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CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 00138)

DISCLOSEABLE TRANSACTION
DISPOSAL OF SHARES IN AN ASSOCIATED CORPORATION

The Board announces that on 22 November 2010, the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser have entered into the S&P Agreement, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase the Sale Shares at the Consideration of HK$67,900,000.

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules.

The Board announces that on 22 November 2010, the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser have entered into the S&P Agreement in relation to the disposal of the Sale Shares at the Consideration of HK$67,900,000.

THE S&P AGREEMENT

Date: 22 November 2010

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

(b) Purchaser: Merdeka Commodities Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons within the meaning of the Listing Rules.

Sale and Purchase:

Pursuant to the S&P Agreement, the Vendor has agreed to sell and the Purchaser has agreed to purchase the Sale Shares in accordance with the terms and conditions of the S&P Agreement.

Information of the Sale Shares:

The Sale Shares, being 700,000,000 CCT Resources Shares, held by the Vendor as at the date of this announcement. As at date of this announcement, the Vendor held 2,031,764,070 CCT Resources Shares (including the Sale Shares), representing approximately 38.13% of the entire issued share capital of CCT Resources.

Consideration:

Price per Sale Share: HK$0.097

The Consideration: HK$67,900,000

Terms of Payment:

The Consideration for the sale and purchase of the Sale Shares shall be payable by the Purchaser in cash on the Completion Date.

Basis of determination of the Consideration:

The Consideration of HK$0.097 per Sale Share was determined after arm's length negotiations between the Vendor and the Purchaser, which:

(i) represents a premium of approximately 24.4% to the closing price of HK$0.078 per CCT Resources Share as quoted on the Stock Exchange as at 19 November 2010, being the last trading day of CCT Resources Shares on the Stock Exchange prior to the date of the S&P Agreement;

(ii) represents a premium of approximately 19.8% to the five-day average closing price of HK$0.081 per CCT Resources Share for the last five consecutive trading days up to and including 19 November 2010 as quoted on the Stock Exchange;

(iii) represents a premium of approximately 15.5% to the 10-day average closing price of HK$0.084 per CCT Resources Share for the last 10 consecutive trading days up to and including 19 November 2010 as quoted on the Stock Exchange;

(iv) represents a premium of approximately 16.9% to the 30-day average closing price of HK$0.083 per CCT Resources Share for the last 30 consecutive trading days up to and including 19 November 2010 as quoted on the Stock Exchange; and

(v) represents a premium of approximately 3.2% over the unaudited consolidated net asset value of HK$0.094 per CCT Resources Share as at 30 June 2010.

Completion:

Completion of the S&P Agreement will take place at or before 11:00 a.m. on 23 November 2010 or such other time and completion date as may be agreed in writing between the Vendor and the Purchaser.

At Completion, the Purchaser will deliver to the Vendor a cashier order for HK$67,900,000 drawn on a licensed bank in Hong Kong in favour of the Company at or before 11:00 a.m. (or such other time as may be agreed in writing between the Vendor and the Purchaser) on the Completion Date as the Consideration for the purchase of the Sale Shares, and the Vendor will deliver to the Purchaser a certified copy of the instruction relating to the transfer of the Sale Shares from the Vendor to the Purchaser pursuant to the S&P Agreement.

If the S&P Agreement is not completed at the Completion Date, the Company will make appropriate announcement accordingly.

Resignation of the Outgoing CCT Resources Directors:

The Outgoing CCT Resources Directors have conditionally tendered their respective resignation on 22 November 2010 to act as chairman, chief executive officer, executive directors and other executive and corporate positions of CCT Resources and also as directors of the relevant subsidiaries of CCT Resources with effect from the Completion Date so that they can focus their time on the business of CCT Telecom and its subsidiaries. The resignations are conditional upon Completion.

If the resignations of the Outgoing CCT Resources Directors do not become effective as a result that the S&P Agreement is not completed on or before the Completion Date, the Company will make appropriate announcement accordingly.

REASON FOR THE DISPOSAL

The Board considers that, since the Company's interest in the shareholding of CCT Resources is only approximately 38.13% as at the date of this announcement and as such, the Company's interest in CCT Resources has been accounted for as an associated company. The revenue, results, assets and liability of CCT Resources have not been consolidated into the accounts of the Group and the Company's investment in and the business of CCT Resources is no longer the Group's core investment or principle business respectively. The Board considers that the entering into of the S&P Agreement represents a good opportunity for the Group to divest and realise part of its investment in CCT Resources. The proceeds from the Disposal will be utilised as working capital and will further strengthen the Group's financial position.

The Directors (including the independent non-executive Directors) consider that the terms of the S&P Agreement and the Disposal, including the Consideration, are on normal commercial terms, fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

EFFECT OF COMPLETION OF THE S&P AGREEMENT ON THE SHAREHOLDING STRUCTURE OF CCT RESOURCES

The following table summarizes the effect of completion of the S&P Agreement on the shareholding structure of CCT Resources:

	Existing shareholding as at the date of this announcement		**Sale and Purchase of the Sale Shares**	**Shareholding immediately after Completion**	
	No. of shares	*(%)*	*No. of shares*	*No. of shares*	*(%)*
Substantial CCT Resources Shareholder					
CCT Telecom – Manistar Enterprises Limited	2,031,764,070	38.13	(700,000,000)	1,331,764,070	24.99
Name of existing CCT Resources Directors					
Mak Shiu Tong, Clement	19,344,000	0.36	0	19,344,000	0.36
Tam Ngai Hung, Terry	7,500,000	0.14	0	7,500,000	0.14
Fung Hoi Wing, Henry	550,000	0.01	0	550,000	0.01
Lau Ho Wai, Lucas	950,000	0.02	0	950,000	0.02
Sub-total for CCT Resources Directors	28,344,000	0.53	0	28,344,000	0.53
Ex-CCT Resources Director:					
Ma Hang Kon, Louis	9,800,000	0.18	0	9,800,000	0.18
A director of a subsidiary of CCT Resources	100,000,000	1.88	0	100,000,000	1.88
Other substantial CCT Resources Shareholders and its associates					
Merdeka Commodities Limited[#]	577,680,000	10.84	700,000,000	1,277,680,000	23.98
Lai Wing Hung	75,000,000	1.41	0	75,000,000	1.41
Sub-total for other substantial CCT Resources Shareholders and its associates	652,680,000	12.25	700,000,000	1,352,680,000	25.39
Total non-public CCT Resources Shareholders	**2,822,588,070**	**52.98**	**0**	**2,822,588,070**	**52.98**
Total public CCT Resources Shareholders	**2,505,560,930**	**47.02**	**0**	**2,505,560,930**	**47.02**
Total	**5,328,149,000**	**100.00**	**0**	**5,328,149,000**	**100.00**

[#] *As at the date of this announcement, Merdeka Commodities Limited also holds HK$504,880,000 convertible bonds of CCT Resources, which are unlisted, interest-free and convertible into 5,048,800,000 shares of CCT Resources at the conversion price of HK$0.10 per share of CCT Resources (subject to adjustment pursuant to the terms of the convertible bonds).*

FINANCIAL EFFECT OF THE DISPOSAL

Prior to completion of the Disposal, CCT Resources is accounted for as an associated company of the Group. Upon completion of the Disposal, the Company's interest in CCT Resources will be reduced from approximately 38.13% to approximately 24.99%. Upon the resignations of the Outgoing CCT Resources Directors, the Group will not have any management role nor will it have any influence in CCT Resources. As such, after Completion, the Company's interest in CCT Resources will be accounted as available-for-sale financial assets. The unaudited carrying value of the Sale Shares is approximately HK$60.6 million, determined with reference to the unaudited consolidated net asset value of the CCT Resources Group as at 30 June 2010, based on the unaudited consolidated statement of financial position of the CCT Resources Group as at 30 June 2010. The share of audited consolidated net loss before taxation and extraordinary items of the CCT Resources Group attributable to the Sale Shares for the two years ended 31 December 2008 and 2009 is HK$4.5 million and HK$10.2 million respectively. The share of audited consolidated net loss after taxation and extraordinary items of the CCT Resources Group attributable to the Sale Shares for the two years ended 31 December 2008 and 2009 is HK$4.5 million and HK$10.2 million respectively.

The Disposal is expected to give rise to an unaudited estimated loss of approximately HK$3 million (before deducting relevant expenses, which will not be material) to the Group upon Completion, which is arrived at by deducting (1) the sum total of the Consideration of approximately HK$68 million and the fair value of the Group's remaining 24.99% shareholding holding interest in CCT Resources after the Disposal in the amount of approximately HK$105 million (which in turn is calculated based on the multiple of (i) the 1,331,764,070 CCT Resources Shares; and (ii) estimated price of HK$0.079 per CCT Resources Share, representing the closing market price of CCT Resources Share as quoted on the Stock Exchange on the date of the S&P Agreement); from (2) the amount of HK$176 million, representing the unaudited carrying value of the Company's 38.13% shareholding interest in CCT Resources, which is determined with reference to the unaudited consolidated net asset value of the CCT Resources Group as at 30 June 2010, based on the unaudited consolidated statement of financial position of the CCT Resources Group as at 30 June 2010.

The actual unaudited loss arising from the Disposal will be calculated based on the closing price of CCT Resources Share and the carrying value of the Sale Shares as at the Completion Date.

USE OF PROCEEDS

The proceeds from the Disposal will be used for general working capital to facilitate the future growth of the Group. The Board considers that the Disposal would improve the financial and cash position of the Group.

GENERAL

The Company is the holding company of the Group, which is principally engaged in (i) the manufacture and sale of telecom and electronic products; (ii) the manufacture and sale of electronic and plastic components; (iii) the manufacture and sale of infant and child products; (iv) securities business; and (v) property development and holding.

Merdeka Commodities Limited, the Purchaser, to the best of the Directors' knowledge, is principally engaged in investment holding.

The principal activities of CCT Resources, to the best of the Directors' knowledge, are (i) the timber business including the upstream operations of harvesting timber and the downstream operations of production of timber and wood products; (ii) the plantation of oil palm; and (iii) the trading business.

In respect of the Disposal, the applicable percentage ratio calculated by reference to Rule 14.07 of the Listing Rules is more than 5% but less than 25%. Accordingly, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Board"	the board of the Directors;
"CCT Resources"	CCT Resources Holdings Limited (which will be renamed as "Merdeka Resources Holdings Limited" upon completion of the filing procedures with the Companies Registry in Hong Kong, and whose Chinese name will be adopted from "中建資源集團有限公司" to "萬德資源集團有限公司" for identification purposes), a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Growth Enterprise Market of the Stock Exchange;
"CCT Resources Directors"	the directors of CCT Resources, from time to time;
"CCT Resources Group"	CCT Resources and its subsidiaries, from time to time;
"CCT Resources Share(s)"	the share(s) of par value of HK$0.01 in the share capital of CCT Resources;
"CCT Resources Shareholder(s)"	the holder(s) of the CCT Resources Shares;

"Company"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability and whose shares are listed on the Main Board of the Stock Exchange;
"Completion"	completion of the S&P Agreement, in accordance with the terms of the S&P Agreement;
"Completion Date"	on or before 23 November 2010, or such later date as agreed in writing between the Vendor and the Purchaser, on which Completion takes place;
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules;
"Consideration"	the consideration of HK$67,900,000 for the sale of the Sale Shares;
"Director(s)"	the directors of the Company from time to time;
"Disposal"	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the terms to and subject to the S&P Agreement;
"Group"	the Company and its subsidiaries from time to time;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Outgoing CCT Resources Directors"	Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt, who are executive CCT Resources Directors as at the date of this announcement and who will resign from their directorship, and all their executive and corporate roles in CCT Resources with effect from the Completion Date;
"Purchaser"	Merdeka Commodites Limited, a company incorporated in the British Virgin Islands with limited liability and a substantial shareholder of CCT Resources;
"Sale Shares"	700,000,000 CCT Resources Shares which are held by the Vendor as at the date of this announcement;

"S&P Agreement"	the sale and purchase agreement dated 22 November 2010 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Sale Shares;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Vendor"	Manistar Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company; and
"%"	per cent.

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

Hong Kong, 22 November 2010

As at the date of this announcement, the executive Directors 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 are Mr. Tam King Ching, Kenny, Mr. Lau Ho Man, Edward and Mr. Chen Li.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the day of its publication and will be published and remains on the website of the Company at www.cct.com.hk.