of the Company or to the public which does not provide the Director and his associate(s) any privilege not accorded to any other shareholders or debenture or securities holders of the Company or to the public;
- (iv) any contract or arrangement concerning an offer of the 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 and/or for the purposes of making any representations, the giving of any covenants, undertakings or warranties or assuming any other obligations in connection with such offer;
- (v) 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 by virtue only of his/their respective interest in shares or debentures or other securities of the Company and/or his/their being the offeror or one of the offerors or is interested in one of the offerors for the purchase or effective acquisition of such shares, debentures or other securities;
- (vi) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly or as an officer or an executive or a shareholder in which the Director or his associate(s) is/are beneficially interested in shares of that company provided that, such Director and any of his associates are not in aggregate beneficially interested in five (5) per cent. or more of the issued shares of any class of the voting equity share capital of such company or of the voting rights of any class of shares of such company (other than shares which carry no voting rights at general meetings and no or nugatory dividend and return of capital rights);
- (vii) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme or personal pension plan under which a Director, his associate(s) and employees of the Company or of any of its subsidiaries may benefit and which has been approved by or is subject to and conditional on approval by the relevant taxing authorities for taxation purposes or relates to Directors, associate (s) of Directors and employees of the Company or of any of its subsidiaries and does not give the Director or his associate(s) any privilege not accorded to the class of persons to whom such scheme or fund relates;
- (viii) any proposal concerning the adoption, modification or operation of any employees' share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of the employees of the Company or its subsidiaries under which the Director or his associate(s) may benefit; and
- (ix) any contract, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of any Director, his associate(s), officer or employee pursuant to these Articles.

- i. deletion of paragraph (I) in its entirety and insertion of the following in its place:
 - “(I) A company shall be deemed to be a company in which a Director and his associates in aggregate own five (5) per cent. or more of any class of the voting equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he and his associates are (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the issued voting equity share capital of such company (or of any third company, other than the Company or any of its subsidiaries, through which his interest is derived) or of the voting rights of any class of shares of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or any of his associate(s) as bare or custodian trustee and in which he or such associate(s) has/have no beneficial interest, any shares comprised in a trust in which the interest of the Director or any of his associates is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, any shares comprised in an authorised unit trust scheme in which the Director or any of his associates is interested only as a unit holder, and shares which carry no voting right at general meetings and no or nugatory dividend and return of capital rights.”
 - j. deletion of the words “together with” and insertion of the word “and” in their place on the fifth and sixth lines in paragraph (J);
 - k. insertion of the words “in aggregate” immediately after the words “his associates” on the sixth line in paragraph (J);
 - l. insertion of the words “or any of his associates” immediately after the words “interest of a Director” on the second line in paragraph (K);
 - m. insertion of the words “or his associates” immediately after the word “concerned” on the tenth line in paragraph (K) and the word “Chairman” on the seventeenth line in paragraph (K); and
 - n. insertion of the words “or any of his associates” immediately after the words “notwithstanding that he” on the sixth line in paragraph (L);
- (d) Article 113 be amended by:
- a. deletion of the words “at least seven (7) clear days” and insertion of the following in their place on the seventh line:
 - “for at least seven (7) days commencing no earlier than the day immediately after the despatch of the notice of the general meeting and ending no later than seven (7) days”; and
 - b. deletion of the word “the” and insertion of the word “such” in its place on the eighth line.
- (e) Article 175 be amended by deletion of the word “Accounting” and insertion of the words “Financial Reporting” in its place on the ninth line in paragraph (A); and
- (f) Article 180 be deleted in its entirety and replaced with the following:
- “180. (A) Subject to Article 180(B), any notice or document to be given or issued under these Articles shall be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the Newspapers or displaying the relevant notice conspicuously at the Registered Office and the Head Office. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

(B) Subject to due compliance with the rules of the stock exchange in the Relevant Territory, and to obtaining all necessary consents, if any, required and such consents being in full force and effect, any notice or document (including any document or notice issued or to be issued by the Company for the information and/or action of holders of any of its securities, and whether or not given or issued under these Articles) may also be served by the Company on any shareholder or holder of other securities of the Company by electronic means:

- (i) at his electronic address or website as appearing in the Register (if any); or
- (ii) at any other electronic address or website supplied by him to the Company for the purpose of such transmission; or
- (iii) by placing it on the Company's website provided that where the relevant documents are the Company's directors' report, annual financial statements, auditors' report, interim report (and where applicable, a summary interim report) and, where Article 175(C) applies, a summary financial statement, any service of such documents by placing on the Company's website shall also be accompanied by a notice of publication ("**notice of publication**") of such documents on the Company's website given to the shareholder concerned in the manner referred to in Article 180(A) or in any other manner agreed between the shareholder concerned and the Company;

provided that (aa) in the case of joint holders of share, any consent required from the shareholder concerned for the purposes of this Article 180(A) shall be given by that one of the joint holders who is entitled to receive notice pursuant to Article 180(A); and (bb) the Company may, for the purposes of this Article 180 (B), propose to its shareholders any one or more or all of the above means of electronic communication.”;

(g) Paragraphs (C) and (D) of Article 181 be deleted in their entirety and replaced with the following:

“(C) If on three consecutive occasions notices or other documents have been sent through the post to any shareholder (or, in the case of joint holders of shares, the first holder named on the register) at his registered address or by electronic means to his electronic address or website (in the event that the shareholder concerned has elected for service of any notice or document at his electronic address or website pursuant to Article 180(B)) but have been returned undelivered, such shareholder (and, in the case of joint holders of a share, all other joint holders of the share) shall not thereafter be entitled to receive or be served (save as the Directors may elect otherwise pursuant to paragraph (B) of this Article) and shall be deemed to have waived the service of notices and other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or electronic address (in the event that the shareholder concerned has elected for service of any notice or document at his electronic address or website pursuant to Article 180(B)) for the service of notices on him.

(D) Notwithstanding any election by a shareholder, if the Company is advised that the sending of any notice or other document to any electronic address supplied by a shareholder may or might infringe the law of any relevant jurisdiction, or if the Company cannot verify the location of the server at which the electronic address of the shareholder is located, the Company may, in lieu of the sending of any notice or other document to the electronic address supplied by the shareholder concerned, place the same on the Company's website, and any such placement shall be deemed effective service on the shareholder, and the relevant notice and document shall be deemed to be served on the shareholder on which the same is first placed on the Company's website.”;

(h) Paragraph (D) of Article 182 be deleted in its entirety and replaced with the following:

“(D) Any notice or document placed on the Company’s website is deemed given by the Company to a shareholder on the day the notice or document is placed on the Company’s website except where the document is the Company’s directors’ report, annual financial statements or auditors’ report and, where applicable, summary financial statement, then such document shall be deemed to be served on the day following that on which a notice of publication is deemed served on the shareholder.”;

ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with the unissued shares (each a “**Share**”) of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under the share option scheme of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) (the “**Companies Law**”) of the Cayman Islands or any other applicable law of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase shares (each a **“Share”**) of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) (the **“Companies Law”**) and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of 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, the Companies Law of the Cayman Islands or any other applicable law of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

7. **“THAT** conditional on the passing of resolution no. 5 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution no. 5 above be and it is hereby extended by the addition to the aggregate nominal amount of the shares of HK\$0.01 each in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased or agreed to be purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution no. 6 above.”

By order of the board of Directors of
Fu Cheong International Holdings Limited
Ho Wing Cheong
Chairman

Hong Kong, 29 April 2004

Registered office:
Century Yard
Cricket Square
Hutchins Drive
P.O.Box 2681 GT
George Town
Grand Cayman
British West Indies

*Head office and principal place
of business in Hong Kong:*
Flat 6, 3rd Floor, Block 2,
Tak Fung Industrial Centre,
166-176 Texaco Road,
Tsuen Wan,
New Territories,
Hong Kong.

Directors of the Company

Executive Directors:
Ho Wing Cheong
Ho Marjorie

Independent non-executive Directors:
Law Yau Tim
Shum Man Wah

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a 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 offices of the Company's Hong Kong branch share registrar, Tengis Limited at 28th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 48 hours before the time of the meeting or any adjourned meeting.
3. In relation to proposed resolutions numbered 5 and 7 above, approval is being sought from the shareholders for the grant to the directors of a general mandate to authorise the allotment and issue of shares under the Rules Governing the Listing of securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The directors have no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
4. In relation to proposed resolution no. 6 above, the directors wish to state that they will exercise the powers conferred thereby to purchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules will be set out in a separate document to be despatched to the shareholders.

* *For identification purposes only*

"Please also refer to the published version of this announcement in China Daily".