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 to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in CCT Telecom Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 138)

PROPOSAL TO REFRESH THE 10% GENERAL LIMIT ON GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME OF CCT TECH INTERNATIONAL LIMITED, GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES AND PROPOSED AMENDMENTS TO THE ARTICLES

A notice of the Annual General Meeting to be held at 32/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 27 May 2004 at 11:00 a.m. is set out in the 2003 annual report of the Company. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with the 2003 annual report of the Company which has been despatched to the Shareholders together with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy enclosed with the 2003 annual report of the Company in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the Annual General Meeting. Such form of proxy for use at the Annual General Meeting is also published on the website of the Stock Exchange (www.hkex.com.hk). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

30 April 2004

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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 the omission of which would make any statement contained herein misleading.

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

"Annual General Meeting"	the annual general meeting of the Company to be held at 32/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 27 May 2004 at 11:00 a.m. to consider, amongst other things, and, if thought fit, (1) to approve the refreshment of the 10% general limit on grant of options under the share option scheme and all other share option scheme(s) of CCT Tech; (2) to grant the Repurchase Mandate and the General Mandate to the Directors; and (3) to amend the Articles, or any adjournment thereof (as the case may be)
"Articles"	the articles of association of the Company
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"CCT Tech"	CCT TECH INTERNATIONAL LIMITED, an exempted company incorporated in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange and a subsidiary of the Company
"Company"	CCT TELECOM HOLDINGS LIMITED, a company incorporated in the Cayman Islands with limited liability, and the Shares of which are listed on the main board of the Stock Exchange
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"General Mandate"	a general mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Latest Practicable Date"	23 April 2004, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Repurchase Mandate"	a general mandate to repurchase the fully paid up Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Share Option Scheme"	the share option scheme adopted by the Company on 28 February 2002
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder(s)"	has the same meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"%"	per cent.

CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:
Mak Shiu Tong, Clement
Tam Ngai Hung, Terry
Cheng Yuk Ching, Flora
William Donald Putt

Independent non-executive Directors:
Samuel Olenick
Tam King Ching, Kenny
Lau Ho Man, Edward

Registered office:
The offices of
The Harbour Trust Co. Ltd.
P. O. Box 1787 GT
One Capital Place
Grand Cayman
Cayman Islands
British West Indies

Head office and principal place of business:
32/F., China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

30 April 2004

To the Shareholders and, for information only, the holders of share options of the Company

Dear Sir/Madam,

PROPOSAL TO REFRESH THE 10% GENERAL LIMIT ON GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME OF CCT TECH INTERNATIONAL LIMITED, GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES AND PROPOSED AMENDMENTS TO THE ARTICLES

INTRODUCTION

The purpose of this circular is to provide you with information regarding certain ordinary and special resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against those resolutions.

At the Annual General Meeting, resolutions will be proposed for the Shareholders to approve, amongst other things, (i) the refreshment of the 10% general limit on grant of options under the share option scheme and all other share option scheme(s) of CCT Tech; (ii) the general mandates to be given to the Directors to exercise all the powers to repurchase fully paid up Shares and to issue new Shares; and (iii) the amendments to the Articles to align with the amended Listing Rules which have become effective on 31 March 2004 and the SFO which has become effective on 1 April 2003.

REFRESHMENT OF THE 10% GENERAL LIMIT ON GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME OF CCT TECH

CCT Tech, a subsidiary of the Company, proposes to refresh the 10% general limit on grant of options under the share option scheme conditionally adopted by CCT Tech on 17 September 2002 which became effective on 7 November 2002 and all other share option scheme(s) of CCT Tech (the "**Refreshment**"), subject to (a) the shareholders of CCT Tech passing an ordinary resolution to approve the Refreshment at the annual general meeting of CCT Tech; (b) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the shares to be issued upon exercise of any options granted under the refreshed general limit of the share option scheme(s) of CCT Tech; and (c) in accordance with Rule 17.01(4), the Shareholders passing an ordinary resolution to approve the Refreshment at the Annual General Meeting.

The Refreshment will enable CCT Tech to grant further options to eligible participants, being employee, executive or officer of CCT Tech and its subsidiaries (including executive and non-executive directors of CCT Tech and its subsidiaries) and any supplier, consultant, agent, adviser, shareholder, customer, partner or business associate who, at the sole discretion of the board of directors of CCT Tech, will contribute or has contributed to CCT Tech and its subsidiaries as incentives or rewards.

At the Annual General Meeting, an ordinary resolution will be proposed to approve the Refreshment.

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

General mandate to repurchase Shares

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given the Repurchase Mandate. Under the Repurchase Mandate, the maximum number of Shares that the Company may repurchase shall not exceed 10% of the issued and fully paid up share capital of the Company as at the date of passing of the resolution in relation thereof. The Company's authority is restricted to repurchase the Shares on the market in accordance with the Listing Rules. The mandate allows the Company to make repurchases only during the period ending on the earliest of the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by the Articles or any applicable laws of the Cayman Islands or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

In accordance with the Listing Rules, this circular also serves as an explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed ordinary resolution for the grant of the Repurchase Mandate at the Annual General Meeting.

General mandate to issue new Shares

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be given the General Mandate in order to ensure flexibility and discretion to the Directors to issue new Shares. In addition, an ordinary resolution will also be proposed to extend the General Mandate by adding to it the number of such Shares repurchased under the Repurchase Mandate.

Reasons for Shares repurchase

Although the Directors have no present intention of exercising the Repurchase Mandate, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and the Shareholders. At any time in the future when the Shares are trading at a discount to their underlying value, the ability of the Company to repurchase the Shares will be beneficial to the Shareholders who retain their investment in the Company as their percentage interest in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company from time to time and thereby resulting in an increase in net assets and/or earnings per share of the Company. Such repurchases will only be made when the Directors believe that such exercises will benefit the Company and the Shareholders as a whole.

Share capital

As at the Latest Practicable Date, the Company had 422,105,230 Shares in issue or an issued share capital of HK$42,210,523. As at the Latest Practicable Date, there were outstanding share options granted under the Share Option Scheme entitling the holders thereof to subscribe for an aggregate of 42,200,000 Shares.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that none of the outstanding share options is exercised and no further Shares is issued, allotted or repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would result in up to a maximum of 42,210,523 Shares, representing the share capital of HK$4,221,052.30, being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution referred to herein to the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

Funding of repurchase

The Directors propose that the repurchases of the Shares under the Repurchase Mandate in these circumstances would be financed from the Company's internal resources.

In repurchasing the Shares, the Company may only apply funds legally available for such purposes in accordance with the memorandum of association and the Articles and the applicable laws of the Cayman Islands. The laws of the Cayman Islands provide that a repurchase of shares may only be effected using funds representing profits of the company or the proceeds of a fresh issue of shares made for the purpose of the redemption, or, subject to the solvency requirement, out of capital. Any premium payable on a redemption or repurchase of shares must have been provided for out of the company's profits or its share premium account before or at the time of repurchase, or subject to the solvency requirement, may be paid out of capital. It is envisaged that the funds required for any repurchase of the Shares would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

The exercise of the Repurchase Mandate in full will not have a material adverse impact on the working capital or the gearing level of the Company (as compared with the position disclosed in its most recent published audited accounts as at 31 December 2003).

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing level of the Company (as compared with the position disclosed in its most recent published audited accounts as at 31 December 2003) which in the opinion of the Directors are from time to time appropriate for the Company. The number of the Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

Share prices

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest	**Lowest**
	HK$	*HK$*
2003		
April	0.90	0.70
May	0.94	0.70
June	1.07	0.87
July	1.18	0.85
August	0.97	0.80
September	1.09	0.91
October	1.03	0.90
November	0.96	0.86
December	0.90	0.81

2004		
January	1.07	0.85
February	1.97	0.94
March	1.84	1.45

Shares repurchased by the Company

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Disclosure of interests

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries (as defined in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)).

No connected person has notified the Company that he/she has a present intention to sell any Shares to the Company, nor has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

Hong Kong Code on Takeovers and Mergers

If, as a result of shares repurchase by a company, a shareholder's proportionate interest in the voting rights of the company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the substantial shareholders, together with their respective associates, were interested in an aggregate of 86,261,941 Shares, representing approximately 20.44% of the issued share capital of the Company. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase to be made under the Repurchase Mandate. However, the Company may not repurchase the Shares which would result in the amount of the Shares held by the public being reduced to less than 25%.

Assuming that there is no further issue of the Shares between the Latest Practicable Date and the date of repurchase, the exercise of Repurchase Mandate whether in whole or in part will not result in less than 25% of the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

AMENDMENTS TO THE ARTICLES

The Stock Exchange has revised the Listing Rules and the amended Listing Rules have become effective on 31 March 2004. In addition, the SFO has become effective on 1 April 2003.

The Board therefore proposes to make certain amendments to the Articles in compliance with the amended Listing Rules and at the same time bring the Articles up to date with the SFO.

It is proposed that the new definitions of "associate(s)", "clearing house" and "Listing Rules" will be added to bring the Articles up to date with the Listing Rules and the latest legislation in Hong Kong. Amendments to Articles 74 and 86(B) will be proposed so that every shareholder, including Hong Kong Securities Clearing Company Limited, a recognised clearing house under the SFO, and/or its nominees, who is present in person or by proxy or by a duly authorised corporate representative, shall be entitled to vote on a show of hands and a poll at the general meetings of the Company. As a result of the above changes, Article 79 will also be amended.

The corporate governance issues including, amongst other things, disclosure of information on proposed directors before election at general meeting and notices to be given in relation thereto, and voting of shareholders at general meeting and of directors at board meeting on any matter in which the directors and/or their associate(s) have a material interest as required under Appendix 3 to the Listing Rules will also be incorporated in the proposed amendments to the Articles.

A summary of the proposed amendments to the Articles is set out in the Appendix of this circular and the full text of the proposed amendments to the Articles is set out in the notice of the Annual General Meeting in the 2003 annual report of the Company.

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

A notice of the Annual General Meeting is set out in the 2003 annual report of the Company. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve (i) the Refreshment; (ii) the granting of the General Mandate and the Repurchase Mandate; and (iii) the amendments to the Articles respectively.

Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in the 2003 annual report of the Company.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with the 2003 annual report of the Company which has been despatched to the Shareholders together with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy enclosed with the 2003 annual report of the Company in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tengis Limited

at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as practicable but in any event, not less than 48 hours before the time appointed for holding the Annual General Meeting. Such form of proxy for use at the Annual General Meeting is also published on the website of the Stock Exchange (www.hkex.com.hk). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

Pursuant to Article 69, every resolution submitted to a general meeting shall be determined on a show of hands in the first instance by the Shareholders present in person or by proxy or by authorised representative, but a poll may be demanded (before or on the declaration of the result of the show of hands) by the Chairman of the general meeting or by:

(a) at least 3 Shareholders present in person or by proxy or representative for the time being entitled to vote at the meeting; or

(b) any Shareholder or Shareholders present in person or by proxy or representative and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to attend and vote at the meeting; or

(c) any Shareholder or Shareholders present in person or by proxy or representative and holding the Shares in the Company conferring a right to attend and vote at the meeting being the Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

RECOMMENDATION

The Directors consider that (i) the Refreshment; (ii) the proposed granting of the Repurchase Mandate and the General Mandate to the Directors; and (iii) the proposed amendments to the Articles, are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions nos. 5 to 9 to be proposed at the Annual General Meeting in respect thereof.

Yours faithfully,
For and on behalf of
CCT TELECOM HOLDINGS LIMITED
Mak Shiu Tong, Clement
Chairman

This appendix summarises the proposed amendments to the Articles to reflect the legislative changes to the SFO which has become effective on 1 April 2003 and to incorporate the changes that are required under the revised Listing Rules which have become effective on 31 March 2004.

Article 2 — Interpretation

New definitions of "associate(s)", "clearing house" and "Listing Rules" will be added to bring the Articles up to date with the Listing Rules and the latest legislation in Hong Kong.

Article 12(A) — Time limit for issuance of share certificate by the Company

Article 12(A) will be amended to shorten the period and in particular, to allow the Company to issue share certificate to the members in the register at a time limit as prescribed in the applicable laws or as the relevant stock exchange may from time to time determine.

Article 14(B) — Limit for registration of shareholders in a joint account

Article 14(B) will be added in accordance with the Listing Rules so that the Company is not bound to register more than four persons as joint holders. Pursuant to the Listing Rules, such limit shall not prevent the registration of a maximum of four persons.

Article 47(B) — Untraced Shareholders

Article 47(B) will be added in order to comply with the Listing Rules that where power is taken to cease sending dividend entitlements by post, if such entitlements have been left uncashed, it will not be exercised until such entitlements have been so left uncashed on two consecutive occasions. However, such power may be exercised after the first occasion on which such entitlement is returned undelivered.

Articles 74, 79 and 86(B) — Proxy appointed by every shareholder (including clearing house)

Articles 74 and 86(B) will be amended so that every shareholder, including Hong Kong Securities Clearing Company Limited, a recognised clearing house under the SFO, and/or its nominees, who is present in person or by proxy or by authorised representative, shall be entitled to vote on a show of hands and a poll at the general meetings of the Company. As a result of the above changes, Article 79 will also be amended.

Article 74(B) — Voting restrictions under the Listing Rules

Article 74(B) will be added pursuant to the revised Listing Rules so that where any shareholder is subject to voting restrictions under the Listing Rules, any votes cast by or on behalf of such shareholder in contravention of such restriction shall not be counted.

Article 89 — Appointment of Directors

Article 89 will be amended to specify the lodgment period of the nomination of directors by the shareholders, which will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.

Articles 113(E) and 113(F) — Director's interests

Articles 113(E) and 113(F) will be amended to provide that Director/Directors shall not vote for transactions in which he/they or his/their associate(s) has/have a material interest. The new interpretation of "associate(s)" under the revised Listing Rules will also be adopted. Article 113(E) will also be amended so that a Director's vote shall not be counted in the quorum present at a meeting at which any contract or arrangement in which he/she or his/her associate(s) is materially interested is considered. Article 113(F) will be amended to provide resolutions when questions relating to material interest of a Director or his associate(s) arise.

Article 159 — Accounts

Article 159 will be amended to specify that the documents, including balance sheet, profit and loss account together with a copy of the Directors' report and a copy of the Auditors' report, will be delivered and sent by post to the registered address of every shareholder not less than 21 days before the date of the general meeting.