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CCT TELECOM HOLDINGS LIMITED
(中建電訊集團有限公司*)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 138)

DISCLOSEABLE TRANSACTION

HAIER-CCT HOLDINGS LIMITED
(海爾中建集團有限公司*)
(Incorporated in Bermuda with limited liability)
(Stock Code: 1169)

RESTORATION OF PUBLIC FLOAT

Capital Winner, Info-Net and Orient Rich have engaged the Placing Agent to place an aggregate of 1,630,000,000 Shares at a price of HK$0.24 per Share on a fully-underwritten basis.

The Placing by Info-Net, being a wholly-owned subsidiary of CCT Telecom, constitutes a discloseable transaction for CCT Telecom under the Listing Rules. A circular containing, amongst others, details of the Placing will be sent to the shareholders of CCT Telecom as soon as practicable.

At the request of Haier-CCT, trading in the shares of Haier-CCT on the Stock Exchange was suspended from 2:30 p.m. on 19 January 2005 pending the release of this announcement. An application has been made by Haier-CCT to the Stock Exchange for the resumption of trading in the shares of Haier-CCT on the Stock Exchange from 9:30 a.m. on 20 January 2005.

At the request of CCT Telecom, trading in the shares of CCT Telecom on the Stock Exchange has been suspended since 9:30 a.m. on 18 January 2005 and will remain suspended until the release of an announcement in relation to a major transaction of CCT Telecom, regarding a possible voluntary conditional offer for CCT Tech International Limited.

Reference is made to the circular of Haier-CCT Holdings Limited ("**Haier-CCT**") dated 18 November 2004 (the "**Circular**") regarding the proposed Asset Injection involving, inter alia, very substantial acquisition, reverse takeover, connected transaction, new listing application and the Whitewash Waiver, the joint announcement of Haier-CCT, Haier Corp and Haier Investment dated 2 April 2004 and the announcements of Haier-CCT dated 30 June 2004, 31 August 2004 and 31 December 2004. Unless defined otherwise, terms defined in the Circular have the same meanings when used in this announcement.

As set out in the Circular, Haier-CCT will use its reasonable commercial efforts to ensure that the minimum public float of 25% is maintained upon completion of the Asset Injection in compliance with the Listing Rules. Haier-CCT has been informed by (i) Capital Winner Investments Limited ("**Capital Winner**"), a company controlled by Mr. Mak Shiu Tong, Clement ("**Mr. Mak**") who is the Chairman and an executive director of Haier-CCT and CCT

Telecom Holdings Limited ("**CCT Telecom**"), which is a substantial shareholder of Haier-CCT; (ii) Info-net International Corp. ("**Info-Net**"), a wholly-owned subsidiary of CCT Telecom; and (iii) Orient Rich (H.K.) Limited ("**Orient Rich**"), an indirect subsidiary of Qingdao Haier Investment and Development Co., Ltd. and which is a substantial shareholder of Haier-CCT that Deutsche Bank AG, Hong Kong Branch (the "**Placing Agent**") has been engaged on 19 January 2005 for the placing (the "**Placing**") of 76,502,333 shares of HK$0.10 each in Haier-CCT (the "**Shares**") by Capital Winner, 419,997,667 Shares by Info-Net and 1,133,500,000 Shares by Orient Rich, at a price of HK$0.24 per Share (the **"Placing Price")** on a fully-underwritten basis.

Upon completion of the Placing, the 25% minimum public float of Haier-CCT will be restored upon completion of the Asset Injection. Completion of the Placing is expected to take place on 24 January 2005. The following table sets out the shareholdings information of Haier-CCT (a) as at the date of this announcement; (b) immediately upon completion of the Placing; and (c) on completion of the Asset Injection (before issue of the Conversion Shares and full exercise of the Share Options):

Name		**(i) Number of Shares held as at the date of this announcement and (ii) approximate % of total issued Shares**		**(i) Number of Shares held immediately upon completion of the Placing and (ii) approximate % of total issued Shares**		**(i) Number of Shares held on completion of the Asset Injection (before issue of the Conversion Shares and full exercise of the Share Options) and (ii) approximate % of total issued Shares**
Haier Parties	(i)	2,983,000,000	(i)	1,849,500,000	(i)	8,219,206,667
	(ii)	29.9	(ii)	18.6	(ii)	50.3
CCT Telecom and its associates (as defined in the Listing Rules)	(i)	4,346,772,486	(i)	3,926,774,819	(i)	3,926,774,819
	(ii)	43.6	(ii)	39.4	(ii)	24.0
Mr. Mak and his associates (as defined in the Listing Rules)	(i)	107,219,667	(i)	30,717,334	(i)	30,717,334
	(ii)	1.1	(ii)	0.3	(ii)	0.2
Directors of Haier-CCT (other than Mr. Mak)	(i)	10,000,000	(i)	10,000,000	(i)	10,000,000
	(ii)	0.1	(ii)	0.1	(ii)	0.1
Public shareholders	(i)	2,517,035,792	(i)	4,147,035,792	(i)	4,147,035,792
	(ii)	25.3	(ii)	41.6	(ii)	25.4
Total	**(i)**	**9,964,027,945**	**(i)**	**9,964,027,945**	**(i)**	**16,333,734,612**
	(ii)	**100.0**	**(ii)**	**100.0**	**(ii)**	**100.0**

Haier-CCT has been informed by Capital Winner, Info-Net and Orient Rich that the Placing Agent has advised that each of the Placing Agent and the placees of the Placing and their respective beneficial owners is not a connected person (as defined in the Listing Rules) of Haier-CCT.

OTHER INFORMATION

CCT Telecom and its subsidiaries are principally engaged in the manufacture of telecom products, electric component and plastic, baby and health care products. Haier-CCT and its subsidiaries are principally engaged in the procurement of materials, manufacture and distribution of telecommunications equipment.

The Placing Agent is licensed under transitional arrangement under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") for type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities as defined under the SFO. So far as the directors of CCT Telecom is aware of after making reasonable enquiries, the Placing Agent is not a connected person (as defined in the Listing Rules) of CCT Telecom.

It is a requirement from the Stock Exchange that the minimum public float of 25% will have to be ensued upon completion of the Asset Injection in compliance with the Listing Rules. The directors of CCT Telecom are of the view that it is in the best interests of CCT Telecom and its shareholders as a whole for Haier-CCT to achieve completion of the Asset Injection as soon as possible and hence for CCT Telecom to effect the Placing. In view of the reason above, the directors of CCT Telecom are of the view that the Placing is in the best interest of CCT Telecom and its shareholders as a whole and the terms of the Placing are arrived at after arm's length negotiations and are on normal commercial terms. The directors of CCT Telecom are also of the view that the terms of the Placing are fair and reasonable (including the timing of the Placing and the Placing Price).

The audited consolidated net loss of Haier-CCT for the two years ended 31 December 2002 and 2003 amounted to approximately HK$66 million and approximately HK$856 million respectively. The audited consolidated net assets of Haier-CCT as at 31 December 2002 and 2003 amounted to approximately HK$2,102 million and approximately HK$1,246 million respectively.

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

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As at the date of this announcement, the directors of CCT Telecom are:

Executive directors:	Mak Shiu Tong, Clement, Tam Ngai Hung, Terry, Cheng Yuk Ching, Flora and William Donald Putt
Independent non-executive directors:	Samuel Olenick, Tam King Ching, Kenny and Lau Ho Man, Edward

As at the date of this announcement, the directors of Haier-CCT are:

Executive directors:	Mak Shiu Tong, Clement, Wu Ke Song, Chai Yong Sen, Liang Hai Shan, Tam Ngai Hung, Terry, Cui Shao Hua and Man Wei Dong
Independent non-executive directors:	Lam Kin Kau, Mark, Fung Hoi Wing, Henry and Lau Ho Wai, Lucas

By Order of the Board of
CCT TELECOM HOLDINGS LIMITED
(中建電訊集團有限公司 *)
Mak Shiu Tong, Clement
Chairman

By Order of the Board of
HAIER-CCT HOLDINGS LIMITED
(海爾中建集團有限公司 *)
Tam Ngai Hung, Terry
Director

Hong Kong, 19 January 2005

** for identification purposes only*

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