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CCT LAND HOLDINGS LIMITED
（中建置地集團有限公司）
(Incorporated in Bermuda with limited liability)
(Stock Code: 00261)

CCT 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)

JOINT ANNOUNCEMENT IN RELATION TO

(1) INSIDE INFORMATION

(2) CONNECTED TRANSACTION ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE IN SETTLEMENT OF PROMISSORY NOTES PAYABLE

(3) INCREASE IN AUTHORISED SHARE CAPITAL

INSIDE INFORMATION SUBSCRIPTION OF CONVERTIBLE BONDS OF CCT LAND AS SETTLEMENT OF PROMISSORY NOTES RECEIVABLE

Financial Adviser to CCT Land Holdings Limited
VC Capital Limited

VC CAPITAL LIMITED
滙盈融資有限公司

THE AGREEMENT AND THE TRANSACTIONS

On 27 October 2015 (after trading hours), the Agreement was entered into by and among Jade Assets, CCT Securities, CCT Fortis, Glory Merit and CCT Land under which it was agreed that, subject to the terms and conditions of the Agreement, (i) CCT Land will issue and CCT Securities will subscribe for the First Convertible Bonds at the First Issue Price which will be satisfied as full settlement of the outstanding principal and accrued interest (if any) of the First Promissory Note due by CCT Land to Jade Assets upon Completion; and (ii) CCT Land will issue and Glory Merit will subscribe for the Second Convertible Bonds at the Second Issue Price to be satisfied as full settlement of all the outstanding principal and accrued interest of the Second Promissory Notes due by CCT Land to Glory Merit upon Completion. The implementation of the Agreement, the Subscription and the Settlement are subject to fulfillment of the Conditions Precedent.

The maximum of 109,567,100,000 Conversion Shares to be issued upon full conversion of the Convertible Bonds at the initial Conversion Price of HK$0.01 represent (i) approximately 147.51% of the existing issued share capital of CCT Land; and (ii) approximately 59.60% of existing total issued share capital of CCT Land as enlarged by the issue of the Conversion Shares upon full conversion of the Convertible Bonds.

The Conversion Shares will be allotted and issued under a specific mandate of CCT Land to be approved by the CCT Land Independent Shareholders at the CCT Land SGM by ordinary resolution.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to allow CCT Land to have sufficient unissued CCT Land Shares for the issue of the Conversion Shares upon the exercise of the Conversion Rights of the Convertible Bonds and the flexibility to issue new CCT Land Shares for future development, CCT Land proposes to increase the authorised share capital from HK$1,200,000,000 divided into 120,000,000,000 CCT Land Shares to HK$3,000,000,000 divided into 300,000,000,000 CCT Land Shares by the creation of an additional 180,000,000,000 CCT Land Shares of HK$0.01 each which will rank pari passu with all existing CCT Land Shares.

The proposed Increase in Authorised Share Capital is conditional upon the approval of the CCT Land Shareholders at the CCT Land SGM by way of an ordinary resolution.

LISTING RULES IMPLICATIONS

As Mr. Mak is the chairman, an executive director, and chief executive officer of CCT Land, he is a connected person of CCT Land under the Listing Rules. As Mr. Mak held approximately 54.79% of the existing issued share capital of CCT Fortis as at the date of this joint announcement, CCT Fortis is an associate of Mr. Mak and is therefore also a connected person of CCT Land under the Listing Rules. The First Subscription and the First Settlement therefore constitute a connected transaction for CCT Land under the Listing Rules. As the First Subscription, the Second Subscription, the First Settlement and the Second Settlement will be completed simultaneously and each of these transactions will not be completed separately to the exclusion of the others, the Transactions will be subject to announcement, circular and approval by the CCT Land Independent Shareholders under Chapter 14A of the Listing Rules.

As CCT Securities is engaged in the securities trading business and the First Convertible Bonds and the Conversion Shares to be allotted and issued upon the exercise of the First Convertible Bonds will be subscribed by it in the ordinary and usual course of the security trading business of CCT Securities, neither the First Subscription nor the First Settlement constitutes a notifiable transaction for CCT Fortis under the Listing Rules.

GENERAL

The CCT Land SGM will be convened to consider and if, thought fit, approve the Transactions and any other transactions contemplated under the Agreement, and the proposed Increase in Authorised Share Capital. The Transactions are subject to approval of the CCT Land Independent Shareholders by way of poll at the CCT Land SGM. CCT Fortis and its associates (which include CCT Securities) will abstain from voting in respect of resolution(s) to approve the Transactions at the CCT Land SGM. To the best of the knowledge, information belief having made all reasonable enquiry, none of the CCT Land Shareholders has any material interest in the proposed Increase in Authorised Share Capital and as such, no CCT Land Shareholder is required to abstain from voting at the CCT Land SGM to approve the proposed Increase in Authorised Share Capital.

An independent board committee of CCT Land comprising Mr. Lau Ho Kit, Ivan and Mr. William Robert Majcher, who are independent non-executive directors of CCT Land and who have no material interest in the Transactions, has been formed pursuant to the requirements of the Listing Rules to advise the CCT Land Independent Shareholders on terms of the Agreement and the Transactions. Mr. Chow Siu Ngor, an independent non-executive director of CCT Land, is not a member of the Independent Board Committee because he is also an independent non-executive director of CCT Fortis and as such is not suitable to act as member of the Independent Board Committee for the Transactions. An

independent financial adviser of CCT Land will be appointed to advise the Independent Board Committee and the CCT Land Independent Shareholders in this regard.

A circular of CCT Land containing, among other information, (i) details of the Agreement, and the Transactions (ii) the recommendation of the Independent Board Committee to the CCT Land Independent Shareholders, (iii) the letter of advice from the independent financial adviser to the Independent Board Committee and the CCT Land Independent Shareholders in relation to the Transactions; (iv) details of the proposed Increase in Authorised Share Capital; and (v) a notice convening the CCT Land SGM will be despatched to the CCT Land Shareholders on or before 17 November 2015 in compliance with the requirement of the Listing Rules.

CAUTION

As completion of the Transactions is subject to a number of conditions, which may or may not be fulfilled, the Transactions may or may not proceed. The respective shareholders and potential investors of CCT Land and CCT Fortis should exercise caution in dealing in the securities of CCT Land and CCT Fortis, respectively.

This joint announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO (Chapter 571 of the Laws of Hong Kong) and in respect of CCT Land under Chapter 14A of the Listing Rules.

THE AGREEMENT AND THE TRANSACTIONS

The Agreement was entered into amongst the following parties and the key terms of which are as follows:

Date: 27 October 2015 (after trading hours of the Stock Exchange)

Parties:

(i)	Jade Assets	: Jade Assets Company Limited
(ii)	CCT Securities	: CCT Telecom Securities Limited
(iii)	CCT Fortis	: CCT Fortis Holdings Limited
(iv)	Glory Merit	: Glory Merit International Investment Limited
(v)	CCT Land	: CCT Land Holdings Limited

Each of Jade Assets and CCT Securities is an indirect wholly-owned subsidiary of CCT Fortis. As at the date of this joint announcement, CCT Fortis holds indirectly through CCT Securities a total of 6,426,000,000 CCT Land Shares, representing approximately 8.65% of the total number of issued shares of CCT Land. As Mr. Mak is the chairman, an executive director, and chief executive officer of CCT Land, he is a connected person of CCT Land under the Listing Rules. As Mr. Mak held approximately 54.79% of the total issued share capital of CCT Fortis as at the date of this joint announcement, CCT Fortis is an associate of Mr. Mak and is therefore also a connected person of CCT Land under the Listing Rules.

To the best of the knowledge, information and belief and having made all reasonable enquiries by the CCT Fortis Directors, CCT Land is not a connected person of CCT Fortis.

To the best of the knowledge, information and belief and having made all reasonable enquiries by the CCT Land Directors and the CCT Fortis Directors, Glory Merit and its ultimate beneficial owner(s) is a third party independent of CCT Land and CCT Fortis.

Subject matter of the Agreement

As at the date of this joint announcement, CCT Land is indebted to Jade Assets the First Promissory Note of outstanding principal amount of HK$795,671,000 and CCT Land is indebted to Glory Merit the Second Promissory Notes of outstanding principal amount of HK$300,000,000, in aggregate. Further details of the Promissory Notes are elaborated below:

(A) The First Promissory Note due to Jade Assets

	Original Date of Issue	Term, Maturity	Date of issue*	Interest	Outstanding Principal
1.	15 July 2013	3 years, 15 July 2016	29 September 2015	Interest-free	$795,671,000

(B) The Second Promissory Note dues to Glory Merit

1.	15 July 2013	3 years, 15 July 2016	29 September 2015	interest-free	$104,329,000
2.	28 March 2012	5 years, 28 March 2017	29 September 2015	3% p.a.	$67,471,000
3.	6 March 2014	3 years, 6 March 2017	29 September 2015	3% p.a.	$33,200,000
4.	9 June 2014	3 years, 9 June 2017	29 September 2015	3% p.a.	$12,500,000
5.	4 September 2014	3 years, 4 September 2017	29 September 2015	3% p.a.	$7,500,000
6.	2 January 2015	3 years, 2 January 2018	29 September 2015	3% p.a.	$20,000,000
7.	12 May 2015	3 years, 12 May 2018	29 September 2015	3% p.a.	$25,000,000
8.	8 June 2015	3 years, 8 June 2018	29 September 2015	3% p.a.	$10,000,000
9.	3 July 2015	3 years, 3 July 2018	29 September 2015	3% p.a.	$20,000,000
	Total Second Promissory Notes				$300,000,000
	Total Promissory Notes				$1,095,671,000

* The Second Promissory Notes were transferred by Jade Assets and CCT Fortis to Glory Merit on 29 September 2015 and new certificates were issued on that date for all the Promissory Notes (including the First Promissory Note).

The Second Promissory Notes were transferred by Jade Assets and CCT Fortis to Glory Merit under the Transfer Agreement at the Transfer Consideration of HK$300,000,000, which is payable by Glory Merit to Jade Assets and CCT Fortis on or before 30 June 2016. None of the Transfer Consideration has been paid as at the date of this joint announcement. Details of the Transfer Agreement have been disclosed in the announcement dated 25 September 2015 and the circular dated 20 October 2015 of CCT Fortis.

Pursuant to the Agreement, CCT Land has agreed to settle the outstanding principal and accrued interest (if any) of all the Promissory Notes by issue of the Convertible Bonds. It was agreed by the parties to the Agreement that, subject to the terms and conditions of the Agreement, (i) CCT Land will issue and CCT Securities will subscribe for the First Convertible Bonds at the First Issue Price, which will be satisfied as full settlement of the outstanding principal and accrued interest (if any) of the First Promissory Note due by CCT Land to Jade Assets upon Completion; and (ii) CCT Land will issue and Glory Merit will subscribe for the Second Convertible Bonds at the Second Issue Price which will be satisfied as full settlement of all the outstanding principal and accrued interest of the Second Promissory Notes due by CCT Land to Glory Merit upon Completion. Jade Assets has agreed to satisfy the First Issue Price by way of the First Settlement and will discharge CCT Land from all the payments, obligations and liabilities under the First Promissory Note upon issue of the First Convertible Bonds to CCT Securities at Completion. Glory Merit has agreed to satisfy the Second Issue Price by way of the Second Settlement and will discharge CCT Land from all the payments, obligations and liabilities under the Second Promissory Notes upon issue of the Second Convertible Bonds to Glory Merit at Completion.

Principal terms of the Convertible Bonds

The principal terms of the Convertible Bonds are as follows:

Issuer:	CCT Land
Principal amount:	HK$1,095,671,000 of which HK$795,671,000 will be issued to CCT Securities and HK$300,000,000 will be issued to Glory Merit
Issue Price	100% of the principal amount of the Convertible Bonds
Issue date:	Completion Date
Interest:	The Convertible Bonds will not bear any interest,
Maturity Date:	The third anniversary of the date of issue of the Convertible Bonds (which must be a Business Day, and if not, the Business Day immediately following). All the outstanding principal amounts of the Convertible Bonds will be automatically converted into Conversion Shares on the Maturity Date.
Redemption:	The Convertible Bond shall not be redeemed (in whole or in part) at the option of CCT Land commencing from the Issue Date up to and including the day immediately prior to the Maturity Date.
Status:	The obligations of CCT Land arising under the Convertible Bonds constitute general, unconditional, unsecured, unsubordinated obligations of CCT Land, and rank equally among themselves and *pari passu* with all other present and future unsecured obligations and unsubordinated of CCT Land except for obligations accorded preference by mandatory provisions of applicable law.
Conversion Price:	HK$0.01 per Conversion Share (subject to adjustments)

Conversion Shares:	Up to a maximum of 109,567,100,000 new CCT Land Shares (subject to adjustments of the Conversion Price), representing (i) approximately 147.51% of the existing issued share capital of CCT Land as at the date of this joint announcement; and (ii) approximately 59.60% of the issued capital of CCT Land as enlarged by the allotment and issue of the Conversion Shares.
Transferability:	The Convertible Bonds will be freely transferable and shall be transferable in whole or in any part(s) in multiples of HK$3,000,000, provided that unless with the prior written consent of CCT Land and in full compliance of the Listing Rules and other requirements of the Stock Exchange, none of the Convertible Bonds may be transferred to a connected person of CCT Land.
Conversion Period:	The period commencing on the date of issue of the Convertible Bonds and expiring on the Maturity Date (the ''**Conversion Period**'')
Bondholder's Conversion Right:	The Bondholder has the right on any Business Day during the Conversion Period to convert in whole or in part the outstanding principal amount of the Convertible Bonds in whole or in integral multiples of HK$3,000,000 into Conversion Shares, subject to and upon compliance with the CB Conditions.
Takeovers Code and public float restriction:	The Conversion Rights shall not be exercised by the Bondholder, or if exercised by virtue of a conversion notice having been given, CCT Land will not be obliged to issue any Conversion Shares but may treat the conversion notice as invalid, if it comes to the notice of CCT Land that immediately following such conversion : (a) CCT Land will be unable to meet the public float requirement under the Listing Rules; or (b) the Bondholder will as a result of the issue of the relevant Conversion Shares trigger any mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Bondholder which exercised the Conversion Rights, representing 30% or more (or such other percentage as stated in Rule 26 of the Takeovers Code in effect from time to time) of the then issued share capital of CCT Land or otherwise pursuant to other provisions of the Takeovers Code.

Adjustments to Conversion Price:	The Conversion Price is subject to adjustments upon the occurrence of the following events: (i) an alteration to the aggregate number of the CCT Land Shares in issue as a result of consolidation, subdivision, reclassification or otherwise; and (ii) an issue by CCT Land of any CCT Land Shares credited as fully paid to CCT Land Shareholders by way of capitalization of profits or reserves, other than CCT Land Shares issued in lieu (in whole or in part) of a cash dividend, being a dividend which the CCT Land Shareholders concerned would or could otherwise have received. Each adjustment made to the Conversion Price pursuant to the adjustment event(s) would be certified in writing by CCT Land, independent reputable accounting firms, merchant banks or other reputable financial institutions selected and appointed by CCT Land.
Events of default	If any of the following events occurs and no rectification (to the extent that such event can be rectified) has been made within twenty (20) Business Days thereafter, the Bondholder may give notice to CCT Land that the Convertible Bonds, on the giving of such notice, is immediately due and payable at its principal amount then outstanding: (a) the CCT Land Shares (as a class) cease to be listed on the Stock Exchange; (b) CCT Land defaults in performance or compliance with any of its obligations contained in the CB Conditions which breach or default is incapable of remedy or, if capable of remedy, is not remedied within twenty (20) Business Days after notice of such breach or default is sent from the Bondholder to CCT Land;

(c) an encumbrancer or a creditor takes possession or a receiver, manager or other similar officer is appointed of the whole or any material part of the undertaking, property, assets or revenues of CCT Land;

(d) CCT Land becomes insolvent or is unable to pay its debts as they mature or applies for or consents to the appointment of any administrator, liquidator or receiver of the whole or any material part of its undertaking, property, assets or revenues or enters into a general assignment or compromise with or for the benefit of its creditors; or

(e) an order is made or an effective resolution passed for winding-up of CCT Land.

Voting rights: The Bondholder will not be entitled to vote at any meetings of CCT Land by reason only of it being the holder of the Convertible Bonds.

Listing: The Convertible Bonds will not be listed on the Stock Exchange or any other stock exchange. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Conditions precedent to the Agreement

Completion of the Agreement is conditional upon:

(i) the passing by the CCT Land Independent Shareholders at the CCT Land SGM of all resolutions required under the Listing Rules, in respect of, among other things, the Transactions and any other transactions contemplated under the Agreement, including but not limited to the specific mandate for the allotment and issue of the Conversion Shares;

(ii) the Listing Committee granting or agreeing to grant (subject to allotment) listing of and permission to deal in all the Conversion Shares which may fall to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Bonds; and

(iii) each of Jade Assets, CCT Securities, Glory Merit and CCT Land having obtained all necessary consents and approvals (if any) in respect of the Agreement and the transactions contemplated thereunder.

None of the above conditions precedent can be waived.

If any of the above conditions to the Agreement has not been fulfilled by the Long Stop Date, the Agreement will be automatically terminated and become null and void, and none of the parties thereto will have any claim against the other in respect of the Agreement, save for any liability arising out of any antecedent breaches of the Agreement.

Completion of the Agreement

Completion of the Agreement will take place on the Completion Date. The First Subscription, the Second Subscription, the First Settlement and the Second Settlement will be completed simultaneously and each of these transactions will not completed separately to the exclusion of the others.

Conversion Price

The Conversion Price of HK$0.01 per Conversion Share, subject to adjustments as set out and in accordance with the terms and conditions of the Convertible Bonds represents:

(i) a discount of approximately 47.37% over the closing price of HK$0.019 per CCT Land Share as quoted on the Stock Exchange on 27 October 2015, being the date of the Agreement;

(ii) a discount of approximately 47.92% over the average of the closing prices of approximately HK$0.0192 per CCT Land Share for the last five (5) consecutive trading days immediately prior to the date of the Agreement;

(iii) a discount of approximately 49.49% over the average of the closing prices of approximately HK$0.0198 per CCT Land Share for the last ten (10) consecutive trading days immediately prior to the date of the Agreement;

(iv) a premium of approximately of 49.3% over the unaudited consolidated net asset value attributable to owners of CCT Land per CCT Land Share of approximately HK$0.0067, based on the latest unaudited net asset value attributable to owners of CCT Land of approximately HK$495 million as at 30 June 2015 and the existing total number of CCT Land Shares in issue of 74,278,993,990 CCT Land Shares; and

(v) a premium of approximately of 14.9% over the pro-forma fully diluted unaudited consolidated net asset value attributable to owners of CCT Land per CCT Land Share of approximately HK$0.0087, based on the pro-forma unaudited net asset value attributable to owners of CCT Land as adjusted by full settlement of the Promissory Notes upon Completion of approximately HK$1,590.7 million and the maximum number of CCT Land Shares in issue following full conversion of the Convertible Bonds of 183,846,093,990 CCT Land Shares.

The Conversion Price was arrived at after arm's length negotiations between Jade Assets, CCT Securities, Glory Merit and CCT Land, with reference to, among other things, (i) the settlement of significant liabilities of the Promissory Notes of the CCT Land Group, the significant improvement in financial position of CCT Land and other benefits to be derived by CCT Land Group from the Transactions as discussed in the section headed "Reasons for and benefits derived by CCT Land from the Transactions" of this joint announcement; (ii) the prevailing market price of the CCT Land Shares; and (iii) the existing unaudited net asset value per CCT Land Share and pro-forma fully diluted unaudited net asset value per CCT Land Share following full conversion of the Convertible Bonds. The CCT Land Directors consider that the Conversion Price is fair and reasonable and in the interests of CCT Land and the CCT Land Shareholders as a whole.

The Conversion Shares

The Conversion Shares will be allotted and issued under a specific mandate of CCT Land to be approved by the CCT Land Independent Shareholders at the CCT Land SGM by ordinary resolution.

(1) The maximum of 79,567,100,000 Conversion Shares to be issued upon full conversion of the First Convertible Bonds at the initial Conversion Price of HK$0.01 represent:

(i) approximately 107.12% of the existing issued share capital of CCT Land; and

(ii) approximately 43.28% of the issued share capital of CCT Land as enlarged by the issue of the Conversion Shares upon full conversion of the Convertible Bonds.

(2) The maximum of 30,000,000,000 Conversion Shares to be issued upon full conversion of the Second Convertible Bonds at the initial Conversion Price of HK$0.01 represent:

(i) approximately 40.39% of the existing issued share capital of CCT Land; and

(ii) approximately 16.32% of the issued share capital of CCT Land as enlarged by the issue of the Conversion Shares upon full conversion of the Convertible Bonds.

(3) The maximum of 109,567,100,000 Conversion Shares to be issued upon full conversion of the Convertible Bonds at the initial Conversion Price of HK$0.01 represent:

(i) approximately 147.51% of the existing issued share capital of CCT Land; and

(ii) approximately 59.60% of the issued share capital of CCT Land as enlarged by the issue of the Conversion Shares upon full conversion of the Convertible Bonds.

The Conversion Shares shall rank *pari passu* in all respects with the CCT Land Shares then in issue on the date of allotment and issue thereof.

The Conversion Shares upon conversion of the Convertible Bonds will be allotted and issued under a specific mandate to be sought for approval from the CCT Land Independent Shareholders at the CCT Land SGM.

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 Conversion Shares.

SHAREHOLDING STRUCTURE

To the best knowledge of the CCT Land Directors and CCT Land, assuming that no other CCT Land Shares will be issued, the shareholding structure of CCT Land (i) as at the date of this joint announcement, and (ii) immediately after Completion and full conversion of the Convertible Bonds at the initial Conversion Price of HK$0.01 per Conversion Share, shall be as follows:

	As at the date of this joint announcement		**Immediately after Completion and full conversion of the Convertible Bonds at the initial Conversion Price of HK$0.01 per Conversion Share**	
Shareholders	*No. of CCT Land Shares*	*%*	*No. of CCT Land Shares*	*%*
CCT Securities	6,426,000,000	8.65%	85,993,100,000	46.77%
Directors:				
Tam Ngai Hung, Terry	10,000,000	0.01%	10,000,000	0.01%
Glory Merit	0	0.00%	30,000,000,000	16.32%
Public Shareholders	67,842,993,990	91.34%	67,842,993,990	36.90%
Total	74,278,993,990	100.00%	183,846,093,990	100.00%

Note:

The above table is prepared for illustration purpose only as the conversion of the Convertible Bonds by the Bondholder(s) will be subject to certain restrictions as set out in the CB Conditions, including but not limited to the restriction of conversion of the Convertible Bonds which will result in the Bondholders triggering any mandatory offer obligation under Rule 26 of the Takeovers Code.

UNDERTAKINGS OF GLORY MERIT TO JADE ASSETS AND CCT FORTIS

Glory Merit has irrevocably undertaken to Jade Assets and CCT Fortis in the Agreement as follows:

Save with the written consent of Jade Assets and CCT Fortis or until the Transfer Consideration is received in full by Jade Assets and CCT Fortis:

(a) all the original CB Certificates issued in respect of the Second Convertible Bonds to Glory Merit and CB Certificates for any outstanding Second Convertible Bonds not yet converted from time to time will be kept in custody of Jade Assets and Glory Merit has irrevocably authorised CCT Land to deliver all the original CB Certificates in respect of the Second Convertible Bonds directly to CCT Fortis for custody upon their issue at Completion and from time to time;

(b) save for the exercise of the Second Convertible Bonds for sale of the Conversion Shares to repay the Transfer Consideration to Jade Assets and CCT Fortis, Glory Merit will not and it will procure its Affiliates not to, directly or indirectly, including by or through its Affiliates

(i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, in part or in whole of, the Second Convertible Bonds (the "**Lock-up Bonds**"); or

(ii) enter into a swap or other arrangement that would have the effect of transferring to another party any of the economic benefits of ownership of the Lock-up Bonds, for the purpose of hedging its or any of its Affiliate's economic or beneficial ownership in, or holdings of, the Lock-up Bonds;

(c) Save with the written consent of Jade Assets and CCT Fortis, Glory Merit will not exercise the Conversion Rights in respect of any of the Second Convertible Bonds. In the event Jade Assets and CCT Fortis approve exercise of the Conversion Rights by Glory Merit in respect of any part of the Second Convertible Bonds for sale of the Conversion Shares to repay part or whole of Transfer Consideration to Jade Assets and CCT Fortis, Glory Merit has irrevocably undertaken in favour of Jade Assets and CCT Fortis that it will apply the proceeds from the sale of the Conversion Shares in priority to repay the Transfer Consideration to Jade Assets and CCT Fortis.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The CCT Land Group is principally engaged in the manufacturing and sale of telecom, electronic and child products and development and sale of residential and commercial properties in Anshan, Liaoning Province, the PRC. The performance of the manufacturing business has been adversely affected by the sluggish recovery of its major markets, rising labour costs in China due to shortage of labour and severe competition. As for the mainland property business, this business was affected by tightened housing policies by the Central Government, the tightened liquidity and credit in China, and the price-cutting strategy adopted by local developers. Although mainland housing policies have been relaxed and market liquidity has improved in 2015, the local property market has only rebound slowly and property price in Anshan is still weak. The CCT Land Directors expect that the operating environment of the principal businesses of the CCT Land Group will remain uncertain and difficult going forward and they expect that their performance will continue to be impacted by the existing difficulties and challenges.

CCT Land Directors (including the CCT Land Independent Directors) have reviewed the financial position of the CCT Land Group and consider that the Promissory Notes of the total principal amount of HK$1,095,671,000 represent the most significant liabilities and heavy financial burden of the CCT Land Group, especially as the Promissory Notes of principal amount of HK$900,000,000 will be due on 15 July 2016. In view of the above, CCT Land has appointed the Financial Adviser to review and advise the company with financial proposals to settle the Promissory Notes. Various alternatives have been explored by CCT Land with the Financial Adviser, which include funds raising from capital markets (such as placing of new shares) and bank borrowings. It is considered that placing of new shares to raise huge amount of money in order to repay approximately HK$1.1 billion Promissory Notes would not be feasible under the current share market condition. Raising bank borrowings of such a huge amount is not possible either as the financial performance of the CCT Land Group is not satisfactory in the past few years. Furthermore, bank borrowings will not improve the financial position of CCT Land and on the other hand, will incur large amount of interest cost each year. Based on the advice of the Financial Adviser, CCT Land decided to issue the Convertible Bonds to settle the Promissory Notes and discussed with CCT Fortis and Glory Merit about the proposal and the discussions led to the entering of the Agreement.

The CCT Land Directors consider that the Agreement, the Subscription and the Settlement is the only feasible way of settling the Promissory Notes once and for all. The CCT Land Directors consider that the Transactions will result in the following benefits to the CCT Land Group:

1. all the Promissory Notes which represent huge liabilities and heavy financial burden of the CCT Land Group will be fully settled upon Completion without requiring any cash outflow and the financial position of the CCT Land Group will be greatly improved as a result;

2. as the Convertible Bonds do not bear any interest and any outstanding Convertible Bonds will be automatically converted into Conversion Shares on the maturity date of the Convertible Bonds, the Convertible Bonds will not give rise to any new liability or financial burden to the CCT Land Group;

3. the capital base of CCT Land will be significantly enlarged by the issue of the Conversion Shares upon conversion of the Convertible Bonds; and

4. the net assets of the CCT Land Group will be significantly increased by the principal amount of the Convertible Bonds upon their full conversion and its fully diluted net asset value per CCT Land Share will also be improved correspondingly.

In light of the benefits above, the CCT Land Directors (including the independent non-executive directors of CCT Land) is of the view that the terms of Agreement are on normal commercial terms and the Transactions are fair and reasonable, and in the interests of the CCT Land and its shareholders as a whole.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF CCT LAND

As at the date of this joint announcement, the authorised share capital of CCT Land is HK$1,200,000,000 divided into 120,000,000,000 CCT Land Shares, of which 74,278,993,990 CCT Land Shares have been issued and allotted as fully paid or credited as fully paid. In order to allow CCT Land to have sufficient unissued CCT Land Shares for the issue of the Conversion Shares and the flexibility to issue new CCT Land Shares for future development, CCT Land proposes to increase the authorised share capital from HK$1,200,000,000 divided into 120,000,000,000 CCT Land Shares to HK$3,000,000,000 divided into 300,000,000,000 CCT Land Shares by the creation of an additional 180,000,000,000 CCT Land Shares of HK$0.01 each which will rank pari passu with all existing CCT Land Shares.

The proposed Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the CCT Land Shareholders at the SGM.

INFORMATION ON CCT LAND AND THE CCT LAND GROUP

CCT Land is the holding company of the CCT Land Group. The CCT Land Group is principally engaged in: (i) design and development, manufacturing and sale of telecom, electronic, and child products; and (ii) development and sale of residential and commercial properties in the PRC; and (iii) trading and sale of child products.

INFORMATION ON JADE ASSETS, CCT SECURITIES, CCT FORTIS AND GLORY MERIT

Jade Assets is an indirect wholly-owned subsidiary of CCT Fortis and its principal activity is investment holding. CCT Securities is an indirect wholly-owned subsidiary of CCT Fortis and its principal activity is trading of securities. As at the date of this joint announcement, CCT Securities holds 6,426,000,000 CCT Land Shares, representing approximately 8.65% of the total number of issued shares of CCT Land and those CCT Land Shares are held for trading purpose.

CCT Fortis is the holding company of the CCT Fortis Group, which is principally engaged in the following activities as at the date of this joint announcement:

(a) property development and property trading in Hong Kong;
(b) property investment and holding;
(c) manufacture and sale of plastic components;
(d) the securities business;
(e) investment in classic cars;
(f) sale and trading of classic cars;
(g) automotive service business

To the best of the knowledge, information and belief of CCT Land Directors and having made all reasonable enquiries, Glory Merit is engaged in investment holding.

LISTING RULES IMPLICATIONS

As Mr. Mak is the chairman, an executive director, and chief executive officer of CCT Land, he is a connected person of CCT Land under the Listing Rules. As Mr. Mak held approximately 54.79% of the total issued share capital of CCT Fortis as at the date of this joint announcement, CCT Fortis is an associate of Mr. Mak and is therefore also a connected person of CCT Land under the Listing Rules. The First Subscription and the First Settlement therefore constitute a connected transaction for CCT Land under the Listing Rules. As the First Subscription, the Second Subscription, the First Settlement and the Second Settlement will be completed simultaneously and each of these transactions will not be completed separately to the exclusion of the others, the Transactions will be subject to announcement, circular and approval by the CCT Land Independent Shareholders under Chapter 14A of the Listing Rules.

As CCT Securities is engaged in the securities trading business and the First Convertible Bonds and the Conversion Shares to be allotted and issued upon the exercise of the First Convertible Bonds will be acquired by it in the ordinary and usual course of the security trading business of CCT Securities, neither the First Subscription nor the First Settlement constitutes a notifiable transaction for CCT Fortis under the Listing Rules.

GENERAL

The CCT Land SGM will be convened to consider and if, thought fit, approve the Transactions and any other transactions contemplated under the Agreement, and the proposed Increase in Authorised Share Capital. The Transactions are subject to approval of the CCT Land Independent Shareholders by way of poll at the CCT Land SGM. CCT Fortis and its associates (which include CCT Securities) will abstain from voting in respect of resolution(s) to approve the Transactions and any other transactions contemplated under the Agreement at the CCT Land SGM. To the best of the knowledge, information belief having made all reasonable enquiry, none of the CCT Land Shareholders has any material interest in the proposed Increase in Authorised Share Capital and as such, no CCT Land Shareholder is required to abstain from voting at the CCT Land SGM to approve the proposed Increase in Authorised Share Capital.

An independent board committee of CCT Land comprising Mr. Lau Ho Kit, Ivan and Mr. William Robert Majcher, who are independent non-executive directors of CCT Land and who have no interest in the Transactions, has been formed pursuant to the requirements of the Listing Rules to advise the CCT Land Independent Shareholders on terms of the Agreement and the Transactions. Mr. Chow Siu Ngor, an independent non-executive director of CCT Land, is not a member of the Independent Board Committee because he is also an independent non-executive director of CCT Fortis and is deemed to be interested in the Transactions. An independent financial adviser of CCT Land will be appointed to advise the Independent Board Committee and the CCT Land Independent Shareholders in this regard.

A circular of CCT Land containing, among other information, (i) details of the Agreement, and the Transactions (ii) the recommendation of the Independent Board Committee to the CCT Land Independent Shareholders, (iii) the letter of advice from the independent financial adviser to the Independent Board Committee and the CCT Land Independent Shareholders in relation to the Transactions; (iv) details of the proposed Increase in Authorised Share Capital; and (v) a notice convening the CCT Land SGM will be despatched to the CCT Land Shareholders on or before 17 November 2015 in compliance with the requirement of the Listing Rules.

CAUTION

As completion of the Transactions is subject to fulfillment of a number of conditions precedent, which may or may not be fulfilled, the Transactions may or may not proceed. Each of the CCT Land Shareholders and the CCT Fortis Shareholders and respective potential investors of CCT Land and CCT Fortis should exercise caution in dealing in the securities of CCT Land and CCT Fortis respectively.

DEFINITIONS

The following words and phrases used in this joint announcement shall have the following meanings, unless the context otherwise requires:

"Affiliate(s)"	any other person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified person;
"Agreement"	the conditional agreement dated 27 October 2015 entered into by and among Jade Assets, CCT Securities, CCT Fortis, Glory Merit and CCT Land in respect of the Transactions;
"associate(s)"	has the same meaning as ascribed to it under the Listing Rules;
"Bondholder(s)"	the holder(s) of the Convertible Bonds(s);
"Business Day(s)"	a day (other than Saturdays, Sundays and on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for general banking business;
"CB Certificate"	the certificate of the Convertible Bonds issued to each Bondholder evidencing its holding of the Convertible Bonds;
"CB Conditions"	the terms and conditions of the Convertible Bonds;
"CCT Fortis"	CCT Fortis Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange;
"CCT Fortis Director(s)	The director(s) of CCT Fortis, from time to time;
"CCT Fortis Group"	CCT Fortis and its subsidiaries, from time to time;
"CCT Fortis Share(s)	the share(s) of HK$0.10 each in the capital of CCT Fortis;

"CCT Fortis Shareholder(s)"	the holder(s) of issued CCT Fortis Shares;
"CCT Land"	CCT Land Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange;
"CCT Land Board"	the board of the CCT Land Directors;
"CCT Land Director(s)"	the director(s) of CCT Land, from time to time;
"CCT Land Group"	CCT Land and its subsidiaries from time to time;
"CCT Land Independent Shareholder(s)"	CCT Land Shareholder(s) other than CCT Fortis and its associates;
"CCT Land SGM"	the special general meeting of the CCT Land Shareholders to be convened to consider and, if thought fit, inter alia, approve the Transactions and any other transactions to be contemplated under the Agreement, and the proposed Increase in Authorised Share Capital;
"CCT Land Share(s)	the share(s) of HK$0.01 each in the capital of CCT Land;
"CCT Land Shareholder(s)"	the holder(s) of the issued CCT Land Share(s);
"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;
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the laws Hong Kong);
"Completion"	completion of the Transactions pursuant to the Agreement;
"Completion Date"	on or before the third Business Day following the date of fulfillment of the Conditions Precedent or such later date as the parties to the Agreement may agree in writing;

"Conditions Precedent"	has the meaning given to it in the sub-section headed "Conditions precedent to the Agreement" under the section headed "The Agreement and the Transactions" of this joint announcement;
"connected person(s)"	has the same meaning as ascribed to it under the Listing Rules;
"Control"	means in relation to an undertaking: (a) the power to direct the exercise of a majority of the voting rights capable of being exercised at a general meeting of that undertaking; (b) the right to appoint or remove a majority of the board of directors (or corresponding officers) of that undertaking; or (c) the right to exercise a dominant influence over that undertaking by virtue of provisions contained in its constitutional documents or under a control contract or otherwise. in each case either directly or indirectly "Controlling" and "Controlled" shall be construed accordingly;
"Convertibles Bonds"	the zero coupon Convertible Bonds in the aggregate principal amount of HK$1,095,671,000 to be issued by CCT Land to CCT Securities and Glory Merit as full settlement of the Promissory Notes pursuant to the terms and conditions of the Agreement;
"Conversion Price"	the price at which the Conversion Shares will be issued upon conversion and initially be HK$0.01 per Conversion Share (subject to adjustments pursuant to the CB Conditions);
"Conversion Rights"	the rights attached to the Convertible Bonds to convert the principal amount thereof into the Conversion Shares;
"Conversion Share(s)"	The CCT Land Shares falling to be allotted and issued by CCT Land upon exercise by the Bondholder of the Conversion Rights, pursuant to the terms of the CB Conditions;

"Financial Adviser"	VC Capital Limited, a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO;
"First Convertible Bonds"	the Convertible Bonds in the aggregate principal amount of HK$795,671,000, to be issued by CCT Land to CCT Securities at the First Issue Price, under the terms and conditions of the Agreement;
"First Issue Price"	the total issue price of the First Convertible Bonds of HK$795,671,000, which shall be 100% of the principal amount of the First Convertible Bonds;
"First Promissory Note"	the promissory note of outstanding principal amount of HK$795,671,000 due by CCT Land to Jade Assets, details of which have been disclosed in the sub-section headed "Subject matter of the Agreement' under the section headed "The Agreement and the Transactions" of this joint announcement;
"First Settlement"	the settlement of all outstanding principal and accrued interest (if any) of the First Promissory Note due by CCT Land to Jade Assets by way of the First Subscription, under the terms and conditions of the Agreement;
"First Subscription"	the subscription of the First Convertible Bonds at the First Issue Price by CCT Securities, which will be satisfied as full settlement of all the outstanding principal and accrued interest (if any) of the First Promissory Note, under the terms and conditions of the Agreement;
"Glory Merit"	Glory Merit International Investment Limited, a company incorporated in the British Virgin Islands with limited liability;
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;

"Increase in Authorised Share Capital"	the proposed increase in authorised share capital of CCT Land from HK$1,200,000,000 divided into 120,000,000,000 CCT Land Shares to HK$3,000,000,000 divided into 300,000,000,000 CCT Land Shares;
"Independent Board Committee"	the independent board committee of CCT Land consisting of Mr. Lau Ho Kit, Ivan and Mr. William Robert Majcher, both being the independent non-executive directors of CCT Land not having material interest in the Agreement and the Transactions, formed for the purpose of advising the CCT Land Independent Shareholders on the Transactions;
"Jade Assets"	Jade Assets Company Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of CCT Fortis;
"Listing Committee"	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Long Stop Date"	31 December 2015, or such other date as the parties to the Agreement may agree in writing;
"Mr. Mak"	Mr. Mak Shiu Tong, Clement, the chairman, the chief executive officer, an executive director and a substantial shareholder of CCT Fortis and the chairman, the chief executive officer, and an executive director of CCT Land;
"p.a."	per annum;
"PRC" or "China"	the People's Republic of China;
"Promissory Notes"	the First Promissory Note and the Second Promissory Notes of total outstanding principal amount of HK$1,095,671,000 due by CCT Land to Jade Assets and Glory Merit as at the date of this joint announcement;

"Second Convertible Bonds"	the Convertible Bonds in the aggregate principal amount of HK$300,000,000, to be issued by CCT Land to Glory Merit at the Second Issue Price, under the terms and conditions of the Agreement;
"Second Issue Price"	the total issue price of the Second Convertible Bonds of HK$300,000,000, which shall be 100% of the principal amount of the Second Convertible Bonds;
"Second Promissory Notes"	the promissory notes of outstanding principal amount of HK$300,000,000, in aggregate, due by CCT Land to Glory Merit, details of which have been disclosed in the sub-section headed "Subject matter of the Agreement' under the section headed "The Agreement and the Transactions" of this joint announcement;
"Second Settlement"	the settlement of all outstanding principal and accrued interest of the Second Promissory Notes due by CCT Land to Glory Merit by way of the Second Subscription, under the terms and conditions of the Agreement;
"Second Subscription"	the subscription of the Second Convertible Bonds at the Second Issue Price by Glory Merit, which will be satisfied as full settlement of all the outstanding principal and accrued interest of the Second Promissory Notes, under the terms and conditions of the Agreement;
"Settlement"	the First Settlement and the Second Settlement;
"SFO"	Securities and Futures Ordinance under Cap. 571 of the Laws of Hong Kong;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subscription"	the First Subscription and the Second Subscription;
"subsidiaries"	has the meaning ascribed to it under the Companies Ordinance;
"Takeovers Code"	the Codes on Takeovers and Mergers issued by the SFC as amended from time to time;

"Transactions"	the Subscription and the Settlement and any other transactions contemplated under the Agreement including but not limited to the allotment and issue of the Conversion Shares upon exercise of the Conversion Rights;
"Transfer Agreement"	the agreement dated 25 September 2015 entered into amongst Jade Assets, CCT Fortis and Glory Merit under which Jade Assets transferred the interest-free Promissory Note of principal amount of HK$104,329,000 to Glory Merit at a consideration of HK$104,329,000 and CCT Fortis transferred eight Promissory Notes of total principal amount of HK$195,671,000 to Glory Merit at a total consideration of HK$195,671,000, in aggregate, representing the Second Promissory Notes of HK$300,000,000 ;
"Transfer Consideration"	HK$300,000,000, the total consideration for the transfer of the relevant Promissory Notes by Jade Assets and CCT Fortis to Glory Merit under the terms and conditions of the Transfer Agreement, of which HK$104,329,000 is due to Jade Assets and HK$195,671,000 is due to CCT Fortis, which shall be payable by Glory Merit in cash on or before 30 June 2016; and
"%"	per cent.

By Order of the Board of
CCT LAND HOLDINGS LIMITED
Tam Ngai Hung, Terry
Director

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

Hong Kong, 27 October 2015

As at the date of this joint announcement, the executive directors of CCT Land are Mr. Mak Shiu Tong, Clement, Ms. Cheng Yuk Ching, Flora, Mr. Tam Ngai Hung, Terry, Mr. Ong Ban Poh, Michael, Mr. Huanfei Guan and Ms. Lai Mei Kwan and the independent non-executive directors of CCT Land are Mr. Chow Siu Ngor, Mr. Lau Ho Kit, Ivan and Mr.William Robert Majcher.

As at the date of this joint announcement, the executive directors of CCT Fortis 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 Fortis are Mr. Tam King Ching, Kenny, Mr. Chow Siu Ngor and Mr. Chen Li.