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

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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)

DISCLOSEABLE TRANSACTION

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DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Share and the Loan from the Vendor by the Company
“Agreement”	the conditional agreement for sale and purchase dated 5 July 2007 and entered into between the Vendor and the Company in relation to the Acquisition
“associate(s)”	have the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday) on which licensed banks in Hong Kong are officially open for business
“Company”	Shenzhen High-Tech Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	the completion of the Agreement
“Consideration”	the consideration for the Acquisition pursuant to the Agreement in the amount of HK\$28,500,000 which shall be satisfied by cash
“Directors”	the directors of the Company
“Glory Faith”	Glory Faith Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“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
“Latest Practicable Date”	17 July 2007, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Loan”	the total amount of indebtedness due and owing by Glory Faith to the Vendor by way of shareholder’s loan advanced by the Vendor to Glory Faith in the sum of approximately HK\$15,505,694

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the property situated at 20th Floor of World-Wide House, No.19 Des Voeux Road Central, Hong Kong
“Sale Share”	1 ordinary share of US\$1.00 each in Glory Faith representing the entire issued share capital of Glory Faith
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Shares
“Shareholder’s Loan”	the shareholder loan to be advanced by the Company to Glory Faith after Completion to fund the acquisition cost of the Property and other related expenses
“Shares”	ordinary shares of HK\$0.2 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Ms. Lucy Tin Chua
“%”	per cent.

LETTER FROM THE BOARD



SHENZHEN HIGH-TECH HOLDINGS LIMITED 深圳科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 106)

Executive Directors:

WONG Chung Tak (*Chairman*)
TSE Kam Fai

Non-executive Director:
WONG Ngo, Derick

Independent Non-executive Directors:

LEE Kuo Ching, Stewart
LIU Sing Piu, Chris
CHONG Kally

Registered Office:

Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda

*Head Office and Principal Place
of Business in Hong Kong:*

Unit 702, 7th Floor
Euro Trade Centre
13-14 Connaught Road Central
Hong Kong

20 July 2007

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

I. INTRODUCTION

On 5 July 2007, the Board announced the Acquisition which is a discloseable transaction of the Company.

The purpose of this circular is to give you further information on the Acquisition in accordance with the Listing Rules.

II. DISCLOSEABLE TRANSACTION

The Agreement

Date: 5 July 2007

Purchaser: the Company

Vendor: Lucy Tin Chua

LETTER FROM THE BOARD

The Vendor is an independent third party not connected with the directors, chief executive or substantial shareholders of the Company or their respective associates as defined under the Listing Rules. The Vendor, through Year Top Limited, subscribed for 110,000,000 Shares of the Company, details of which have been set out in the Company's announcement dated 7 June 2007. The Vendor, through Year Top Limited, is a shareholder of the Company holding 110,000,000 Shares as at the Latest Practicable Date.

Pursuant to the Agreement, the Vendor has agreed to sell, and the Company agreed to purchase the Sale Share and the Loan pursuant to the terms and conditions thereof.

Sale Share and the Loan

The Loan is an interest free unsecured loan in the sum of HK\$15,505,694.

The Sale Share represents the entire issued share capital of Glory Faith.

Consideration

The Consideration is HK\$28,500,000 (comprising of HK\$12,994,306 as the consideration for the Sale Share and HK\$15,505,694 as the consideration for the Loan) which is arrived at after arm's length negotiations between the Vendor and the Company with reference to the professional valuation of the Property at a valuation of not less than HK\$175,000,000, which shall be satisfied by the Company in cash and funded by internal resources of the Company.

Completion

Completion, which is conditional upon all the conditions set out in the section headed "Conditions" below have been fulfilled or waived by the Company, shall take place on or before the third business day after the Agreement becoming unconditional or such later date as the parties to the Agreement may agree in writing prior to the Completion.

After Completion, Glory Faith will become a wholly-owned subsidiary of the Company.

Furthermore, under the Agreement, the Company undertakes to Glory Faith that upon Completion, it shall advance the Shareholder's Loan to Glory Faith which will be used as balance payment for the acquisition of the Property by Glory Faith and payment of other related costs in the amount of approximately HK\$140 million.

LETTER FROM THE BOARD

Conditions

Completion is conditional upon the fulfillment or waiver of the following conditions:

- (a) the passing by the board of directors of the Company a resolution approving the Agreement and the transactions contemplated thereunder;
- (b) all necessary consents being obtained; and
- (c) the Company notifying the Vendor in writing that it is satisfied upon inspection and investigation as to the results of its searches and the replies to its enquiries with regard to the Property.

If the above conditions are not fulfilled or waived by the Company on or before 15 July 2007 or such other date as shall be agreed by the parties in writing, the Agreement shall be null and void and of no effect. The conditions have been fulfilled and the Agreement has been completed on 10 July 2007.

Information of the Group

The Group is principally engaged in property investment and trading.

Information on Glory Faith

Glory Faith, a company incorporated in the British Virgin Islands on 10 January 2007, is an investment holding company wholly owned by the Vendor.

Glory Faith has submitted a form of tender on 4 June 2007 for the purchase of the Property at a price of HK\$155,000,000 and has paid a tender payment of HK\$9,000,000 upon signing of the tender, and has entered into the Memorandum of Agreement (“MOA”) on 13 June 2007 and has paid a further deposit of HK\$6,500,000 upon signing of the MOA. Completion of the purchase of the Property by Glory Faith shall take place on or before 31 August 2007. The Property will be acquired with the lease for a term of seven months commencing from 1 September 2007 to 31 March 2008 at a monthly rental of HK\$630,000.

As at the date of the Agreement, Glory Faith has not recorded any revenue and recorded a net loss of HK\$5,694.00 and a net asset deficit of Glory Faith amounts to approximately HK\$5,686.20.

Reasons for the Acquisition

The Board considers that given the Property is located in the prime office area and with convenience traffic. The Property is currently on lease and will become vacant in April 2008. The Property will be used by the Group for investment purpose.

LETTER FROM THE BOARD

With the recent upturn in Hong Kong's economy, the Directors consider that the Acquisition is a good investment opportunity for the Group and believe that it will benefit from the anticipated growth in value of the Property while expanding the Group's portfolio of investment properties in Hong Kong and providing a steady income stream for the Group.

After Completion, the total assets of the Group increased by approximately HK\$7 million while the Property being recognized at fair value.

The Directors are of the view that the Acquisition is in the interests of the Company and the terms of acquisition in the Agreement are in normal commercial terms and arrived at arm's length negotiation, which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Listing Rules Implication

The Acquisition together with the provision of Shareholder's Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

III. GENERAL

Your attention is also drawn to the general information set out in the Appendix to this circular.

Yours faithfully,
By Order of the Board
Shenzhen High-Tech Holdings Limited
Wong Chung Tak
Chairman

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular, the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(i) Directors' interests and short positions in the Shares, underlying Shares and debentures of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors in the Shares, underlying Shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"); or (b) were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO, were as follows:

(a) *Interests in the Shares*

Name of Director	Long position/ Short position	Capacity	Nature of interest	Number of Shares held	Approximate % of the issued share capital of the Company
Mr. Wong Chung Tak	Long position	Beneficial owner	Corporate interest	230,537,589 (Note)	20.17%

Note: The interests of Mr. Wong Chung Tak in the share capital of the Company are held through Thing On Group Limited, which entire issued share capital is beneficially owned by Mr. Wong Chung Tak. Mr. Wong Chung Tak is a director of Thing On Group Limited.

(b) Interests in the share options

Name of Director	Nature of interest	Date of grant	Exercise period	Exercise price per share	Number of share option	Approximate % of the issued share capital of the Company
Mr. Wong Chung Tak	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	7,100,000	0.62%
	Spouse interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	6,900,000	0.60%
Mr. Tse Kam Fai	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	7,100,000	0.62%
Mr. Wong Ngo, Derick	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	6,900,000	0.60%
Miss Chong Kally	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	6,900,000	0.60%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had: (a) under Divisions 7 and 8 of Part XV of the SFO, nor were they taken or deemed to have under such provisions of the SFO, any interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO); (b) any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO; or (c) any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Interests and short positions of Shareholders discloseable under the SFO

So far as is known to the Directors, as at the Latest Practicable Date, the following persons had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Interests in the Shares

Name	Number of Shares (long-position)			Percentage in total number of issued shares
	Direct interest	Indirect interest	Total	
Mr. Wong Chung Tak (Note 1)	7,100,000	237,437,589	244,537,589	21.39%
Ms. Ng Ka Fong Jenny (Note 1)	6,900,000	237,637,589	244,537,589	21.39%
Thing On Group Limited (Note 1)	230,537,589	–	230,537,589	20.17%
Ms. Juvy Ngo Ting (Note 2)	–	136,956,521	136,956,521	11.98%
Willfame Group Limited (Note 2)	95,000,000	–	95,000,000	8.31%
Ms. Lucy Tin Chua (Note 3)	–	110,000,000	110,000,000	9.62%
Year Top Limited (Note 3)	110,000,000	–	110,000,000	9.62%
Shenzhen Investment Holding Corporation (“SIHC”) (Note 4)	16,016,785	63,954,513	79,971,298	7.00%
Ultrarich International Limited (“UIL”) (Note 4)	–	63,954,513	63,954,513	5.59%
Shenzhen International Holdings Limited (“SIHL”) (Note 4)	–	63,954,513	63,954,513	5.59%
New Vision Limited (“NVL”) (Note 4)	–	63,954,513	63,954,513	5.59%
Great Mind Holdings Group Limited (“GML”) (Note 4)	63,954,513	–	63,954,513	5.59%

Notes:

- (1) The entire issued share capital of Thing On Group Limited is beneficially owned by Mr. Wong Chung Tak. Mr. Wong Chung Tak is a director of Thing On Group Limited. Ms. Ng Ka Fong, Jenny is the spouse of Mr. Wong Chung Tak. Therefore, both Mr. Wong Chung Tak and Ms. Ng Ka Fong Jenny are deemed to be interested in (a) the shares held by Thing On Group Limited, (b) the share options held by Mr. Wong Chung Tak and (c) the share options held by Ms. Ng Ka Fong, Jenny.
- (2) Ms. Juvy Ngo Ting is deemed to be interested in the long-position in 95,000,000 Shares held by Willfame Group Limited which is wholly and beneficially owned by Ms. Juvy Ngo Ting.
- (3) Ms. Lucy Tin Chua is deemed to be interested in the long-position in 110,000,000 Shares held by Year Top Limited which is wholly and beneficially owned by Ms. Lucy Tin Chua.
- (4) The interest of GML in the 63,954,513 shares of the Company is attributed to NVL. The interest of NVL in the 63,954,513 shares of the Company is also attributed to SIHL, UIL and SIHC on the bases that:
 - (a) GML is the wholly-owned subsidiary of NVL;
 - (b) NVL is the wholly-owned subsidiary of SIHL;
 - (c) UIL controls more than one-third of the voting power at SIHL's general meetings; and
 - (d) UIL is the wholly-owned subsidiary of SIHC.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any persons (other than directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any options in respect of such capital.

3. LITIGATION

As at the Latest Practicable Date, there was no litigation or claim of material importance which was known to the Directors to be pending or threatened against any member of the Group.

4. SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors has a service agreement with any member of the Group which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

5. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors or their respective associates (as defined in the Listing Rules) were interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the Group's businesses as at the Latest Practicable Date.

6. MISCELLANEOUS

- (i) The qualified accountant of the Company is Mr. Leung Shui Yin, Steven. Mr. Leung is a member of the Chartered Institute of Management Accountants, CPA Australia and Hong Kong Institute of Certified Public Accountants.
- (ii) The company secretary of the Company is Miss Chan Yuen Ying, Stella, who is an associate member of the Institute of Chartered Secretaries and Administrators and an associate member of The Hong Kong Institute of Company Secretaries.
- (iii) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the head office and principal place of business of the Company in Hong Kong is at Unit 702, 7/F., Euro Trade Centre, 13-14 Connaught Road Central, Hong Kong.
- (iv) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (v) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text thereof.