
THIS CIRCULAR 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 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

DISPOSAL OF PROPERTY

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 25 May 2007
“Agreement”	the preliminary sale and purchase agreement dated 25 May 2007 which is a legal binding agreement between the Vendor and the Purchaser in relation to the Disposal
“associates”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors
“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 Disposal
“Consideration”	the consideration for the Disposal pursuant to the Agreement, being HK\$51,920,000
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property from the Vendor to the Purchaser
“Formal Agreement”	the formal sale and purchase agreement entered into between the Vendor and the Purchaser on 4 June 2007 in respect of the sale and purchase of the Property
“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”	5 June 2007, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Suites 04, 05 and 06 on 19th Floor, Harbour Centre, No.25 Harbour Road, Wanchai, Hong Kong
“Purchaser”	Cheers Top Limited, a company incorporated in Hong Kong with limited liability
“SFO”	Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Shares
“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”	Stadium Holdings Limited, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company
“%”	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, 7/F.
Euro Trade Centre
13–14 Connaught Road Central
Hong Kong

11 June 2007

To the shareholders of the Company

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

DISPOSAL OF PROPERTY

I. INTRODUCTION

On 25 May 2007, the Board announced the Disposal which is a discloseable transaction of the Company.

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

LETTER FROM THE BOARD

II. DISCLOSEABLE TRANSACTION

The Agreement

Date: 25 May 2007
Vendor: Stadium Holdings Limited
Purchaser: Cheers Top Limited

Pursuant to the Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to purchase the Property subject to the terms and conditions thereof.

The Purchaser and its ultimate beneficial owner, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, are third parties independent of and not connected with the Group and the directors, chief executive or substantial shareholders of the Group or their respective associates.

The Property is located at Suites 04, 05 & 06 on 19th Floor, Harbour Centre, No. 25 Harbour Road, Wanchai, Hong Kong with gross floor area of approximately 511 sq. metres and is for commercial use.

Consideration

The Consideration for the Disposal is HK\$51,920,000, which was arrived at after arm's length negotiations between the Company and the Purchaser with reference to the prevailing market conditions which include the open market value of the Property.

The Consideration will be settled in cash in the following manner:

- (a) HK\$2,000,000 was paid by the Purchaser to the Vendor as initial deposit upon execution of the Agreement;
- (b) HK\$3,192,000 was paid by the Purchaser to the Vendor as further deposit upon signing of the Formal Agreement on 4 June 2007; and
- (c) HK\$46,728,000 being balance of the purchase price will be payable by the Purchaser to the Vendor on Completion.

Completion

Completion is expected to take place on or before 20 August 2007.

Condition Precedent

Completion is conditional upon the execution of the Formal Agreement on or before 4 June 2007. The Formal Agreement has been executed on 4 June 2007 and the condition has been fulfilled.

Reasons for the Disposal

Taking into account the recent prevailing market condition in non-residential property and the overall economy in Hong Kong, the Board is of the opinion that the Disposal represents a good opportunity to dispose of the Property and to seek some other investment opportunities.

LETTER FROM THE BOARD

The Directors (including independent non-executive Directors) consider that the terms of the Disposal and the 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.

Information on the Property

The Property was used by the Group as its head office up to end of October 2006 and became investment property of the Group since then. The Group entered into tenancy agreements with the tenants since November 2006, and according to the tenancy agreements, the monthly rental received by the Vendor from the Property was approximately HK\$202,200. The Group's gross profit attributable to the rental income generated from the Property for the year ended 31 December 2006 amounted to approximately HK\$128,000.

Based on the book value of the Property of HK\$35,000,000 and accounted for the related revaluation reserves of HK\$2,728,000 as at 31 December 2006, the estimated net gain from the Disposal (before deducting relevant expenses) is approximately HK\$19,648,000. It is intended that the proceeds from the Disposal will be used to invest in some other suitable investment opportunities to be identified by the Company. No specific investment project has been identified as at the Latest Practicable Date.

In the absence of unforeseen circumstances, the Directors are of the opinion that the Disposal would not cause any adverse financial impact in view of the fact the Group has sufficient working capital. Upon completion of the Disposal, the Group's non-current assets will decrease by HK\$35,000,000 while its current assets will increase by approximately HK\$51.7 million taking into account of deduction of relevant expenses.

Information on the Purchaser

The Purchaser is a company incorporated in Hong Kong with limited liability and its principal activity is investment holding.

Discloseable Transaction

The Disposal constitutes a discloseable transaction of 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)	22.31%

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 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	0.69%
	Interest of spouse	13 February 2007	21 February 2007 to 29 May 2012	0.72	6,900,000	0.67%
Mr. Tse Kam Fai	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	7,100,000	0.69%
Mr. Wong Ngo, Derick	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	6,900,000	0.67%
Mr. Lee Kuo Ching, Stewart	Personal interest	7 July 1997	1 July 2002 to 14 July 2007	7.60	45,000	Negligible
Miss Chong Kally	Personal interest	13 February 2007	21 February 2007 to 29 May 2012	0.72	6,900,000	0.67%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives 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 of Shareholders	Number of Shares (long-position)			Percentage in total number of issued shares
	Direct interest	Indirect interest	Total	
Mr. Wong Chung Tak ¹	7,100,000	237,437,589	244,537,589	23.67%
Ms. Ng Ka Fong Jenny ¹	6,900,000	237,637,589	244,537,589	23.67%
Thing On Group Limited ¹	230,537,589	—	230,537,589	22.31%
Ms. Juvy Ngo Ting ²	—	136,956,521	136,956,521	13.26%
Willfame Group Limited ²	95,000,000	—	95,000,000	9.20%
Shenzhen Investment Holding Corporation (“SIHC”) ³	16,016,785	63,954,513	79,971,298	7.74%
Ultrarich International Limited (“UIL”) ³	—	63,954,513	63,954,513	6.19%
Shenzhen International Holdings Limited (“SIHL”) ³	—	63,954,513	63,954,513	6.19%
New Vision Limited (“NVL”) ³	—	63,954,513	63,954,513	6.19%
Great Mind Holdings Group Limited (“GML”) ³	63,954,513	—	63,954,513	6.19%

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 95,000,000 Shares held by Willfame Group Limited which is wholly and beneficially owned by Ms. Juvy Ngo Ting.*

- (3) *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 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, whose address is at Shops 1712-1716, 17/F., 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.