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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)

ANNOUNCEMENT REGARDING CONSENT GIVEN TO GLORY MERIT TO PLACE 10,000,000,000 CCT LAND SHARES AT HK$0.035 PER SHARE AND ARRANGEMENT TO REPAY THE TRANSFER CONSIDERATION AND RELEASE OF THE UNDERTAKINGS

This announcement is made by the Company on a voluntary basis.

Reference is made to the announcement dated 25 September 2015 and the circular dated 20 October 2015 of the Company and the Joint Announcements.

THE AGREEMENT 26 January 2016 (after trading hours of the Stock Exchange), the Agreement was entered into by and among Glory Merit, the Company and Jade Assets, under which it was agreed that, the Company and Jade Assets have given consent to Glory Merit to place 10,000,000,000 CCT Land Shares at HK$0.035 per CCT Land Share, the arrangements for Glory Merit to repay the Transfer Consideration and to release the Undertakings in respect of the Convertible Bonds and CCT Land Shares held by Glory Merit.

After signing of the Agreement, Glory Merit has entered into the Placing Agreement with Kingsway Financial to appoint Kingsway Financial as the placing agent to place on a best efforts basis, during the Placing Period of up to 10,000,000,000 Placing Shares, at the Placing Price of HK$0.035 per CCT Land Share. Glory Merit has agreed that the net proceeds from the Placing of all the 10,000,000,000 Placing Shares will be remitted the Company as full settlement of the Transfer Consideration due to the Company and Jade Assets.

This announcement is made by the Company on a voluntary basis. Reference is made to the announcement dated 25 September 2015 and the circular dated 20 October 2015 of the Company and the Joint Announcements.

THE AGREEMENT

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

Date:

26 January 2016 (after trading hours of the Stock Exchange)

Parties:

(1) Glory Merit : Glory Merit International Investment Limited,

(2) the Company: CCT Fortis Holdings Limited; and

(3) Jade Assets: Jade Assets Company Limited.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Glory Merit and its ultimate beneficial owner(s) is a third party independent of the Company and connected persons of the Company.

Background and subject matter of the Agreement

As at the date of this announcement, Glory Merit is indebted to the Company and Jade Assets a total amount of HK$300,000,000, representing the Transfer Consideration payable to the Company and Jade Assets pursuant to the Transfer Agreement. As disclosed in the Joint Announcements, Glory Merit has subscribed for HK$300,000,000 Convertible Bonds as settlement of equal amount of the Promissory Notes then due by CCT Land to Glory Merit, pursuant to the terms and conditions of the Subscription Agreement. The transactions under the Subscription Agreement were completed on 7 December 2015 and Convertible Bonds in the principal amount of HK$300,000,000 have been issued by CCT Land to Glory Merit, and the Convertible Bonds of the principal amount of HK$90,000,000 have been converted by Glory Merit into 9,000,000,000 CCT Land Shares in December 2015. As at the date of this announcement, Glory Merit holds 9,000,000,000 CCT Land Shares and Convertible Bonds of the principal amount of HK$210,000,000,

convertible into 21,000,000,000 Conversion Shares, based on the initial Conversion Price of HK$0.01 per Conversion Share (subject to adjustment pursuant to the CB Conditions). The 9,000,000,000 CCT Land Shares and the Convertible Bonds of HK$210,000,000 held by Glory Merit were subject to restrictions under the Undertakings under the Subscription Agreement.

The Agreement is entered to facilitate Glory Merit to repay the Transfer Consideration, the key terms of which are summarized as follows:

(a) The Company and Jade Assets have agreed to release the Undertakings in respect of the Convertible Bonds and the CCT Land Shares held by Glory Merit and have agreed to give consent to Glory Merit to enter into the Placing Agreement with Kingsway Financial, in respect of placing of the Placing Shares.

(b) Glory Merit will convert part of the Convertible Bonds that it owns into CCT Land Shares and out of the CCT Land Shares which it holds or it will hold, Glory Merit will deposit a total of 10,000,000,000 CCT Land Shares into the securities account maintained by Glory Merit with Kingsway Financial for placing purposes.

(c) Glory Merit would enter into the Placing Agreement with Kingsway Financial to appoint Kingsway Financial as the placing agent, to place on a best efforts basis up to 10,000,000,000 Placing Shares held by Glory Merit, at the Placing Price of HK$0.035 per CCT Land Share, during the Placing Period commencing from the date of the Placing Agreement to 30 April 2016. Glory Merit has entered into the Placing Agreement with Kingsway Financial after the signing of the Agreement.

(d) Glory Merit has agreed that all the net proceeds from the Placing, after deduction of the placing agent's fees and the transaction expenses will be remitted to the Company as full settlement of the Transfer Consideration due by Glory Merit to the Company and Jade Assets.

(e) Provided that Glory Merit has fully complied with provisions in the Agreement, it would have no further repayment obligations in respect of the Transfer Consideration.

The 10,000,000,000 Placing Shares represent approximately 10.84% of the existing total number of issued shares of CCT Land.

The Placing Price of HK$0.035 per Placing Share represents:

(a) a premium of approximately 40.0% to the closing price of HK$0.025 per CCT Land Share as quoted on the Stock Exchange on 25 January 2016, being the date immediately prior to the date of the Agreement (the "**Last Trading Day**");

(b) a premium of approximately 34.6% to the average closing price of HK$0.026 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; and

(c) a premium of approximately 34.6% to the average closing price of HK$0.026 per CCT Land Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day.

If all the Placing Shares are successfully placed at the Placing Price of HK$0.035 per CCT Land Share, the gross proceeds from the Placing is HK$350,000,000 and the net proceeds after deduction of the placing agent's fees and transaction expenses is approximately HK$343,800,000, which will be remitted by Kingsway Financial to the bank account of the Company.

REASONS FOR AND BENEFITS OF THE AGREEMENT

By entering into the Agreement, the Company will have a potential upside gain of approximately HK$43,800,000 over and above the Transfer Consideration of HK$300,000,000. The Board is optimistic about the future share price performance of the CCT Land Shares and consider that the Agreement will encourage and facilitate Glory Merit to repay the Transfer Consideration to the Company before its due date of 30 June 2016.

INFORMATION ON JADE ASSETS, THE COMPANY AND THE GROUP

Jade Assets is an indirect wholly-owned subsidiary of the Company, and it is engaged in investment business.

The Company is the holding company of the Group which is principally engaged in:

(i) property development and property trading in Hong Kong;
(ii) property investment and holding;
(iii) manufacture and sale of plastic components;
(iv) the securities business;
(v) trading and sale of classic cars;
(vi) investment in classic cars;

(vii) automotive service business; and
(viii) cultural media business.

As at the date of this announcement, the Company held through CCT Securities 9,000,000,000 CCT Land Shares, representing approximately 9.75% of the existing total number of issued shares of CCT Land. Furthermore, CCT Securities holds the Convertible Bonds of principal amount HK$705,671,000, convertible into 70,567,100,000 CCT Land Shares at the initial Conversion Price of HK$0.01 per Conversion Share (subject to adjustments pursuant to the CB Conditions). CCT Securities holds the CCT Land Shares and the Convertible Bonds in the ordinary and usual course of its securities trading business.

INFORMATION ON GLORY MERIT

To the best of the Directors' knowledge, information and belief, Glory Merit is engaged in investment business.

DEFINITIONS

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

"Agreement"	the agreement dated 26 January 2016 entered into by and among Glory Merit, the Company, and Jade Assets in respect of, amongst other things, consent given to Glory Merit to place 10,000,000,000 CCT Land Shares at HK$0.035 per CCT Land Share and the arrangements for Glory Merit to repay the Transfer Consideration, and the release of the Undertakings in respect of the Convertible Bonds and the CCT Land Shares held by Glory Merit;
"Bondholder(s)"	the holder(s) of the Convertible Bonds(s);
"CB Conditions"	the terms and conditions of the Convertible Bonds;
"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 Share(s)	share(s) of HK$0.01 each in the capital of CCT Land;
"CCT Securities"	CCT Telecom Securities Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company, 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 and the shares of which are listed on the main board of the Stock Exchange;
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the laws Hong Kong);
"connected person"	has the same meaning as ascribed to it under the Listing Rules;
"Conversion Price"	the price at which the Conversion Shares will be issued upon conversion of the Convertible Bonds 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)"	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;
"Convertible Bonds"	the zero coupon Convertible Bonds maturing on 7 December 2018, 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 Subscription Agreement;
"Directors"	the directors of the Company, from time to time;

"Glory Merit"	Glory Merit International Investment Limited, a company incorporated in the British Virgin Islands with limited liability;
"Group"	the Company and its subsidiaries, from time to time;
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Jade Assets"	Jade Assets Company Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
"Joint Announcements"	the joint announcements of the Company and CCT Land dated 27 October 2015 and 10 November 2015 in relation to the subscription of the Convertible Bonds by CCT Securities and Glory Merit in settlement of the Promissory Notes then due by CCT Land to Jade Assets and Glory Merit, pursuant to the Subscription Agreement;
"Kingsway Financial"	Kingsway Financial Services Group Limited, a licensed corporation to carry on business in type 1 (dealing in securities) Type 2 (dealing in futures contract), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under SFO;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Placing"	the placing of the Placing Shares by Glory Merit pursuant to the Placing Agreement;
"Placing Agreement"	the placing agreement dated 26 January 2016 and entered into between Glory Merit and Kingsway Financial in respect of the placing of the Placing Shares;

"Placing Period"	the period commencing from the execution of the Placing Agreement to 30 April 2016;
"Placing Price"	HK$0.035 per CCT Land Share;
"Placing Shares"	up to 10,000,000,000 CCT Land Shares to be placed by Glory Merit pursuant to the Placing Agreement;
"PRC"	the People's Republic of China;
"Promissory Notes"	the promissory notes previously due by CCT Land to Jade Assets and Glory Merit, which have been fully settled by offsetting the consideration for issuing the Convertible Bonds to CCT Securities and Glory Merit, pursuant to the Subscription Agreement;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subscription Agreement"	The agreement dated 27 October 2015 (as amended by the supplemental agreement dated 10 November 2015 and to be amended or supplemented from time to time) entered into by Jade Assets, CCT Securities, the Company, Glory Merit and CCT Land, under which Glory Merit and CCT Securities agreed to subscribe for the Convertible Bonds of principal amount of HK$300,000,000 and HK$795,671,000, respectively as full settlement of the Promissory Notes of HK$300,000,000 and HK$795,671,000 then due by CCT Land to Glory Merit and Jade Assets, respectively;
"subsidiaries"	has the meaning ascribed to it under the Companies Ordinance;
"Transfer Agreement"	the agreement dated 25 September 2015 entered into amongst Jade Assets, the Company and Glory Merit under which Jade Assets transferred the Promissory Note of principal amount of HK$104,329,000 to Glory Merit at a consideration of HK$104,329,000 and the Company 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 transfer of the nine Promissory Notes at total consideration HK$300,000,000, in aggregate;

"Transfer Consideration" HK$300,000,000, the total consideration for the transfer of the relevant Promissory Notes by Jade Assets and the Company 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 the Company, which shall be payable by Glory Merit in cash on or before 30 June 2016, pursuant to the Transfer Agreement;

"Undertakings" the undertakings given by Glory Merit in favour of the Company and Jade Assets under the Transfer Agreement, summarized as follows:

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

(a) all the Convertible Bonds issued by CCT Land to Glory Merit will be kept by in custody of the Company;
(b) save for the exercise of the Convertible Bonds for the purposes of repaying the Transfer Consideration to the Company and Jade Assets, Glory Merit will not pledge, sell, sell any option to sell, lend, or otherwise deal with any of the Convertible Bonds or Conversion Share which it owns; and
(c) save with written consent of Jade Assets and the Company, Glory Merit will not exercise the Conversion Rights in respect of any of the Convertible Bonds. If Jade Assets and the Company approve exercise of the Conversion Rights by Glory Merit in respect of any part of the Convertible Bonds which it owns, Glory Merit has undertaken that it will apply the proceeds from the sale of the Conversion Shares

	in priority to repay the Transfer Consideration to the Company and Jade Assets; and
"%"	per cent.

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

Hong Kong, 26 January 2016

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.