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 securities 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 onward 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 and continued in Bermuda with limited liability)

(Stock Code: 138)

PROPOSALS TO REFRESH THE 10% GENERAL LIMIT ON GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME AND THE 10% GENERAL LIMIT ON GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME OF CCT TECH INTERNATIONAL LIMITED, GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES, PROPOSED AMENDMENT TO THE BYE-LAWS AND RE-ELECTION OF THE DIRECTORS

A notice convening the AGM to be held at 2208, 22/F., St. George's Building, 2 Ice House Street, Central, Hong Kong on Wednesday, 23 May 2007 at 10:30 a.m. is set out in the 2006 annual report of the Company. A form of proxy for use by the Shareholders at the AGM is enclosed with the 2006 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 AGM in person, you are requested to complete the form of proxy enclosed with the 2006 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 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM. Such form of proxy for use at the AGM 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 at the AGM in person should you so wish.

27 April 2007

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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:

"AGM"	the annual general meeting of the Company to be held at 2208, 22/F., St. George's Building, 2 Ice House Street, Central, Hong Kong on Wednesday, 23 May 2007 at 10:30 a.m. to consider and, if thought fit, approve, among other things, the Refreshment, the CCT Tech Refreshment, the grant of the Repurchase Mandate and the General Mandate to the Directors, the proposed amendment to the Bye-laws and the re-election of the Directors, or any adjournment thereof (as the case may be)
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of the Directors
"Bye-law(s)"	the bye-law(s) of the Company
"CCT Tech"	CCT Tech International Limited, an exempted company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange and a non wholly-owned subsidiary of the Company
"CCT Tech Refreshment"	the proposed refreshment of the 10% general limit on grant of share 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
"Company"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability and whose Shares 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 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"	18 April 2007, 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
"Refreshment"	the proposed refreshment of the 10% general limit on grant of share options under the Share Option Scheme and all other share option scheme(s) of the Company
"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
"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 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

27 April 2007

To the Shareholders and, for information only, the holders of the convertible bonds of the Company

Dear Sir or Madam,

PROPOSALS TO REFRESH THE 10% GENERAL LIMIT ON GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME AND THE 10% GENERAL LIMIT ON GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME OF CCT TECH INTERNATIONAL LIMITED, GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES, PROPOSED AMENDMENT TO THE BYE-LAWS AND RE-ELECTION OF THE DIRECTORS

INTRODUCTION

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

At the AGM, resolutions will be proposed for the Shareholders to approve, among other things, (i) the Refreshment; (ii) the CCT Tech Refreshment; (iii) 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; (iv) the proposed amendment to the Bye-laws; and (v) the re-election of the Directors.

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

As at 28 February 2002, being the date on which the Share Option Scheme was being adopted, the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme is 42,210,523 Shares, being 10% of the total number of Shares in issue on the date of adoption. 42,200,000 share options were granted subsequent to the date of adoption and then exercised in full.

At the special general meeting of the Company held on 19 May 2003, a resolution has been passed by the Shareholders to refresh the scheme limit of the Share Option Scheme, up to 10% of the total number of Shares in issue as at that date. As there were 422,105,230 Shares in issue as at 19 May 2003 and no share options were granted subsequent to that date, the maximum number of Shares that can be issued pursuant to the grant of share options by the Company under the Share Option Scheme up to the refreshed scheme limit approved on 19 May 2003 is 42,210,523.

As at the Latest Practicable Date, there were no share options outstanding under the Share Option Scheme.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No share options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

Unless the 10% general limit on grant of share options under the Share Option Scheme is "refreshed" at the AGM, up to 42,221,046 Shares may be issued pursuant to the grant of further share options under the existing scheme limit of the Share Option Scheme, which represents approximately 5.3% of the total issued share capital of the Company as at the Latest Practicable Date.

The Directors consider that the Refreshment is in the interests of the Group and the Shareholders as a whole as it will enable the Company to grant further share options to eligible participants, being any employee, executive or officer of the Group (including executive and independent non-executive directors of the Group) and any supplier, consultant, agent, adviser, shareholder, customer, partner or business associate who, at the sole discretion of the Board, will contribute or has contributed to the Group as incentives or rewards.

Proposal

It is therefore proposed that subject to the approval of the Shareholders at the AGM and such other requirements as prescribed under the Listing Rules being fulfilled, the general limit on the grant of share options under the Share Option Scheme and all other share option scheme(s) of the Company will be refreshed to 10% of the Shares in issue as at the date of the approval by the Shareholders at the AGM and the share options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with such scheme(s) or exercised share options) will not be counted for the purpose of calculating the limit as refreshed.

As at the Latest Practicable Date, there were 797,108,274 Shares in issue. Assuming that no further Shares will be issued prior to the AGM, the maximum number of share options that can be granted by the Company under the proposed refreshed limit would be 79,710,827.

Conditions

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the AGM to approve the Refreshment.

The Refreshment is conditional upon:

(i) the Shareholders passing an ordinary resolution to approve the Refreshment at the AGM; and

(ii) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any share options granted under the Refreshment.

Application for listing

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued upon exercise of any share options that may be granted under the Refreshment.

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

CCT Tech proposes the CCT Tech Refreshment, subject to (i) the shareholders of CCT Tech passing an ordinary resolution to approve the CCT Tech Refreshment at the annual general meeting of CCT Tech; (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the shares to be issued upon exercise of any share options granted under the refreshed general limit of the share option scheme(s) of CCT Tech; and (iii) in accordance with Rule 17.01(4) of the Listing Rules, the Shareholders passing an ordinary resolution to approve the CCT Tech Refreshment at the AGM.

The CCT Tech Refreshment will enable CCT Tech to grant further share options to eligible participants, being any employee, executive or officer of CCT Tech and its subsidiaries (including executive and independent 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 AGM, an ordinary resolution will also be proposed to approve the CCT Tech Refreshment.

GENERAL MANDATES TO REPURCHASE THE SHARES AND TO ISSUE NEW SHARES

General mandate to repurchase the Shares

At the AGM, 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 share capital of the Company as at the date of passing of the ordinary 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 following the passing of the ordinary resolution referred to herein, the date by which the next annual general meeting of the Company is required to be held by the Bye-laws or any applicable laws and 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 AGM.

General mandate to issue new Shares

At the AGM, 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 up to 159,421,654 new Shares, being the Shares not exceeding in aggregate 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant resolution and on the basis that none of the outstanding convertible bonds of the Company is converted and no further Shares is issued, allotted or repurchased by the Company prior to the AGM. 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 the 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. 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 797,108,274 Shares in issue or an issued share capital of HK$79,710,827.40. As at the Latest Practicable Date, the Company has the convertible bonds due 2009 with the outstanding principal amount of HK$30,000,000, which may be convertible into 26,548,672 Shares, and the convertible bonds due 2010 with the outstanding principal amount of HK$18,098,240, which may be convertible into 29,963,973 Shares, and the Company has no share options outstanding under the Share Option Scheme.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that none of the outstanding convertible bonds of the Company is converted and no further Shares is issued, allotted or repurchased by the Company prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to a maximum of 79,710,827 Shares, representing the share capital of HK$7,971,082.70, being repurchased by the Company. The Repurchase Mandate may be exercised by the Company during the period prior to the earliest of (i) the next annual general meeting of the Company following the passing of the ordinary resolution referred to herein; (ii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and (iii) the date by which the next annual general meeting of the Company is required to be held by the Bye-laws or any applicable laws.

Funding of repurchase

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-laws and the applicable laws of Bermuda, being the jurisdiction in which the Company is continued as an exempted company with limited liability.

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 the latest published audited accounts of the Company as at 31 December 2006).

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 the latest published audited accounts of the Company as at 31 December 2006) which in the opinion of the Directors are from time to time appropriate for the Company. The number of 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$*
2006		
April	1.41	1.05
May	1.22	1.05
June	1.10	1.00
July	1.06	1.00
August	1.08	0.98
September	1.25	1.02
October	1.05	0.97
November	1.02	0.97
December	1.03	0.94
2007		
January	1.09	0.95
February	1.23	0.98
March	1.24	1.01
April (up to the Latest Practicable Date)	1.27	1.14

Shares repurchased by the Company

The Company did not repurchase any Share (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 Bermuda, being the jurisdiction in which the Company is continued as an exempted company with limited liability.

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 Share to the Company or its subsidiaries (as defined in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)).

No connected persons has notified the Company that he/she has a present intention to sell any Share 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.

Takeovers Code

If, as a result of the 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 of the Company, together with their respective associates, were interested in an aggregate of 238,999,410 Shares, representing approximately 29.98% of the total issued share capital of the Company. In the event that the Directors exercise the Repurchase Mandate in full to repurchase the Shares in accordance with the terms of the ordinary resolution to be proposed at the AGM and assuming no further Shares is issued, allotted or repurchased by the Company prior to the AGM, the interests of the substantial shareholders of the Company, together with their respective associates, in the total issued share capital of the Company will be increased from approximately 29.98% to approximately 33.31%. The Directors are not aware of any consequence which would 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 up 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 the repurchase, the exercise of the 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.

PROPOSED AMENDMENT TO THE BYE-LAWS

With reference to the amendments made by the Stock Exchange concerning the removal of director by ordinary resolution, the Directors propose to amend the Bye-laws in order to ensure compliance with all applicable laws and rules. The power to remove directors will be changed from a special resolution to an ordinary resolution in the amended Bye-laws.

The existing Bye-laws will be amended in the following manner as stated in the special resolution no. 10 of the notice of the AGM:

(i) by deleting the word "special" in the second line of Bye-law 86.(4) and substituting therefor with the word "ordinary".

RE-ELECTION OF THE DIRECTORS

Biographical details of the Directors who are proposed to be re-elected at the AGM are set out in the 2006 annual report of the Company.

THE AGM AND PROXY ARRANGEMENT

A notice convening the AGM is set out in the 2006 annual report of the Company. At the AGM, in addition to the ordinary business of the AGM, resolutions will also be proposed to approve (i) the Refreshment; (ii) the CCT Tech Refreshment; (iii) the grant of the Repurchase Mandate and the General Mandate to the Directors; (iv) the proposed amendment to the Bye-laws; and (v) the re-election of the Directors.

A form of proxy for use by the Shareholders at the AGM is enclosed with the 2006 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 AGM in person, you are requested to complete the form of proxy enclosed with the 2006 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 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM. Such form of proxy for use at the AGM 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 at the AGM in person should you so wish.

RIGHT TO DEMAND A POLL

In accordance with Bye-law 66 of the Bye-laws, 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 duly authorised corporate representative or by proxy, but a poll may be demanded (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) by the chairman of the general meeting or by:

(i) at least three Shareholders present in person or by duly authorised corporate representative or by proxy for the time being entitled to vote at the general meeting; or

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

(iii) any Shareholder or the Shareholders present in person or by duly authorised corporate representative or by proxy and holding the Shares conferring a right to vote at the general 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 Shares conferring that right.

RECOMMENDATION

The Directors consider that (i) the Refreshment; (ii) the CCT Tech Refreshment; (iii) the grant of the Repurchase Mandate and the General Mandate to the Directors; (iv) the proposed amendment to the Bye-laws; and (v) the re-election of the Directors, 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 relevant resolutions to be proposed at the AGM in respect thereof.

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