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This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of CCT Telecom Holdings Limited and CCT Tech International Limited.

CCT TELECOM HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 138)

CCT TECH INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 261)

ANNOUNCEMENT

Voluntary Conditional Cash Offer (with a Securities Exchange Alternative) by

DBS

DBS Asia Capital Limited
on behalf of Jade Assets Company Limited, a wholly-owned subsidiary of CCT Telecom Holdings Limited, to acquire all the issued shares and the convertible notes due 2005 of

CCT TECH INTERNATIONAL LIMITED

(other than those already owned by the Offeror and parties acting in concert with it (other than New Capital Industrial Limited)) and
Voluntary Conditional Cash Offer to cancel all outstanding options of

CCT TECH INTERNATIONAL LIMITED

(other than those already owned by the Offeror and parties acting in concert with it)
and
Major and Connected Transaction of CCT Telecom Holdings Limited

The Offers

CCT Telecom announced that DBS Asia, on behalf of the Offeror, subject to the conditions as set out in the paragraph headed "Conditions of the Offers" below, will make a voluntary conditional cash offer (with a securities exchange alternative) to acquire all the issued CCT Tech Shares and the CCT Tech 2005 CN (other than those already owned by the Offeror and parties acting in concert with it (other than New Capital)) and a voluntary conditional cash offer to cancel all the outstanding CCT Tech Options. The principal terms of the Offers are set out in the paragraph headed "The Offers" below. DBS Asia is satisfied that there are sufficient financial resources available to CCT Telecom to satisfy the amount of funds required to meet full acceptance of the Offers.

CCT Telecom currently holds 5,500,000,000 CCT Tech Shares through its indirect wholly-owned subsidiaries, representing approximately 34.51% in the issued share capital of CCT Tech. CCT Telecom also holds the CCT Tech 2008 CN in the principal amount of HK$615 million through its wholly-owned subsidiary, Noble Team Investments Limited, the full conversion of which would result in the issue of 43,928,571,428 CCT Tech Shares, representing approximately 275.61% of the existing issued capital of CCT Tech and approximately 73.38% of the issued capital of CCT Tech as enlarged thereby.

Compulsory Acquisition

If acceptances are received for 90% or more in value of the CCT Tech Shares in issue, CCT Telecom may avail itself of the compulsory acquisition provisions under the Companies Act to acquire the outstanding CCT Tech Shares not owned by it and parties acting in concert with it.

Major and Connected Transaction

The Offers constitute a major transaction for CCT Telecom under the Listing Rules and are subject to the approval of the CCT Telecom Shareholders at an extraordinary general meeting of CCT Telecom. CCT Telecom will convene an extraordinary general meeting to approve the Offers and the issue of new CCT Telecom Shares to be issued under the Convertible Bonds. The Offeror and parties acting in concert with it will abstain from voting. The possible issue of Convertible Bonds under the Cash Offer with Securities Exchange Alternative to connected persons and their associates, as defined under the Listing Rules, constitutes a connected transaction for CCT Telecom ("**Connected Transaction**"). The connected persons in this respect are namely Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry and Ms. Cheng Yuk Ching, Flora. An independent board committee will be formed to advise the independent shareholders of CCT Telecom in respect of the Connected Transaction and VC Capital Limited will be appointed to advise the independent board committee and the independent shareholders of CCT Telecom whether the terms of the Connected Transaction are fair and reasonable. The connected persons of CCT Telecom who are entitled to receive Convertible Bonds in the Offers will also abstain from voting.

Despatch of Circular and the Offer Document

A circular containing, among other things, the notice of the extraordinary general meeting and further details of the Offers and the letter of advice from VC Capital Limited will be despatched to the CCT Telecom Shareholders as soon as practicable, in accordance with the Listing Rules.

As New Capital, a company wholly-owned by Mr. Mak Shiu Tong, Clement, the Chairman and an executive director of both CCT Telecom and CCT Tech, and his family members, is the registered holder of the CCT Tech 2005 CN, VC Capital Limited has also been appointed to advise the board of CCT Telecom pursuant to Rule 2.4 of the Takeovers Code. VC Capital Limited has provided its advice to the board of CCT Telecom that the making of the Offers is in the interest of the CCT Telecom Shareholders. Written advice from VC Capital Limited will be contained in the circular of CCT Telecom.

The Offeror will despatch the Offer Document to the CCT Tech Shareholders, the holder of the CCT Tech 2005 CN and the CCT Tech Optionholders setting out the terms and other details of the Offers, together with the acceptance and transfer forms as soon as practicable, in accordance with the Takeovers Code.

The circular and the Offer Document will be despatched on the same date.

Despatch of Response Document

Within 14 days from the posting of the Offer Document, CCT Tech is required to despatch a response document to the CCT Tech Shareholders, the holder of the CCT Tech 2005 CN and the CCT Tech Optionholders in respect of the Offers. An independent board committee will be formed to advise the CCT Tech Independent Shareholders and the CCT Tech Optionholders in respect of the Offers. Altus Capital Limited has been appointed as the independent financial adviser to advise the independent board committee of CCT Tech, the CCT Tech Independent Shareholders and the CCT Tech Optionholders.

Suspension and Resumption of Trading

At the request of CCT Telecom, trading in the CCT Telecom Shares was suspended at 9:30 a.m. on 18 January 2005 pending the release of this announcement. An application has been made by CCT Telecom to the Stock Exchange for the resumption of trading in the CCT Telecom Shares from 9:30 a.m. on 1 February 2005.

At the request of CCT Tech, trading in the CCT Tech Shares was suspended at 9:30 a.m. on 18 January 2005 pending the release of this announcement. An application has been made by CCT Tech to the Stock Exchange for the resumption of trading in the CCT Tech Shares from 9:30 a.m. on 1 February 2005.

The Offers are subject to conditions described in the paragraph headed "Conditions of the Offers" below and accordingly will lapse if they do not become unconditional. The Offeror reserves the right to revise or extend the Offers as permitted under the Takeovers Code, details of which will be set out in the Offer Document. The CCT Telecom Shareholders, the CCT Tech Shareholders and investors of CCT Telecom and CCT Tech should exercise caution when dealing in the CCT Telecom Shares and the CCT Tech Shares.

INTRODUCTION

CCT Telecom announced that DBS Asia, on behalf of the Offeror, subject to the conditions as set out in the paragraph headed "Conditions of the Offers" below, will make a voluntary conditional cash offer (with a securities exchange alternative) to acquire all the issued CCT Tech Shares and the CCT Tech 2005 CN (other than those already owned by the Offeror and parties acting in concert with it (other than New Capital)), and a voluntary conditional cash offer to cancel all the outstanding CCT Tech Options (other than those already owned by the Offeror and parties acting in concert with it).

As at the date of this announcement, the Offeror and parties acting in concert with it hold approximately 34.51% of the issued share capital of CCT Tech. The Offeror and the parties acting in concert with it have not traded in any CCT Tech Shares in the six-month period before the date of this announcement.

THE OFFERS

The Offers will be made by DBS Asia on behalf of the Offeror.

The Offers, if approved by the CCT Telecom Shareholders, will be made on the following basis:

The Cash Offer with Securities Exchange Alternative

For every 80,000 CCT Tech Shares . . . . . HK$1,840 in cash, representing HK$0.023 per CCT Tech Share

or

Convertible Bond with the face value of HK$1,840, and in the same proportion for any greater number of the CCT Tech Shares

and

For every CCT Tech 2005 CN with a face value of HK$800 . . . . . HK$1,840 in cash, representing HK$0.023 per CCT Tech Share

or

Convertible Bond with the face value of HK$1,840, and in the same proportion for any greater number of the CCT Tech 2005 CN

The CCT Tech Shareholders and the holder of the CCT Tech 2005 CN should be aware that the Cash Offer with Securities Exchange Alternative will be made on the basis of one Convertible Bond with a face value of HK$1,840 for every 80,000 CCT Tech Shares (representing one board lot of the CCT Tech Shares being traded on the Stock Exchange) or for every CCT Tech 2005 CN with a face value of HK$800. No fraction of a cent will be payable. The amount of cash payable to the registered CCT Tech Shareholders who accept the Offers and opt for cash will be rounded up to the nearest cent. Since no fraction of the Convertible Bonds will be issued under the Cash Offer with Securities Exchange Alternative, the CCT Tech Shareholders who hold less than 80,000 CCT Tech Shares or whose shareholding are not a multiple of 80,000 CCT Tech Shares can only accept the cash alternative for those CCT Tech Shares which are less than one board lot of 80,000 CCT Tech Shares under the Cash Offer with Securities Exchange Alternative.

The Cash Offer with Securities Exchange Alternative of HK$1,840 in cash, or the Convertible Bonds with a face value of HK$1,840, for every 80,000 CCT Tech Shares or every CCT Tech 2005 CN with a face value of HK$800, has been determined by the Offeror with reference to the average closing price of the CCT Tech Share of HK$0.023 as quoted on the Stock Exchange for the last thirty days up to and including the Last Trading Day.

The highest and lowest closing prices at which the CCT Tech Shares were traded on the Stock Exchange during the six-month period immediately prior to the Last Trading Day, were HK$0.03 and HK$0.014 on 6 January 2005 and 28 September 2004, respectively.

Based on the average closing price of HK$0.023 per CCT Tech Share as quoted on the Stock Exchange for the last thirty days up to and including the Last Trading Day, the Cash Offer with Securities Exchange Alternative:

(a) represents a discount of approximately 4.17% to the closing price of HK$0.024 per CCT Tech Share as quoted on the Stock Exchange on the Last Trading Day;

(b) represents a discount of approximately 11.54% to the average closing price of approximately HK$0.026 per CCT Tech Share for the last ten trading days up to and including the Last Trading Day;

(c) represents a premium of approximately 9.52% over the average closing price of approximately HK$0.021 per CCT Tech Share for the last sixty trading days up to and including the Last Trading Day; and

(d) represents a premium of approximately 109.09% to the audited consolidated net asset value per CCT Tech Share of approximately HK$0.011 as at 31 December 2003 (based on the audited consolidated net assets of approximately HK$142,143,000 and 13,138,422,562 CCT Tech Shares in issue as at 31 December 2003) and a premium of approximately 53.33% to the unaudited consolidated net asset value per CCT Tech Share of approximately HK$0.015 as at 30 June 2004 (based on the unaudited consolidated net assets of approximately HK$210,599,000 and 14,138,422,562 CCT Tech Shares in issue as at 30 June 2004).

The CCT Tech 2005 CN and the CCT Tech 2008 CN

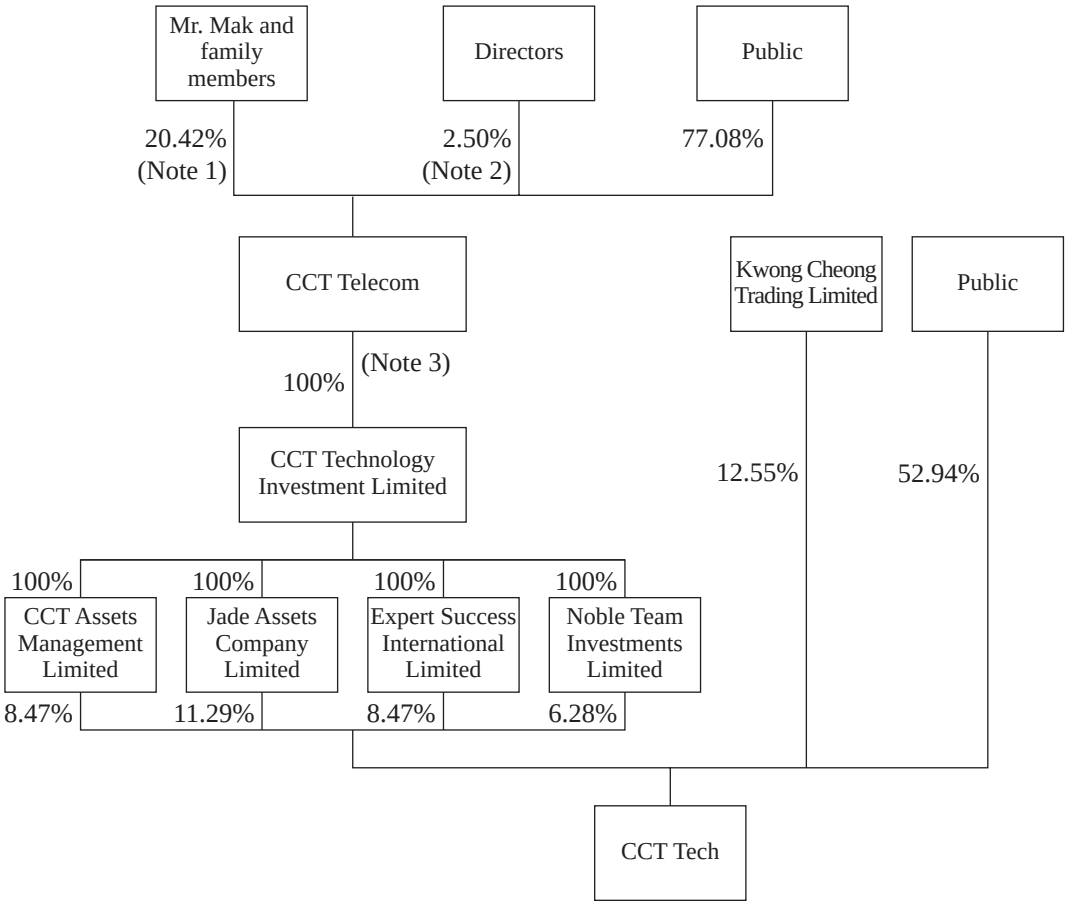
As at the date of this announcement, New Capital, a company wholly-owned by Mr. Mak Shiu Tong, Clement, the Chairman and an executive director of both CCT Telecom and CCT Tech, and his family members, is the registered holder of the CCT Tech 2005 CN. The full conversion of the CCT Tech 2005 CN would result in the issue of 4,500,000,000 new CCT Tech Shares (representing approximately 28.23% of the existing issued capital of CCT Tech and approximately 22.02% of the issued share capital of CCT Tech as enlarged thereby).

New Capital has provided an irrevocable undertaking to the Offeror to accept the Offers in the form of the CCT Tech 2005 CN or the 4,500,000,000 new CCT Tech Shares immediately upon the Offers having been approved by the CCT Telecom Shareholders and opt for the Convertible Bonds. The consideration of the CCT Tech 2005 CN is based on value of the underlying 4,500,000,000 new CCT Tech Shares at the offer price of HK$0.023 per CCT Tech Share.

The CCT Tech 2008 CN in the outstanding principal amount of HK$615 million as at date of this announcement is held by an indirect wholly-owned subsidiary of CCT Telecom, Noble Team Investments Limited, a party acting in concert with the Offeror. The CCT Tech 2008 CN will not form part of the Offers.

The following charts show the shareholding of CCT Tech (i) before conversion of the CCT Tech 2005 CN and the CCT Tech 2008 CN; and (ii) assuming conversion of the CCT Tech 2005 CN and the CCT Tech 2008 CN in full as of the date of this announcement

(i) Shareholding of CCT Tech before conversion of the CCT Tech 2005 CN and the CCT Tech 2008 CN:



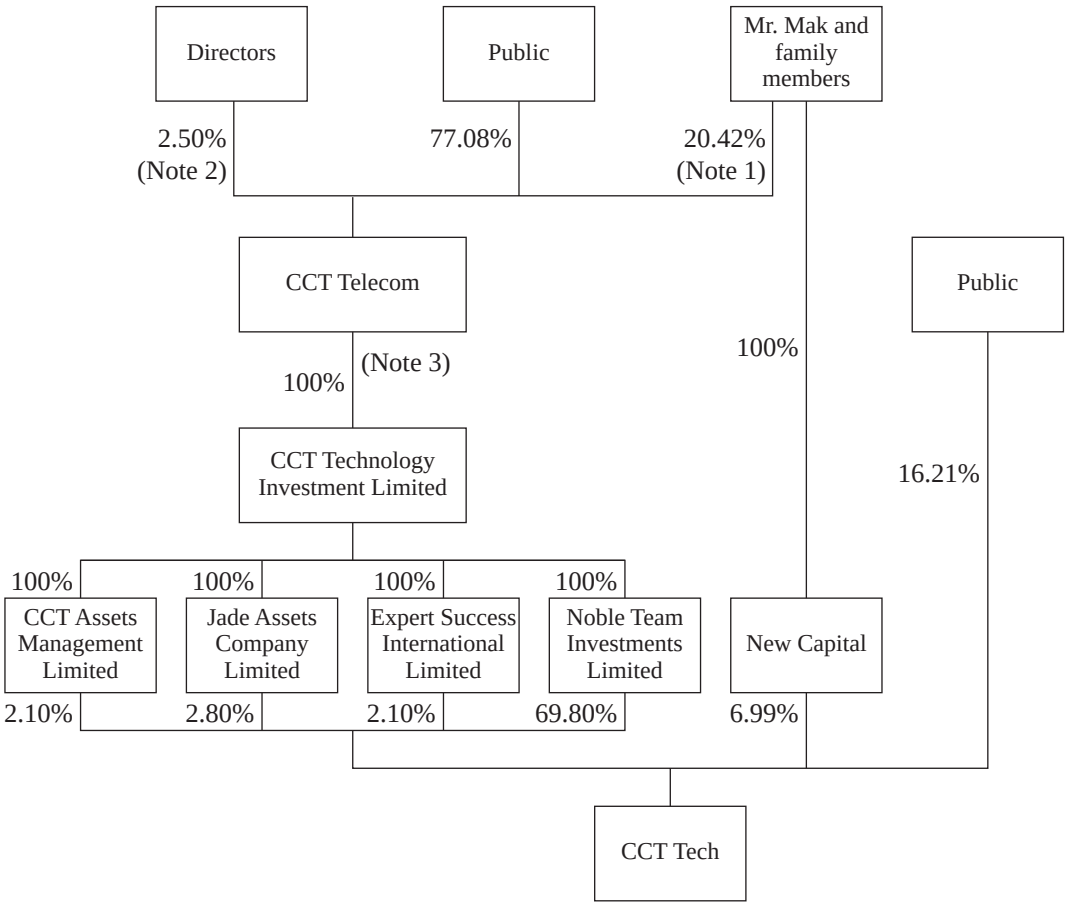
Notes:

1. The 20.42% interest in CCT Telecom is owned through Capital Force International Limited and Capital Interest Limited, which are corporations wholly-owned by Mr. Mak Shiu Tong, Clement and his family members.

2. The 2.50% interest in CCT Telecom is held by Ms. Cheng Yuk Ching, Flora (as to 2.36%), Dr. William Donald Putt (as to 0.04%), Mr. Samuel Olenick (as to 0.03%) and Mr. Tong Chi Hoi (as to 0.07%). Ms. Cheng and Dr. Putt are executive directors of CCT Telecom and CCT Tech. Mr. Olenick is an independent non-executive director of CCT Telecom and Mr. Tong is an executive director of CCT Tech.

3. CCT Telecom, through its subsidiaries, holds an aggregate interest of 34.51% in CCT Tech.

(ii) Shareholding of CCT Tech assuming full conversion of the CCT Tech 2005 CN and the CCT Tech 2008 CN:



Notes:

1. The 20.42% interest in CCT Telecom is owned through Capital Force International Limited and Capital Interest Limited, which are corporations wholly-owned by Mr. Mak Shiu Tong, Clement and his family members.

2. The 2.50% interest in CCT Telecom is held by Ms. Cheng Yuk Ching, Flora (as to 2.36%), Dr. William Donald Putt (as to 0.04%), Mr. Samuel Olenick (as to 0.03%) and Mr. Tong Chi Hoi (as to 0.07%). Ms. Cheng and Dr. Putt are executive directors of CCT Telecom and CCT Tech. Mr. Olenick is an independent non-executive director of CCT Telecom and Mr. Tong is an executive director of CCT Tech.

3. CCT Telecom, through its subsidiaries, holds an aggregate interest of 76.80% in CCT Tech.

The Option Offer

For cancellation of each outstanding CCT Tech Option . . . . . HK$0.009 in cash

As at the date of this announcement, CCT Tech has 1,082,781,000 outstanding CCT Tech Options. The exercise in full of the 1,082,781,000 CCT Tech Options would result in the issue of additional 1,082,781,000 CCT Tech Shares (representing approximately 6.36% of the issued share capital of CCT Tech as enlarged thereby).

The exercise price for the outstanding CCT Tech Options is HK$0.014 per CCT Tech Option. The Option Offer Price shall be HK$0.009 in cash per CCT Tech Option, representing the difference between the cash price under the Cash Offer with Securities Exchange Alternative of HK$0.023 per CCT Tech Share and the exercise price of HK$0.014 per CCT Tech Option. The details of the CCT Tech Optionholders are as follows:

CCT Tech Optionholders	Number of CCT Tech Options held	Exercise period
Executive directors of CCT Tech		
Mak Shiu Tong, Clement	100,000,000	30.4.2003–29.4.2008
Tam Ngai Hung, Terry	100,000,000	30.4.2003–29.4.2008
Cheng Yuk Ching, Flora	100,000,000	30.4.2003–29.4.2008
Tong Chi Hoi	50,000,000	30.4.2003–29.4.2008
Independent non-executive directors of CCT Tech		
Lau Ho Kit, Ivan	8,000,000	30.4.2003–29.4.2008
Chow Siu Ngor	8,000,000	30.4.2003–29.4.2008
Other qualified participants *(Note)*	716,781,000	30.4.2003–29.4.2008
Total	1,082,781,000	

Note: They are employees of CCT Tech who are independent of, and not connected with the directors, chief executive or substantial shareholders of CCT Tech or its subsidiaries or any of their respective associates.

Save for the CCT Tech 2005 CN, the CCT Tech 2008 CN and the CCT Tech Options, CCT Tech has no other convertible securities, options, derivatives or warrants outstanding and has not entered into any agreement for the issue of any convertible securities, options, warrants or derivatives of CCT Tech.

Convertible Bonds

The Convertible Bonds will be issued by CCT Telecom to the CCT Tech Shareholders and the holder of the CCT Tech 2005 CN who accept the Cash Offer with Securities Exchange Alternative and opt for the Convertible Bonds instead of cash. The Convertible Bonds can be converted into the CCT Telecom Shares during the Conversion Period as mentioned below. The principal terms of the Convertible Bonds are as follows:

Principal amount:	Each Convertible Bond has a face value of HK$1,840
Interest:	No interest is payable
Conversion right:	The whole or part of the principal amount of the Convertible Bonds may be converted into the CCT Telecom Shares on any Business Day at the Conversion Price as mentioned below at any time during the Conversion Period as mentioned below
Conversion Period:	The period during which the holders of the Convertible Bonds can convert the Convertible Bonds into the CCT Telecom Shares, which will start from the date of issue of the Convertible Bonds and end on the fifth Business Day before the maturity date of the Convertible Bonds
Conversion Price:	HK$1.267 per CCT Telecom Share, subject to adjustment as provided in the terms and conditions of the Convertible Bonds
Maturity:	The fifth anniversary from the date of issue of the Convertible Bonds. Unless converted into the CCT Telecom Shares or repaid by CCT Telecom in whole or in part of the outstanding balance by giving the bondholder written notice, the principal amount of any Convertible Bonds remaining outstanding shall be automatically redeemed in full on maturity
Repayment:	CCT Telecom may at its sole discretion, repay in whole or in part of the outstanding balance of the Convertible Bonds not yet repaid or converted into the CCT Telecom Shares any time before maturity by giving the holders of the Convertible Bonds a prior written notice of 14 days
Transferability:	The Convertible Bonds may be transferred to any third party subject to compliance with the terms and conditions of the Convertible Bonds and further subject to the conditions, approvals, requirements and any other provisions of or under all applicable laws and regulations and the Listing Rules. If the Convertible Bonds are transferred to the connected person(s) (as defined in the Listing Rules) of CCT Telecom or its associate(s), CCT Telecom shall immediately notify the Stock Exchange and all such transfers will be made subject to full compliance with the Listing Rules
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 new CCT Telecom Shares which may be issued under the Convertible Bonds. No listing application will be made for the Convertible Bonds

Voting: The holder of the Convertible Bonds shall not be entitled to attend or vote at any general meeting of CCT Telecom by reason only of its being the holder of the Convertible Bonds

The conversion price of HK$1.267 has been determined by the Offeror with reference to the average closing price of the CCT Telecom Shares as quoted on the Stock Exchange for the last thirty days up to and including the Last Trading Day.

The highest and lowest closing prices at which the CCT Telecom Shares were traded on the Stock Exchange during the six-month period immediately prior to the Last Trading Day, were HK$1.41 and HK$0.89 on 15 November 2004 and 16 August 2004, respectively.

The conversion price of HK$1.267:

(a) represents a discount of approximately 4.74% to the closing price of HK$1.33 per CCT Telecom Share as quoted on the Stock Exchange on the Last Trading Day;

(b) represents a discount of approximately 4.31% to the average closing price of approximately HK$1.324 per CCT Telecom Share for the last ten trading days up to and including the Last Trading Day;

(c) represents a discount of approximately 0.71% over the average closing price of approximately HK$1.276 per CCT Telecom Share for the last sixty trading days up to and including the Last Trading Day; and

(d) represents a discount of approximately 76.70% to the audited consolidated net asset value per CCT Telecom Share of approximately HK$5.437 as at 31 December 2003 (based on the audited consolidated net assets of approximately HK$2,295,000,000 and 422,105,230 CCT Telecom Shares in issue as at 31 December 2003) and a discount of approximately 76.78% to the unaudited consolidated net asset value per CCT Telecom Share of approximately HK$5.456 as at 30 June 2004 (based on the unaudited consolidated net assets of approximately HK$2,303,000,000 and 422,105,230 CCT Telecom Shares in issue as at 30 June 2004).

Conversion of the Convertible Bonds into the CCT Telecom Shares should be made in each face value of HK$1,840 or its multiple. Fraction of a CCT Telecom Share will not be issued upon conversion of the Convertible Bonds and the number of shares to be issued upon conversion of the Convertible Bonds will be rounded down to the nearest one CCT Telecom Share.

Total consideration for the Offers

As at the date of this announcement, there are a total of 15,938,422,562 CCT Tech Shares in issue of which 10,438,422,562 CCT Tech Shares are held by the CCT Tech Shareholders other than the Offeror and the parties acting in concert with it. On the basis of the cash consideration of HK$1,840 or a Convertible Bond of a principal amount of HK$1,840, for every 80,000 CCT Tech Shares or for every CCT Tech 2005 CN with a face value of HK$800 (as the case may be), the entire issued share capital of CCT Tech held by the CCT Tech Shareholders (other than the Offeror and the parties acting in concert with it) and the CCT Tech 2005 CN are valued at approximately HK$240,083,718.93 and HK$103,500,000.00 respectively.

On the basis of the Option Offer Price for cancellation of each outstanding CCT Tech Option, the 1,082,781,000 outstanding CCT Tech Options are valued at approximately HK$9,745,029.00. Assuming full conversion of the CCT Tech Options into the CCT Tech Shares, and based on the offer price of HK$0.023 per CCT Tech Share, the 1,082,781,000 CCT Tech Shares are valued at approximately HK$24,903,963.00.

DBS Asia is satisfied that there are sufficient financial resources available to CCT Telecom to satisfy the amount of funds required to meet full acceptance of the Offers.

Terms of the Offers

Acceptance of the Cash Offer with Securities Exchange Alternative or the Option Offer by any CCT Tech Shareholder, the holder of the CCT Tech 2005 CN or the CCT Tech Optionholder (as the case may be) will be deemed to constitute a warranty by such person that all the CCT Tech Shares or the CCT Tech Options or the CCT Tech 2005 CN (as the case may be) to be sold by such person under the Cash Offer with Securities Exchange Alternative or the Option Offer (as the case may be) will be acquired free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, in the case of the CCT Tech Shares, the right to receive dividends and distributions declared, made or paid, if any, on or after the date of this announcement.

The availability of the Cash Offer with Securities Exchange Alternative to persons not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

Settlement

The certificates of the Convertible Bonds or cheques will be despatched to the CCT Tech Shareholders, the holder of CCT Tech 2005 CN and the CCT Tech Optionholders who have accepted the Offers within ten days of the later of the date on which the Offers become unconditional and the date of receipt of duly completed valid acceptances.

The CCT Tech Shareholders and the holder of the CCT Tech 2005 CN should be aware that the Cash Offer with Securities Exchange Alternative will be made on the basis of one Convertible Bond with a face value of HK$1,840 for every 80,000 CCT Tech Shares (representing one board lot of CCT Tech Shares being traded on the Stock Exchange) or for every CCT Tech 2005 CN with a face value of HK$800. No fraction of a cent will be payable. The amount of cash payable to the registered CCT Tech Shareholders who accept the Offers and opt for cash will be rounded up to the nearest cent. Since no fraction of the Convertible Bonds will be issued under the Cash Offer with Securities Exchange Alternative, the CCT Tech Shareholders who hold less than 80,000 CCT Tech Shares or whose shareholding are not a multiple of 80,000 CCT Tech Shares can only accept the cash alternative for those CCT Tech Shares which are less than one board lot of 80,000 CCT Tech Shares under the Cash Offer with Securities Exchange Alternative.

The Cash Offer with Securities Exchange Alternative of HK$1,840 in cash, or Convertible Bonds with a face value of HK$1,840, for every 80,000 CCT Tech Shares or every CCT Tech 2005 CN with a face value of HK$800, has been determined by the Offeror with reference to the average closing price of the CCT Tech Share of HK$0.023 as quoted on the Stock Exchange for the last thirty days up to and including the Last Trading Day.

The CCT Tech Shareholders and the holder of the CCT Tech 2005 CN should also be aware that the Convertible Bonds are convertible into the CCT Telecom Shares which are traded in board lots of 2,000 CCT Telecom Shares.

CONDITIONS OF THE OFFERS

The Offers are conditional upon the following:

(a) the Offers having been approved by the CCT Telecom Shareholders at an extraordinary general meeting of CCT Telecom in accordance with the requirements under the Listing Rules;

(b) each and every member of the CCT Tech Group remaining solvent and not subject to any insolvency or bankruptcy proceedings or likewise and no liquidator, provisional liquidator, receiver or other person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the assets or undertakings of any member of the CCT Tech Group from the date of this announcement up to the date when conditions (a), (c), (d) and (e) are all satisfied;

(c) no event having occurred on or before the date on which condition (d) below has been fulfilled which would make the Offers or the acquisition of any of the CCT Tech Shares by the Offeror and/or cancellation of the CCT Tech Options void, unenforceable, illegal or unable to be proceeded or would impose any additional material conditions or obligations with respect to the Offers or any part thereof or the acquisition of any of the CCT Tech Shares and/or cancellation of any CCT Tech Options;

(d) valid acceptances of the Cash Offer with Securities Exchange Alternative having been received (and, where permitted, not withdrawn) by 4:00 p.m. on the Closing Date (or such later times(s) and/or date(s) as the Offeror may decide and the Executive may approve) in respect of the CCT Tech Shares, which together with the CCT Tech Shares already held by the Offeror and parties acting in concert with it, constitute more than 50% of the voting rights normally exercisable at general meetings of CCT Tech; and

(e) the Stock Exchange granting the listing of, and permission to deal in, the new CCT Telecom Shares to be issued pursuant to the terms of the Convertible Bonds.

The Offers may or may not become unconditional. The CCT Telecom Shareholders, the CCT Tech Shareholders and investors of CCT Telecom and CCT Tech should exercise caution when dealing in the CCT Telecom Shares and the CCT Tech Shares.

WAIVER OF THE CONDITIONS OF THE OFFERS

CCT Telecom reserves the right to waive all or any of the above conditions (except conditions (a), (d) and (e) which cannot be waived) in whole or in part on or before the Closing Date.

Thus, if the Offeror does not receive valid acceptances of the Cash Offer with Securities Exchange Alternative by the Closing Date, which together with the CCT Tech Shares already held by the Offeror and parties acting in concert with it before or during the Offers will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of CCT Tech, the Offers cannot become unconditional and the Offers will lapse unless they are revised or extended. The Offeror reserves the right to revise or extend the Offers as permitted under the Takeovers Code, details of which will be set out in the Offer Document.

STAMP DUTY

Seller's ad valorem stamp duty for the CCT Tech Shares registered on the Hong Kong branch share register arising in connection with acceptance of the Cash Offer with Securities Exchange Alternative will be payable by the CCT Tech Shareholders, at the rate of HK$1.00 for every HK$1,000 or part thereof of the consideration payable by the Offeror for such person's CCT Tech Shares and will be deducted from the cash amount due to such person under the Cash Offer with Securities Exchange Alternative. If the CCT Tech Shareholders elect to receive the Convertible Bonds and in the case of the CCT Tech 2005 CN, both the seller's and buyer's ad valorem stamp duty in respect of the relevant acceptance will be borne by CCT Telecom.

INFORMATION ON CCT TECH

CCT Tech is an indirect non wholly-owned subsidiary of CCT Telecom which currently holds a beneficial interest of approximately 34.51% in CCT Tech. The executive directors of CCT Tech are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora, Mr. Tong Chi Hoi and Dr. William Donald Putt, with the exception of Mr. Tong Chi Hoi, all of whom are also executive directors of CCT Telecom. Mr. Mak Shiu Tong, Clement is the Chairman of both CCT Tech and CCT Telecom.

The CCT Tech Group is principally engaged in the sale, manufacture, design and development of telecom products and electronic products on an ODM and OEM basis. The audited consolidated net assets of CCT Tech as at 31 December 2002 and 31 December 2003 amounted to approximately HK$46 million and HK$142 million respectively, or approximately HK$0.0043 and HK$0.011 per CCT Tech Share. The audited consolidated turnover of CCT Tech for each of the financial period ended 30 September 2001, 31 December 2002 and 31 December 2003 amounted to approximately HK$84 million, HK$106 million and HK$1,926 million respectively. The audited consolidated net profit/(net loss) before taxation of CCT Tech for each of the financial period ended 30 September 2001, 31 December 2002 and 31 December 2003 amounted to approximately HK$(45) million, HK$100 million and HK$82 million respectively. The audited consolidated net profit/(net loss) after taxation of CCT Tech for each of the financial period ended 30 September 2001, 31 December 2002 and 31 December 2003 amounted to approximately HK$(45) million, HK$98 million and HK$73 million respectively. The unaudited consolidated turnover and net profit before taxation and after taxation of CCT Tech for the six months ended 30 June 2004 amounted to approximately HK$1,783 million, HK$64 million and HK$57 million respectively.

SHAREHOLDING STRUCTURE OF CCT TECH AND SUBSTANTIAL SHAREHOLDERS OF CCT TECH AS AT THE DATE OF THIS ANNOUNCEMENT AS RECORDED IN THE REGISTER REQUIRED TO BE KEPT BY CCT TECH UNDER SECTION 336 OF THE SFO

	Number of the CCT Tech Shares	%
CCT Telecom *(Note 1)*	5,500,000,000	34.51
Kwong Cheong Trading Limited *(Note 2)*	2,000,000,000	12.55
Public shareholders		
Deutsche Bank Aktiengesellschaft	1,285,280,000	8.06
Other public shareholders	7,153,142,562	44.88
Total shareholdings held by public	**8,438,422,562**	**52.94**
Total	**15,938,422,562**	**100.00**

Note 1 : The interest comprises 1,800,000,000 CCT Tech Shares held by Jade Assets Company Limited, 1,350,000,000 CCT Tech Shares held by CCT Assets Management Limited, 1,350,000,000 CCT Tech Shares held by Expert Success International Limited and 1,000,000,000 CCT Tech Shares held by Noble Team Investments Limited, all of them are indirect wholly-owned subsidiaries of CCT Telecom.

Note 2 : Other than its holding of a 12.55% interest in CCT Tech, Kwong Cheong Trading Limited is independent of, and not connected with CCT Telecom, its directors, chief executive, substantial shareholders and their respective associates.

INFORMATION ON THE OFFEROR AND CCT TELECOM

The Offeror is a company incorporated in the British Virgin Islands on 4 January 2000 and is an indirect wholly-owned subsidiary of CCT Telecom. The directors of the Offeror are Mr. Mak Shiu Tong, Clement and Ms. Cheng Yuk Ching, Flora, both are also executive directors of CCT Telecom. The main business of the Offeror is investment holding. CCT Telecom was incorporated in the Cayman Islands, whose shares are listed on the main board of the Stock Exchange. The CCT Telecom Group's principal activities can be broadly categorised into (i) manufacture, sale, design and development of telecom products and electronic products through the CCT Tech Group; (ii) manufacture of power supply components; and (iii) manufacture and sale of plastic components and baby and health care products (including but not limited to the plastic baby health care products, sewed soft toys, baby and toy wears and other accessories). As at the date of this announcement, companies controlled by Mr. Mak Shiu Tong, Clement are the substantial shareholders of CCT Telecom, beneficially interested in 86,261,941 CCT Telecom Shares, under the register kept by CCT Telecom under Section 336 of the SFO representing approximately 20.42% of the existing issued share capital of CCT Telecom.

Based on the latest published audited financial statements of CCT Telecom, the audited consolidated net (loss) before taxation and net (loss) after taxation and minority interests of CCT Telecom were approximately HK$(59) million and approximately HK$(118) million respectively for the financial year ended 31 December 2003. Based on the published unaudited financial statements of CCT Telecom for the six months ended 30 June 2004, the unaudited consolidated net

profit before taxation and the net profit after taxation and minority interests of CCT Telecom were approximately HK$101 million and approximately HK$56 million respectively for the six months ended 30 June 2004. Basic earnings/(loss) per CCT Telecom Share was approximately HK$(0.28) and HK$0.133 for the year ended 31 December 2003 and for the six months ended 30 June 2004 respectively. The audited consolidated net asset of the CCT Telecom Group as at 31 December 2003 was approximately HK$2,295 million, and the unaudited net asset of the CCT Telecom Group as at 30 June 2004 was approximately HK$2,303 million or approximately HK$5.44 and HK$5.46 per CCT Telecom Share respectively. The audited consolidated net (loss) before taxation and the consolidated net (loss) after taxation and minority interest of CCT Telecom were approximately HK$(256) million and approximately HK$(259) million respectively for the financial year ended 31 December 2002. Basic (loss) per CCT Telecom Share was approximately HK$(0.61) for the year ended 31 December 2002. The audited consolidated net assets of the CCT Telecom Group as at 31 December 2002 was approximately HK$2,427 million.

As at the date of this announcement, CCT Telecom has outstanding CCT Telecom Options convertible into 41,780,000 CCT Telecom Shares. The details of the holders of the CCT Telecom Options are as follows:

Holders of CCT Telecom Options	**Number of CCT Telecom Options held**	**Exercise period**
Executive directors of CCT Telecom		
Mak Shiu Tong, Clement	420,000	17.3.2003–16.3.2008
Tam Ngai Hung, Terry	4,200,000	17.3.2003–16.3.2008
Cheng Yuk Ching, Flora	4,200,000	17.3.2003–16.3.2008
William Donald Putt	420,000	17.3.2003–16.3.2008
Independent non-executive directors of CCT Telecom		
Samuel Olenick	420,000	17.3.2003–16.3.2008
Tam King Ching, Kenny	420,000	17.3.2003–16.3.2008
Lau Ho Man, Edward	420,000	17.3.2003–16.3.2008
Executive directors of CCT Tech		
Tong Chi Hoi	1,000,000	17.3.2003–16.3.2008
Other qualified participants *(Note)*	30,280,000	17.3.2003–16.3.2008
Total	41,780,000	

Note: They are employees of CCT Telecom or directors of an associated company of CCT Telecom, who are independent of, and not connected with the directors, chief executive or substantial shareholders of CCT Telecom or its subsidiaries or any of their respective associates.

Neither the Offeror nor parties acting in concert with it has dealt in the CCT Tech Shares in the six-month period prior to the date of this announcement.

Assuming New Capital and all the CCT Tech Independent Shareholders accept the Cash Offer with Securities Exchange Alternative and take the Convertible Bonds instead of cash and all the CCT Tech Options are not exercised and are cancelled pursuant to the Option Offer, Convertible Bonds

in the principal amount of HK$343,583,718.93 will be issued. A total of 271,178,941 new CCT Telecom Shares will be issued upon conversion of all Convertible Bonds in the principal amount of HK$343,583,718.93 at the conversion price of HK$1.267 per CCT Telecom Share, representing approximately 39.09% of the enlarged share capital of CCT Telecom or approximately 64.18% of the existing share capital of CCT Telecom. The shareholding structure of CCT Telecom, both before and after completion of the Offers, assuming full acceptance of the Cash Offer with Securities Exchange Alternative electing for the Convertible Bonds, full cancellation of the CCT Tech Options and the exercise of CCT Telecom Options in full is as follows:

	Existing Shareholding		**Upon full conversion of Convertible Bonds and the exercise of the CCT Telecom Options in full**	
	Number of CCT Telecom Shares	**%**	**Number of CCT Telecom Shares**	**%**
Shareholdings of directors of CCT Telecom and CCT Tech				
Mr. Mak Shiu Tong, Clement	—	—	420,000	0.06
Companies controlled by Mr. Mak and his family members:				
— Capital Force International Limited	56,850,093	13.46	56,850,093	7.73
— Capital Interest Limited	29,411,848	6.96	29,411,848	4.00
— New Capital *(Note)*	—	—	81,689,029	11.10
Subtotal for interests of Mr. Mak	**86,261,941**	**20.42**	**168,370,970**	**22.89**
Ms. Cheng Yuk Ching, Flora	9,996,713	2.37	14,196,713	1.93
Mr. Tam Ngai Hung, Terry	—	—	4,200,000	0.57
Dr. William Donald Putt	171,500	0.04	591,500	0.08
Mr. Samuel Olenick	125,000	0.03	545,000	0.07
Mr. Tam King Ching, Kenny	—	—	420,000	0.06
Mr. Lau Ho Man, Edward	—	—	420,000	0.06
Mr. Tong Chi Hoi (an executive director of CCT Tech)	282,000	0.07	1,282,000	0.17
Public	325,688,076	77.07	545,457,988	74.17
Total	**422,525,230**	**100.00**	**735,484,171**	**100.00**

Note: New Capital has provided an undertaking to accept the Convertible Bonds under the Cash Offer with Securities Exchange Alternative and 81,689,029 CCT Telecom Shares will be issued upon conversion of such Convertible Bonds at the initial conversion price of HK$1.267.

INTENTION OF THE MAJOR SHAREHOLDERS OF CCT TECH

Save for the irrevocable undertaking to accept the Cash Offer with Securities Exchange Alternative by New Capital as described in section headed "The CCT Tech 2005 CN" above, none of the directors of CCT Tech holding in aggregate 366,000,000 CCT Tech Options, representing 366,000,000 new CCT Tech Shares or approximately 2.30% of the existing issued share capital of CCT Tech upon the exercise of the CCT Tech Options in full, have given any undertakings to accept or not to accept the Cash Offer with Securities Exchange Alternative or the Option Offer up to the date of this announcement and none of the major shareholders of CCT Tech have given any undertakings to accept the Cash Offer with Securities Exchange Alternative.

OFFEROR'S INTENTION IN RELATION TO THE CCT TECH GROUP

Reasons for the Offers

The manufacture and sale of telecom and electronic products on an OEM and ODM basis has been the core business of the CCT Tech Group and therefore is also a major core business of the CCT Telecom Group which includes the CCT Tech Group. The directors of CCT Telecom are of the view that the prospects of the CCT Tech Group is promising as evidenced by the continuing trend of growth in terms of both turnover and operating profit of the telecom products business. Although CCT Tech is a major subsidiary of the CCT Telecom Group, CCT Telecom only holds an approximately 34.51% interest in CCT Tech which has resulted in a situation that CCT Telecom can only share approximately 34.51% of the consolidated profits of CCT Tech. Therefore, the directors of CCT Telecom have decided to make the Offers with an intention to increase its shareholding in CCT Tech to at least above 50%.

Also, if the Offers are successful, the shareholding structure of CCT Tech will be simplified. CCT Telecom will hold a controlling interest in CCT Tech and will therefore increase its share of the profits of the CCT Tech Group.

The possible conversion of the CCT Tech 2005 CN in full after the Offers become unconditional will reduce the liability of CCT Tech and increase its capital base. This will benefit CCT Tech and indirectly benefit CCT Telecom.

If CCT Telecom can privatise CCT Tech through the Offers, CCT Tech and its subsidiaries will become wholly-owned subsidiaries of CCT Telecom. Under such situation, CCT Telecom can share the entire net profit of CCT Tech, and the connected transactions between the CCT Telecom Remaining Group and the CCT Tech Group will be eliminated. Furthermore, the administration costs for the CCT Tech Group as an unlisted group will be reduced significantly.

Appointment of Directors

The Offeror does not intend to make any changes to the current board composition of CCT Tech.

Intention of the Offeror regarding CCT Tech

The Offeror and CCT Telecom intend to effect the compulsory acquisition of CCT Tech in the event that the Offeror is permitted to do so under the Companies Act and the Takeovers Code, and to apply for the delisting of CCT Tech.

Pursuant to Rule 2.11 of the Takeovers Code, except with the consent of the Executive, where the Offeror seeks to acquire or privatise CCT Tech by means of the Offers and the use of compulsory acquisition rights, such rights may only be exercised if, in addition to satisfying any requirements imposed by the Companies Act, acceptance of the Offers and purchases (in each case of the disinterested shares) made by the Offeror and persons acting in concert with it during the period of four months after posting the Offer Document total 90% of the disinterested shares.

The directors of CCT Telecom and the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that public float exists in the CCT Tech Shares if listing is to be maintained.

The Stock Exchange has stated that if, upon the close of the Offers, less than 25% of the CCT Tech Shares are held by the public or if the Stock Exchange believes that:

— a false market exists or may exist in the trading of the CCT Tech Shares; or

— there are insufficient 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 level of sufficient public float is attained.

So long as CCT Tech remains a listed company, the Stock Exchange will also closely monitor all future acquisitions or disposals of assets of CCT Tech. Any acquisitions or disposals of assets by the CCT Tech Group will be subject to the provisions of the Listing Rules. Pursuant to the Listing Rules, the Stock Exchange has the discretion to require CCT Tech to issue an announcement and a circular to the CCT Tech Shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of CCT Tech. The Stock Exchange also has the power to aggregate a series of acquisitions or disposals of CCT Tech and any such transactions may result in CCT Tech being treated as if it were a new listing applicant and subject to the requirements for new listing applicants as set out in the Listing Rules.

Availability of the Offers

The Offer Document will be sent to the CCT Tech Shareholders, the holder of the CCT Tech 2005 CN and the CCT Tech Optionholders, including those with a registered address outside Hong Kong. However, the availability of the Offers to persons not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

MAJOR AND CONNECTED TRANSACTION

As the Offers constitute a major transaction for CCT Telecom under the Listing Rules, the Offers are subject to the approval of the CCT Telecom Shareholders at an extraordinary general meeting of CCT Telecom. CCT Telecom will convene an extraordinary general meeting to approve, inter alia, the Offers and the issue of new CCT Telecom Shares under the Convertible Bonds. The

Offeror and parties acting in concert with it will abstain from voting. The possible issue of Convertible Bonds under the Cash Offer with Securities Exchange Alternative to connected persons and their associates, as defined under the Listing Rules, constitutes a connected transaction for CCT Telecom ("**Connected Transaction**"). The connected persons in this respect are namely Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry and Ms. Cheng Yuk Ching, Flora. An independent board committee will be formed to advise the independent shareholders of CCT Telecom in respect of the Connected Transaction and VC Capital Limited will be appointed to advise the independent board committee and the independent shareholders of CCT Telecom whether the terms of the Connected Transaction are fair and reasonable. The connected persons of CCT Telecom who are entitled to receive Convertible Bonds in the Offers will also abstain from voting.

As New Capital, a company wholly-owned by Mr. Mak Shiu Tong, Clement, the Chairman and an executive director of both CCT Telecom and CCT Tech, and his family members, is the registered holder of the CCT Tech 2005 CN, VC Capital Limited has also been appointed to advise the board of CCT Telecom pursuant to Rule 2.4 of the Takeovers Code. VC Capital Limited has provided its advice to the board of CCT Telecom that the making of the Offers is in the interest of the CCT Telecom Shareholders. Written advice from VC Capital Limited will be contained in the circular of CCT Telecom.

DESPATCH OF CIRCULAR AND THE OFFER DOCUMENT

A circular containing, among other things, the notice of the extraordinary general meeting and further details of the Offers and the letter of advice from VC Capital Limited will be despatched to the CCT Telecom Shareholders as soon as practicable.

The Offeror will despatch the Offer Document to the CCT Tech Shareholders, the holder of the CCT Tech 2005 CN and the CCT Tech Optionholders setting out the terms and other details of the Offers, together with the acceptance and transfer forms as soon as practicable, in accordance with the Takeovers Code.

The circular and the Offer Document will be despatched on the same date.

DESPATCH OF RESPONSE DOCUMENT

Within 14 days from the posting of the Offer Document, CCT Tech is required to despatch a response document to the CCT Tech Shareholders, the holder of the CCT Tech 2005 CN and the CCT Tech Optionholders in respect of the Offers. An independent board committee will be formed to advise the CCT Tech Independent Shareholders and the CCT Tech Optionholders in respect of the Offers. Altus Capital Limited has been appointed to advise the independent board committee of CCT Tech, the CCT Tech Independent Shareholders and the CCT Tech Optionholders.

GENERAL

The Offers are made on an arm's length basis and the directors of CCT Telecom believe that the terms of the Offers are in the interests of the CCT Telecom Shareholders and the CCT Tech Shareholders as a whole.

An application will be made to the Stock Exchange for the granting of the listing of and permission to deal in the new CCT Telecom Shares to be issued under the Convertible Bonds in respect of the Offers.

DBS Asia has been appointed as the financial adviser to the Offeror in respect of the Offers.

SUSPENSION AND RESUMPTION OF TRADING

At the request of CCT Telecom, trading in the CCT Telecom Shares was suspended at 9:30 a.m. on 18 January 2005 pending the release of this announcement. An application has been made by CCT Telecom to the Stock Exchange for the resumption of trading in the CCT Telecom Shares from 9:30 a.m. on 1 February 2005.

At the request of CCT Tech, trading in the CCT Tech Shares was suspended at 9:30 a.m. on 18 January 2005 pending the release of this announcement. An application has been made by CCT Tech to the Stock Exchange for the resumption of trading in the CCT Tech Shares from 9:30 a.m. on 1 February 2005.

DEFINITIONS

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

"acting in concert"	has the meaning ascribed to it in the Takeovers Code
"Business Day"	a day (excluding Saturday) on which banks are generally open in Hong Kong for general banking transactions for more than four hours
"Cash Offer with Securities Exchange Alternative"	the voluntary conditional cash offer (with securities exchange alternative) of HK$1,840 in cash or Convertible Bonds with a face value of HK$1,840, for every 80,000 CCT Tech Shares or every CCT Tech 2005 CN with a face value of HK$800
"CCT Tech"	CCT Tech International Limited, an exempted company incorporated in Bermuda and the securities of which are listed on the main board of the Stock Exchange
"CCT Tech 2005 CN"	the convertible notes issued by CCT Tech to New Capital with an outstanding principal amount of HK$45,000,000 as at the date of this announcement, with a conversion price of HK$0.01 per CCT Tech Share and due on 17 May 2005
"CCT Tech 2008 CN"	the convertible notes issued by CCT Tech to a subsidiary of CCT Telecom, Noble Team Investments Limited, a party acting in concert with the Offeror, with an outstanding principal amount of HK$615,000,000 as at the date of this announcement, with a conversion price of HK$0.014 per CCT Tech Share and due on 30 June 2008
"CCT Tech Group"	CCT Tech and its subsidiaries
"CCT Tech Independent Shareholders"	the CCT Tech Shareholders excluding the Offeror and parties acting in concert with it

"CCT Tech Option(s)"	share options which remain outstanding as at the date of this announcement and were granted by CCT Tech to eligible participants conferring on the grantee thereof the right to subscribe for CCT Tech Shares at an exercise price of HK$0.014 per CCT Tech Share pursuant to a share option scheme of CCT Tech adopted on 17 September 2002
"CCT Tech Optionholder(s)"	the holder(s) of the CCT Tech Option(s)
"CCT Tech Share(s)"	the ordinary share(s) of HK$0.01 each in the capital of CCT Tech
"CCT Tech Shareholder(s)"	the holder(s) of the CCT Tech Share(s)
"CCT Telecom"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and the securities of which are listed on the main board of the Stock Exchange
"CCT Telecom Group"	CCT Telecom and its subsidiaries
"CCT Telecom Option(s)"	share options which remain outstanding as at the date of this announcement and were granted by CCT Telecom to eligible participants conferring on the grantee thereof the right to subscribe for CCT Telecom Shares at an exercise price of HK$0.750 per CCT Telecom Share pursuant to a share option scheme of CCT Telecom adopted on 28 February 2002
"CCT Telecom Remaining Group"	CCT Telecom and its subsidiaries excluding the CCT Tech Group
"CCT Telecom Share(s)"	the ordinary share(s) of HK$0.10 each in the capital of CCT Telecom
"CCT Telecom Shareholder(s)"	the holder(s) of the CCT Telecom Share(s)
"Closing Date"	the date to be stated in the Offer Document as the first closing date of the Offers or any subsequent closing date(s) as may be announced by the Offeror and approved by the Executive
"Companies Act"	the Bermuda Companies Act 1981 of Bermuda (as amended)
"Conditions"	the conditions to the making of the Offers
"Convertible Bond(s)"	convertible bond(s) with a face value of HK$1,840 each to be issued by CCT Telecom pursuant to the Cash Offer with Securities Exchange Alternative

"DBS Asia"	DBS Asia Capital Limited, a deemed licensed corporation under the SFO permitted to engage in types 1, 4, 6 and 9 of the regulated activities as defined in the SFO
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Last Trading Day"	17 January 2005, being the last trading day prior to the suspension of trading in the CCT Tech Shares and the CCT Telecom Shares on 18 January 2005
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"New Capital"	New Capital Industrial Limited, a company wholly-owned by Mr. Mak Shiu Tong, Clement, the Chairman and an executive director of both CCT Telecom and CCT Tech, and his family members
"ODM"	original design manufacturing
"OEM"	original equipment manufacturing
"Offers"	the Cash Offer with Securities Exchange Alternative and the Option Offer
"Offer Document"	the document to be issued by or on behalf of the Offeror to all CCT Tech Shareholders, the holder of the CCT Tech 2005 CN and the CCT Tech Optionholders in accordance with the Takeovers Code containing, inter alia, details of the Offers, the acceptance and transfer forms, and the terms and conditions of the Offers or, where applicable, the composite document to be issued by or on behalf of the Offeror and CCT Tech
"Offeror"	Jade Assets Company Limited, an indirect wholly-owned subsidiary of CCT Telecom
"Option Offer"	the conditional cash offer for the CCT Tech Options
"Option Offer Price"	HK$0.009 per CCT Tech Option
"PRC"	the People's Republic of China
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers

The directors of CCT Telecom jointly and severally accept full responsibility for the accuracy of the information (other than that in respect of the CCT Tech Group) in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

The directors of CCT Tech jointly and severally accept full responsibility for the accuracy of the information (other than that in respect of the CCT Telecom Group and the Offeror) in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the executive directors of CCT Telecom are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt and the independent non-executive directors of CCT Telecom are Mr. Samuel Olenick, Mr. Tam King Ching, Kenny and Mr. Lau Ho Man, Edward.

As at the date of this announcement, the executive directors of CCT Tech are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora, Mr. Tong Chi Hoi and Dr. William Donald Putt and the independent non-executive directors of CCT Tech are Mr. Chow Siu Ngor, Mr. Lau Ho Kit, Ivan and Mr. Chen Li.

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, 31 January 2005

Please also refer to the published version of this announcement in the ***(The Standard)***