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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold all your shares in eCyberChina Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or to be bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



eCyberChina Holdings Limited

光訊控股集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 254)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting will be held at Plaza IV, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 31st March, 2005 at 10:00 a.m. A notice of the Annual General Meeting is set out on pages 11 to 13 of this circular.

There is enclosed a form of proxy for use at the Annual General Meeting. Whether or not you intend to be present thereat, you are requested to complete the form of proxy and return it to the registered office of the Company situated at Unit 5808, 58th Floor, The Center, No.99 Queen's Road Central, Central, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the Annual General Meeting. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Annual General Meeting or its adjournment thereof if you so wish.

24th February, 2005

LETTER FROM THE BOARD



eCyberChina Holdings Limited

光訊控股集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 254)

Executive directors:

LU Liang
NG Yan
TAO Wei Ming
TSANG Kar Tong
HO Chi Wing

Registered Office:

Unit 5808, 58th Floor
The Center
No.99 Queen's Road Central
Central, Hong Kong

Independent Non-executive directors:

CHENG Sheung Hing
CHENG Kwong Choi, Alexander

24th February, 2005

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with requisite information regarding resolutions to be proposed at the annual general meeting of eCyberChina Holdings Limited (the "Company") to be held on 31st March, 2005 at Plaza IV, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong at 10:00 a.m. (the "Annual General Meeting"). These include resolutions relating to general mandates for the repurchase by the Company of its own shares, the issue of shares and the re-election of directors.

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed that the directors of the Company (the "Directors") be given a general and unconditional mandate to exercise all powers of the Company to repurchase on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") shares of HK\$0.20 each in the capital of the Company (the "Shares"), up to a maximum of 10 per cent. of the aggregate issued share capital of the Company as at the date of the passing of the resolution (the "Share Repurchase Mandate").

LETTER FROM THE BOARD

The Share Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolution of the shareholders in general meeting prior to the next annual general meeting.

An explanatory statement to provide you with all the information reasonably necessary for you to make an informed decision in relation to this proposed resolution as required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") concerning the Share Repurchase Mandate to be given to you is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be given a general and unconditional mandate to issue further Shares representing up to 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date the resolution is passed. In addition, a resolution will be proposed to be passed to authorize the Directors to issue, allot and deal with Shares in an amount equal to the aggregate issued share capital purchased under the Share Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

PROCEDURES FOR DEMANDING A POLL

Pursuant to the Articles of Association of the Company, a poll may be (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 by:–

- (i) the Chairman of the meeting; or
- (ii) at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders have the right to vote at the meeting; or
- (iv) a shareholder or shareholders present in person 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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the granting of the mandates to repurchase Shares and to issue new Shares and the proposal re-election of the retiring directors are all in the best interest of the Company and its shareholders and so recommend you to vote in favour of the resolutions at the Annual General Meeting.

ANNUAL GENERAL MEETING

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There is enclosed a form of proxy for use at the Annual General Meeting. Whether or not you intend to be present thereat, you are requested to complete the form of proxy and return it to the registered office of the Company situated at Unit 5808, 58th Floor, The Center, No.99 Queen's Road Central, Central, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the Annual General Meeting. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Annual General Meeting or its adjournment thereof if you so wish.

Yours faithfully,
For and on behalf of the Board of
eCyberChina Holdings Limited
Tsang Kar Tong
Director

1. THE SHARE REPURCHASE MANDATE**(a) Share capital**

As at 23rd February, 2005 (the “Latest Practicable Date”, being the latest practicable date prior to the printing of this circular), the issued share capital of the Company comprising 2,867,500,000 Shares. The passing of the relevant resolution in the notice convening the Annual General Meeting will allow the Company to repurchase a maximum of 286,750,000 Shares on the basis that no exercise of subscription right attaching to options granted by the Company pursuant to the two share option schemes adopted on 21st June, 2001 and 5th July, 2002 respectively and no further Shares will be issued or repurchased prior to the date of the Annual General Meeting.

(b) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and its shareholders to have a general mandate from its shareholders to enable the Directors 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 of the Company and its assets and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholder.

(c) Funding of repurchases

Repurchases pursuant to the Share Repurchases Mandate would be funded out of the available cash and/or working capital of the Company. The funds employed by the Company in connection with a repurchase of Shares would be those legally available for such purpose under the Company’s Memorandum and Articles of Association and the Companies Ordinance. The Companies Ordinance provides that the amount of capital employed in connection with a share repurchase may only be paid from the distributable profits of the Company and/or proceeds of a new issue of Shares, made for the purpose of repurchase to such an extent allowable under the Companies Ordinance.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts contained in the annual report for the year ended 30th June, 2004) in the event that the mandate to repurchase Shares were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company at the time of the relevant repurchases unless the Directors determined that such repurchases were, taking account of all relevant factors, in the best interests of the Company.

(d) General

None of the Directors nor, to the best of the Directors' knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to the Company under the Share Repurchase Mandate if such Share Repurchase Mandate is approved by the shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws in Hong Kong.

No repurchase of Shares has been made by the Company on the Stock Exchange during the past six months preceding the Latest Practicable Date.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or having undertaken not to do so in the event that the Share Repurchase Mandate is approved by the shareholders.

If, as a result of a share repurchase, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers ("the Code"). Accordingly, a shareholder or a group of shareholders acting in concert, could, depending on the level of increase of the shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, there was no substantial shareholder holding 10 per cent. or more of its issued share capital. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate, the Directors consider that it would not give rise to any shareholder of the Company of an obligation to make offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the Directors are not aware of any consequences which may arise under the Code as a result of any repurchases made under the Share Repurchase Mandate. The Directors have no present intention to exercise the power to repurchase shares pursuant to the Share Repurchase Mandate to such an extent as to result in the number of Shares held by the public falling below 25%.

The highest and lowest prices at which the Shares of the Company have been traded on the Stock Exchange during each of the twelve months prior to the Latest Practicable Date were as follows:–

Month	Trading Price per Share	
	Highest	Lowest
2003		
December [#]	(suspended in trading)	
2004		
January [#]	(suspended in trading)	
February [#]	(suspended in trading)	
March [#]	(suspended in trading)	
April [#]	(suspended in trading)	
May [#]	(suspended in trading)	
June [#]	(suspended in trading)	
July [#]	(suspended in trading)	
August [#]	(suspended in trading)	
September [#]	(suspended in trading)	
October [#]	(suspended in trading)	
November [#]	(suspended in trading)	

[#] Trading in shares had been suspended since 9:30 a.m. 30th June, 2003 and shall remain suspended pending release of further announcement by the Company to enable the public to appraise the position of the Company.

The following set out the details of the Directors who retire and, being eligible, shall offer themselves for re-election at the Annual General Meeting pursuant to the Articles of Association of the Company.

Mr. LU Liang, aged 43, an executive director

Mr. LU Liang, aged 43, has been appointed as an executive director of the Company since 2002. Mr. Lu attained a Bachelor of Science in Computer Science from the Harbin University of Science and Technology and a Master's Degree in Management of Information System from the Harbin Institute of Technology. Mr. Lu has share option convertible into 25,835,000 Shares. Save as such share options, Mr. Lu does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong (the "SFO")). Mr. Lu does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Mr. Lu does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Lu but Mr. Lu is entitled to a monthly salary of HK\$5,000 from a subsidiary of the Company. Mr. Lu is not entitled to any other emoluments including bonus. The emoluments of Mr. Lu are determined by the board in the prevailing market rate and his previous experience of the Company, and there is no proposed length of service for Mr. Lu's directorship with the Company. Mr. Lu is subject to the relevant provisions of the Articles of Association of the Company regarding rotation.

Mr. NG Yan, aged 62, an executive director

Mr. NG Yan, aged 62, has been appointed as an executive director of the Company since 2003. Mr. Ng had been a lecturer in Shanghai Engineering College for 10 years. Since 1990, Mr. Ng has been specialized in import and export business and investments. Mr. Ng does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. Mr. Ng does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Mr. Ng does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Ng but Mr. Ng is entitled to a monthly salary of HK\$5,000 from the Company. Mr. Ng is not entitled to any other emolument including bonus or share option. The emoluments of Mr. Ng are determined by the board in the prevailing market rate and his previous experience of the Company and there is no proposed length of service. Mr. Ng is subject to the relevant provisions of the Articles of Association of the Company regarding rotation.

Mr. TAO Wei Ming, aged 47, an executive director

Mr. TAO Wei Ming, aged 47, has been appointed as an executive director of the Company since 2003. Mr. Tao has over 8 years of extensive experience in investments in the PRC. Mr. Tao does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. Mr. Tao does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Mr. Tao does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Tao but Mr. Tao is entitled to a monthly salary of HK\$3,000 from the company. Mr. Tao is not entitled to any other emoluments including bonus or share option. The emoluments of Mr. Tao are determined by the board in the prevailing market rate and his previous experience of the Company and there is no proposed length of service. Mr. Tao is subject to the relevant provisions of the Articles of Association of the Company regarding rotation.

Mr. TSANG Kar Tong, aged 55, an executive director

Mr. TSANG Kar Tong, aged 55, was appointed as an executive director of the Company in 2002 and left the Company on 9th January, 2003. Mr. Tsang rejoined to the Board on 16th September, 2003 as an executive director. Mr. Tsang has over 25 years of extensive experience in manufacturing and textile industry in Hong Kong, Indonesia, Malaysia and Sri Lanka, specializing in business, marketing and human resources management. Mr. Tsang does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO, Mr. Tsang does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Mr. Tsang does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Tsang but Mr. Tsang is entitled to a monthly salary of HK\$16,250 from a subsidiary of the Company. Mr. Tsang is not entitled to any other emoluments including bonus or share option. The emoluments of Mr. Tsang are determined by the board in the prevailing market rate and his previous experience of the Company and there is no proposed length of service. Mr. Tsang is subject to the relevant provision of the Articles of Association of the Company regarding rotation.

Mr. HO Chi Wing, aged 58, an executive director (appointment on 16th February, 2005)

Mr. HO Chi Wing, aged 58, was appointed as an executive director of the company on 16th February, 2005. Mr. Ho had been appointed the Group Finance Manager of Pacific Century CyberWorks Limited and its subsidiaries in Hong Kong for over 20 years in finance and administration fields. Mr. Ho does not have, and is not deemed to have, any interest or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part VX of the SFO. Mr. Ho does

not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Mr. Ho does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Ho but Mr. Ho is entitled to a monthly salary of HK\$3,500 from a subsidiary of the Company. Mr. Ho is not entitled to any other emoluments including bonus or share option. The emoluments of Mr. Ho are determined by the board in the prevailing market rate and his previous experience of the Company and there is no proposed length of service. Mr. Ho is subject to the relevant provision of the Articles of Association of the Company regarding rotation.

Mr. CHENG Sheung Hing, aged 56, an independent non-executive director

Mr. CHENG Sheung Hing, aged 56 has been appointed as an independent non-executive Director and a member of the Audit Committee on 31st December, 2003. Mr. Cheng was awarded a Bachelor Degree in Economic by the Beijing Economic College. He has been specialized in the field of foreign exchange in the PRC over 10 years and his authorities on economic and foreign exchange was fully recognized when he was appointed the Head of Inspection of the PRC Foreign Exchange Management Bureau in 1994. Mr. Cheng does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations. Mr. Cheng does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company within the meaning of Part XV of the SFO. Mr. Cheng does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Cheng and there is no proposed length of service. Mr. Cheng is subject to the relevant provisions of the Articles of Association of the Company regarding rotation. Mr. Cheng is not entitled to any emoluments. Mr. Cheng is willing to act as a Director of the Company without any emolument as the Company has a good reputation in the PRC.

Mr. CHENG Kwong Choi, Alexander, aged 57 an independent non-executive director

Mr. CHENG Kwong Choi, Alexander, aged 57 has been appointed as an independent non-executive Director and a member of the Audit Committee on 31st December, 2003. He is the Business Development Manager of New York Life Insurance Worldwide Limited. He had been appointed the Managing Director of Sky Fortune Travel and the Assistant Manager-Japan Project of Hong Kong Tourist Association. Mr. Cheng does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. Mr. Cheng does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Mr. Cheng does not have any other directorship in the past three years or major appointment in other listed public company. There is no service contract signed between the Company and Mr. Cheng but Mr. Cheng is entitled to a monthly fee of HK\$3,000 from the Company.

Mr. Cheng is not entitled to any other emolument including bonus. The emoluments of Mr. Cheng are determined by the board in the prevailing rate and his previous experience of the Company and there is no proposed length of service. Mr. Cheng is subject to the relevant provisions of the Articles of Association of the Company regarding rotation.

Mr. Lu Liang, one of the directors is granted the right to exercise share option of 25,835,000 Shares. The Board may consider granting the share option to the directors in the future depending on the company performance. All directors confirm that there are no other matters need to be brought to the attention of holders of securities of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING



eCyberChina Holdings Limited

光訊控股集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 254)

NOTICE IS HEREBY GIVEN THAT an annual general meeting (“this Meeting”) of eCyberChina Holdings Limited (“the Company”) will be held at Plaza IV, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 31st March, 2005 at 10:00 a.m. for the following purposes:-

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and Auditors for the year ended 30th June, 2004.
2. To re-elect retiring Directors and to fix the Directors’ remuneration.
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as the Auditors, and to authorize the Directors to fix their remuneration.

As special businesses, to consider and, if think fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:-

4. **“THAT:-**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to repurchase shares of HK\$0.20 each in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of shares of the Company which may be repurchased by the Company pursuant to paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Ordinary Resolution and the said approval shall be limited accordingly; and
 - (c) for the purpose of this Ordinary Resolution, “Relevant Period” means the period from the passing of this Ordinary Resolution until whichever is the earliest of:

NOTICE OF THE ANNUAL GENERAL MEETING

- (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 is required by any applicable laws or the Company's Memorandum and Articles of Association to be held; and
 - (iii) the revocation or variation of the authority given under this Ordinary Resolution by an ordinary resolution of the shareholders in general meeting."
5. "THAT the exercise by the Directors during the Relevant Period (as defined in Ordinary Resolution 4 as set out in the notice convening this Meeting) of all the 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, which would or might require shares to be allotted, issued or dealt with, whether during or after the end of the Relevant Period be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant: (a) a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of 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 any territory applicable to the Company); or (b) any scrip dividend or similar arrangement providing for the allotment of securities 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; or (c) the exercise of subscription rights attaching to share options under any option scheme; or (d) a specific authority granted by the shareholders of the Company in general meeting, the additional shares allotted, issued or dealt with (including shares agreed conditionally or to be allotted, issued or dealt with, whether pursuant to an option or otherwise) shall not in aggregate exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Ordinary Resolution and the said approval shall be limited accordingly."
6. "THAT the general mandate granted to the Directors under Ordinary Resolution 5 as set out in the notice convening this Meeting be and is hereby extended by the addition of an amount representing the aggregate nominal amount of shares repurchased by the Company pursuant to the general mandate approved in Ordinary Resolution 4 as set out in the notice convening this Meeting."

By Order of the Board
eCyberChina Holdings Limited
Ng Yi Wa
Company Secretary

NOTICE OF THE ANNUAL GENERAL MEETING

As at the date of this notice, the Board of Directors of the Company comprises five executive Directors, namely Mr. Lu Liang, Mr. Ng Yan, Mr. Tao Wei Ming, Mr. Ho Chi Wing and Mr. Tsang Kar Tong, and two Independent Non-executive Directors, namely Mr. Cheng Sheung Hing and Mr. Cheng Kwong Choi, Alexander.

Hong Kong, 24th February, 2005

Registered office:

Unit 5808, 58th Floor,
The Center,
No.99 Queen's Road Central,
Central, Hong Kong.

Notes:

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, the proxy form completed in accordance with the instructions set out therein, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of that power or authority), must be deposited at the registered office of the Company situated at Unit 5808, 58th Floor, The Center, No.99 Queen's Road Central, Central, Hong Kong not less than 48 hours before the time appointed for the Meeting or any adjournment thereof.