
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your 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 Shenzhen High-Tech Holdings Limited, you should at once hand this circular and the accompanying proxy form 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.



SHENZHEN HIGH-TECH HOLDINGS LIMITED

深圳科技控股有限公司

(Incorporated in Bermuda with limited liability)

GENERAL MANDATE TO ISSUE SHARES

A notice convening a Special General Meeting of SHENZHEN HIGH-TECH HOLDINGS LIMITED to be held at Units 1904 -1906, 19/F., Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong on Monday, 13 October 2003 at 3:00 p.m. or any adjournment thereof is set out on pages 3 and 4 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and deliver it to the Company's branch share registrars in Hong Kong, Standard Registrars Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof in person if you so wish.

24 September 2003

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)

Executive Directors:

LI Heihu (*Chairman*)
CHEN Chao (*Vice Chairman*)
GONG Hanbing (*President*)
LI Jingqi
DENG Wenyun

Registered Office:

Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda

Independent Non-executive Directors:

LEE Kuo Ching, Stewart
POON Chiu Kwok
LIU Sing Piu, Chris

Head Office and Principal

Place of Business
in Hong Kong:
Units 1904 - 1906
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

24 September 2003

To the shareholders of the Company

Dear Sir or Madam,

GENERAL MANDATE TO ISSUE SHARES

INTRODUCTION

Since the annual general meeting of the Company held on 29 May 2003, the issued share capital of the Company had increased from approximately HK\$68,931,590 to approximately HK\$82,717,590 as at 23 September 2003 (the latest practicable date prior to the printing of this circular). The increase in issued share capital during this period was attributed to the issue of 1,378,600,000 shares of HK\$0.01 each ("Shares") on 15 September 2003, pursuant to the placement of new Shares to independent placees as announced by the Company on 4 September 2003.

LETTER FROM THE BOARD

On 29 May 2003, the directors of the Company (the “Directors”) were granted general mandate (the “Existing Share Issue Mandate”) to allot, issue and deal with additional Shares of the Company. Following the completion of the placement of 1,378,600,000 new Shares on 15 September 2003, the Existing Share Issue Mandate has been substantially utilised.

The Directors propose to put forward an ordinary resolution at the Special General Meeting (“SGM”) seeking shareholders’ approval to grant the Directors a general mandate (“New Share Issue Mandate”), for the period up until the next annual general meeting of the Company, to issue up to 20% of the ordinary share capital of the Company in issue at the date of the SGM since this will provide flexibility to the Company to issue new Shares in the future. The Directors have no current intention to issue any part of the unissued share capital of the Company.

SPECIAL GENERAL MEETING

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend the SGM, you are requested to complete the enclosed form of proxy and return it in accordance with the instructions printed thereon as soon as possible to the Hong Kong branch share registrars of the Company, Standard Registrars Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, and in any event not less than 48 hours before the SGM. The completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM if you so wish.

RECOMMENDATION

The Directors believe that the New Share Issue Mandate is in the best interests of the Company as well as its shareholders. Accordingly, the Directors recommend that all shareholders vote in favour of the relevant resolution to be proposed at the SGM.

Yours faithfully,

For and on behalf of

SHENZHEN HIGH-TECH HOLDINGS LIMITED

Li Heihu

Chairman

NOTICE OF SPECIAL GENERAL MEETING



SHENZHEN HIGH-TECH HOLDINGS LIMITED

深圳科技控股有限公司

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN THAT the Special General Meeting (the “Meeting”) of Shenzhen High-Tech Holdings Limited (the “Company”) will be held at Units 1904 -1906, 19/F., Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong on Monday, 13 October 2003 at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution which will be proposed as ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (i) subject to sub-paragraph (iii) below, the exercise by the board of directors of the Company (the “Board”) during the Relevant Period (as defined in sub-paragraph (iv) below) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares, and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (ii) the approval in sub-paragraph (i) above shall be in addition to any other authorisation given to the Board and shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the approval in sub-paragraph (i) above, otherwise than pursuant to: (a) a Rights Issue (as defined in sub-paragraph (iv) below); (b) an issue of shares upon the exercise of any option granted under any share option scheme or similar arrangement for the time being adopted for employees or directors and/or officers of the Company and/or any of its subsidiaries; (c) an issue of shares upon the exercise of rights of subscription or conversion attaching to any warrants, convertible bonds or other securities issued by the Company which are convertible into shares; or (d) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on share in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this resolution, and the said approval shall be limited accordingly;

NOTICE OF SPECIAL GENERAL MEETING

(iv) for the purposes of this resolution:

“Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
- (c) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Board by this resolution; and

“Rights Issue” means an offer of shares open for a period fixed by the Board to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares, subject to such exclusions or other arrangements as the Board 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; and

(v) the authority conferred by this resolution shall be in substitution for all previous authorities granted to the Board, except that it shall be without prejudice to and shall not affect the exercise of the power by the Board pursuant to such authorities to allot additional shares up to and in accordance with the approval therein contained prior to the date of this resolution.”

By order of the Board
Chan King Chung
Company Secretary

Hong Kong, 24 September 2003

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of the joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorised, and must be deposited with the Hong Kong branch share registrars of the Company, Standard Registrars Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours before the time fixed for holding of the Meeting.