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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 accountant or other professional adviser.

If you have sold or transferred all your shares in Eco-Tek Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular, for which the directors (“Directors”) of Eco-Tek Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



ECO-TEK HOLDINGS LIMITED
環康集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8169)

PROPOSED CHANGE OF AUDITORS
AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A notice convening an extraordinary general meeting of the Company to be held at Unit 606, 6/F AXA Centre, 151 Gloucester Road, Wanchai, Hong Kong on 30 October 2004 (Saturday) at 10:30 a.m. is set out on pages 6 to 9 of this circular.

A form of proxy for the extraordinary general meeting is enclosed with this circular. Whether or not you propose to attend the extraordinary general meeting, you are requested to complete the form of proxy and return the same to the Company’s Share Registrar in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the extraordinary general meeting. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the extraordinary general meeting or any adjournment thereof if you so wish.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for 7 days from the date of its posting.

* For purpose of identification only

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“Articles of Association”	articles of association of the Company adopted on 21 November 2001
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Eco-Tek Holdings Limited
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Unit 606, 6/F AXA Centre, 151 Gloucester Road, Wanchai, Hong Kong on 30 October 2004 (Saturday) at 10:30 a.m.
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administration Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	7 October 2004, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



ECO-TEK HOLDINGS LIMITED
環康集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8169)

Executive Directors:

Dr. CHIANG Lily
Dr. PAU Kwok Ping
Mr. SHAH Tahir Hussain

Non-Executive Directors:

Dr. LUI Sun Wing
Mr. YOUNG Meng Cheung Andrew

Independent Non-Executive Directors:

Miss. CHAN Siu Ping Rosa
Mr. TAKEUCHI Yutaka
Professor NI Jun

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:*

Unit 5, 11/F
Westlands Centre
20 Westlands Road
Quarry Bay
Hong Kong

8 October 2004

To Shareholders of the Company

Dear Sir/Madam,

PROPOSED CHANGE OF AUDITORS
AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the EGM for (i) the proposed change of auditors of the Group and (ii) amendments to the Articles of Association. The notice of the EGM is also set out in this circular.

* For purpose of identification only

LETTER FROM THE BOARD

PROPOSED CHANGE OF AUDITORS

The Company announced on 22 September 2004 that it had been notified by a letter of resignation dated 17 September 2004 from Messrs. Ernst & Young (“E&Y”) of their resignation as the auditors of the Group with effect from 21 September 2004, being the date of receipt of the letter of resignation from E&Y, since the Company and E&Y could not arrive at a consensus on the audit fees for the financial year ending 31 October 2004. E&Y have confirmed that there were no circumstances connected with their resignation which should be brought to the attention of the Shareholders or creditors of the Company. It was also announced on 22 September 2004 that the Board proposes to appoint Messrs. Grant Thornton as the Group’s auditors for the year ending 31 October 2004.

The Board confirms that there were no other matters connected with E&Y’s resignation which should be brought to the attention of the Shareholders or creditors of the Company.

An ordinary resolution is proposed under agenda item Resolution No.1 of the notice of EGM that Messrs. Grant Thornton be appointed as auditors of the Group to fill the vacancy created by the resignation of E&Y until the conclusion of the next annual general meeting of the Company and the Board be authorized to fix their remuneration.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Companies (Amendment) Ordinance 2003 (the “Amendment Ordinance”) has come into effect on 13 February 2004 and the Stock Exchange announced amendments to the GEM Listing Rules which include, among other things, amendments to Appendix 3 to the GEM Listing Rules that has come into effect on 31 March 2004. Appendix 3 to the GEM Listing Rules sets out the provisions with which a listed company’s articles of association should conform.

In order to have the Articles of Association be consistent with the Amendment Ordinance and the amended Appendix 3 to the GEM Listing Rules, a special resolution to amend certain Articles in the Articles of Association is proposed under agenda item Resolution No. 2 of the notice of EGM. The background for the proposed amendments to the following Articles is set out below:

Article 76:

To reflect the restriction on voting by members as required by the amended Appendix 3 to the GEM Listing Rules.

LETTER FROM THE BOARD

Articles 2 and 103:

To be consistent with the provisions of the amended Appendix 3 to the GEM Listing Rules so that (1) subject to certain exceptions, a Director is not allowed to vote on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting; and (2) to define the term “associate” with the same meaning as defined in the GEM Listing Rules.

Article 88:

To be consistent with the amended Appendix 3 of the GEM Listing Rules which requires there to be a minimum period during which notice may be given by a person other than a Director to propose a person for election as a Director (and during which period notice is also given by such person of his willingness to be elected). This minimum period must be fixed for at least seven days and should commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

EXTRAORDINARY GENERAL MEETING

The notice convening the EGM to be held at Unit 606, 6/F AXA Centre, 151 Gloucester Road, Wanchai, Hong Kong on 30 October 2004 (Saturday) at 10:30 a.m. is set out on pages 6 to 9 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you propose to attend the EGM, you are requested to complete the form of proxy and return the same to the Company’s Share Registrar in Hong Kong, Tengis Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the EGM. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the EGM or any adjournment thereof if you so wish.

PROCEDURES FOR DEMANDING A POLL AT A GENERAL MEETING

Pursuant to Article 66 of the Articles of Association, at any general meeting a resolution put to vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) by the chairman of such meeting; or

LETTER FROM THE BOARD

- (ii) be at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized 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 shares conferring that right.

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a Shareholder.

RECOMMENDATION

The Board is of the opinion that all the proposed resolutions set out in the notice of the EGM and as referred to in this circular are in the best interests of the Company and its Shareholders as a whole and, accordingly, recommend you to vote in favour of all the resolutions set out in the notice of the EGM.

Yours faithfully,
On behalf of the Board
Pau Kwok Ping
Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING



ECO-TEK HOLDINGS LIMITED

環康集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8169)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Eco-Tek Holdings Limited (the “Company”) will be held at Unit 606, 6/F AXA Centre, 151 Gloucester Road, Wanchai, Hong Kong on 30 October 2004 (Saturday) at 10:30 a.m. for the following purposes:

1. To consider passing the following resolution as an ordinary resolution:

“**THAT** Grant Thornton be appointed as auditors of the Group to fill the vacancy created by the resignation of Ernst & Young until the conclusion of the next annual general meeting and the board of directors of the Company be authorised to fix their remuneration.”

2. To consider as special business and, if thought fit, amend the Company’s existing articles of association (“Articles of Association”) by passing the following resolution as a special resolution:

“**THAT** the Articles of Association be and are hereby amended in the following respects:

Article 2

By inserting the following new definition of “associate” in Article 2:

“associate” the meaning attributed to it in the rules of the Designated Stock Exchange.

Article 76

1. By re-numbering existing Article 76 as Article 76(1);
2. By inserting the following as new Article 76(2):

“(2) Where any Member is, under the rules of the Designated Stock Exchange, 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 Member in contravention of such requirement or restriction shall not be counted.”

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NOTICE OF EXTRAORDINARY GENERAL MEETING

Article 88

By deleting the words “not less than seven (7) clear days but not more than fourteen (14) clear days before the date of the general meeting” in the last sentence of Article 88 and replacing therewith the following proviso:

“provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such Notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

Article 103

By deleting the existing Article 103 in its entirety and replacing therewith the following new Article 103:

103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
 - (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (iii) any contract or arrangement concerning an offer of shares or debentures or other securities 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;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iv) 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 or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;
 - (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or
 - (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded to the class of persons to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) own(s) five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest or that of any of his associates is derived). For the purpose of his paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry on voting right at general meetings and very restrictive dividend and return of capital right.
- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

By order of the Board
Eco-Tek Holdings Limited
Pau Kwok Ping
Managing Director

Hong Kong, 8 October 2004

Notes:

1. Any member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's Share Registrar in Hong Kong, Tengis Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration by not less than 48 hours before the time appointed for holding the Extraordinary General Meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Thursday, 28 October 2004 to Saturday, 30 October 2004, both days inclusive, during which period no transfer of shares of the Company will be effected. All transfer document accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tengis Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 27 October 2004.
4. Completion and delivery of a form of proxy shall not preclude a member from attending and voting in person at the meeting if the member so desire and in such event, the form of proxy shall be deemed to be revoked.