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TELECOM HOLDINGS LIMITED

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

INSIDE INFORMATION

Reference is made to the Company's announcement dated 30 July 2012 and the circular dated 14 September 2012 in relation to the acquisition of the Property by the Property Owner, which was completed on 30 November 2012.

The Board wishes to announce that in view of the current soaring retail property prices, the Board will appoint independent professionals to propose strategy and plans to renovate and upgrade the Property to enhance its value and to devise future plans in respect of the Property.

Shareholders and potential investors should note that the Board has not made any decision on any definite future plans in relation to the Property and any future plans in relation to the Property may or may not materialize and any financial impact of the future plans will depend on the then prevailing retail property market at the time when the future plans are implemented. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

BACKGROUND

Reference is made to the Company's announcement dated 30 July 2012 and the circular dated 14 September 2012 in relation to the acquisition of the Property by the Property Owner.

The acquisition of the Property by the Property Owner was completed on 30 November 2012. The Property was previously occupied by a third party licensee for use as a children learning centre until the licensee moved out from the Property upon expiry of the licence agreement on 31 December 2012. The Property has remained vacant since then.

THE COMPANY'S INTENTION IN RELATION TO THE PROPERTY

Information on the Property:

The Property is situated at Units No. 1-33, 34A, 34B, 36A, 36B and 38-45 on the Portion of the Basement of Podium of Blocks 1, 2 and 3 City Garden, No. 233 Electric Road, Hong Kong. It is a commercial arcade with a gross floor area of approximately 44,000 square feet.

The Property is situated in the densely populated North Point district and is adjacent to a number of large housing estates such as City Garden and Provident Centre and is in the middle of highly developed commercial areas around the Electric Road and King's Road, Hong Kong. The Property has convenient access and is also within walking distance to the Fortress Hill and North Point MTR stations. There is currently scarce supply of retail properties of such a large scale similar to that of the Property in the North Point district.

Exploring various alternative plans in relation to the Property

The original intention of the Company was for the Property Owner to hold the Property as an investment producing rental income. The Board notices that since acquisition of the Property, both the rental and prices of retail properties have surged. The Board has resolved in a meeting of the Board held after trading hours on the date of this announcement that it will appoint independent professionals to propose strategy and plans to renovate and upgrade the Property to enhance its value and to devise future plans in respect of the Property, under the current red-hot retail property market. The Board may consider the following alternative options in relation to the Property:

(a) dispose of part or whole of the Property with or without tenancy by one or more disposals to one or more buyers;
(b) hold part of the Property and rent it out and dispose of the remaining part of the Property; or
(c) hold the whole of the Property as investment and rent it out.

The Board is still awaiting the proposals from independent professionals and has not yet made any decision in relation to the future plans of the Property. There is no definite plan and timetable to enter into any formal transaction to implement future plans on the Property and the Property Owner has not entered into any formal agreement with any person in this regard.

The financial impact of any possible future plans can only be assessed as when the plans have been decided and materialised and any financial impact of the future plans will depend on the then prevailing retail property market at the time when the future plans are implemented. In view of the recent surge in prices and rental of retail properties, the Board expects that any future plans may have a positive impact on the results and financial position of the Group, in the year in which transactions to implement the plans are entered into.

INFORMATION ON THE PROPERTY OWNER, THE COMPANY AND THE GROUP

The Property Owner is an indirect wholly-owned subsidiary of the Company and its principal activity is property holding.

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

LISTING RULES IMPLICATIONS ON THE POSSIBLE FUTURE PLANS

The Company will comply with the relevant applicable requirements of the Listing Rules when formal transactions in relation to the future plans of the Property are entered into.

Shareholders and potential investors should note that the Board has not made any decision on any definite future plans in relation to the Property and any future plans in relation to the Property may or may not materialise and any financial impact of the future plans will depend on the then prevailing retail property market at the time when the future plans are implemented. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

"Board"	board of the Directors;
"Company"	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, whose Shares are listed on the main board of the Stock Exchange;
"Director(s)"	directors of the Company from time to time;
"Group"	the Company and its subsidiaries from time to time;
"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;
"Property"	Units No. 1-33, 34A, 34B, 36A, 36B and 38-45 on the Portion of the Basement of Podium of Blocks 1, 2 and 3 City Garden, No. 233 Electric Road, Hong Kong;
"Property Owner"	Goldbay Property (China) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company and which is the owner of the Property as at the date of this announcement;
"Share(s)"	ordinary share(s) of $0.10 each in the share capital of the Company;
"Shareholder(s)"	holder(s) of the Share(s);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and

"$"	Hong Kong dollar(s), the lawful currency of Hong Kong.

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

Hong Kong, 18 January 2013

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 and Mr. Chen Li.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange 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/eng/investor/announcements.php.