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 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.

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)

DISCLOSEABLE TRANSACTION

DISPOSAL OF PROPERTY

30 October 2007

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

"Announcement"	the announcement of the Company dated 11 October 2007 detailing the Provisional Sale and Purchase Agreement and the Disposal;
"associate"	has the same meaning ascribed to it under the Listing Rules;
"Board"	the board of the Directors;
"Company"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda 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;
"Consideration"	the consideration of HK$230,000,000 for the Property;
"Director(s)"	the director(s) of the Company from time to time;
"Disposal"	the disposal of the Property by the Vendor to the Purchaser;
"Formal Agreement"	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property;
"Grant Sherman"	Grant Sherman Appraisal Limited, an independent valuer for properties;
"Group"	the Company and its subsidiaries from time to time;
"HK$"	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;
"Latest Practicable Date"	23 October 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;
"Property"	whole floor of the 32nd Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong;
"Provisional Sale and Purchase Agreement"	the provisional sale and purchase agreement dated 10 October 2007 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Property;
"Purchaser"	China Shipping (Hong Kong) Holdings Co., Limited, an independent third party and not a connected person of the Company;

"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);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Vendor"	Huge Partner Limited, an indirect wholly-owned subsidiary of the Company; and
"%"	per cent.

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, 22nd Floor
St. George's Building
2 Ice House Street
Central
Hong Kong

30 October 2007

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

DISPOSAL OF PROPERTY

INTRODUCTION

Reference is made to the Announcement. The Board announced that on 10 October 2007, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into a binding Provisional Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor will sell to the Purchaser the Property for a consideration of HK$230,000,000. The Consideration was determined after arm's length negotiation and was based on normal commercial terms.

The Disposal constitutes a discloseable transaction for the Company under the Listing Rules.

The purpose of this circular is to provide the Shareholders with details of the Provisional Sale and Purchase Agreement and the Disposal.

PROVISIONAL SALE AND PURCHASE AGREEMENT

Date: 10 October 2007

Parties: (a) Vendor: Huge Partner Limited, an indirect wholly-owned subsidiary of the Company

(b) Purchaser: China Shipping (Hong Kong) Holdings Co., Limited
To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are independent third parties and not connected persons of the Company.

Sale and Purchase:

Pursuant to the Provisional Sale and Purchase Agreement, the Vendor will sell and the Purchaser will purchase the Property upon the terms contained therein. The Vendor and the Purchaser will enter into the Formal Agreement on or before 24 October 2007. The Formal Agreement, which will set out the terms of the Disposal in more details, will supersede the Provisional Sale and Purchase Agreement.

The Property will be sold with vacant possession.

Property:

The property is the whole floor of 32nd Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong comprising a total gross floor area of approximately 25,800 square feet (or approximately 2,400 square metre), which was acquired by the Vendor in February 1997. The book value of the Property as at 31 December 2006 according to the audited financial statements of the Vendor for the year ended 31 December 2006 was HK$193,800,000, which is same as the value of the Property as at 31 December 2006 assessed by Grant Sherman. The value of the Property as at 31 December 2006 assessed by Grant Sherman was based on the market value which was the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Based on such carrying value of HK$193,800,000, an unaudited gain of approximately HK$36,200,000 (before deducting relevant expenses) representing the difference between the Consideration and the carrying value of the Property is expected to accrue to the Group upon completion of the Disposal.

The Property is vacant and the Property did not generate any income for the year ended 31 December 2006.

Consideration:

The Consideration is HK$230,000,000, payable in cash.

The Consideration was determined after arm's length negotiation by reference to the prevailing market price of nearby properties.

The Directors (including the independent non-executive Directors) believe that the Consideration is fair and reasonable and in the interests of the Shareholders as a whole.

Terms of Payments:

(a) an initial deposit of HK$11,500,000 has been received by the Vendor from the Purchaser upon the signing of the Provisional Sale and Purchase Agreement;

(b) a further deposit of HK$11,500,000 will be paid by the Purchaser to the Vendor on or before 24 October 2007; and

(c) the balance of the Consideration of HK$207,000,000 will be paid by the Purchaser to the Vendor upon completion of the Disposal on or before 23 November 2007.

Completion:

Completion of the sale and purchase of the Property will take place on or before 23 November 2007.

There is no condition imposed on the transaction other than for the Vendor to show and the Purchaser to be satisfied of good title over the Property.

REASON FOR THE DISPOSAL

Taking into account of the recent prevailing property market conditions in commercial properties and the overall economy in Hong Kong, the Board is of the opinion that the Disposal provides a good opportunity for the Group to realise the Property at an estimated unaudited gain of approximately HK$36,200,000 (before deducting relevant expenses) representing the difference between the Consideration and the carrying value of the Property and is expected to accrue to the Group upon completion of the Disposal.

The proceeds from the Disposal will firstly be applied to repay the related mortgage loan in full and the balance will be applied for the Group's working capital. The outstanding balance of the mortgage loan of the Group in respect of the Property amounted to approximately HK$56,400,000 as at 10 October 2007. The Board considers that the Disposal would improve the financial and cash position of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Provisional Sale and Purchase Agreement and the Disposal are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

The book value of the Property as at 31 December 2006 according to the audited financial statements of the Vendor for the year ended 31 December 2006 was HK$193,800,000, which is same as the value of the Property as at 31 December 2006 assessed by Grant Sherman. Based on such carrying value, an unaudited gain of approximately HK$36,200,000 (before deducting relevant expenses) is expected to accrue to the Group upon completion of the Disposal.

As a result of the Disposal, the consolidated non-current assets of the Group will be reduced by HK$193,800,000 and the consolidated current assets of the Group will be increased by approximately HK$172,400,000, being the net proceeds to be deposited into the bank. The Disposal will have no impact on the consolidated liabilities of the Group.

GENERAL

The Group is principally engaged in (i) the manufacture, sale, design and development of telecom products and electronic products; (ii) the manufacture of power supply and plastic components; (iii) the manufacture and sale of baby products; (iv) securities business; (v) properties investment and development; and (vi) provision of e-commerce service.

China Shipping (Hong Kong) Holdings Co., Limited, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is principally engaged in shipping business.

The Disposal constitutes a discloseable transaction for the Company under the Listing Rules.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information as set out in the appendix to this circular, which forms part of this circular.

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. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the shares and the underlying shares of the share options and/or the 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/or any of their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and/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:

(1) Interests and short positions in the Shares and the underlying Shares of the convertible bonds of the Company as at the Latest Practicable Date

(i) Long positions in the Shares:

Name of the Director	Number of the Shares beneficially held and nature of interest				Approximate percentage of the total issued share capital
	Personal	Family	Corporate	Total	
					(%)
Mak Shiu Tong, Clement	715,652	-	238,283,758	238,999,410	29.98
Cheng Yuk Ching, Flora *(Note)*	14,076,713	120,000	-	14,196,713	1.78
Tam Ngai Hung, Terry	500,000	-	-	500,000	0.06
William Donald Putt	591,500	-	-	591,500	0.07
Samuel Olenick	-	-	545,000	545,000	0.07

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

(ii) Long positions in the underlying Shares of the convertible bonds of the Company:

Name of the Director	Description of equity derivatives	*Notes*	Number of the total underlying Shares	Approximate percentage of the total issued share capital
				(%)
Mak Shiu Tong, Clement	2010 convertible bonds	*(1)*	29,942,649	3.76
	2009 convertible bonds	*(2)*	26,548,672	3.33

Notes:

(1) The 2010 convertible bonds with an outstanding principal amount of HK$18,085,360 as at the Latest Practicable Date, were issued by the Company to New Capital Industrial Limited (a company controlled by Mr. Mak Shiu Tong, Clement) on 25 April 2005. The 2010 convertible bonds, due on 25 April 2010, are interest free and convertible into the Shares at the conversion price of HK$0.604 per Share (subject to adjustments according to the terms of the 2010 convertible bonds). The interest of Mr. Mak Shiu Tong, Clement in these underlying Shares has also been disclosed under the section headed "Substantial Shareholders' Interests" below.

(2) The 2009 convertible bonds with an outstanding principal amount of HK$30,000,000 as at the Latest Practicable Date, were issued by the Company to Capital Winner Investments Limited (a company controlled by Mr. Mak Shiu Tong, Clement) on 23 June 2006. The 2009 convertible bonds, due on 23 June 2009, are interest free and convertible into the Shares at the conversion price of HK$1.13 per Share (subject to adjustments according to the terms of the 2009 convertible bonds).

(2) Interests and short positions in the shares and the underlying shares of the share options of an associated corporation - CCT Tech International Limited ("CCT Tech") as at the Latest Practicable Date

(i) Long positions in the shares of CCT Tech:

Name of the Director	Number of the shares held	Approximate percentage of the total issued share capital
		(%)
Mak Shiu Tong, Clement	120,000,000	0.18
Tam Ngai Hung, Terry	20,000,000	0.03
Cheng Yuk Ching, Flora	18,000,000	0.03

(ii) Long positions in the underlying shares of the share options of CCT Tech:

Name of the Director	Date of grant of the share options	Exercise period of the share options	Exercise price per share	Number of the share options outstanding	Number of the total underlying shares	Approximate percentage of the total issued share capital
			HK$			*(%)*
William Donald Putt	8/6/2007	8/6/2007-7/12/2007	0.055	10,000,000	10,000,000	0.02
Samuel Olenick	8/6/2007	8/6/2007-7/12/2007	0.055	10,000,000	10,000,000	0.02
Tam King Ching, Kenny	8/6/2007	8/6/2007-7/12/2007	0.055	10,000,000	10,000,000	0.02
Lau Ho Man, Edward	8/6/2007	8/6/2007-7/12/2007	0.055	10,000,000	10,000,000	0.02

(3) Interests and short positions in the shares and the underlying shares of the share options of an associated corporation – Tradeeasy Holdings Limited ("Tradeeasy") as at the Latest Practicable Date

(i) Long positions in the shares of Tradeeasy:

None of the Directors had any interest and short position in respect of the shares, debentures, convertible bonds and equity derivatives of Tradeeasy as at the Latest Practicable Date.

(ii) Long positions in the underlying shares of the share options of Tradeeasy:

Name of the Director	Date of grant of the share options	Exercise period of the share options	Exercise price per share	Number of the share options outstanding	Number of the total underlying shares	Approximate percentage of the total issued share capital
			HK$			*(%)*
Mak Shiu Tong, Clement	14/8/2006	14/8/2006-13/8/2011	0.038	45,000,000	45,000,000	4.37
Tam Ngai Hung, Terry	14/8/2006	14/8/2006-13/8/2011	0.038	28,000,000	28,000,000	2.72
Cheng Yuk Ching, Flora	14/8/2006	14/8/2006-13/8/2011	0.038	5,000,000	5,000,000	0.49
William Donald Putt	14/8/2006	14/8/2006-13/8/2011	0.038	5,000,000	5,000,000	0.49

(b) Particulars of the 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/or any of their respective associates had any interest and short position in the shares, underlying shares and debentures of the Company and/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 2006, 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.

3. 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 the underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

(i) Long positions in the Shares as at the Latest Practicable Date:

Name of the Shareholder	Number of the Shares held	Approximate percentage of the total issued share capital
		(%)
Capital Force International Limited *(Note)*	96,868,792	12.15
New Capital Industrial Limited *(Note)*	141,414,966	17.74
	238,283,758	29.89

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

(ii) Long positions in the underlying Shares of the 2010 convertible bonds of the Company as at the Latest Practicable Date:

Name of the holder of the 2010 convertible bonds	Amount of the 2010 convertible bonds	Number of the total underlying Shares	Approximate percentage of the total issued share capital
	HK$		*(%)*
New Capital Industrial Limited *(Note)*	18,085,360	29,942,649	3.76

Note: The details of the interest of Mr. Mak Shiu Tong, Clement in these underlying 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 Shares and the underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

4. 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.

5. MISCELLANEOUS

(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 Tricor 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.