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FORTIS HOLDINGS LIMITED
（中建富通集團有限公司）

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

(1) MAJOR TRANSACTION - PLACING OF EXISTING CCT LAND SHARES

(2) INSIDE INFORMATION

AND

(3) RESUMPTION OF TRADING

Sole Placing Agent

SUNWAH KINGSWAY 新華滙富

KINGSWAY FINANCIAL SERVICES GROUP LIMITED

This announcement is made by the Company pursuant to the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

PLACING OF EXISTING CCT LAND SHARES

On 5 December 2014 (after trading hours), the Vendor and the Placing Agent entered into the

Placing Agreement, pursuant to which (i) the Vendor agreed to appoint the Placing Agent as agent and the Placing Agent agreed to act as agent for the Vendor during the Placing Period to procure, on a best effort basis and subject to the terms and conditions set out in the Placing Agreement, purchasers for up to 6,500,000,000 Placing Shares (representing approximately 9.936% of the existing issued share capital of CCT Land) at a price of HK$0.015 per Placing Share.

The Placing Price of HK$0.015 per CCT Land Share represents (i) a discount of 16.67% to the last trading price of HK$0.018 per CCT Land Share as quoted on the Stock Exchange immediately before the CCT Land Shares were halted on 5 December 2014, representing the date of the Placing Agreement; (ii) equal to the closing price of HK$0.015 per CCT Land Share as quoted on the Stock Exchange on Last Trading Day; (iii) a discount of approximately 11.76% to the average closing price of HK$0.0170 per CCT Land Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; (iv) a premium of approximately 8.70% to the average closing price of HK$0.0138 per CCT Land Share as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the Last Trading Day; and (v) a premium of 123.88% to the net asset value per CCT Land Share of $0.0067, computed based on the 2014 interim report of CCT Land.

The Placing will result in the interest of the Company in CCT Land falling below 50% on the First Completion Date and hence CCT Land and members of the CCT Land Group will cease to be subsidiaries of the Company and as such their accounts will no longer be consolidated with the accounts of the Remaining Group. The Remaining Group intends to hold and classify the 16,800,000,000 CCT Land Shares it held (representing approximately 25.68% of the existing issued share capital of CCT Land) out of the remaining CCT Land Shares after the Placing as non-current asset and such CCT Land Shares will be accounted for under the equity method. In addition, the Vendor intends to transfer the Remaining Shareholdings to CCT Securities which will classify the Remaining Shareholding as “financial assets at fair value through profit or loss” under the “current asset” category.

As the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Placing exceeds 25% but are less than 75%, the Placing therefore constitutes a major disposal transaction for the Company under the Listing Rules and is subject to the approval by the Shareholders.

The Company has obtained a written approval for the Placing in accordance with Rule 14.44 of the Listing Rules from a closely allied group of Shareholders comprising Mr. Mak, Capital Force, New Capital and Capital Winner, which together are beneficially interested in an aggregate of 454,500,731 Shares, representing approximately 54.60% of the existing issued share capital of the Company as at the date of this announcement. Furthermore, no Shareholder is required to abstain

from voting if the Company were to convene a special general meeting to approve the Placing. As such, no special general meeting of the Company will be convened for the purpose of approving the Placing as permitted under Rule 14.44 of the Listing Rules.

A circular of the Company containing, amongst other information, further details of the Placing Agreement and the disposal contemplated thereunder will be sent to the Shareholders in accordance with the requirements of the Listing Rules on or before 30 December 2014.

Pursuant to the termination provisions contained in the Placing Agreement, the Placing Agent has the right in certain circumstances to terminate the obligations of the Placing Agent under the Placing Agreement at any time prior to 9:00 a.m. on the Completion Date, and the Placing is being carried out on a best effort basis. Accordingly, the Placing may or may not proceed to completion and the resulting disposal may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was halted with effect from 10:22 a.m. on 5 December 2014 (Friday) pending the release of this announcement. Application has been made by the Company for the resumption of trading of the Shares on the Stock Exchange with effect from 9:00 a.m. on 8 December 2014 (Monday).

This announcement is made by the Company pursuant to the Listing Rules and the Insider Information Provisions under Part XIVA of the SFO.

THE PLACING

The Placing Agreement

On 5 December 2014 (after trading hours), the Vendor and the Placing Agent entered into the Placing Agreement, the terms of which are further described below.

Parties to and subject matter of the Placing Agreement

(1) the Vendor; and

(2) the Placing Agent.

Subject matter : placing on a best effort basis of the Placing Shares, representing up to 6,500,000,000 CCT Land Shares at the Placing Price of HK$0.015 per CCT Land Share, subject to the terms and conditions of the Placing Agreement.

The Vendor is an indirect wholly-owned subsidiary of the Company and is a substantial shareholder of CCT Land. As at the date of this announcement, the Vendor is beneficially interested in 29,326,391,124 CCT Land Shares, representing approximately 44.83% of the existing issued share capital of CCT Land.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Placing

Pursuant to the Placing Agreement, the Vendor agreed to appoint the Placing Agent as the agent, and the Placing Agent agreed to act the agent for the Vendor during the Placing Period (not later than 16 March 2015) to procure, on a best efforts basis and subject to terms and conditions set out in the Placing Agreement, purchasers for up to 6,500,000,000 Placing Shares at the Placing Price of HK$0.015 per CCT Land Share.

Placees

It is expected that the Placing Agent will place the Placing Shares to professional, institutional and/or individual investors. The Placees will be determined solely by the Placing Agent, subject to the terms and conditions of the Placing Agreement.

The Placees and their ultimate beneficial owners are expected to be third parties independent of the Company, CCT Land and their respective connected persons, and independent of and not acting in concert (as defined in the Hong Kong Code on Takeovers and Mergers) with the Vendor and CCT Land and parties acting in concert with each of the Vendor and CCT Land. No Placee is expected to become a connected person or a substantial shareholder of the CCT Land upon completion of each Placing.

Placing Price

The Placing Price of HK$0.015 per Placing Share represents:

(i) a discount of approximately 16.67% to the last trading price of HK$0.018 per CCT Land Share as quoted on the Stock Exchange immediately before the CCT Land Shares were halted on 5 December 2014, representing the date of the Placing Agreement;

(ii) equal to the closing price of HK$0.015 per CCT Land Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 11.76% to the average closing price of HK$0.0170 per CCT Land Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;

(iv) a premium of approximately 8.70% to the average closing price of HK$0.0138 per CCT Land Share as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the Last Trading Day; and

(v) a premium of approximately 123.88% to the unaudited net asset value per CCT Land Share of HK$0.0067, calculated based on the unaudited condensed consolidated statement of financial position of the CCT Land as at 30 June 2014 set out in the 2014 interim report of CCT Land.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to recent market prices of the CCT Land Shares and market conditions.

Placing Shares

As at the date of this announcement, the authorized share capital of CCT Land is HK$1,200,000,000 divided into 120,000,000,000 CCT Land Shares of par value of HK$0.01 each, of which 65,413,993,990 CCT Land Shares are in issue.

The 6,500,000,000 Placing Shares represent approximately 9.936% of the total number of CCT Land Shares in issue as at the date of this announcement. The Placing Shares have an aggregated nominal value of HK$65,000,000 and a market value of HK$97,500,000 based on the closing price of the CCT Land Shares of HK$0.015 as at the Last Trading Day.

Placing commission

The Placing Agent will be entitled to receive a placing commission of 1.5% (inclusive of sellers brokerage) of the aggregate Placing Price for the Placing Shares successfully placed by the Placing Agent. Such commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the prevailing commission rate charged by other placing agents. The Directors consider that the commission is fair and reasonable based on the current market conditions and is in the interests of the Company and the Shareholders as a whole.

Rights to the Placing Shares

The Placing Shares will be sold by the Vendor free from all liens, charges and encumbrances, and together with all rights attaching to them as at the date when the sale of the Placing Shares is reported as a cross-trade to the Stock Exchange, including the right to receive all dividends declared, made or paid on or after such date.

Completion of the Placing

Completion of each Placing will take place within two Business Days after part or whole of the Placing Shares have been successfully placed in accordance with the Placing Agreement, or such other date as the Vendor and the Placing Agent may otherwise agree in writing.

Termination of the Placing Agreement

Notwithstanding anything contained in the Placing Agreement, the Placing Agent shall be entitled by notice to the Vendor, at any time prior to 9:00 a.m. (Hong Kong time) on the Completion Date, to terminate this Agreement if:

(A) there develops, occurs or comes into force:

(i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a material adverse change in, or which may result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would materially adversely affect the success of the Placing; or

(ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would materially adversely affect the success of the Placing; or

(iii) any material adverse change in conditions of local, national or international securities markets occurs which in the Placing Agent's reasonable opinion would materially and adversely affect the success of the Placing; or

(iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the CCT Land Group and if in the Placing Agent's reasonable opinion any such new law or change may materially and adversely affect the business or financial prospects of the CCT Land Group and/or the success of the Placing; or

(v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or elsewhere and if in Placing Agent's reasonable opinion, any such change or development would materially adversely affect the success of the Placing; or

(vi) any litigation or claim being instigated against any member of the CCT Land Group, which has or may have a material adverse effect on the business or financial position of the CCT Land Group and which in the Placing Agent's reasonable opinion would materially and adversely affect the success of the Placing; or

(B) any material breach of any of the representations and warranties comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the Completion Date which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Vendor of any other provision of this Agreement; or

(C) there is any adverse change in the financial position of the CCT Land which is material in the context of the Placing; or

(D) the trading of the CCT Land Shares on the Stock Exchange has been suspended for more than five consecutive trading days save for temporary suspension in connection with the Placing, and/or the Placing Agreement.

then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Vendor by giving notice in writing to the Vendor, provided that such notice is received prior to 9:00 a.m. on any Completion Date.

EFFECTS OF THE PLACING ON THE SHAREHOLDING STRUCTURE OF CCT LAND

Assuming all 6,500,000,000 Placing Shares are placed and no new CCT Land Shares are allotted and issued and no repurchase of any CCT Land Shares have been made after the date of this announcement and up to the date of completion of the Placing of all the Placing Shares, the shareholding structure of CCT Land (i) as at the date of this announcement; and (ii) immediately after completion of the Placing of all the Placing Shares are as follows:

Shareholders	As at the date of the Placing Agreement and date of this announcement No. of CCT Land Shares	%	Placing No. of CCT Land Shares	Shareholdings upon completion of the Placing of all the Placing Shares No. of CCT Land Shares	%
The Vendor (*Notes*)	29,326,391,124	44.83%	(6,500,000,000)	22,826,391,124	34.89%
CAML	1,350,000,000	2.06%	-	1,350,000,000	2.06%
Expert Success	2,350,000,000	3.60%	-	2,350,000,000	3.60%
sub-total for the Share Holding Companies	33,026,391,124	50.49%	(6,500,000,000)	26,526,391,124	40.55%
Directors:					
Tam Ngai Hung, Terry	20,000,000	0.03%	-	20,000,000	0.03%
Chen Li	10,000,000	0.02%	-	10,000,000	0.02%
sub-total for directors	30,000,000	0.05%	-	30,000,000	0.05%
The Placees	-	0.00%	6,500,000,000	6,500,000,000	9.94%
Other Public Shareholders	32,357,602,866	49.46%	-	32,357,602,866	49.46%
Total	65,413,993,990	100.00%	-	65,413,993,990	100.00%

Notes :

1. *After the First Completion Date, the Remaining Group intends to hold and classify 16,800,000,000 CCT Land Shares as non-current assets and such CCT Land Shares will be accounted for under equity method.*
2. *After signing of the Placing Agreement, the Vendor intends to transfer the Remaining Shareholdings of not less than 9,726,391,124 CCT Land Shares to CCT Securities, which will classify such CCT Land Shares as "financial assets at fair value through profit or loss" under the "current asset" category, after the First Completion Date.*

INFORMATION ON CCT LAND AND THE CCT LAND GROUP

CCT Land is the holding company of the members of the CCT Land Group. The CCT Land Group is principally engaged in: (i) design and development, manufacturing and sale of telecom, child and electronic products (the "**Products Manufacturing Business**"); and (ii) mainland property development business (the "**Mainland Property Business**"), which business was assigned by the

Company into the CCT Land Group in July 2013.

Based on the 2012 and 2013 annual reports of CCT Land:

(i) the audited consolidated net loss before taxation of the CCT Land Group for the two years ended 31 December 2012 and 2013 was approximately HK$24 million and HK$30 million respectively; and

(ii) the audited consolidated net loss after taxation of the CCT Land Group for the two years ended 31 December 2012 and 2013 was approximately HK$58 million and HK$31 million respectively.

The unaudited consolidated net loss before taxation and after taxation of the CCT Land Group for the six months ended 30 June 2014 was HK$16 million and HK$16 million respectively, as disclosed in the 2014 interim report of CCT Land. The unaudited net asset value as at 30 June 2014 of the entire CCT Land Group and a CCT Land Share was approximately HK$440 million and HK$0.0067 respectively, based on the 2014 interim report of CCT Land.

As at the date of this announcement, the Company holds indirectly 33,026,391,124 CCT Land Shares, representing approximately 50.49% of the existing issued share capital of CCT Land. The Company's interest in CCT Land is held through the Share Holding Companies as to 29,326,391,124 CCT Land Shares by the Vendor (representing approximately 44.83% of the existing issued share capital of CCT Land), as to 2,350,000,000 CCT Land Shares by Expert Success (representing approximately 3.60% of the existing issued share capital of CCT Land); and as to 1,350,000,000 CCT Land Shares by CAML (representing approximately 2.06% of the existing issued share capital of CCT Land). As at the date of this announcement, members of the CCT Land Group are subsidiaries of the Company and their accounts are consolidated into the accounts of the Group.

Upon the First Completion Date and assuming all the Placing Shares having been successfully placed, the interest of the Vendor in CCT Land will be reduced to 22,826,391,124 CCT Land Shares, representing approximately 34.89% of the existing issued share capital of CCT Land and that of the Company in CCT Land through the Share Holding Companies will be reduced to 26,526,391,124 CCT Land Shares, representing approximately 40.55% of the existing issued share capital of CCT Land. As such, upon the Completion Date, members of the CCT Land Group will cease to be accounted as subsidiaries of the Company and consequently, their accounts will no longer be consolidated into the Remaining Group's accounts. The Remaining Group intends to hold 16,800,000,000 CCT Land Shares (representing approximately 25.68% of the existing issued share capital of CCT Land) out of the remaining CCT Land Shares after the First Completion Date, which

will be accounted for under the equity method and classified under the "non-current asset" category. In addition, after the Placing Agreement is signed, the Vendor intends to transfer the Remaining Shareholdings to CCT Securities which classify the Remaining Shareholdings as "financial assets at fair value through profit or loss" under the "current asset" category, after the First Completion Date.

ADVANCES AND FINANCIAL ASSISTANCE TO CCT LAND

The Remaining Group has provided the following advances and financial assistance in an aggregate amount of HK$1,209,596,000 to the CCT Land Group, which is discloseable after the First Completion Date under Rule 13.16 of the Listing Rules:

(1) unsecured 5-year Promissory Note in the outstanding principal amount of HK$67,471,000, issued on 28 March 2012, with a maturity date of 28 March 2017 and carrying interest at 3% per annum;
(2) unsecured 3-year Promissory Note in the outstanding principal amount of HK$900,000,000, issued on 15 July 2013, with a maturity date of 15 July 2016 and interest-free;
(3) unsecured 3-year Promissory Note in the outstanding principal amount of HK$27,000,000, issued on 27 December 2013, with a maturity date of 27 December 2016 and carrying interest at 3% per annum;
(4) unsecured 3-year Promissory Note in the outstanding principal amount of HK$38,000,000, issued on 6 March 2014, with a maturity date of 6 March 2017 and carrying interest at 3% per annum;
(5) unsecured 3-year Promissory Note in the outstanding principal amount of HK$12,500,000, issued on 9 June 2014, with a maturity date of 9 June 2017 and carrying interest at 3% per annum;
(6) unsecured 3-year Promissory Note in the outstanding principal amount of HK$7,500,000, issued on 4 September 2014, with a maturity date of 4 September 2017 and carrying interest at 3% per annum; and
(7) corporate guarantees of total amount of HK$157,125,000 given by the Company to a bank of the CCT Land Group, guaranteeing trade facilities of the CCT Land Group.

CCT Land has a right to prepay part or whole of each of the Promissory Notes by giving prior written notice to the lenders within the Remaining Group. The Promissory Note in item (1) was issued in consideration of the transfer of the child product business by the Remaining Group to the CCT Land Group in 2012. The interest-free Promissory Note in item (2) was issued as a result of the assignment of the Mainland Property Business by the Remaining Group into the CCT Land Group in 2013 and as this Promissory Note is interest-free, the carrying value of the Promissory Note of approximately HK$848 million, representing the fair value of the Promissory Note discounted by the imputed interest, was accrued as a liability in the unaudited financial statement of

the CCT Land as at 30 June 2014. The other Promissory Notes were issued for cash advances provided by the Remaining Group to the CCT Land Group, mainly to finance the development and construction costs and working capital of the Mainland Property Business.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Placing will enable the Remaining Group to realize part of its investment in CCT Land at a significant premium to its carrying value in the books of the Remaining Group and the proceeds from the Placing will provide additional funds for the general working capital and business needs of the Remaining Group.

Furthermore, the CCT Land Group has encountered difficult operating environment and incurred losses in the past few years. The performance of the Products Manufacturing Business has been adversely affected by the slow global economy, keen competition and rising input costs (especially workers' wages caused by the shortage of labour in the Guangdong Province). As for the Mainland Property Business which was assigned by the Group into the CCT Land Group in July 2013, its performance has also been affected by the tightening housing policies imposed by Chinese Central Government coupled with the low-price or price-cutting strategies commonly adopted by some local developers. Despite this, the Board is cautiously optimistic in the long-term future of both the Products Manufacturing Business and the Mainland Property Business. This view is disclosed in the "Outlook" section of the Chairman's letter of the Company's 2014 interim report. The Board, however, expects that the business environment of the CCT Land Group would remain uncertain and difficult in the near term. In view of the above, the Board considers that the Placing would result in members of the CCT Land Group no longer being consolidated in the Remaining Group, it will eliminate the risk of consolidation of all the possible losses of the CCT Land Group in the future. On the other hand, as the Company will still hold and classify approximately 25.68% shareholding interest in CCT Land after the Placing using equity method of accounting, such investment will enable the Remaining Group to share part of the future possible profit, if any, of the CCT Land Group under the equity method of accounting. In addition, the Placing will enable the Remaining Group to divest and realize part of its investment in CCT Land at the Placing Price which has a significant premium over the net asset value of the CCT Land Share and hence the Placing will likely generate a significant gain on disposal to the Remaining Group, if the Placing can be successfully completed. Furthermore, as the Vendor intends to transfer the Remaining Shareholdings to CCT Securities, which will be re-classified as "financial assets at fair value through profit or loss", this will significantly enlarge the securities business of the Remaining Group and this may generate significant revenue, profit and cash flow to the relevant segment of the Remaining Group in the future.

Assuming all 6,500,000,000 Placing Shares are successfully placed, the gross proceeds and the net proceeds (after deducting commission payable to the Placing Agent and other expenses relating to the Placing) from the Placing will be HK$97,500,000 and approximately HK$96,000,000, respectively. Based on such estimated net proceeds, the net placing price per CCT Land Share is approximately HK$0.0148. The Company intends to utilize the net proceeds from the Placing to fund general working capital and business needs of the Remaining Group.

The Directors (including the independent non-executive Directors) consider that the Placing Agreement and the Placing (including the Placing Price) are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE PLACING

Upon the First Completion Date, the shareholding interest of the Company in CCT Land will fall below 50%. As a result, members of the CCT Land Group will cease to be accounted as subsidiaries of the Company. As such, the assets, liabilities, revenue, expenditure, profit or loss and reserves of the CCT Land Group will no longer be consolidated into the accounts of the Remaining Group after the First Completion Date. Furthermore, the Remaining Group intends to hold and classify the 16,800,000,000 CCT Land Shares it held (representing approximately 25.68% of the total shareholding in CCT Land) out of the remaining CCT Land Shares (of not less than 26,526,391,124 CCT Land Shares) after the First Completion Date under the "non-current assets" category and account this share investment by using the equity method. Furthermore, after the Placing Agreement is signed, the Vendor intends to transfer the Remaining Shareholdings of not less than 9,726,391,124 CCT Land Shares it held (representing approximately of 14.87% shareholding in CCT Land) to CCT Securities, which will classify the Remaining Shareholdings as "financial assets at fair value through profit or loss" under the "current asset" category, after the First Completion Date.

It is estimated that a realized gain will arise to the Remaining Group as a result of the completion of each Placing and an unrealized gain or loss will arise as a result of the de-consolidation of CCT Land Group from the Remaining Group on the First Completion Date. Both the realized gain and the unrealized gain or loss will be credited or debited to the statement of profit or loss of the Remaining Group at the time they arise.

The realized gain of each Placing is calculated based on the difference of: (1) the amount of the net proceeds from the Placing Shares successfully placed at the Placing; and (2) that part of the carrying value of the net assets of the CCT Land Group in the books of the Remaining Group on the

Completion Date, attributable to the Placing Shares successfully placed at the Placing. Based on the unaudited interim accounts of the Group as at 30 June 2014 and assuming all the Placing Shares are successfully placed, the unaudited realized gain is estimated to be HK$82 million, for illustration purpose only.

The unrealized gain or loss arising from the de-consolidation of the CCT Land Group can be explained in the following two parts. Firstly, one part of the unrealized gain is attributable to the 16,800,000,000 CCT Land Shares to be accounted for under the equity method. The value of this lot of CCT Land Shares will be measured by price of the CCT Land Shares quoted on the Stock Exchange as at the First Completion Date and such market value will be booked in the Remaining Group on the First Completion Date. The unrealized gain or loss arising therefrom will be calculated by deducting from the market value of 16,800,000,000 CCT Land Shares to be arrived at by the basis as mentioned above by that portion of the carrying value of the net assets of CCT Land Group in the books of the Remaining Group as at the First Completion Date, as attributable to such lot of CCT Land Shares. Any unrealized gain or loss arising therefrom will be credited or charged to the statement of profit or loss of the Remaining Group on the First Completion Date. This investment will be accounted for in the Remaining Group under the equity method and will be adjusted to recognize changes in the Remaining Group's share of net assets of the investment in the CCT Land Group since the First Completion Date. At each reporting date in the future, the Remaining Group will determine whether there is objective evidence that the investment is impaired. If there is such evidence, the Remaining Group will calculate the amount of impairment which will be equal to the difference between the recoverable amount of the investment and its carrying value, and then recognize the loss in the statement of profit or loss of the Remaining Group. The recoverable amount of the investment is the higher of the asset's value in use and its fair value less costs of disposal.

The second part of the unrealized gain or loss may arise from the measurement of the Remaining Shareholdings at market value of the CCT Land Shares as at the First Completion Date. After the First Completion Date, the Remaining Shareholdings will be booked at the price of the CCT Land Shares as quoted on the Stock Exchange and will be classified as financial assets at fair value through profit or loss under the current asset category in the accounts of the Remaining Group. Any unrealized gain or loss arising from classification of the Remaining Shareholding will be calculated based on the difference of: (i) the market value of the Remaining Shareholdings on the First Completion Date; and (ii) that portion of the carrying value of the identifiable assets and liabilities of the CCT Land Group in the books of the Remaining Group as attributable to the Remaining Shareholding as at the First Completion Date. The value of the Remaining Shareholdings at each future financial period end will be measured by means of the market value of the CCT Land Share and will be accounted for under the mark-to-market basis.

Before the First Completion Date, the Promissory Notes have been eliminated upon consolidation of the CCT Land Group into the Group. After the First Completion Date, the Promissory Notes will not be eliminated and will be classified as Promissory Notes receivable under non-current assets in the consolidated statement of financial position of the Remaining Group as the CCT Land Group will cease to be subsidiaries of the Company.

INFORMATION ON THE COMPANY, THE VENDOR AND THE PLACING AGENT

The Vendor is an indirect wholly-owned subsidiary of the Company and its principal activity is investment.

The Company is the holding company of the Group, which is principally engaged in the following activities as at the date of this announcement:

(a) manufacture and sale of telecom electronic and child products through the CCT Land Group;
(b) the mainland property development business through the CCT Land Group;
(c) manufacture and sale of plastic components;
(d) the securities business;
(e) property investment and holding;
(f) investment in classic cars and classic car service center; and
(g) trading in classic cars.

The Placing Agent is Kingsway Financial Services Group Limited.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules, in respect of the Placing which result in members of the CCT Land Group no longer being consolidated into the accounts of the Remaining Group exceeds 25% but is less than 75%, the Placing therefore constitutes a major disposal transaction for the Company under the Listing Rules and is subject to approval by the Shareholders.

To the best of the Directors' knowledge information and belief having made all reasonable enquiry, no Shareholder has a material interest in the Placing and no Shareholder would be required to abstain from voting if a special general meeting were to be convened to approve the Placing.

The Company has obtained a written approval for the Placing in accordance with Rule 14.44 of the Listing Rules from a closely allied group of Shareholders comprising Mr. Mak, Capital Force, New Capital and Capital Winner, which together are beneficially interested in an aggregate of 454,500,731 Shares, representing approximately 54.60% of the existing issued share capital of the Company as at the date of this announcement. Mr. Mak, Capital Force, New Capital and Capital Winner hold 8,475,652 Shares, 96,868,792 Shares, 171,357,615 Shares and 177,798,672 Shares respectively, representing approximately 1.01%, 11.64%, 20.59% and 21.36% respectively of the existing issued share capital of the Company, as at the date of this announcement. The shareholding in Capital Force, New Capital and Capital Winner are wholly-owned by Mr. Mak beneficially.

Furthermore, no Shareholder would be required to abstain from voting if the Company were to convene a special general meeting to approve the Placing. As such, no special general meeting will be convened for the purpose of approving the Placing as permitted under Rule 14.44 of the Listing Rules.

A circular of the Company containing, amongst other information, further details of the Placing Agreement and the disposal contemplated thereunder will be sent to the Shareholders in accordance with the requirements of the Listing Rules on or before 30 December 2014.

Pursuant to the termination provisions contained in the Placing Agreement, the Placing Agent has the right in certain circumstances to terminate the obligations of the Placing Agent under the Placing Agreement at any time prior to 9:00 a.m. on any Completion Date, and the Placing is being carried out on a best effort basis. Accordingly, the Placing may or may not proceed to completion and the resulting disposal may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was halted with effect from 10:22 a.m. on 5 December 2014 (Friday) pending the release of this announcement. Application has been made by the Company for the resumption of trading of the Shares on the Stock Exchange with effect from 9:00 a.m. on 8 December 2014 (Monday).

DEFINITIONS

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

"Board"	the board of Directors;
"Business Day(s)"	a day (other than Saturdays, Sundays and public holidays) on which licensed banks in Hong Kong are open for business;
"Capital Force"	Capital Force International Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Mak beneficially;

"Capital Winner"	Capital Winner Investments Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Mak beneficially;
"CAML"	CCT Assets Management Limited, a company incorporated in British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
"CCT Land"	CCT Land Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
"CCT Land Group"	CCT Land and its subsidiaries;
"CCT Land Shares"	ordinary shares of HK$0.01 each in the share capital of CCT Land;
"CCT Securities"	CCT Telecom Securities Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of CCT Fortis, which is principally engaged in the trading of securities;
"Company"	CCT Fortis Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
"Completion Date(s)"	the second Business Day after part or whole of the Placing Shares have been successfully placed at each Placing, or such other date as the Vendor and the Placing Agent may agree in writing;
"connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"Directors"	the directors of the Company;
"Expert Success"	Expert Success International Limited, a company incorporated in British Virgin Islands and an indirect wholly-owned subsidiary of the Company;

"First Completion Date	the first Completion Date for the Placing, upon which the balance of the total shareholding interest of the Remaining Group in CCT Land has fallen below 50% after completion of the Placing;
"Group"	the Company and its subsidiaries;
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China;
"Inside Information Provisions"	has the meaning given to it under the Listing Rules;
"Last Trading Day"	4 December 2014, being the trading date immediately prior to the date of the Placing Agreement;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Mainland Property Business"	has the meaning given to it in the section headed "Information on CCT Land and the CCT Land Group" of this announcement;
"Mr. Mak"	Mr. Mak Shiu Tong, Clement, the chairman, the chief executive officer, an executive director and a substantial shareholder of the Company and the chairman, the chief executive officer, and an executive director of CCT Land;
"New Capital"	New Capital Industrial Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Mak beneficially;
"percentage ratios"	has the meaning ascribed to it under the Listing Rules;
"Placee(s)"	any professional, institutional and/or individual investors procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agreement;
"Placing"	the placing of the Placing Shares pursuant to the Placing Agreement, which may be carried out in one or more times during the Placing Period;

"Placing Agent"	Kingsway Financial Services Group Limited, a licensed corporation to carry on business in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO;
"Placing Agreement"	the placing agreement dated 5 December 2014 entered into between the Vendor and the Placing Agent in respect of the conditional placing of the Placing Shares;
"Placing Period"	the period commencing upon the execution of the Placing Agreement and ending on 16 March 2015;
"Placing Price"	HK$0.015 per Placing Share;
"Placing Shares"	up to 6,500,000,000 existing CCT Land Shares beneficially owned by the Vendor to be placed pursuant to the Placing;
"Products Manufacturing Business"	has the meaning given to it in the section headed "Information on CCT Land and the CCT Land Group" of this announcement;
"Promissory Notes"	the promissory notes due by CCT Land to members of the Remaining Group, details of which set out in the section headed "Advance to the CCT Land" of this announcement;
"Remaining Group"	the Group excluding the CCT Land Group;
"Remaining Shareholdings"	the remaining CCT Land Shares held by the Remaining Group after the First Completion Date and excluding the 16,800,000,000 CCT Land Shares to be held and classified as non-current assets using the equity method, which will not be less than 9,726,391,124 CCT Land Shares (representing approximately 14.87% of the total shareholdings of CCT Land) which are intended to be transferred by the Vendor to CCT Securities after the date of the Placing Agreement, for classification as financial assets at fair value through profit or loss under the current assets;

"SFO"	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong);
"Shares"	ordinary shares of HK$0.10 each in the share capital of the Company;
"Shareholders"	holders of the Shares;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Share Holding Companies"	the Vendor, Expert Success and CAML;
"substantial shareholder(s)"	has the same meaning ascribed to it under the Listing Rules;
"Vendor"	Jade Assets Company Limited, a company incorporated in the British Virgin Islands with limited liability, which is an indirect wholly-owned subsidiary of the Company;
"$"	Hong Kong dollar, the lawful currency of Hong Kong;
"%"	per cent.

By Order of the Board of
CCT FORTIS HOLDINGS LIMITED
Mak Shiu Tong, Clement
Director

Hong Kong, 5 December 2014

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. Chow Siu Ngor and Mr. Chen Li.