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CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 138)

SPECIAL INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board approved at a Board meeting of the Company held on 16 June 2005 the declaration and payment of a special interim dividend of HK$0.68 per Share with an option to elect to receive such dividend, in whole or in part, in the form of Scrip Dividend Shares in lieu of cash, to be paid on or around Friday, 19 August 2005 out of the capital reserves of the Company to the Shareholders whose names appear on the register of members of the Company on Friday, 8 July 2005.

A circular giving details of the Special Interim Dividend, together with an election form, will be sent to the eligible Shareholders on or about Friday, 15 July 2005.

SPECIAL INTERIM DIVIDEND

The board of directors (the "**Board**") of CCT Telecom Holdings Limited (the "**Company**") on 16 June 2005 resolved to declare a special interim dividend (the "**Special Interim Dividend**") of HK$0.68 per share of HK$0.10 each ("**Share(s)**") in the capital of the Company to the shareholders whose names appear on the register of members of the Company on Friday, 8 July 2005 (the "**Record Date**"). The shareholders (the "**Shareholder(s)**") of the Company (other than the Shareholders whose addresses are outside Hong Kong on the Record Date (the "**Overseas Shareholder(s)**")) may elect to receive the Special Interim Dividend in one of the following ways:

(a) wholly by a cash dividend of HK$0.68 per Share; or

(b) wholly by way of an allotment of new Shares (the "**Scrip Dividend Share(s)**") to be issued at the Market Value (as defined below) credited as fully paid, save for adjustment for fractional entitlements, in respect of the dividend of HK$0.68 per Share which the Shareholder (other than the Overseas Shareholder) would otherwise receive in cash for the Shares held by him/her as at the Record Date; or

(c) partly in cash and partly in Scrip Dividend Shares.

The number of the Scrip Dividend Shares to be allotted to the Shareholders (other than the Overseas Shareholders) who elect to receive their dividends in scrip is calculated by dividing the total amount of the cash dividend which each of them would otherwise have been entitled to receive by the market value of a Scrip Dividend Share (the "**Market Value**"). The Market Value will be determined by the average closing prices of the Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") for the five dealing days commencing on Tuesday, 5 July 2005, being the first day the Shares traded ex dividend. Consequently, it will not be possible to determine until after the close of business on Monday, 11 July 2005, the exact number of the Scrip Dividend Shares to which the Shareholders (other than the Overseas Shareholders) electing to receive the Scrip Dividend Shares will be entitled. Accordingly, the number of

the Scrip Dividend Shares which the Shareholders (other than the Overseas Shareholders) will receive, in respect of the existing Shares registered in their names as at the Record Date and for which elections are made to receive the Scrip Dividend Shares will be calculated as follows:

$$\frac{\text{The number of existing Shares held as at the Record Date for which election for the Scrip Dividend Shares is made} \times \text{HK\$0.68}}{\text{Market Value}} = \text{Number of Scrip Dividend Shares to be received (rounded down to the nearest whole number)}$$

Fractions of the Scrip Dividend Shares under the options set out in (b) and (c) above will not be allotted to the Shareholders and entitlements to the Scrip Dividend Shares will be rounded down to the nearest whole number. Fractional entitlements will be aggregated and sold for the benefit of the Company. The Scrip Dividend Shares to be issued will rank pari passu in all respects with the existing Shares except that they will not rank for the Special Interim Dividend and the issue of the Scrip Dividend Shares is conditional upon the granting by the Listing Committee of the Stock Exchange of a listing of, and permission to deal in, the Scrip Dividend Shares to be allotted and issued, for which the Company will make application.

The Special Interim Dividend shall be payable out of the capital reserves of the Company and will be paid on or about Friday, 19 August 2005 and is only a non-recurrent special interim dividend. It is expected that the cheques for cash entitlements and/or (subject to such application being granted) definitive share certificates for the Scrip Dividend Shares will be posted to the Shareholders at the risk of those entitled thereto to their registered addresses on or about Friday, 19 August 2005.

A press announcement setting out the basis of allotment of the Scrip Dividend Shares will be published in the Hong Kong Economic Times and the Standard on Tuesday, 12 July 2005 and a circular giving details of the Special Interim Dividend, together with an election form, will be sent to the eligible Shareholders on or about Friday, 15 July 2005. Overseas Shareholders will be excluded from receiving the election form and will only receive the Special Interim Dividend wholly in cash.

CLOSURE OF THE REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed during the period from Thursday, 7 July 2005 to Friday, 8 July 2005, both dates inclusive, during which period no transfer of Share(s) of the Company will be effected. In order to qualify for the Special Interim Dividend, all transfer of Share(s), accompanied by the relevant Share certificate(s) with the completed transfer form(s) with overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Wednesday, 6 July 2005.

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

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

Hong Kong, 16 June 2005

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