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 to the purchaser, the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

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CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 138)

DISCLOSEABLE TRANSACTION
PLACING OF HAIER-CCT SHARES

4 February 2005

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

"Announcement"	the joint announcement of the Company and Haier-CCT dated 19 January 2005 regarding, among others, the Placing
"associate"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the main board of the Stock Exchange
"connected person"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Info-Net"	Info-net International Corp., a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
"Haier-CCT"	Haier-CCT Holdings Limited, an exempted company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange
"Haier-CCT Share(s)"	the ordinary share(s) of HK$0.10 each in the share capital of Haier-CCT
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Latest Practicable Date"	2 February 2005, 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
"Placing"	the placing of 419,997,667 Haier-CCT Shares by Info-Net at the Placing Price on a fully-underwritten basis
"Placing Agent"	Deutsche Bank AG, Hong Kong Branch

"Placing Agreement"	the placing agreement dated 19 January 2005 between Info-Net, the Company and the Placing Agent in respect of the Placing
"Placing Price"	the price of HK$0.24 per Haier-CCT Share
"SFO"	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)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the same meaning ascribed to it under the Listing Rules
"%"	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 in Hong Kong:
32/F., China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

4 February 2005

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

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION PLACING OF HAIER-CCT SHARES

INTRODUCTION

As stated in the Announcement, in order to enable Haier-CCT to maintain the minimum public float of the Haier-CCT Shares after completion of the Asset Injection (as referred to in the Announcement), Info-Net has placed 419,997,667 Haier-CCT Shares through the Placing Agent at the Placing Price on a fully-underwritten basis.

The Placing constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide the Shareholders with further details of the Placing.

THE PLACING AGREEMENT

Date: 19 January 2005

Parties: (a) the Company

(b) the Seller: Info-Net, a wholly-owned subsidiary of the Company

(c) Placing Agent: Deutsche Bank AG, Hong Kong Branch. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner are independent third parties and not connected persons of the Company

The Placing Agent was engaged on 19 January 2005 for the placing of 419,997,667 Haier-CCT Shares by Info-Net at the Placing Price on a fully-underwritten basis.

REASON FOR THE PLACING

It is a requirement from the Stock Exchange that the minimum public float of 25% will have to be ensured upon completion of the Asset Injection (as referred to in the Announcement) in compliance with the Listing Rules. The Directors are of the view that it is in the best interests of the Company and the Shareholders as a whole for Haier-CCT to achieve completion of the Asset Injection (as referred to in the Announcement) as soon as possible and hence for the Company to effect the Placing. The Company is a substantial shareholder of Haier-CCT.

In order to help maintaining the minimum public float of 25% of Haier-CCT Shares, Info-Net has effected the Placing. The Directors are of the view that the Placing is in the best interest of the Company and the Shareholders as a whole and the terms of the Placing are arrived at after arm's length negotiations and are on normal commercial terms. The Directors are also of the view that the terms of the Placing are fair and reasonable (including the timing of the Placing and the Placing Price).

The gross and net proceeds from the Placing received by the Company amount to approximately HK$100.8 million and approximately HK$96 million respectively. The proceeds will be applied as general working capital of the Group.

The Placing Agent is licensed under transitional arrangement under the SFO for type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities as defined under the SFO. So far as the Directors are aware of after making reasonable enquiries, the Placing Agent is not a connected person of the Company.

GENERAL

The Group is principally engaged in the manufacture of telecom products, electric component and plastic, baby and health care products. The Placing Agent is principally engaged in the provision of financial services to private and corporate clients, including securities investment advisory and equities trading.

The Placing by Info-Net constitutes a discloseable transaction for the Company under the Listing Rules.

Yours faithfully,
For and on behalf of the Board of
CCT TELECOM HOLDINGS LIMITED
Mak Shiu Tong, Clement
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 with regard to the Company and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts not contained in this circular, the omission of which would make any statement contained herein misleading.

2. SHARE CAPITAL

As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

Authorised share capital:	*HK$*
2,000,000,000 Shares	200,000,000
Issued and fully paid or credited as fully paid Shares:	
422,525,230 Shares	42,252,523

3. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the Directors and the chief executive of the Company and their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which 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 were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein or were required, pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange:

(1) Interests and short positions in the Shares, underlying Shares and debentures of the Company

(i) Long positions in the Shares:

Name of Director	*Notes*	Number of Shares beneficially held and nature of interest				Approximate percentage of total shareholding *(%)*
		Personal	**Family**	**Corporate**	**Total**	
Mak Shiu Tong, Clement	*(a)*	—	—	86,261,941	86,261,941	20.42
Cheng Yuk Ching, Flora	*(b)*	9,876,713	120,000	—	9,996,713	2.37
William Donald Putt		171,500	—	—	171,500	0.04
Samuel Olenick	*(c)*	—	—	125,000	125,000	0.03

Notes:

(a) The Shares were held by Capital Force International Limited and Capital Interest Limited, which are corporations controlled by Mr. Mak Shiu Tong, Clement. These interests in the Shares have also been disclosed under the section headed "Substantial Shareholders' Interests" below.

(b) The family interest of Ms. Cheng Yuk Ching, Flora in 120,000 Shares was held by her spouse and she was deemed to be interested in the same under the provisions of Part XV of the SFO.

(c) Mr. Samuel Olenick was deemed to be interested in 125,000 Shares under the provisions of Part XV of the SFO.

(ii) Long positions in the underlying Shares of equity derivatives of the Company — Share options:

Name of Director	Date of grant of share options	Exercise period of share options	Exercise price per Share *HK$*	Number of share options outstanding	Number of total underlying Shares	Approximate percentage of total shareholding *(%)*
Mak Shiu Tong, Clement	17/3/2003	17/3/2003 - 16/3/2008	0.750	420,000	420,000	0.10
Cheng Yuk Ching, Flora	17/3/2003	17/3/2003 - 16/3/2008	0.750	4,200,000	4,200,000	1.00
Tam Ngai Hung, Terry	17/3/2003	17/3/2003 - 16/3/2008	0.750	4,200,000	4,200,000	1.00
William Donald Putt	17/3/2003	17/3/2003 - 16/3/2008	0.750	420,000	420,000	0.10
Samuel Olenick	17/3/2003	17/3/2003 - 16/3/2008	0.750	420,000	420,000	0.10
Tam King Ching, Kenny	17/3/2003	17/3/2003 - 16/3/2008	0.750	420,000	420,000	0.10
Lau Ho Man, Edward	17/3/2003	17/3/2003 - 16/3/2008	0.750	420,000	420,000	0.10

(2) Interests and short positions in the shares, underlying shares and debentures of associated corporations

(i) Long positions in the Haier-CCT Shares:

Name of Director	*Notes*	Number of shares beneficially held and nature of interest		Approximate percentage of total shareholding *(%)*
		Personal	Corporate	
Mak Shiu Tong, Clement	*(a)*	—	30,717,334	0.188
Cheng Yuk Ching, Flora		19,312,498	—	0.118
William Donald Putt		179,112	—	0.001
Samuel Olenick	*(b)*	—	130,548	0.001

Notes:

(a) The shares were held by Capital Interest Limited, which is a corporation controlled by Mr. Mak Shiu Tong, Clement.

(b) Mr. Samuel Olenick was deemed to be interested in 130,548 shares under the provisions of Part XV of the SFO.

(ii) Long positions in the underlying shares of equity derivatives of Haier-CCT — Share options:

Name of Director	Date of grant of share options	Exercise period of share options	Exercise price per share *HK$*	Number of share options outstanding	Number of total underlying shares	Approximate percentage of total shareholding *(%)*
Mak Shiu Tong, Clement	16/8/2002	16/8/2003 - 15/8/2007	0.156	89,000,000	89,000,000	0.54
Cheng Yuk Ching, Flora	16/8/2002	16/8/2003 - 15/8/2007	0.156	89,000,000	89,000,000	0.54
Tam Ngai Hung, Terry	16/8/2002	16/8/2003 - 15/8/2007	0.156	89,000,000	89,000,000	0.54
William Donald Putt	16/8/2002	16/8/2003 - 15/8/2007	0.156	5,000,000	5,000,000	0.03

(iii) Long positions in the underlying shares of equity derivatives of CCT Tech International Limited:

(1) Share options:

Name of Director	Date of grant of share options	Exercise period of share options	Exercise price per share *HK$*	Number of share options outstanding	Number of total underlying shares	Approximate percentage of total shareholding *(%)*
Mak Shiu Tong, Clement	30/4/2003	30/4/2003 - 29/4/2008	0.014	100,000,000	100,000,000	0.63
Cheng Yuk Ching, Flora	30/4/2003	30/4/2003 - 29/4/2008	0.014	100,000,000	100,000,000	0.63
Tam Ngai Hung, Terry	30/4/2003	30/4/2003 - 29/4/2008	0.014	100,000,000	100,000,000	0.63

(2) Convertible note:

Name of Director	Description of equity derivatives	Number of total underlying shares	Approximate percentage of total shareholding *(%)*
Mak Shiu Tong, Clement *(Note)*	HK$45 million zero coupon convertible note due 2005	4,500,000,000	28.23

Note: The HK$45 million zero coupon convertible note due 2005 was held by New Capital Industrial Limited, which is a corporation controlled by Mr. Mak Shiu Tong, Clement.

(b) Particulars of Directors' other interests

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into a service contract with the Company or any other member of the Group (excluding contracts expiring or determinable within one year without payment of compensation other than statutory compensation).

(c) Save as disclosed above, as at the Latest Practicable Date:

(i) none of the Directors and the chief executive of the Company and their respective associates held any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) which 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 were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein or were required, pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange;

(ii) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2003, being the date of the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group;

(iii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which contract or arrangement was subsisting and which was significant in relation to the business of the Group taken as a whole; and

(iv) none of the Directors was interested in any business that was in competition with the Group.

4. SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, so far as was known to, or could be ascertained after reasonable enquiries by, the Directors, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long positions in the Shares:

Name of Shareholder	**Number of Shares held**	**Approximate percentage of total shareholding** *(%)*
Capital Force International Limited *(Note)*	56,850,093	13.46
Capital Interest Limited *(Note)*	29,411,848	6.96
	86,261,941	20.42

Note: Capital Force International Limited and Capital Interest Limited are corporations controlled by Mr. Mak Shiu Tong, Clement. These interests in the Shares have also been disclosed under the section headed "Disclosure of Interests" above.

Save as disclosed above, so far as was known to the Directors, as at the Latest Practicable Date, there was no other person (other than the Directors or the chief executive of the Company) who had any interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

5. LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any member of the Group.

6. GENERAL

(a) The registered office of the Company is located at the offices of The Harbour Trust Co. Ltd., P. O. Box 1787 GT, One Capital Place, Grand Cayman, Cayman Islands, British West Indies and the head office and the principal place of business of the Company in Hong Kong is located at 32/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

(b) The branch share registrar and transfer office of the Company in Hong Kong is Tengis Limited located at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.

(c) The qualified accountant of the Company is Mr. Cheung Chi Wah, Patrick, who is an associate of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants.

(d) The company secretary of the Company is Ms. Low Pui Man, Jaime, who is a fellow of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries.

(e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.