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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)

- (1) MAJOR AND CONNECTED TRANSACTION**
- (2) PROPOSED SPECIAL CASH DISTRIBUTION**
- (3) PROPOSED CAPITAL REORGANISATION; AND**
- (4) EXEMPTED CONTINUING CONNECTED TRANSACTION**

SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 23 October 2012, the Company as the vendor, and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which, the Purchaser conditionally agreed to acquire and the Company conditionally agreed to dispose of the Sale Shares and the Shareholder Loans at the aggregate consideration of HK\$890 million (subject to the Working Capital Adjustment).

The Disposal Companies and their respective subsidiaries are principally engaged in property investment in Hong Kong and/or the PRC and/or property trading. As at the date of this announcement, the principal assets of the Disposal Companies and their respective subsidiaries are their interests in the Properties.

The Consideration has been arrived at with reference to, among other things, (i) the market value of the principal assets of the Disposal Companies and their subsidiaries, which are the Properties; and (ii) the amount of outstanding Shareholder Loans as at 30 September 2012.

The Directors (excluding Mr. Wong and Mr. Derick Wong who abstained from voting on the relevant Board resolutions due to Mr. Wong's interests in the Sale and Purchase Agreement, and the independent non-executive Directors who will express their view after receiving the advice from the independent financial adviser) consider that the terms of the Sale and Purchase Agreement are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

PROPOSED CASH DIVIDEND

The Board further proposes, subject to the conditions set out below, that the Company will effect a special distribution of the Cash Dividend of not less than HK\$0.62 per Adjusted Share. As the Cash Dividend will become distributable following the Disposal Completion, the Consideration is therefore to be satisfied by the issue of the Promissory Note by the Purchaser to the Company and the entire amount of the Promissory Note would be offset against the Purchaser's entitlement to the Cash Dividend.

The Cash Dividend is conditional upon:

- (a) the passing, at the SGM, of all resolutions to approve the Capital Reorganisation and Cash Dividend;
- (b) the passing, at the SGM, of all resolutions to approve the Disposal;
- (c) the Capital Reorganisation becoming effective; and
- (d) completion of the Disposal.

If the conditions referred to above are not fulfilled, payment of the Cash Dividend will not proceed.

CAPITAL REORGANISATION

In order to create sufficient distributable reserves in the accounts of the Company to effect the Cash Dividend, the Company proposes to effect a reorganisation of the capital of the Company comprising the following components:

- (i) the reduction of the par value of the Shares from HK\$0.20 to HK\$0.01 per share;
- (ii) the cancellation of the entire sum standing to the credit of the Company's share premium account; and
- (iii) the transfer of the credit arising from the cancellation of the share premium account and the reduction of the par value of the issued Shares to the contributed surplus account of the Company.

EXEMPTED CONTINUING CONNECTED TRANSACTION

Immediately upon Disposal Completion, the Company and Grandtex Development will enter into the Lease Agreement in relation to the lease of the Leased Property. It is envisaged that the Lease Agreement will be on normal commercial terms and the maximum annual consideration under the Lease Agreement shall represent less than 5% of the applicable percentage ratios of the Company and is less than HK\$1,000,000 under Rule 14A.33 of the Listing Rules. As a result, the Lease Agreement is expected to constitute an exempted continuing connected transaction and no disclosure or independent shareholders' approval is required.

LISTING RULES IMPLICATIONS

Based on the relevant percentage ratios calculations under the Listing Rules, the entering into of the Sale and Purchase Agreement constitutes a major transaction of the Company and therefore is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Purchaser, which holds approximately 72.9% of the total issued share capital of the Company, is wholly owned by Mr. Wong who is an executive Director, the chairman of the Company and the controlling Shareholder. The Purchaser is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal also constitutes a connected transaction of the Company pursuant to Rule 14A.13(1)(a) of the Listing Rules and is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Circular containing, among other things, (i) further information on the Sale and Purchase Agreement, the Capital Reorganisation, the Cash Dividend and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (iv) notice of the SGM, will be despatched to the Shareholders on or before 26 November 2012 so as to allow sufficient time for the preparation of the relevant information for the inclusion in the Circular.

THE DISPOSAL

The Sale and Purchase Agreement

The Board is pleased to announce that on 23 October 2012, the Company, as the vendor and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Purchaser conditionally agreed to acquire and the Company conditionally agreed to dispose of the Sale Shares and the Shareholder Loans at the aggregate consideration of HK\$890 million (subject to the Working Capital Adjustment).

Date

23 October 2012

Parties

The vendor: the Company

The purchaser: Thing On Group Limited

The guarantor to the Purchaser: Mr. Wong

The Purchaser is an investment holding company wholly owned by Mr. Wong who is an executive Director, the chairman of the Company and the controlling Shareholder beneficially interested in, through the Purchaser, an aggregate of 1,448,440,623 Shares, representing approximately 72.9% of the total issued share capital of the Company as at the date of this announcement.

Subject

The Sale Shares, representing the entire issued share capital of the Disposal Companies, and the Shareholder Loans.

Consideration

Pursuant to the terms of the Sale and Purchase Agreement, the Consideration for the sale of the Sale Shares and the assignment of the Shareholder Loans is in an aggregate of HK\$890 million (subject to the Working Capital Adjustment).

The Consideration has been arrived at with reference to, among other things, (i) the market value of the principal assets of the Disposal Companies and their subsidiaries, which are the Properties, and (ii) the amount of outstanding Shareholder Loans as at 30 September 2012.

The Consideration is subject to adjustments on a dollar for dollar basis by adding the cash, prepaid expenses, account receivables and other current assets of the Disposal Companies and deducting any debt (other than the Shareholder Loans), accrued expenses, rental deposit and other current liabilities of the Disposal Companies (collectively, the “**Working Capital Adjustment**”) as of the date of Disposal Completion, all provided and recorded in accordance with Hong Kong Financial Reporting Standards and consistent with the Disposal Companies past practices.

For the purposes of determining the amounts payable by the Purchaser to the Company at Disposal Completion, the parties shall calculate an estimate of the Working Capital Adjustment (the “**Estimated Price Adjustment**”) based on the working capital shown in the estimated balance sheets of the Disposal Companies to be delivered to the Purchaser

five (5) days before the date of Disposal Completion. Within five (5) Business Days following Disposal Completion, the Company shall deliver to the Purchaser the balance sheets of the Disposal Companies prepared as at the date of Disposal Completion (the “**Closing Balance Sheets**”), at which time the Working Capital Adjustment shall be recalculated based on the Closing Balance Sheets (“**Actual Price Adjustment**”). In the event that there is any discrepancy between the Actual Price Adjustment and the Estimated Price Adjustment, the Promissory Note will be amended with the principal amount of the Promissory Note being restated with retroactive effect from the date of Disposal Completion in accordance with the Actual Price Adjustment.

As the Cash Dividend (as detailed below) will become distributable following Disposal Completion, the Consideration is therefore to be satisfied by the issue of the Promissory Note by the Purchaser to the Company. The principal amount of the Promissory Note will be equal to the Consideration. The principal terms of the Promissory Note are as follows:

Issuer	:	the Purchaser
Principal amount	:	the Consideration after the Working Capital Adjustment
Maturity date	:	the sixtieth (60th) day after the date of Disposal Completion (the “ Maturity Date ”)
Interest	:	2% per annum
Early Redemption/ Repayment	:	In the event that payment of the Cash Dividend becomes unconditional before the Maturity Date, the Promissory Note will be automatically redeemed by the Purchaser at the date of payment of the Cash Dividend by offsetting in whole or in part (as the case may be) the Purchaser’s entitlement to the Cash Dividend (“ Set-off Arrangement ”) by an amount equal to the sum of the outstanding principal amount of the Promissory Note and interest thereon accrued up to such redemption date.

The Purchaser may repay in whole or in part the outstanding principal amount of the Promissory Note at any time prior to the Maturity Date.

As further discussed in the section headed “Proposed Cash Dividend” below, the Board proposes that the Company will, subject to the conditions set out therein, declare and pay a special Cash Dividend of not less than HK\$0.62 per Adjusted Share following Disposal Completion. Pursuant to the Sale and Purchase Agreement, in the event that the face value of the Promissory Note after Actual Price Adjustment exceeds the

Purchaser's entitlement to the Cash Dividend, the Purchaser will pay the Company in cash the shortfall together with the interest accrued at 2% per annum up to the payment of the shortfall within three (3) Business Days from the Record Date or the date of fixing the Actual Price Adjustment, whichever is later. Payment of the shortfall (if any) will constitute part of early repayment and the outstanding principal amount of the Promissory Note will be reduced by the amount of repayment.

If the Cash Dividend is implemented, and based on the proposed Cash Dividend of not less than HK\$0.62 per Adjusted Share and the 1,448,440,623 Shares held by the Purchaser as at the date of this announcement, the Cash Dividend payable to the Purchaser will amount to not less than approximately HK\$898 million.

Conditions Precedent

Completion of the Sale and Purchase Agreement shall be subject to and conditional upon, among others, satisfaction or waiver as applicable of each of the following conditions:

- (i) the Independent Shareholders having approved by way of poll at a special general meeting of the Company of the Sale and Purchase Agreement and the transactions contemplated thereunder including but not limited to the sale by the Company of the Sale Shares and the Shareholder Loans;
- (ii) all other consents, approvals and authorisations (if any) required under any applicable laws and regulations having jurisdiction over the Sale and Purchase Agreement and to give effect to the transactions contemplated thereunder having been obtained and not withdrawn, revoked or amended on or before the date of Disposal Completion;
- (iii) neither of the parties having received notice of any injunction or other order, directive or notice restraining Disposal Completion and there being no action restraining or prohibiting Disposal Completion or seek damages in connection therewith, which is pending or any such injunction, other order or action which is threatened;
- (iv) payment of the Cash Dividend having been approved by the Shareholders at a special general meeting; and
- (v) the Capital Reorganisation becoming effective.

The conditions precedent in (i), (iv) and (v) above shall not be waived in any event. If any of the conditions precedent set out above shall not have been fulfilled by 31 January 2013, the Sale and Purchase Agreement shall thereupon become null and void ab initio.

Disposal Completion

Subject to the terms and conditions of the Sale and Purchase Agreement, Disposal Completion shall take place on or before the tenth (10th) Business Day after all the conditions precedent have been fulfilled in accordance with the Sale and Purchase Agreement (or such other date as the Company and the Purchaser may agree).

Warranties by the Company

Customary warranties (including those in relation to title to assets, accounts, litigations and material contracts) have been given by the Company to the Purchaser pursuant to the Sale and Purchase Agreement.

Information on the Disposal Companies

The Disposal Companies comprise Asset Partners, Grandtex Development, Stadium Holdings, Trinity Sino and Value Shine. Each of the Disposal Companies is a direct wholly-owned subsidiary of the Company. The Disposal Companies and their respective subsidiaries are principally engaged in property investment in Hong Kong and/or the PRC and/or property trading. As at the date of this announcement, the principal assets of the Disposal Companies and their respective subsidiaries are their interests in the Properties.

Set out below is the list of the Properties:

Locations	Attributable interest of the respective Disposal Company or its subsidiary
Hong Kong	
Office Units 1 and 2 on 24th Floor World-Wide House 19 Des Voeux Road Central, Hong Kong	100%
Shop Nos. 4 and 5 on Ground Floor Flats 1 to 8 on 1st Floor and Flats 3 and 4 on 2nd Floor South Wall Mansion, 63, 63A, 65, 67, 69 and 71 South Wall Road Kowloon City, Kowloon, Hong Kong	100%

Flat A on 23rd Floor of Block 2 and
Car Parking Space No. 31 on 2nd Basement
Ronsdale Garden, 25 Tai Hang Drive
Jardine' s Lookout, Hong Kong 100%

Office on 30th Floor 100%
United Centre
95 Queensway
Admiralty
Hong Kong

17th Floor and 100%
car parking space Nos. 18, 19 and 20 on 2nd Floor
Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

Offices 805A and 806 on 8th Floor 100%
World-Wide House
19 Des Voeux Road
Central
Hong Kong

Unit A with Rear Yard, B with Rear Yard, 100%
C, D, E with Rear Yard and F with Rear Yard
on Ground Floor, Unit 1 and 3 on 1st Floor,
Unit 2 on 1st Floor together with A/C Plinth
on 2nd Floor, and Advertising Space of Glory Rise
128 Chun Yeung Street
North Point
Hong Kong

The PRC

The whole of Level 4 and Units 501-506 on Level 5, 100%
Block B, Beijing East Gate Plaza
29 Dong Zhong Street
Dong Cheng District
Beijing, the PRC

Set out below is a summary of financial information of each of the Disposal Companies for the two years ended 31 December 2010 and 31 December 2011 respectively according to the audited accounts of Grandtex Development, Stadium Holdings and Trinity Sino, and the management accounts of Asset Partners and Value Shine, which were prepared under Hong Kong Financial Reporting Standards. The net asset/liability value of the Disposal Companies is extracted from their respective management accounts as at 30 September 2012.

Disposal Company	For the financial year ended 31 December 2010		For the financial year ended 31 December 2011		As at 30 September 2012
	Net profit/ (loss) before taxation HK\$'000	Net profit/ (loss) after taxation HK\$'000	Net profit/ (loss) before taxation HK\$'000	Net profit/ (loss) after taxation HK\$'000	Net asset/ (liability) value HK\$'000
Asset Partners	14,940	13,857	11,618	10,981	20,320
Grandtex Development	66,017	66,017	(13,212)	(13,212)	(99,068)
Stadium Holdings	(12,649)	(12,649)	(9,742)	(9,742)	(27,093)
Trinity Sino	(29)	(29)	(21)	(21)	(983)
Value Shine	72,113	72,113	12,506	12,506	72,904

Use of Proceeds

The net proceeds of the Disposal (after payment of the relevant expenses) are estimated to be of approximately HK\$887 million calculated based on the Consideration. The Company intends to apply the net proceeds of the Disposal for the distribution of the Cash Dividend to the Qualifying Shareholders.

Financial effects of the Disposal

Upon Disposal Completion, each of the Disposal Companies will cease to be a subsidiary of the Company and the financial results and position of each of them will be deconsolidated from the financial statements of the Group.

Based on, amongst others, the Consideration in an aggregate of HK\$890 million (before the Working Capital Adjustment), the consolidated net asset value of each of the Disposal Companies as at 30 September 2012, the Group is expected to record a gain of approximately HK\$26 million. However, the actual gain or loss on the Disposal may be different from the expected amount as stated above, as the actual gain or loss will depend on, amongst others, the actual consolidated net asset value of each of the Disposal Companies as at the date of Disposal Completion.

PROPOSED CASH DIVIDEND

The Board further proposes, subject to the conditions set out below, that the Company will effect a special distribution of the Cash Dividend of not less than HK\$0.62 per Adjusted Share. The Cash Dividend will be paid to the Qualifying Shareholders. As the Cash Dividend will become distributable following Disposal Completion, the Consideration is therefore to be satisfied by the issue of the Promissory Note by the Purchaser to the Company and the entire amount of the Promissory Note would be offset against the Purchaser's entitlement to the Cash Dividend.

Conditions to the Cash Dividend

The Cash Dividend is conditional upon:

- (a) the passing, at the SGM, of all resolutions to approve the Capital Reorganisation and the Cash Dividend;
- (b) the passing, at the SGM, of all resolutions to approve the Disposal;
- (c) the Capital Reorganisation becoming effective; and
- (d) completion of the Disposal.

If the conditions referred to above are not fulfilled, the Cash Dividend will not be implemented.

PROPOSED CAPITAL REORGANISATION

In order to create sufficient distributable reserves in the accounts of the Company to effect the payment of the Cash Dividend, the Company proposes to effect a reorganisation of the capital of the Company as follows:

- (i) the reduction of the par value of the Shares from HK\$0.20 to HK\$0.01 per share;
- (ii) the cancellation of the entire sum standing to the credit of the Company's share premium account; and
- (iii) the transfer of the credit arising from the cancellation of the share premium account and the reduction of the par value of the issued Shares to the contributed surplus account of the Company.

Following the Capital Reorganisation, the authorised share capital of the Company would be reduced from HK\$600 million divided into 3,000 million shares of HK\$0.20 each to HK\$30 million divided into 3,000 million shares of HK\$0.01 each; and the issued share capital of the Company would be reduced from approximately

HK\$397,321,212 divided into 1,986,606,059 shares of HK\$0.20 each to approximately HK\$19,866,061 divided into 1,986,606,059 shares of HK\$0.01 each. It would also have the effect of creating an addition to contributed surplus account of approximately HK\$377.5 million. On completion of the Capital Reorganisation, the credit arising from the reduction of the par value of the issued Shares and the reduction of the share premium account will be transferred to the contributed surplus account of the Company and the Directors be authorised to apply the amount standing to the credit of the contributed surplus account for the implementation of the Cash Dividend.

The Company is an exempted company incorporated in Bermuda. As such, the Capital Reorganisation is a process governed by Bermuda law. This does not involve any court procedure in Bermuda (or Hong Kong). The Capital Reorganisation must be approved by a special resolution of the Shareholders, which will be proposed at the SGM. Moreover, the Directors must be satisfied that the Company will, after the capital reduction, continue to be able to pay its liabilities as they become due. Based upon information presently available to the Directors, and having made all reasonable enquiries, the Directors are satisfied with the Company's financial position, and expect that the Company will be able to meet its liabilities after the Capital Reorganisation.

The Capital Reorganisation will not become effective until all the conditions to the Capital Reorganisation have been satisfied. The Capital Reorganisation is conditional upon:

- (a) the passing of a special resolution to approve the Capital Reorganisation at the SGM; and
- (b) receipt by the Group of all relevant consents, authorisations or approvals required from any governmental or other competent regulatory authorities (including but not limited to the approval of the Bermuda Monetary Authority if required) and, or, from any bank(s) pursuant to facility agreements entered into by members of the Group and, or, from any other counter-parties to contracts entered into by members of the Group.

Implementation of the Capital Reorganisation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders (except for the payment of related expenses). The Directors believe that the Capital Reorganisation will not have any adverse effect on the financial position of the Company or the Group. As explained above, the Capital Reorganisation is a necessary step for the Company to effect the payment of the Cash Dividend.

REASONS FOR AND BENEFIT OF THE DISPOSAL, CASH DIVIDEND AND CAPITAL REORGANISATION

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

The property prices in the PRC and Hong Kong have remained at high level in the past 12 months. However, while the global economy remained overshadowed by the slowing economic growth in China and the unresolved European debt crisis, the Directors consider the Disposal is a good opportunity for the Group to dispose of its investments in the Properties at a profit. In addition, since mid-2009 the Shares have been traded at a discount to the Group's net asset value and the trading volume of the Shares on the Stock Exchange has been low with an average daily volume of less than 0.4% of the Company's issued share capital. The Board therefore considers the Disposal and the payment of the Cash Dividend provide an opportunity for the Independent Shareholders to achieve immediate liquidity of their investment in the Shares. If the Disposal and the payment of the Cash Dividend (including the Capital Reorganisation) can be successfully implemented, Independent Shareholders will receive a special cash distribution of not less than HK\$0.62 per Adjusted Share, which represents:

- (a) a premium of approximately 4.7% over the average of the closing prices of approximately HK\$0.592 per Share for the 10 consecutive trading days prior to 15 October 2012, being the day on which the publication of the announcement by the Company in relation to price sensitive information regarding a possible disposal of certain property interests of the Company and the possible special cash distribution;
- (b) a premium of approximately 6.5% over the average of the closing prices of approximately HK\$0.582 per Share for the 30 consecutive trading days prior to 15 October 2012;
- (c) a premium of approximately 18.9% over the average of the closing prices of approximately HK\$0.522 per Share for the 90 consecutive trading days prior to 15 October 2012;
- (d) a premium of approximately 21.4% over the average of the closing prices of approximately HK\$0.511 per Share for the 180 consecutive trading days prior to 15 October 2012; and
- (e) a discount of approximately 21.5% to the closing prices of HK\$0.790 per Share as quoted on the Stock Exchange on 22 October 2012, being the last trading day immediately preceding the publication of this announcement.

Following Disposal Completion, the Group will continue to be engaged in property investment in Hong Kong and the PRC, property trading, securities trading and

provision of financial services. Independent Shareholders will continue to retain their investment in the Company after Disposal Completion. Further information of the Group (after Disposal Completion) will be contained in the Circular to be despatched in connection with the Disposal and the Capital Reorganisation.

The Directors (excluding Mr. Wong and Mr. Derick Wong who abstained from the voting on the relevant Board resolutions due to Mr. Wong's interests in the Sale and Purchase Agreement, and the independent non-executive Directors who will express their view after receiving the advice from an independent financial adviser) consider that the terms of the Sale and Purchase Agreement are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

EXEMPTED CONTINUING CONNECTED TRANSACTION

The Lease Agreement

The Group has been using the Leased Property, one of the Properties, as its office. The Directors consider that it is in the interests of the Company and the Shareholders as a whole for the Company to continue to rent the Leased Property from Grandtex Development after Disposal Completion as long as rental rates and other rental terms are in line with the market rates and reallocation costs could be avoided. Accordingly, it is intended that immediately upon Disposal Completion, the Company and Grandtex Development will enter into the Lease Agreement in relation to the lease of the Leased Property. It is envisaged that the Lease Agreement will be on normal commercial terms and the maximum annual consideration under the Lease Agreement shall represent less than 5% of the applicable percentage ratios of the Company and is less than HK\$1,000,000 under Rule 14A.33 of the Listing Rules. As a result, the Lease Agreement is expected to constitute an exempted continuing connected transaction and no disclosure or independent shareholders' approval is required.

LISTING RULES IMPLICATIONS

Based on the relevant percentage ratios calculations under the Listing Rules, the entering into of the Sale and Purchase Agreement constitutes a major transaction of the Company and therefore is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Purchaser, which holds an aggregate of 1,448,440,623 Shares representing approximately 72.9% of the total issued share capital of the Company as at the date of this announcement, is wholly owned by Mr. Wong who is an executive Director, the chairman of the Company and the controlling Shareholder. The Purchaser is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal also constitutes a connected transaction of the Company pursuant to Rule 14A.13(1)(a) of the Listing Rules and is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Wong and his associates shall abstain from voting on the proposed resolution(s) to approve the Disposal at the SGM. The Independent Board Committee has established to advise the Independent Shareholders in respect of the Disposal. The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Sale and Purchase Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

Shareholders should be aware that the Disposal is conditional upon, among others, the approval of the Independent Shareholders, whereas the Capital Reorganisation and the payment of the Cash Dividend are conditional and subject to, among others, the approval of the Shareholders, and therefore, they may or may not proceed. Shareholders and potential investors are urged to exercise caution when dealing in the Shares.

GENERAL

The Circular containing, among other things, (i) further information on the Sale and Purchase Agreement, the Capital Reorganisation, the Cash Dividend and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders; (iv) valuation report on the Properties; and (v) notice of the SGM, will be despatched to the Shareholders on or before 26 November 2012 so as to allow sufficient time for the preparation of the relevant information for the inclusion in the Circular.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Adjusted Share(s)”	the proposed adjusted ordinary share(s) of HK\$0.01 each in the share capital of the Company as will exist on the Capital Reorganisation Effective Date
“Asset Partners”	Asset Partners Group Limited, a company incorporated in the BVI with limited liability
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding a Sunday or Saturday) on which banks in Hong Kong are generally open for business

“BVI”	the British Virgin Islands
“Capital Reorganisation”	the reorganisation of the capital of the Company involving (i) the reduction of the par value of the Shares from HK\$0.20 to HK\$0.01 per share; (ii) the cancellation of the entire sum standing to the credit of the Company’s share premium account; and (iii) the transfer of the credit arising from the cancellation of the respective share premium account and the reduction of the par value of the issued Shares to the contributed surplus account of the Company
“Capital Reorganisation Effective Date”	the date on which the Capital Reorganisation becomes effective, which is expected to be on the Business Day immediately following the date of passing the special resolution approving the Capital Reorganisation at the SGM
“Cash Dividend”	The conditional cash dividend proposed to be declared and paid by the Company in the amount of not less than HK\$0.62 per Adjusted Share held by Qualifying Shareholders on the Record Date
“Circular”	the shareholders’ circular to be issued by the Company in accordance with the Listing Rules in respect of the Sale and Purchase Agreement, the Capital Reorganisation, the Cash Dividend and the transactions contemplated thereby
“Company”	Shenzhen High-Tech Holdings Limited, a company incorporated in Bermuda as an exempted company with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the aggregate consideration of HK\$890 million (subject to the Working Capital Adjustment) payable by the Purchaser for the Disposal under the Sale and Purchase Agreement
“Director(s)”	director(s) of the Company

“Disposal”	the proposed disposal of the entire equity interests in each of the Disposal Companies by the Company and the assignment of the Shareholder Loans pursuant to the Sale and Purchase Agreement
“Disposal Company(ies)”	Asset Partners, Grandtex Development, Stadium Holdings, Trinity Sino and Value Shine
“Disposal Completion”	completion of the transactions contemplated under the Sale and Purchase Agreement
“Grandtex Development”	Grandtex Development Limited, a company incorporated in Hong Kong with limited liability
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent board committee of the Company whose members comprise all the independent non-executive Directors to advise the Independent Shareholders on the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than Mr. Wong and his associates
“Lease Agreement”	the agreement to be entered into between the Company and Grandtex Development in relation to the lease of the Leased Property following Disposal Completion
“Leased Property”	a portion of 17th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Derick Wong”	Mr. Wong Ngo, Derick, a non-executive Director and a son of the elder brother of Mr. Wong, being an associate of Mr. Wong as defined under the Listing Rules

“Mr. Wong”	Mr. Wong Chung Tak, Richard, the ultimate beneficial owner of the Purchaser, an executive Director, the chairman of the Company and the controlling Shareholder
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan)
“Promissory Note”	the Promissory Note to be issued by the Purchaser in favour of the Company upon Disposal Completion to satisfy the Consideration
“Properties”	the property interests currently held by the Disposal Companies (or their respective subsidiary(ies)) in Hong Kong and the PRC as detailed under the section headed “Information on the Disposal Companies” of this announcement
“Purchaser”	Thing On Group Limited, a company incorporated in the BVI with limited liability
“Qualifying Shareholder(s)”	Shareholders whose names appear on the Company’s share register or branch share register on the Record Date
“Record Date”	a date to be fixed for determining entitlement of the Shareholders to the Cash Dividend, which shall be a date falling after the date of Disposal Completion and Capital Reorganisation Effective Date
“Sale and Purchase Agreement”	the sale and purchase agreement entered into between the Company, the Purchaser and Mr. Wong on 23 October 2012 regarding the Disposal
“Sale Shares”	the entire issued share capital of the Disposal Companies as at the date of the Sale and Purchase Agreement which are owned by the Company
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Sale and Purchase Agreement, the Capital Reorganisation, the Cash Dividend and the transactions contemplated thereunder

“Share(s)”	ordinary share(s) of HK\$0.20 each in the issued and unissued share capital of the Company
“Shareholders”	holders of the Shares or Adjusted Shares
“Shareholder Loans”	the loans and advances made by the Company to the Disposal Companies
“Stadium Holdings”	Stadium Holdings Limited, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trinity Sino”	Trinity Sino Limited, a company incorporated in Hong Kong with limited liability
“Value Shine”	Value Shine Limited, a company incorporated in the BVI with limited liability
“%”	per cent

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

Hong Kong, 23 October 2012

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

* *for identification purpose only*