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CCT TELECOM HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

CCT TECH INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability)

ONGOING CONNECTED TRANSACTIONS

Summary

CCT Tech is approximately 34.3% owned by CCT Telecom and is regarded as a non wholly-owned subsidiary of CCT Telecom. Accordingly, CCT Telecom is a connected person of CCT Tech under the Listing Rules. Transactions between the CCT Telecom Group and the CCT Tech Group therefore constitute ongoing connected transactions of CCT Telecom and CCT Tech under the Listing Rules.

The Ongoing Connected Transactions will be subject to certain disclosure requirements under the Listing Rules. CCT Telecom and CCT Tech will apply to the Stock Exchange for the waiver from strict compliance with the disclosure requirements with respect to the Ongoing Connected Transactions under the Listing Rules.

Reference is made to the joint announcement of CCT Telecom and CCT Tech dated 22 May 2003 and the announcement of CCT Technology Holdings Limited (then known as Wireless InterNetworks Limited), the predecessor of CCT Tech, dated 31 May 2002 regarding, amongst other things, the tenancy agreements relating to the factory premises in Dongguan, the PRC (the "Announcements"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

CCT Tech is approximately 34.3% owned by CCT Telecom and is regarded as a non wholly-owned subsidiary of CCT Telecom as all of the executive directors of CCT Tech have been nominated by CCT Telecom. CCT Telecom is, therefore, a connected person of CCT Tech under the Listing Rules. Transactions between the CCT Telecom Group and the CCT Tech Group, therefore, constitute ongoing connected transactions of CCT Telecom and CCT Tech under the Listing Rules.

DETAILS OF THE ONGOING CONNECTED TRANSACTIONS

Tenancy agreements relating to the factory premises in Dongguan, the PRC (the "Dongguan Tenancy Agreements")

(i)	Premises:	A factory complex, located at Zhukan Industrial District, Gaobu Town, Dongguan City, Guangdong Province, the PRC
	Lessor:	CCT Properties (Dongguan) Limited ("CCT Properties"), an indirect wholly-owned subsidiary of CCT Telecom
	Lessee:	CCT Investment Limited, an indirect wholly-owned subsidiary of CCT Tech

Date of agreement: 14 January 2004

Gross floor area: 62,500 square meters

Rent: HK$500,000 per month starting from 1 January 2004, with annual adjustment up to 20% with reference to market rental. The agreement will expire on 31 December 2006.

Usage: Factory premises for production

The tenancy agreement dated 15 May 2003 (the "First Tenancy Agreement") entered into between CCT Properties and CCT Investment Limited in respect of the above premises with a gross floor area of 22,800 square meters and an original term of three years will expire on 31 December 2005, further details of which have been set out in the joint announcement of CCT Telecom and CCT Tech dated 22 May 2003. Both parties agree to have an early termination of the First Tenancy Agreement in accordance with the provisions of the agreement and enter into a new tenancy agreement with a greater floor area on terms and conditions as set out above.

(ii) Premises: A factory complex, located at Zhukan Industrial District, Gaobu Town, Dongguan City, Guangdong Province, the PRC

Lessor: CCT Properties, an indirect wholly-owned subsidiary of CCT Telecom

Lessee: Electronic Sales Limited ("ESL"), an indirect wholly-owned subsidiary of CCT Tech

Date of agreement: 14 January 2004

Gross floor area: 15,625 square meters

Rent: HK$125,000 per month starting from 1 January 2004, with annual adjustment up to 20% with reference to market rental. The agreement will expire on 31 December 2006.

Usage: Factory premises for production

The tenancy agreement dated 15 April 2003 (the "Second Tenancy Agreement") entered into between CCT Properties and ESL in respect of the above premises with a gross floor area of approximately 22,400 square meters and an original term of one year will expire on 30 April 2004. Both parties agree to have an early termination of the Second Tenancy Agreement in accordance with the provisions of the agreement and enter into a new tenancy agreement with smaller floor area on terms and conditions as set out above.

The transactions contemplated under the Dongguan Tenancy Agreements are hereafter referred to as the "Ongoing Connected Transactions".

REASON FOR THE ONGOING CONNECTED TRANSACTIONS AND WAIVER

CCT Tech is approximately 34.3% owned by CCT Telecom and is regarded as a non wholly-owned subsidiary of CCT Telecom as all of the executive directors of CCT Tech have been nominated by CCT Telecom. Accordingly, CCT Telecom is a connected person of CCT Tech under the Listing Rules. Transactions between the CCT Telecom Group and the CCT Tech Group therefore constitute the ongoing connected transactions of CCT Telecom and CCT Tech under the Listing Rules.

In order to meet the growth in demand for the products manufactured by the CCT Tech Group, each of the First Tenancy Agreement and the Second Tenancy Agreement have been terminated and the Dongguan Tenancy Agreements have been entered into as (a) the CCT Tech Group require additional space to cope with the CCT Tech Group's expansion in its manufacturing facilities; and (b) the CCT Telecom Group has available space for leasing. Pursuant to the terms of the First Tenancy Agreement and the Second Tenancy Agreement, the aggregate monthly rental payable by the CCT Tech Group to the CCT Telecom Group was HK$300,000. Under the Dongguan Tenancy Agreements, the aggregate monthly rental payable by the CCT Tech Group to the CCT Telecom Group shall be HK$625,000. Under the First Tenancy Agreement and the Second Tenancy Agreement, the rental payable was approximately HK$6.6 per square metre and approximately HK$6.7 per square metre respectively. Under the Dongguan Tenancy Agreements, the rental payable shall be approximately HK$8.0 per square metre.

As the Ongoing Connected Transactions have an annual amount of not more than the higher of 3% of the net tangible asset value of CCT Tech or HK$10,000,000, details of such transactions are required to be disclosed by way of a press announcement and in the annual report and accounts of CCT Tech pursuant to Rule 14.25(1) of the Listing Rules.

As the Ongoing Connected Transactions have an annual amount of not more than the higher of 3% of the net tangible asset value of CCT Telecom or HK$10,000,000, details of such transactions are required to be disclosed by way of a press announcement and in the annual report and accounts of CCT Telecom pursuant to Rule 14.25(1) of the Listing Rules.

The CCT Telecom Directors (including the independent non-executive directors) and the CCT Tech Directors (including the independent non-executive directors) consider the terms of the Ongoing Connected Transactions have been negotiated and will be conducted on an arm's length basis and on normal commercial terms, between the CCT Telecom Group and the CCT Tech Group.

The CCT Telecom Directors (including the independent non-executive directors) are of the view that so far as the CCT Telecom Shareholders are concerned, the Ongoing Connected Transactions and the terms thereof are fair and reasonable and in the best interests of the CCT Telecom Group and the CCT Telecom Shareholders as a whole. The CCT Tech Directors (including the independent non-executive directors) are of the view that so far as the CCT Tech Shareholders are concerned, the Ongoing Connected Transactions and the terms thereof are fair and reasonable and in the best interests of the CCT Tech Group and the CCT Tech Shareholders as a whole.

The CCT Telecom Directors (including the independent non-executive directors) and the CCT Tech Directors (including the independent non-executive directors) consider that it would be too costly and impractical to make regular disclosure of, as required under the Listing Rules, the Ongoing Connected Transactions. Therefore, both CCT Telecom and CCT Tech will apply to the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 14.25(1) of the Listing Rules for each of the Ongoing Connected Transactions, each for a period of three financial years ending 31 December 2006 on the following conditions:

(a) The Ongoing Connected Transactions will have the following cap amounts:

For the CCT Telecom Group:	The consideration receivable from the CCT Tech Group will not be more than the higher of HK$10,000,000 or 3% of the net tangible asset value of CCT Telecom.
For the CCT Tech Group:	The consideration payable to the CCT Telecom Group will not be more than the higher of HK$10,000,000 or 3% of the net tangible asset value of CCT Tech.

(b) The Ongoing Connected Transactions will be in compliance with the followings:

(i) the Ongoing Connected Transactions will be conducted either (A) on normal commercial terms; or (B) if there is no available comparison, on terms that are fair and reasonable so far as the CCT Telecom Shareholders and CCT Tech Shareholders (as the case may be), taken as a whole in each case, are concerned; and

(ii) the Ongoing Connected Transactions will be entered into either (A) in accordance with the terms of the agreements governing such transactions; or (B) if there are no such agreements, on terms that are no less favourable than terms available to or from independent third parties.

(c) Brief details of the Ongoing Connected Transactions will be disclosed in both CCT Telecom's and CCT Tech's next and each successive annual report, each accompanied with a statement of the opinion of the independent non-executive directors of CCT Telecom and CCT Tech (as the case may be) in such manner as referred to in paragraph (d) below.

(d) The independent non-executive directors of CCT Telecom and CCT Tech will review annually the Ongoing Connected Transactions, and in each case they will confirm in CCT Telecom's and CCT Tech's annual report respectively for the year in question that such Ongoing Connected Transactions under their review were conducted in the manner as stated in paragraphs (a) and (b) above.

(e) The auditors of CCT Telecom and CCT Tech will review annually the Ongoing Connected Transactions, and in each case they will confirm in a letter to the CCT Telecom Directors (including the independent non-executive directors) and CCT Tech Directors (including the independent non-executive directors) respectively (a copy of which letter will be provided to the Stock Exchange) in respect of each relevant financial year, during which the Ongoing Connected Transactions were conducted, stating that:

(i) the Ongoing Connected Transactions have been approved by the CCT Telecom Directors and the CCT Tech Directors;

(ii) the Ongoing Connected Transactions have been entered into in accordance with the terms of the agreements relating to the transactions in question or where there is no such agreement, on terms being no less favourable than those available to or from independent third parties;

(iii) the value of the Ongoing Connected Transactions has not exceeded their respective annual limits set out in paragraph (a) above; and

(iv) the Ongoing Connected Transactions have been entered into in accordance with the rental policies of the CCT Telecom Group and the CCT Tech Group (as the case may be) as stated in the relevant agreement,

and where for whatever reasons, if the auditors of CCT Telecom or CCT Tech decline to accept the engagement or are unable to provide the auditors' letter, the CCT Telecom Directors and the CCT Tech Directors (as the case may be) will contact the Listing Division of the Stock Exchange immediately.

(f) So long as their respective shares are listed on the Stock Exchange, CCT Telecom and CCT Tech will respectively provide to the Stock Exchange an undertaking that CCT Telecom will provide auditors of CCT Telecom and auditors of CCT Tech with full access to the relevant records of the Ongoing Connected Transactions, and CCT Tech will provide auditors of CCT Telecom and auditors of CCT Tech with full access to the relevant records of the Ongoing Connected Transactions, for the purpose of auditors review as referred to in paragraph (e) above.

(g) Both CCT Telecom and CCT Tech will comply with the applicable provisions of the Listing Rules governing connected transactions or will apply to the Stock Exchange for waiver from strict compliance with the relevant requirements in the event that the total amount of any of the Ongoing Connected Transactions exceeds their respective caps, or that there is any material amendment to the terms of the Ongoing Connected Transactions.

GENERAL

The CCT Telecom Group is principally engaged in telecom product operation, electric component operation and plastic, baby and health care product operation.

The CCT Tech Group is principally engaged in the design, manufacture and sale of telecom products including corded and cordless phones, family radio systems and electric components.

Since CCT Tech is an approximately 34.3% non wholly-owned subsidiary of CCT Telecom, transactions between the CCT Telecom Group and the CCT Tech Group constitute connected transactions of CCT Telecom under the Listing Rules. Since CCT Telecom is the controlling shareholder of CCT Tech, transactions between the CCT Tech Group and the CCT Telecom Group constitute connected transactions of CCT Tech under the Listing Rules.

DEFINITIONS

"CCT Tech"	CCT Tech International Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
"CCT Tech Director(s)"	the director(s) of CCT Tech
"CCT Tech Group"	CCT Tech and its subsidiaries
"CCT Tech Shareholder(s)"	the shareholder(s) of CCT Tech
"CCT Telecom"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
"CCT Telecom Director(s)"	the director(s) of CCT Telecom
"CCT Telecom Group"	CCT Telecom and its subsidiaries
"CCT Telecom Shareholder(s)"	the shareholder(s) of CCT Telecom
"connected person(s)"	has the meaning as given to it in the Listing Rules
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"PRC"	the People's Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

By Order of the Board of
CCT TELECOM HOLDINGS LIMITED
Mak Shiu Tong, Clement
Chairman

By Order of the Board of
CCT TECH INTERNATIONAL LIMITED
Tam Ngai Hung, Terry
Director

Hong Kong, 14 January 2004

Please also refer to the published version of this announcement in The Standard.