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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 securities in CCT Telecom Holdings Limited, you should at once hand this circular 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 onward transmission to the purchaser or the transferee.

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CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 138)

DISCLOSEABLE TRANSACTION

BUY BACK OF SHARES OF CCT TECH INTERNATIONAL LIMITED BY CCT TELECOM HOLDINGS LIMITED AND CANCELLATION OF THE PUT OPTION

6 January 2006

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

"Agreement"	the agreement dated 22 July 2005 entered into between the Company, Jade Assets and Value Partners in relation to the sale of 1,500,000,000 CCT Tech Shares then owned by Jade Assets to the funds under the management of Value Partners at a price of HK$0.02 per CCT Tech Share
"associate"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of the Directors
"Buy Back Consideration"	HK$34,500,000, being 1,500,000,000 CCT Tech Shares at the Buy Back Price
"Buy Back Price"	HK$0.023 per Sale Share
"CCT Tech"	CCT Tech International Limited (stock code: 261), an exempted company incorporated in Bermuda and the shares of which are listed on the main board of the Stock Exchange
"CCT Tech Group"	CCT Tech and its subsidiaries
"CCT Tech Share(s)"	the ordinary share(s) of HK$0.01 each in the share capital of CCT Tech
"CCT Tech Shareholder(s)"	the holder(s) of the CCT Tech Share(s)
"CCT Telecom" or "Company"	CCT Telecom Holdings Limited (stock code: 138), a company incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability and the shares of which are listed on the main board of the Stock Exchange
"CCT Telecom Share(s)"	the ordinary share(s) of HK$0.10 each in the share capital of the Company
"Companies Act"	The Companies Act 1981 of Bermuda (as amended)
"Court"	the Supreme Court of Bermuda
"Court Meeting"	a meeting of the Scheme Shareholders to be convened at the direction of the Court at which the Scheme will be voted upon, notice of which will be set out in the Scheme Document
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Jade Assets"	Jade Assets Company Limited, an indirect wholly-owned subsidiary of CCT Telecom
"Latest Practicable Date"	3 January 2006, 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
"Previous Announcement"	the announcement dated 22 July 2005 jointly issued by the Company and CCT Tech in relation to the sale of 1,500,000,000 CCT Tech Shares then owned by Jade Assets to the funds under the management of Value Partners
"Privatisation Announcement"	the announcement dated 9 November 2005 jointly issued by the Company and CCT Tech in relation to the proposed privatisation of CCT Tech by the Company by way of the Scheme
"Proposal"	the proposal for the privatisation of CCT Tech by the Company by way of the Scheme
"Put Option"	the put option granted by CCT Telecom to Value Partners in accordance with the terms of the Agreement, further details of which are disclosed in the Previous Announcement
"Sale Shares"	1,500,000,000 CCT Tech Shares owned by the funds under the management of Value Partners as at the date of the Supplemental Agreement and sold to Jade Assets pursuant to the Supplemental Agreement on 22 December 2005
"Scheme"	a scheme of arrangement under section 99 of the Companies Act involving the cancellation of the Scheme Shares
"Scheme Document"	the document to be issued to the CCT Tech Shareholders in accordance with the Takeovers Code containing, inter alia, details of the Proposal and the Scheme and the terms and conditions of the Proposal and the Scheme
"Scheme Share(s)"	the CCT Tech Share(s) held by the Scheme Shareholder(s)
"Scheme Shareholder(s)"	the CCT Tech Shareholder(s) other than the Company and parties acting in concert with it
"SFC"	The Securities and Futures Commission of Hong Kong
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"Shareholder(s)"	the holder(s) of the CCT Telecom Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder(s)"	has the same meaning ascribed to it under the Listing Rules
"Supplemental Agreement"	the supplement agreement to the Agreement entered into between the Company, Jade Assets and Value Partners on 21 December 2005 in relation to the buy back of 1,500,000,000 CCT Tech Shares by Jade Assets from the funds under the management of Value Partners at the Buy Back Price
"Takeovers Code"	The Hong Kong Code on Takeovers and Mergers
"Value Partners"	Value Partners Limited, a company incorporated under the laws of the British Virgin Islands with limited liability whose principal business is fund management
"%"	per cent.

CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 138)

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:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Head office and principal place of business in Hong Kong:
2208, 22/F.
St. George's Building
2 Ice House Street
Central
Hong Kong

6 January 2006

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

BUY BACK OF SHARES OF CCT TECH INTERNATIONAL LIMITED BY CCT TELECOM HOLDINGS LIMITED AND CANCELLATION OF THE PUT OPTION

INTRODUCTION

Reference is made to the Previous Announcement and the Privatisation Announcement.

It was announced on 21 December 2005 that the Company, Jade Assets and Value Partners entered into the Supplemental Agreement on 21 December 2005 in relation to the buy back of the Sale Shares by Jade Assets from the funds under the management of Value Partners at the Buy Back Price and the cancellation of the Put Option.

The buy back of the Sale Shares 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 details of the Supplemental Agreement and the buy back of the Sale Shares.

BACKGROUND

On 22 July 2005, the Company, Jade Assets and Value Partners entered into the Agreement in relation to the sale of 1,500,000,000 CCT Tech Shares then owned by Jade Assets to the funds under the management of Value Partners at a price of HK$0.02 per CCT Tech Share. Pursuant to the Agreement, CCT Telecom also granted the Put Option to Value Partners. Further details are set out in the Previous Announcement.

On 9 November 2005, the Company and CCT Tech announced that the Proposal would be put forward to the Scheme Shareholders regarding a proposed privatisation of CCT Tech by the Company by way of the Scheme. Further details are set out in the Privatisation Announcement. Each of CCT Telecom and CCT Tech has previously applied to the SFC and the Stock Exchange for a waiver to despatch the circular and the Scheme Document in relation to the Proposal on or before 21 December 2005. As more time is required to schedule the court hearing in Bermuda for the originating summons, whereupon the particulars of the Court Meeting will be finalised and specified in the Scheme Document and the circular, applications have been made to the Stock Exchange and the SFC for the further postponement of the timing for the despatch of the circular and the Scheme Document in respect of the Proposal to a date falling on or before 18 January 2006. A detailed timetable for the Proposal will be set out in the Scheme Document and in the announcement upon despatch of the Scheme Document.

SUPPLEMENTAL AGREEMENT

A. Buy back of the Sale Shares

1. *Buy back of the Sale Shares*

The Company, Jade Assets and Value Partners entered into the Supplemental Agreement on 21 December 2005 for the buy back of the Sale Shares, representing 1,500,000,000 CCT Tech Shares, by Jade Assets from the funds under the management of Value Partners at the Buy Back Price.

2. *Parties to the Supplemental Agreement*

(1) The Company

(2) Jade Assets

(3) Value Partners (The board of directors of the Company and CCT Tech respectively confirm that to the best of their knowledge, information and belief, having made all reasonable enquiry, Value Partners and the funds under the management of Value Partners, for the purpose of the Listing Rules, are third parties independent of and not connected with Jade Assets, the Company, CCT Tech, the directors, chief executive or substantial shareholders of each of Jade Assets, the Company and CCT Tech and/or their respective subsidiaries or any of their respective associates.)

3. *Principal terms of the Supplemental Agreement*

Sale Shares: 1,500,000,000 CCT Tech Shares sold by the funds under the management of Value Partners to Jade Assets pursuant to the Supplemental Agreement, which represent approximately 9.41% of the issued share capital of CCT Tech as at the Latest Practicable Date.

Buy Back Price: HK$0.023 per Sale Share, which:

(i) represents a premium of approximately 9.52% over the closing price of HK$0.0210 per CCT Tech Share as quoted on the Stock Exchange as at 20 December 2005, being the last trading day of the CCT Tech Shares on the Stock Exchange prior to the date of the Supplemental Agreement;

(ii) represents a premium of approximately 9.52% over the 10-day average closing price of HK$0.0210 per CCT Tech Share for the last 10 consecutive trading days up to and including 20 December 2005 as quoted on the Stock Exchange;

(iii) represents a premium of approximately 8.49% over the 30-day average closing price of HK$0.0212 per CCT Tech Share for the last 30 consecutive trading days up to and including 20 December 2005 as quoted on the Stock Exchange;

(iv) represents a premium of approximately 9.52% over the closing price of HK$0.0210 per CCT Tech Share as quoted on the Stock Exchange as at the Latest Practicable Date;

(v) represents a premium of approximately 9.00% over the 10-day average closing price of HK$0.0211 per CCT Tech Share for the last 10 consecutive trading days up to and including the Latest Practicable Date as quoted on the Stock Exchange;

(vi) represents a premium of approximately 8.49% over the 30-day average closing price of HK$0.0212 per CCT Tech Share for the last 30 consecutive trading days up to and including the Latest Practicable Date as quoted on the Stock Exchange; and

(vii) is the same as the exercise price of the Put Option.

The Buy Back Price was determined after arm's length negotiations between Jade Assets, the Company and Value Partners.

Buy Back Consideration:	The aggregate consideration for the Sale Shares is HK$34,500,000 and was paid fully in cash.
Completion:	The Supplemental Agreement is not subject to any conditions. The Supplemental Agreement was completed on 22 December 2005.

B. Cancellation of the Put Option and release of obligations under the Agreement

Pursuant to the Supplemental Agreement, the Put Option was cancelled absolutely and CCT Telecom has been released from any obligations under the Put Option upon completion of the Supplemental Agreement on 22 December 2005. Upon completion of the buy back of all the Sale Shares under the Supplemental Agreement, the restriction on Value Partners during the lock-up period under the Agreement was cancelled absolutely and became void and of no effect and Value Partners shall not be subject to such restriction set out in the Agreement. Upon completion of the buy back of the Sale Shares under the Supplemental Agreement, Jade Assets, the Company and Value Partners have fully, absolutely and irrevocably released each other from any and all obligations, liabilities and claims under the Agreement but such release does not include any release (in whole or in part) of any of the obligations, undertakings, conditions, restrictions, warranties and representations that were made under the Supplemental Agreement by any of the parties thereto.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENT

As stated in the section headed "Background" above, CCT Tech is undergoing the Proposal regarding a privatisation of CCT Tech by the Company by way of the Scheme. Given the fact that the CCT Tech Shares have been traded below HK$0.023 per CCT Tech Share (being the exercise price of the Put Option) since the completion of the Agreement and due to the continuous low liquidity of the CCT Tech Shares, it is unlikely that Value Partners will be able to sell the Sale Shares to the public investors at or above HK$0.023 per Sale Share upon expiry of the lock-up period as provided for under the Agreement. As such, it is likely that Value Partners will exercise the Put Option and sell the Sale Shares back to CCT Telecom during the exercisable period immediately after the expiry of the lock-up period under the Agreement, which will be 22 January 2006. In order to avoid any misconceptions in the market and to facilitate the progress of the Proposal, CCT Telecom, Jade Assets and Value Partners agreed to enter into the Supplemental Agreement for the buy back of the Sale Shares and for the cancellation of the Put Option.

The Sale Shares were sold by the funds under the management of Value Partners to Jade Assets on the market on 22 December 2005. Immediately upon completion of the Supplemental Agreement, Value Partners has ceased to be a CCT Tech Shareholder.

EFFECT OF COMPLETION OF THE SUPPLEMENTAL AGREEMENT ON THE SHAREHOLDING STRUCTURE OF CCT TECH

The following table summarises the effect of completion of the Supplemental Agreement on the shareholding structure of CCT Tech:

	Immediately before completion of the Supplemental Agreement		**Immediately after completion of the Supplemental Agreement**		**Immediately after completion of the Supplemental Agreement, assuming full conversion of the convertible note due 2007 and the convertible note due 2008 of CCT Tech**	
	Number of CCT Tech Shares	*%*	*Number of CCT Tech Shares*	*%*	*Number of CCT Tech Shares*	*%*
Jade Assets	8,207,179,696	51.50	9,707,179,696	60.91	14,207,179,696	22.07
CCT Assets Management Limited	1,350,000,000	8.47	1,350,000,000	8.47	1,350,000,000	2.10
Expert Success International Limited	1,350,000,000	8.47	1,350,000,000	8.47	1,350,000,000	2.10
Noble Team Investments Limited	1,000,000,000	6.27	1,000,000,000	6.27	44,928,571,428	69.80
Subtotal owned by Jade Assets and other subsidiaries of CCT Telecom	11,907,179,696	74.71	13,407,179,696	84.12	61,835,751,124	96.07
Public shareholders						
Value Partners	1,500,000,000	9.41	0	0.00	0	0.00
Other public shareholders	2,531,242,866	15.88	2,531,242,866	15.88	2,531,242,866	3.93
Total public shareholders	4,031,242,866	25.29	2,531,242,866	15.88	2,531,242,866	3.93
Total	15,938,422,562	100.00	15,938,422,562	100.00	64,366,993,990	100.00

INCREASE OF INTEREST IN CCT TECH

The Sale Shares represent approximately 9.41% of the issued share capital of CCT Tech as at the Latest Practicable Date. Based on the unaudited consolidated net assets of CCT Tech of HK$383 million as at 30 June 2005 and the closing price of HK$0.0210 per CCT Tech Share as at the Latest Practicable Date, the net asset value and valuation attributable to the 9.41% interest in CCT Tech amounted to HK$36.0 million and HK$31.5 million respectively. As Jade Assets sold the Sale Shares for HK$30 million under the Agreement, the net cost of the buy back of the Sale Shares would be approximately HK$4.5 million (being the difference between the Buy Back Consideration and the original consideration of the Sale Shares under the Agreement). As Jade Assets acquired the Sale Shares for a consideration of HK$34.5 million, a negative goodwill of approximately HK$1.5 million has been arisen (being the difference between the Buy Back Consideration and the attributable net asset value of the 9.41% interest in CCT Tech with reference to the unaudited consolidated net assets of CCT Tech as at 30 June 2005). The cash of the Group was decreased by HK$34.5 million. However, the minority interests of the consolidated financial statements of the Group have been decreased by approximately HK$36 million. The Directors are of the view that the buy back of the Sale Shares under the Supplemental Agreement will not have any material adverse impact on the assets and liabilities and the earnings of the Company.

Based on the audited financial statements of CCT Tech for the two financial years ended 31 December 2004 and unaudited financial statements of CCT Tech for the six months ended 30 June 2005:

— the consolidated net profits before taxation attributable to the 9.41% interest in CCT Tech for the two financial years ended 31 December 2004 and for the six months ended 30 June 2005 amounted to approximately HK$7.7 million, HK$13.3 million and HK$7.2 million, respectively; and

— the consolidated net profits after taxation attributable to the 9.41% interest in CCT Tech for the two financial years ended 31 December 2004 and for the six months ended 30 June 2005 amounted to approximately HK$6.9 million, HK$11.8 million and HK$6.4 million, respectively.

The Buy Back Consideration was financed by internal resources of the Company.

PUBLIC FLOAT OF CCT TECH

Upon completion of the Supplemental Agreement, CCT Telecom and parties acting in concert with it has been interested in an aggregate of 13,407,179,696 CCT Tech Shares, representing approximately 84.12% of the issued share capital of CCT Tech and only approximately 15.88% interest in CCT Tech has been held by the public. As less than 25% of the issued CCT Tech Shares are held by the public after 22 December 2005, the Stock Exchange has granted a waiver to CCT Tech from strict compliance with Rule 8.08 of the Listing Rules for the period beginning from 22 December 2005, being the date of completion of the Supplemental Agreement and ending on the date of the withdrawal of the listing of the CCT Tech Shares on the Stock Exchange following the Scheme having become effective. In the event that the proposed privatisation of CCT Tech will not proceed, the waiver will expire on the date which is one month after CCT Tech first becomes aware that the proposed privatisation of CCT Tech will not proceed. The Court Meeting to approve the Scheme is preliminarily scheduled to be held on 13 February 2006. Further announcement will be made if the timetable in relation to the Court Meeting is revised. If the Scheme for the privatisation of CCT Tech by CCT Telecom is not approved at the Court Meeting, CCT Telecom and CCT Tech will use their respective reasonable endeavours to place existing CCT Tech Shares or issue new CCT Tech Shares as soon as possible with a view to restore the minimum public float as prescribed under the Listing Rules. However, given the low liquidity of the CCT Tech Shares, the directors of CCT Telecom and CCT Tech are not confident that they can find any potential placing agents or investors who would be interested in placing or acquiring a substantial volume of the CCT Tech Shares.

The Stock Exchange has indicated that it will closely monitor the trading in the CCT Tech Shares if less than 25% of the issued CCT Tech Shares are held by the public. If the Stock Exchange believes that a false market exists or may exist in the CCT Tech Shares, or there are too few CCT Tech Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the CCT Tech Shares until a sufficient level of public float is attained. Further announcement will be made for any new development in this regard.

GENERAL

The Company is principally engaged in (i) the manufacture, sale, design and development of telecom products and electronic products through the CCT Tech Group; (ii) the manufacture of power supply components; and (iii) the manufacture and sale of plastic components and baby products.

The CCT Tech Group is principally engaged in the sale, manufacture, design and development of telecom products and electronic products on an original design manufacturing basis and a contract manufacturing basis.

Value Partners is a company incorporated under the laws of the British Virgin Islands with limited liability whose principal business is fund management.

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:

		HK$
Authorised share capital:		
2,000,000,000	CCT Telecom Shares	200,000,000.00
Issued and fully paid or credited as fully paid CCT Telecom Shares:		
655,693,308	CCT Telecom Shares	65,569,330.80

All CCT Telecom Shares in issue rank *pari passu* in all respects.

3. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the shares and underlying shares of share options or convertible bonds 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 CCT Telecom Shares and underlying CCT Telecom Shares of convertible bonds of the Company*

(i) *Long positions in the CCT Telecom Shares:*

Name of the Director	*Notes*	Number of the CCT Telecom Shares beneficially held and nature of interest				Approximate percentage of total issued share capital *(%)*
		Personal	Family	Corporate	Total	
Mak Shiu Tong, Clement	*(a)*	715,652	—	126,280,640	126,996,292	19.37
Cheng Yuk Ching, Flora	*(b)*	14,076,713	120,000	—	14,196,713	2.17
Tam Ngai Hung, Terry		1,868,000	—	—	1,868,000	0.28
William Donald Putt		591,500	—	—	591,500	0.09
Samuel Olenick	*(c)*	—	—	545,000	545,000	0.08

Notes:

(a) Included in the shareholdings in which Mr. Mak Shiu Tong, Clement was interested, 126,280,640 CCT Telecom Shares were held by corporations controlled by Mr. Mak Shiu Tong, Clement, whose interest in the CCT Telecom Shares has also been disclosed under the section headed "Substantial Shareholders' Interests" below.

(b) Included in the shareholdings in which Ms. Cheng Yuk Ching, Flora was interested, 120,000 CCT Telecom Shares were held by the spouse of Ms. Cheng Yuk Ching, Flora who was deemed to be interested in such CCT Telecom Shares under the provisions of Part XV of the SFO.

(c) Mr. Samuel Olenick was deemed to be interested in 545,000 CCT Telecom Shares under the provisions of Part XV of the SFO.

(ii) *Long positions in the underlying CCT Telecom Shares of convertible bonds of the Company — The convertible bonds due 2010:*

Name of the Director	Number of total underlying CCT Telecom Shares	Approximate percentage of total issued share capital *(%)*
Mak Shiu Tong, Clement *(Note)*	171,357,615	26.13

Note: The convertible bonds were issued by the Company to New Capital Industrial Limited (a company controlled by Mr. Mak Shiu Tong, Clement) on 25 April 2005, with an outstanding principal amount of HK$103,500,000 as at the Latest Practicable Date. The convertible bonds are interest free, convertible into the CCT Telecom Shares at a conversion price of HK$0.604 per CCT Telecom Share (subject to adjustments according to the terms of the convertible bonds) as at the Latest Practicable Date and due on 25 April 2010. This interest in the underlying CCT Telecom Shares has also been disclosed under the section headed "Substantial Shareholders' Interests" below.

(2) ***Interests and short positions in the shares and underlying shares of share options of associated corporations***

(i) *Long positions in the shares of Haier Electronics Group Co., Ltd. ("***Haier Electronics***"):*

Name of the Director	*Notes*	Number of shares beneficially held and nature of interest		Approximate percentage of total issued share capital *(%)*
		Personal	Corporate	
Mak Shiu Tong, Clement	*(a)*	—	30,717,334	0.182
Cheng Yuk Ching, Flora		19,195,498	—	0.114
Tam Ngai Hung, Terry		3,070,000	—	0.018
William Donald Putt		179,112	—	0.001
Samuel Olenick	*(b)*	—	130,548	0.001

Notes:

(a) These shares of Haier Electronics were held by a corporation controlled by Mr. Mak Shiu Tong, Clement.

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

(ii) *Long positions in the underlying shares of share options of Haier Electronics:*

Name of the 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 issued share capital *(%)*
Mak Shiu Tong, Clement	16/8/2002	16/8/2003–15/8/2007	0.156	89,000,000	89,000,000	0.53
Cheng Yuk Ching, Flora	16/8/2002	16/8/2003–15/8/2007	0.156	74,000,000	74,000,000	0.44
Tam Ngai Hung, Terry	16/8/2002	16/8/2003–15/8/2007	0.156	78,000,000	78,000,000	0.46
William Donald Putt	16/8/2002	16/8/2003–15/8/2007	0.156	5,000,000	5,000,000	0.03

(iii) *Interests and short positions in the CCT Tech Shares and underlying CCT Tech Shares:*

None of the Directors had interests and short positions in respect of the CCT Tech Shares, debentures, equity derivatives or interests in the underlying CCT Tech Shares.

(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 by the Company or any member of the Group 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 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;

(ii) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2004, 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 CCT Telecom Shares or the underlying CCT Telecom Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

(i) Long positions in the CCT Telecom Shares:

Name of the Shareholder	Number of the CCT Telecom Shares held	Approximate percentage of total issued share capital *(%)*
Capital Force International Limited *(Note)*	96,868,792	14.77
Capital Interest Limited *(Note)*	29,411,848	4.49
	126,280,640	19.26

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

(ii) Long positions in the underlying CCT Telecom Shares of convertible bonds of the Company — The convertible bonds due 2010:

Name of the holder of the convertible bonds due 2010	Amount of the convertible bonds due 2010 *HK$*	Number of total underlying CCT Telecom Shares	Approximate percentage of total issued share capital *(%)*
New Capital Industrial Limited *(Note)*	103,500,000	171,357,615	26.13

Note: The convertible bonds were issued by the Company to New Capital Industrial Limited (a company controlled by Mr. Mak Shiu Tong, Clement) on 25 April 2005, with an outstanding principal amount of HK$103,500,000 as at the Latest Practicable Date. The convertible bonds are interest free, convertible into the CCT Telecom Shares at a conversion price of HK$0.604 per CCT Telecom Share (subject to adjustments according to the terms of the convertible bonds) as at the Latest Practicable Date and due on 25 April 2010. This interest in the underlying CCT Telecom Shares has 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 CCT Telecom Shares and the underlying CCT Telecom 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 Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and the head office and the principal place of business of the Company in Hong Kong is located at 2208, 22/F., St. George's Building, 2 Ice House Street, Central, Hong Kong.

(b) The branch share registrar and transfer office of the Company in Hong Kong is Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, 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 Chartered Secretaries.

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