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SHENZHEN HIGH-TECH HOLDINGS LIMITED

深圳科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 106)

MAJOR TRANSACTION RELATING TO PROVISION OF FINANCIAL ASSISTANCE AND RESUMPTION OF TRADING

The Board announced that on 18 February 2008, Cathay, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which Cathay has lent and the Borrower has borrowed a loan of HK\$26,000,000 for a period from 18 February 2008 to 31 December 2008 with repayment amount of HK\$36,400,000. The Loan is secured by the Share Charge, the Vitop Shares Charge and the Personal Guarantee.

The percentage ratios obtained on the assets test, profits test, consideration test and equity capital test under Rule 14.07 are between 2.67% and 5.76%. The Financial Assistance being classified as a major transaction of the Company is caused by the relatively low turnover of the Company recorded for the financial year ended 31 December 2006. The Company is of the view that the revenue test is not an appropriate indicator for measurement of materiality of the Company's transactions. Continue application of the revenue test is counter productive and may place undue compliance burden on the Company. The Directors are considering alternative size test which may be more suitable to the Company's circumstance and seek appropriate approval by the Stock Exchange pursuant to Rule 14.20.

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 25 February 2008 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 26 February 2008.

MAJOR TRANSACTION

The Loan Agreement

Date: 18 February 2008

Lender: Cathay Holdings Limited, a wholly-owned subsidiary of the Company

Borrower: the Borrower

Pursuant to the Loan Agreement, the Lender has lent, and the Borrower has borrowed the Loan.

The Borrower and its ultimate beneficial owner, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, are Independent Third Parties.

Principal terms of the Loan Agreement

Amount of the Loan:	HK\$26,000,000
Repayment Date:	31 December 2008
Repayment Amount:	HK\$36,400,000 (inclusive of interest of approximately 46.06% per annum)
Drawdown of the Loan:	18 February 2008
Security for the Loan:	(1) the Share Charge (2) the Vitop Shares Charge (3) the Personal Guarantee

The Share Charge

The Loan is secured by a share charge in favour of Cathay by way of a first legal charge over 1 share of US\$1.00 in the capital of the Borrower, being the entire issued capital of the Borrower.

The Vitop Shares Charge

The Loan is also secured by a shares charge executed by the Borrower in favour of Cathay by way of a first legal charge over 219,805,112 shares of HK\$0.025 each in the capital of Vitop beneficially owned by the Borrower. Based on the closing price of the shares of Vitop as quoted on the Stock Exchange of HK\$0.139 per share at the date of this announcement, the Vitop Shares Charge has a value of approximately HK\$30,552,910.

The loss before tax and after tax of Vitop for the two financial years ended 30 June 2007 are as follows:

	<i>2007</i>	<i>2006</i>
	<i>(HK\$)</i>	<i>(HK\$)</i>
Loss before tax	12,047,000	38,788,000
Loss after tax	12,221,000	39,775,000

The net asset value of Vitop for the financial year ended 30 June 2007 is HK\$43,944,000.

The Personal Guarantee

The Loan is also secured by the personal guarantee executed by the Guarantor in favour of Cathay to guarantee the due performance of the Borrower under the Loan.

Repayment of the Loan: The Loan is due on 31 December 2008, no early or partial repayment of the Loan by the Borrower is permitted unless with the prior written consent of Cathay.

The terms of the Loan Agreement were arrived at after arm's length negotiations between Cathay and the Borrower. The Directors (including independent non-executive Directors) consider that the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

Information of the Group

The Group is principally engaged in property investment and trading, securities trading and provision of financial services.

Information on the Borrower

The Borrower is a company incorporated in the British Virgin Islands with limited liability and its principal activity is investment holding. Its sole asset and investment is the shares charged to Cathay under the Vitop Shares Charge.

Reasons for the Financial Assistance

Cathay is a licensed money lender and its principal activity is provision of loan.

The Financial Assistance provides an opportunity for the Group to employ its idle fund to obtain a high rate of return for its capital with comfortable level of security.

IMPLICATIONS UNDER THE LISTING RULES

As the revenue test ratio exceeds 25%, the Financial Assistance constitutes a major transaction of the Company pursuant to Chapter 14 of the Listing Rules. The Financial Assistance is subject to the requirements pursuant to Rules 14.34 to 14.39 and approval by the shareholders of the Company.

However, since the loan has already been drawn down by the Borrower due to the misinterpretation of the Listing Rules, the failure by the Company to seek approval by the Company's shareholders of the Loan Agreement constituted a breach of the Listing Rules.

The percentage ratios obtained on the assets test, profits test, consideration test and equity capital test under Rule 14.07 are between 2.67% and 5.76%. The Financial Assistance being classified as a major transaction of the Company is caused by the relatively low turnover of the Company recorded for the financial year ended 31 December 2006. The Company is of the view that the revenue test is not an appropriate indicator for measurement of materiality of the Company's transactions. Continue application of the revenue test is counter productive and may place undue compliance burden on the Company. The Directors are considering alternative size test which may be more suitable to the Company's circumstance and seek appropriate approval by the Stock Exchange pursuant to Rule 14.20.

A circular containing, among others, further details of the Financial Assistance will be dispatched to the shareholders of the Company as soon as practicable.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 25 February 2008 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 26 February 2008.

DEFINITIONS

“Board”	the board of Directors
“Borrower”	a company incorporated in the British Virgin Islands and an Independent Third Party
“Cathay” or “Lender”	Cathay Holdings Limited, a wholly owned subsidiary of the Company, and a licensed money lender to carry on the business of money lending
“Company”	Shenzhen High-Tech Holdings Limited, a company incorporated in the Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Financial Assistance”	the provision of the Loan under the Loan Agreement to The Borrower
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party”	a party who is independent of the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the amount of HK\$26,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 18 February 2008 entered into between Cathay as lender and the Borrower as borrower relating to the secured term loan facility of HK\$26,000,000
“Guarantor”	an Independent Third Party and also the ultimate beneficial owner of the Borrower as at the signing of the Loan Agreement
“Share Charge”	the deed of charge executed by the shareholder of the Borrower by way of a first legal charge of all its rights, title and interest in and to one share beneficially owned by it in favour of Cathay

“Shares”	ordinary shares of HK\$0.20 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vitop”	Vitop Bioenergy Holdings Limited (Stock Code: 1178), a company incorporated in the Cayman Islands and whose shares are listed on the Stock Exchange
“Vitop Shares Charge”	the deed of charge executed by the Borrower by way of a first legal charge of all its rights, title and interest in and to 219,805,112 shares in the capital of Vitop beneficially owned by the Borrower in favour of the Lender

By order of the Board
Shenzhen High-Tech Holdings Limited
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 25 February 2008

As at the date of this announcement, the Board of the Company comprises two executive Directors, namely Mr. Wong Chung Tak and Mr. Tse Kam Fai, one non-executive Director, namely Mr. Wong Ngo, Derick, and three independent non-executive Directors, namely Mr. Lee Kuo Ching, Stewart, Mr. Liu Sing Piu, Chris, and Miss Chong Kally.