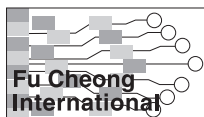


IMPORTANT

If you are in doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Fu Cheong International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION, PROPOSED GRANT OF GENERAL MANDATES FOR THE ALLOTMENT AND ISSUE OF NEW SHARES AND FOR THE REPURCHASE BY THE COMPANY OF ITS OWN SECURITIES

A notice convening an annual general meeting ("AGM") of Fu Cheong International Holdings Limited to be held at Ailingkan Management District, Dalingshan Town, Dongguan, Guangdong Province, the People's Republic of China at 11:00 a.m. on Saturday, 22 May 2004 is set out in the annual report of the Company for the year ended 31 December 2003.

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tengis Limited, at 28th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

DEFINITIONS

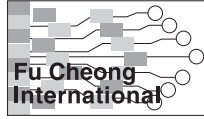
In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2003 Annual Report”	the audited financial statements and the reports of the Directors and the auditors of the Company for the year ended 31 December 2003
“AGM”	the annual general meeting of the Company to be held at Ailingkan Management District, Dalingshan Town, Dongguan, Guangdong Province, the People’s Republic of China on Saturday, 22 May 2004 at 11:00 a.m., a notice of which is set out in the 2003 Annual Report
“Articles”	the articles of association of the Company adopted pursuant to a resolution in writing of the all the Shareholders passed on 6 March 2002
“associates”	has the meaning as defined in the Listing Rules
“Board”	the board of Directors
“Company”	Fu Cheong International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“connected person(s)”	has the meaning as ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	20 April 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information of this circular
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase the Shares the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the share capital in issue as at the date of passing the relevant resolution at the AGM
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Ho Wing Cheong (*chairman*)
Ms. Ho Marjorie

Independent Non-executive Directors:

Mr. Shum Man Wah
Mr. Law Yau Tim

Registered office:

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681GT
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
166-167 Texaco Road
Tsuen Wan
Hong Kong

29 April 2004

To the shareholders

Dear Sir or Madam,

**PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION,
PROPOSED GRANT OF GENERAL MANDATES FOR THE ALLOTMENT
AND ISSUE OF NEW SHARES AND FOR THE REPURCHASE
BY THE COMPANY OF ITS OWN SECURITIES**

1. INTRODUCTION

It was announced by the Company on 19 April 2004 in conjunction with the announcement of the Group's financial statements for the year ended 31 December 2003 that the alterations to the Articles would be proposed to the Shareholders for approval at the AGM.

The purpose of this circular is to provide you with further information regarding the proposed alterations to the Articles, the grant of the General Mandate and the Repurchase Mandate.

* *for identification purposes only*

LETTER FROM THE BOARD

2. ALTERATIONS TO THE ARTICLES OF ASSOCIATION

Certain amendments have been made to the Listing Rules as a result of which listed issuers are permitted, to the extent permitted under the applicable laws and regulations and their own constitutional documents and where the listed issuers have made adequate arrangements to ascertain the wish of their shareholders, to send or make available corporate communications (including the distribution of a summary of its financial reports) to their shareholders using electronics means and in either the English or the Chinese language.

Moreover, amendments to the Listing Rules relating to corporate governance issues have taken effect on 31 March 2004. Such amendments include amendments to Appendix 3 to the Listing Rules which sets out the requirements that the articles of association or, as the case may be, the bye-laws of listed issuers or listing applicants shall comply with.

Listed issuers are given by the Stock Exchange a transitional period of six months from 31 March 2004 to comply with certain of the amendments to the Listing Rules. To ensure compliance with the amended Appendix 3 to the Listing Rules, listed issuers must alter their articles of association or, as the case may be, bye-laws at the earliest opportunity and, in any event, no later than the conclusion of their next annual general meeting after 31 March 2004.

In view of the above, the Company proposes that the Articles be altered to (i) to permit the distribution of corporate communications (including the distribution of a summary of its financial report) to the Shareholders using electronic means and in either the English or the Chinese language; and (ii) ensure compliance with the amendments to Appendix 3 to the Listing Rules. In general, the proposed alterations to the Articles are to be made to conform to the following that relates to corporate governance:

- (a) the minimum seven-day period of lodgment by the Shareholders of notice to nominate a Director shall commence no earlier than the date after the despatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such meeting;
- (b) Director shall abstain from voting at the meeting of the Board on any matter in which he or any of his associates has a material interest and not to be counted towards the quorum of the relevant meeting of the Board; and
- (c) where any Shareholder is, under the amended Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any vote cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

3. GRANT OF GENERAL MANDATE AND REPURCHASE MANDATE

Pursuant to the ordinary resolutions passed by the Shareholders at the annual general meeting of the Company held on 10 December 2003, the Directors were granted a general mandate to allot, issue and deal with Shares in the capital of the Company and a general mandate to purchase Shares on the Stock Exchange. These mandates will expire at the conclusion of the AGM. To facilitate future allotment and issue of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of the General Mandate and the Repurchase Mandate.

LETTER FROM THE BOARD

The Directors have no immediate plans to allot and issue any new Shares other than Shares which may fall to be issued upon the exercise of options granted under the share option scheme of the Company or pursuant to any scrip dividend scheme which may be approved by the Shareholders.

The explanatory statement required by the Listing Rules to be included in this circular is set out in the Appendix I to this circular.

4. ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tengis Limited, at 28th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

5. RECOMMENDATION

The Directors believe that the proposed alterations to the Articles, the grant of the General Mandate and the Repurchase Mandate are in the best interests of the Company and the Shareholders. An exercise of the powers under the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Such an exercise will only be made when the Directors believe that such repurchase of Shares will benefit the Company and the Shareholders.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and/or gearing position of the Company compared with that as at 31 December 2003, being the date of its latest audited accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

The Directors believe that an exercise of the General Mandate to issue and allot new Shares will enable the Company to take advantage of market conditions to raise additional capital for the Company.

Accordingly, the Directors recommend that all the Shareholders should vote in favour of the resolutions approving the proposed alterations to the Articles, the grant of the General Mandate and the Repurchase Mandate.

6. RE-ELECTION OF DIRECTORS

In accordance with article 112 of the Articles, Ms Ho Marjorie and Mr Shum Man Wah shall hold office only until the AGM. Each of Ms Ho Marjorie and Mr Shum Man Wah offer himself/herself for re-election at the AGM. Particulars of Ms Ho Marjorie and Mr Shum Man Wah are set out in Appendix III to this circular.

Yours faithfully,
For and on behalf of
the Board of
Fu Cheong International Holdings Limited
Ho Wing Cheong
Chairman

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. Share capital

As at 20 April 2004, being the Latest Practicable Date, the issued share capital of the Company comprised 1,200,000,000 Shares.

Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 120,000,000 Shares.

2. Reasons for the repurchase

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases of Shares will benefit the Company and the Shareholders.

3. Funding of repurchases

Repurchase must be paid out of funds which are legally available for the purpose and in accordance with the memorandum and the articles of association of the Company and the Companies Law. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Cayman Islands law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose, or, if so authorised by its memorandum and articles of association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by its memorandum and articles of association and subject to the provisions of the Companies Law, out of capital.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 December 2003. However, the Directors do not intend to make any repurchases to such an extent as would, in circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. Share prices

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the twelve months preceding the date of this circular, were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2003		
April	<i>(Note)</i>	<i>(Note)</i>
May	<i>(Note)</i>	<i>(Note)</i>
June	<i>(Note)</i>	<i>(Note)</i>
July	<i>(Note)</i>	<i>(Note)</i>
August	<i>(Note)</i>	<i>(Note)</i>
September	<i>(Note)</i>	<i>(Note)</i>
October	<i>(Note)</i>	<i>(Note)</i>
November	<i>(Note)</i>	<i>(Note)</i>
December	<i>(Note)</i>	<i>(Note)</i>
2004		
January	<i>(Note)</i>	<i>(Note)</i>
February	<i>(Note)</i>	<i>(Note)</i>
March	<i>(Note)</i>	<i>(Note)</i>

Note: At the direction of the Stock Exchange, trading of Shares on the Stock Exchange has been suspended with effect from 16 December 2002 to the date of this circular and will remain suspended pending further announcement.

5. Disclosure of interests, the Takeovers Code and minimum public holding

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong) and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 10% or more of the issued capital of the Company:

Name	Capacity	Number of Shares	Approximate percentage of shareholding
Advanced Technology International Holdings Limited (<i>Note 1</i>)	beneficial owner	696,000,000	58%
I. World Limited (<i>Note 1</i>)	interest of a controlled corporation	696,000,000	58%
Ho Wing Cheong (<i>Note 1</i>)	interest of a controlled corporation	696,000,000	58%
Leung Wai Fun (<i>Note 2</i>)	interest of spouse	696,000,000	58%

Notes:

- The entire issued shares of Advanced Technology International Holdings Limited are owned by I. World Limited. The issued shares of I. World Limited are in turn owned as to 58% by Ho Wing Cheong. Accordingly, I. World Limited and Ho Wing Cheong are deemed to be interested in the Shares held by Advanced Technology International Holdings Limited by virtue of the SFO.
- Leung Wai Fun, the wife of Ho Wing Cheong, is taken to be interested in the Shares held by Ho Wing Cheong by virtue of the SFO.

Assuming that none of the substantial Shareholders disposes of their Shares, if the Repurchase Mandate were exercised in full, the respective percentage shareholdings of the substantial Shareholders before and after such repurchase would be as follows:

	Before repurchase	After repurchase
Advanced Technology International Holdings Limited (<i>Note 1</i>)	58%	64.4%
I. World Limited (<i>Note 1</i>)	58%	64.4%
Ho Wing Cheong (<i>Note 1</i>)	58%	64.4%
Leung Wai Fun (<i>Note 2</i>)	58%	64.4%

Notes:

- The entire issued shares of Advanced Technology International Holdings Limited are owned by I. World Limited. The issued shares of I. World Limited are in turn owned as to 58% by Ho Wing Cheong. Accordingly, I. World Limited and Ho Wing Cheong are deemed to be interested in the Shares held by Advanced Technology International Holdings Limited by virtue of the SFO.
- Leung Wai Fun, the wife of Ho Wing Cheong, is taken to be interested in the Shares held by Ho Wing Cheong by virtue of the SFO.

On the basis of the current shareholdings held by the substantial Shareholders named above, an exercise of the Repurchase Mandate in full will not result in any of the Shareholders referred to above obliged to make a mandatory offer under the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in less than 25 per cent. of the Shares being held by the public.

6. Share repurchase made by the Company

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the twelve months preceding the date of this circular.

7. General

None of the Directors or, to the best of their knowledge and belief, having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell to the Company or its subsidiaries any of the Shares if the Repurchase Mandate is approved at the AGM and exercised.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any securities to the Company nor has any such connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of the Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the regulations set out in the memorandum and articles of association of the Company.

Pursuant to article 72 of the Articles, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman of the meeting; or
- (ii) by at least three shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any shareholder or shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (iv) by any shareholder or shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The biographical details of the Directors eligible for re-election at the AGM are set out below:

Ms Ho Marjorie, an executive Director

Age	:	58
Length of service	:	Ms Ho Marjorie joined the Group in 18 February 2004 as an executive Director for a term of 3 years.
Qualification and experience	:	Ms Ho Marjorie was a production supervisor of garment factories. She has over 17 years of experience in the garment industry.
Relationship with other Directors, senior management, substantial or controlling Shareholders	:	Ms Ho Marjorie is the elder sister of Mr Ho Wing Cheong, an executive Director and a substantial Shareholder of the Company.
Interests in Shares	:	Ms Ho Marjorie has no direct or indirect interest in any Shares.
Amount of emoluments	:	HK\$8,000 per month, with a bonus of HK\$8,000 per year.

Mr Shum Man Wah, an independent non-executive Director

Age	:	50
Length of service	:	Mr Shum Man Wah joined the Group in 18 February 2004 as an independent non-executive Director for a term of 2 years.
Qualification and experience	:	Mr Shum Man Wah was a managing director of a trading company. He has over 25 years of experience in engineering of printed circuit boards.
Relationship with other Directors, senior management, substantial or controlling Shareholders	:	Mr Shum Man Wah has no relationship with any Director, senior management, substantial or controlling Shareholders of the Company.
Interests in Shares	:	Mr Shum Man Wah has no direct or indirect interest in any Shares.
Amount of emoluments	:	HK\$5,000 per month.