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TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 00138)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

FINANCIAL HIGHLIGHTS

HK\$ million	Six months ended 30 June		% increase/ (decrease)
	2009 (Unaudited)	2008 (Unaudited)	
Turnover	<u>715</u>	<u>1,483</u>	(51.8%)
Profit/(loss) for the period	<u>25</u>	<u>(402)</u>	N/A
Profit/(loss) attributable to:			
Owners of the parent	<u>38</u>	<u>(337)</u>	N/A
Minority interests	<u>(13)</u>	<u>(65)</u>	(80.0%)
	<u>25</u>	<u>(402)</u>	N/A
Earnings/(loss) per share	<u>HK\$0.052</u>	<u>(HK\$0.423)</u>	N/A
Dividends per share	<u>HK\$0.030</u>	<u>HK\$0.025</u>	20.0%

I am pleased to announce the interim results of CCT Telecom Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the six months ended 30 June 2009.

During the period, the Group achieved remarkable financial performance and managed to turn around from a loss of HK\$402 million for the six months ended 30 June 2008 to a profit of HK\$25 million for the six months ended 30 June 2009, despite a decrease in turnover. Results attributable to owners of the parent also turned into a profit of HK\$38 million for the current period as compared to a loss of HK\$337 million for the last corresponding period, which shows strong recovery of the Group’s core operations.

REPURCHASE OF SHARES OF CCT TELECOM

The offer made by the Company to repurchase up to 280,000,000 of the Company’s shares at the offer price of HK\$0.50 per share by cash (the “Cash Offer”) was completed in March 2009 under which a total of 198,558,635 shares in aggregate were repurchased by the Company at the offer price of HK\$0.50 per share. The 198,558,635 shares repurchased by the Company were cancelled on 11 March 2009. The total consideration under the Cash Offer of approximately HK\$99.28 million was paid by the Company on 11 March 2009. Upon completion of the Cash Offer and cancellation of the repurchased 198,558,635 shares by the Company, the issued share capital of the Company was reduced to 655,056,191 shares. The Cash Offer provided an opportunity for the Company’s shareholders to realize at least part of their investment in the Company at a premium to the then market price, or to increase their proportionate interest in the Company by retaining their shareholdings and participating in the future prospects of the Group.

INTERIM DIVIDEND

The board of directors (the “Board”) has declared an interim dividend of HK\$0.030 per share for 2009 (30 June 2008: HK\$0.025 per share) to be payable from the Company’s distributable reserve. The interim dividend of HK\$0.030 per share will be payable on or around Wednesday, 21 October 2009 to the shareholders whose names appear on the register of members of the Company on Friday, 9 October 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 7 October 2009 to Friday, 9 October 2009 (both days inclusive), during which period no transfer of share(s) will be effected. In order to qualify for the interim dividend of HK\$0.030 per share, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 6 October 2009.

REVIEW OF OPERATIONS

During the period under review, the principal businesses of the Group are (i) the manufacture and sale of telecom and electronic products; (ii) the manufacture and sale of plastic and power supply components; (iii) the manufacture and sale of infant and child products; (iv) the securities business; (v) the property development and holding; and (vi) the upstream and downstream forestry resources business of CCT Resources Holdings Limited (“CCT Resources”)

Telecom product business

The telecom product business is carried out by the Company’s principal subsidiary, CCT Tech International Limited (“CCT Tech”) and its subsidiaries (the “CCT Tech Group”).

In the first half of 2009, the turnover of the telecom products business of the CCT Tech Group was adversely affected by the discontinuation by the CCT Tech Group’s largest single customer of its retail telephony business in North America in November 2008 (the “Discontinuation”) and shrinking global demand caused by the financial tsunami. As a result, the Group’s turnover derived from the telecom product business dropped significantly from HK\$1,352 million for the six months ended 30 June 2008 to approximately HK\$625 million for the six months ended 30 June 2009 due mainly to decrease in sales to the Group’s previous largest market, the United States of America (the “US”). European market accounted for 55.2% of the Group’s turnover in the first half of 2009 and has replaced the US to become the largest market of the Group. The CCT Tech Group has dedicated itself to expanding its market share in Europe. It is encouraging to see that some of our European customers have outsourced more production to the CCT Tech Group in search for lower costs and good quality products. The CCT Tech Group has made good progress in penetrating into the rest of the world markets including Latin America, Middle East, Australia and the Asian Pacific countries. The result of these measures is positive and has successfully reduced our reliance in one single country and increased our market diversification.

In response to the weak market condition, the CCT Tech Group has modified its business strategies by adopting more proactive and flexible marketing strategy and strengthening the marketing development. The CCT Tech Group has dedicated more resources in product development to modify products by strengthening the product structure and enhancing the research and production ability. In addition to developing innovative and advanced telecom and electronic products, its R&D team has placed effort in re-engineering products structure in order to improve products competitiveness. In products pricing aspect, the CCT Tech Group has adopted a more proactive business strategy in positioning its products and has been able to improve the gross margin of its telecom products during the period under review.

To combat the difficult and complex business environment, the CCT Tech Group has taken decisive and swift actions toward cost optimization and enhancing efficiency. These measures to restructure and streamline the manufacturing operations of the CCT Tech Group have been implemented in all levels and to all our business locations and have successfully reduced production costs and improved production efficiency and as a result improved the profit margin significantly. In addition, the CCT Tech Group has continued to adopt a series of proactive, decisive and effective initiatives to strengthen

the internal control, to improve the internal operational efficiency, to reduce production cost and administrative expenses and to reinforce staff training. Achievements have been made through these measures and both the overall profitability and efficiency of the operation have been improved. The improvement of the average gross margins demonstrates the positive effect of our measures and initiatives to revitalize the telecom product business.

Manufacturing of plastic and power supply components

The Group's component business (representing manufacture of plastic casing, power supply and transformer) continued to provide vertical support to the CCT Tech Group for production of telecom and electronic products during the period. Most of these components are sold to the CCT Tech Group and some of the plastic component products are sold to independent third parties. Affected by the decrease in sales of the CCT Tech Group, the revenues of the component business dropped correspondingly. In response to the difficult business environment, the Group has taken similar actions as the CCT Tech Group to restructure operations, cut costs and to improve productivity and efficiency of its component business. As a result, the operating loss of the component business has been reduced by approximately 27.3% to HK\$16 million during the period under review. Measures of driving better efficiency and improving productivity will be continued and will gradually show its positive effect to the component operations.

Infant and child product business

The global financial tsunami has swept through all regions and affected almost every economy and every industry. Fortunately, the adverse impact to the infant and child product industry is relatively mild. In the first half of 2009, sales derived from the infant and child product business amounted to approximately HK\$62 million, representing a drop of 19.5% compared with the previous corresponding period. Despite fall in sales, the Group has successfully launched a series of new products like milk bottle warmer and sterilizers in the first half of 2009, which received positive response from customers. We managed to increase the operating profit of the infant and child product business by approximately 80.0% to HK\$9 million during the period. We will continue to devote efforts to offer our customers high quality products at competitive prices. We will also dedicate more resources for the development of the infant and child product business and we believe that the business has excellent growth potential and will become one of the major drivers of growth in the future.

Securities business

The stock market in Hong Kong and the A-share market in China rallied substantially in the first half of 2009 driven by liquidity. Benefited from the strong rebound of the Hong Kong stock market, the securities business contributed positive earnings of HK\$89 million compared to a loss of HK\$206 million, which shows a strong recovery of the securities business. The profit of the securities business during the period represents partly realized gains on disposal of some of our holdings in listed securities and partly unrealized mark-to-market gains in the value of securities held. Most of the

securities held by the Group are Hang Seng Index constituent stocks and H-shares in large Chinese corporations. The share prices of these securities rebound in line with the market rally in the first half and contributed satisfactory positive returns to the Group.

Properties development and holding

In response global financial turmoil originated from the housing and financial market in the US, the central government of China quickly lowered interest rates, increased available credit and launched a RMB4 trillion package to stimulate economy. Benefited from these economic stimulus fiscal policies, the China's real estate market rebounds quickly and both the transactions volume and the transaction prices regained momentum to grow in the period. Our property development projects are located in the Liaoning Province of the PRC where housing demand and price continues to grow steadily. The property projects of our property development business will be developed by phases in accordance with the market situation and condition. The first phase of one of the projects will commence construction in the second half of 2009. Pre-sale is planned to take place in the first quarter of next year.

The Group's property holdings are mainly luxury residential properties situated in the southern side of the Hong Kong Island where property prices have risen significantly in the period due to rising demand and scarce supply under a strong liquidity situation. We believe that these investments will contribute satisfactory returns to the Group in the future.

Forestry resources business

The forestry project acquired by CCT Resources last year comprises concessions in natural tropical forest of 313,500 hectares in Papua, Indonesia. Business plans for the forestry business have been drawn up and implemented according to schedule to develop the forestry project into an integrated natural resources business, which will comprise upstream and downstream timber business, the plantation of oil palm and the production of palm oil for use as biofuel, a kind of renewable green energy. We believe that the forestry resource business of CCT Resources has excellent potential in view of the huge size of the forest concessions and the high demand and increasing prices of its products. During the period under review, CCT Resources has started to harvest trees from the forest to build the sawmills and the forest road paths. Sale of timber products is expected to commence in the second half of 2009, which will start to generate revenues to the CCT Resources group.

OUTLOOK

With the support of the governments of different countries, the economic contraction in the US and European economies has stabilized. Based on the recent economic data, more and more people believe that the global economy has hit bottom and has shown signs of recovery. We are optimistic about the future outlook of our telecom product business. The Group will commit itself to reinforcing the existing client base and increase our market share. At the same time, we will continue to explore new markets. Given that the telecom products market is still highly competitive, the Group will continue to

emphasize the upgrade of existing products and development of new products in order to strengthen our competitiveness. We will continue to revitalize the telecom product business and believe that our efforts will continue to show positive effect into the operations.

The strong rally of the stock market in the first half was driven by liquidity. It is uncertain whether this liquidity-driven rally will sustain in the second half. It is widely believed that China will manage to achieve the 8% goal in economic growth. As most of our securities held are H-shares and Hang Seng Index constituent stocks, we believe they will continue to benefit from the stabilized global economy and the recovering stock market.

We are optimistic about the long-term economic growth of the PRC. The various fiscal stimulus measures taken by the central government has shown positive effect to the economy. Money supply and bank lendings escalated sharply and boosted liquidity in the first half. Domestic consumption in China remains strong. The loose monetary policy and the strong liquidity benefits the PRC real estate market and boost housing demand and pricing. We believe that our property development business has excellent potential and the business will become one of the key drivers for the Group's revenue and profitability growth in the future.

With our resilient management team and strong financial position, we believe the Group is well positioned to pull itself out of the storm and is placed to enter into next cycle of growth.

ACKNOWLEDGEMENTS

I would like to take this opportunity to express my gratitude to the members of the board for their diligent guidance and support, and to thank the Group's management team for their leadership and management, the staff for their hard work, and our shareholders, customers and suppliers, business partners and bankers for their continued support and confidence in the Group.

Mak Shiu Tong, Clement

Chairman

Hong Kong, 18 September 2009

INTERIM RESULTS

The Board of the Company is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 June 2009 together with the comparative figures for the corresponding period in 2008 as follows:

Condensed Consolidated Income Statement

For the six months ended 30 June 2009

HK\$ million	Notes	Six months ended 30 June	
		2009 (Unaudited)	2008 (Unaudited)
REVENUE	3	715	1,483
Cost of sales		<u>(641)</u>	<u>(1,501)</u>
Gross profit/(loss)		74	(18)
Other income and gains	4	86	33
Selling and distribution costs		(12)	(22)
Administrative expenses		(105)	(138)
Other expenses	5	(11)	(244)
Finance costs		(3)	(8)
Share of loss of an associate		<u>(2)</u>	<u>—</u>
PROFIT/(LOSS) BEFORE TAX	6	27	(397)
Tax	7	<u>(2)</u>	<u>(5)</u>
PROFIT/(LOSS) FOR THE PERIOD		<u>25</u>	<u>(402)</u>
Profit/(loss) attributable to:			
Owners of the parent		38	(337)
Minority interests		<u>(13)</u>	<u>(65)</u>
		<u>25</u>	<u>(402)</u>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT	9		
Basic		<u>HK\$0.052</u>	<u>(HK\$0.423)</u>
Diluted		<u>N/A</u>	<u>N/A</u>

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2009

HK\$ million	Six months ended 30 June	
	2009 (Unaudited)	2008 (Unaudited)
Profit/(loss) for the period	25	(402)
Other comprehensive income/(loss):		
Exchange differences on translation of foreign operations	5	30
Share of other comprehensive loss of an associate	<u>(24)</u>	<u>—</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>6</u></u>	<u><u>(372)</u></u>
Total comprehensive income attributable to:		
Owners of the parent	19	(307)
Minority interests	<u>(13)</u>	<u>(65)</u>
	<u><u>6</u></u>	<u><u>(372)</u></u>

Condensed Consolidated Statement of Financial Position

30 June 2009

HK\$ million	Notes	30 June 2009 (Unaudited)	31 December 2008 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		840	886
Investment properties		178	171
Prepaid land lease payments		210	213
Goodwill		55	55
Interest in an associate		203	229
Available-for-sale financial assets		4	4
Deferred tax assets		<u>1</u>	<u>1</u>
Total non-current assets		<u>1,491</u>	<u>1,559</u>
Current assets			
Inventories		106	135
Property for development		423	113
Property held for sale		87	87
Trade and bills receivables	11	214	422
Prepayment, deposits and other receivables		84	256
Financial assets at fair value through profit or loss		405	446
Pledged time deposits		89	89
Cash and cash equivalents		<u>471</u>	<u>786</u>
Total current assets		<u>1,879</u>	<u>2,334</u>
Total assets		<u><u>3,370</u></u>	<u><u>3,893</u></u>

Condensed Consolidated Statement of Financial Position (continued)

30 June 2009

HK\$ million	Notes	30 June 2009 (Unaudited)	31 December 2008 (Audited)
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Issued capital		65	85
Reserves		<u>2,046</u>	<u>2,128</u>
Shareholders' funds		2,111	2,213
Minority interests		<u>351</u>	<u>364</u>
Total equity		<u>2,462</u>	<u>2,577</u>
Non-current liabilities			
Interest-bearing bank loans and other borrowings		113	124
Deferred tax liabilities		<u>3</u>	<u>3</u>
Total non-current liabilities		<u>116</u>	<u>127</u>
Current liabilities			
Trade and bills payables	12	313	551
Tax payable		28	29
Other payables and accruals		169	211
Derivative financial instruments		29	47
Interest-bearing bank loans and other borrowings		<u>253</u>	<u>351</u>
Total current liabilities		<u>792</u>	<u>1,189</u>
Total liabilities		<u>908</u>	<u>1,316</u>
Total equity and liabilities		<u><u>3,370</u></u>	<u><u>3,893</u></u>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Preparation

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with Hong Kong Accounting Standards (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 31 December 2008 (the “2008 Annual Report”).

2. Principal Accounting Policies

The accounting policies adopted are consistent with those of the consolidated financial statements for the year ended 31 December 2008.

The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group’s 2008 Annual Report, except for the impact of the adoption of the Standards and Interpretation described below.

HKAS 1 (Revised) Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2009)

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). The Group has elected to present a separate income statement and a statement of comprehensive income.

HKFRS 8 Operating Segments (effective for annual periods beginning on or after 1 January 2009)

HKFRS 8 is a disclosure standard that has resulted in a re-designation of the Group’s reportable segments and disclosure of information about business segments, but has no impact on the results or financial positions of the Group.

The following amendments and interpretations issued by the HKICPA which are or have become effective and did not have any significant impact on the accounting policies of the Group.

HKFRSs (Amendments)	Improvements to HKFRSs
HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs</i> and HKAS 27 <i>Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment — Vesting Conditions and Cancellations</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures — Improving Disclosures about Financial Instruments Borrowing Costs</i>
HKAS 23 (Revised)	
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation</i> and HKAS 1 <i>Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation</i>
HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i>
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i>
HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i>

3. Segment Information

The Group has adopted HKFRS 8 “*Operating Segments*” with effect from 1 January 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. HKFRS 8 replaces the requirement under HKAS 14 to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of HKFRS 8 did not have any effect on the Group’s results of operations or financial position.

The Group determines that in accordance with HKFRS 8, there are five business reportable segments which are telecom and electronic products, components, infant and child products, securities business, and property development and holding.

Segment information about the business segment of the Group for the period ended 30 June 2009 and 2008 is presented as below:

2009

HK\$ million	Telecom and electronic products (Unaudited)	Components (Unaudited)	Infant and child products (Unaudited)	Securities business (Unaudited)	Property development and holding (Unaudited)	Reporting segments totals (Unaudited)	Reconciliations (Unaudited)	Group totals (Unaudited)
Segment revenues:								
Revenues from external customer	625	3	62	24	1	715	—	715
Inter-segment revenues	—	105	—	—	2	107	(107)	—
Total Revenues	<u>625</u>	<u>108</u>	<u>62</u>	<u>24</u>	<u>3</u>	<u>822</u>	<u>(107)</u>	<u>715</u>
Operating profit/(loss)	(21)	(16)	9	89	(3)	58	—	58
Finance cost	(2)	—	—	—	(1)	(3)	—	(3)
Reconciled items:								
Unallocated corporate head office expenses	—	—	—	—	—	—	(26)	(26)
Share of loss of an associate	—	—	—	—	—	—	(2)	(2)
Profit/(loss) before tax	<u>(23)</u>	<u>(16)</u>	<u>9</u>	<u>89</u>	<u>(4)</u>	<u>55</u>	<u>(28)</u>	<u>27</u>
Expenditures for non-current assets	4	—	—	—	—	4	—	4
Depreciation and amortisation	(37)	(8)	(1)	—	(4)	(50)	(1)	(51)
Other material non-cash items:								
Unrealised gain on financial assets	—	—	—	65	—	65	—	65
Unrealised gain on investment properties	—	—	—	—	7	7	—	7
Net impairment of trade receivables	<u>(11)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(11)</u>	<u>—</u>	<u>(11)</u>

2008

HK\$ million	Telecom and electronic products (Unaudited)	Components (Unaudited)	Infant and child products (Unaudited)	Securities business (Unaudited)	Property development and holding (Unaudited)	Reporting segments totals (Unaudited)	Reconciliations (Unaudited)	Group totals (Unaudited)
Segment revenues:								
Revenues from external customers	1,352	12	77	10	1	1,452	31	1,483
Inter-segment revenues	—	216	—	—	7	223	(223)	—
Total Revenues	<u>1,352</u>	<u>228</u>	<u>77</u>	<u>10</u>	<u>8</u>	<u>1,675</u>	<u>(192)</u>	<u>1,483</u>
Operating profit/(loss)	(118)	(22)	5	(212)	(6)	(353)	—	(353)
Interest income	7	—	—	6	—	13	—	13
Finance cost	(4)	—	—	—	(3)	(7)	(1)	(8)
Reconciled items:								
Unallocated corporate head office expenses	—	—	—	—	—	—	(49)	(49)
Loss before tax	<u>(115)</u>	<u>(22)</u>	<u>5</u>	<u>(206)</u>	<u>(9)</u>	<u>(347)</u>	<u>(50)</u>	<u>(397)</u>
Expenditures for non-current assets	41	13	10	—	2	66	2	68
Depreciation and amortisation	(78)	(14)	(3)	—	—	(95)	—	(95)
Other material non-cash items:								
Unrealised loss on financial assets	—	—	—	(226)	—	(226)	—	(226)
Write off of deferred development costs	(14)	—	—	—	—	(14)	—	(14)
Net impairment of trade receivables	<u>(2)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2)</u>	<u>—</u>	<u>(2)</u>

30 June 2009

HK\$ million	Telecom and electronic products (Unaudited)	Components (Unaudited)	Infant and child products (Unaudited)	Securities business (Unaudited)	Property development and holding (Unaudited)	Reporting segments totals (Unaudited)	Reconciliations (Unaudited)	Group totals (Unaudited)
Segment assets	1,227	314	79	405	922	2,947	—	2,947
Reconciled items:								
Unallocated corporate assets	—	—	—	—	—	—	219	219
Interest in an associate	—	—	—	—	—	—	203	203
Deferred tax assets	—	—	—	—	—	—	1	1
Total assets	<u>1,227</u>	<u>314</u>	<u>79</u>	<u>405</u>	<u>922</u>	<u>2,947</u>	<u>423</u>	<u>3,370</u>
Segment liabilities	558	45	23	91	157	874	—	874
Reconciled items:								
Unallocated corporate liabilities	—	—	—	—	—	—	3	3
Tax payable	—	—	—	—	—	—	28	28
Deferred tax liabilities	—	—	—	—	—	—	3	3
Total liabilities	<u>558</u>	<u>45</u>	<u>23</u>	<u>91</u>	<u>157</u>	<u>874</u>	<u>34</u>	<u>908</u>

31 December 2008

HK\$ million	Telecom and electronic products (Audited)	Components (Audited)	Infant and child products (Audited)	Securities business (Audited)	Property development and holding (Audited)	Reporting segments totals (Audited)	Reconciliations (Audited)	Group totals (Audited)
Segment assets	1,684	313	65	447	917	3,426	—	3,426
Reconciled items:								
Unallocated corporate assets	—	—	—	—	—	—	237	237
Interest in an associate	—	—	—	—	—	—	229	229
Deferred tax assets	—	—	—	—	—	—	1	1
Total assets	<u>1,684</u>	<u>313</u>	<u>65</u>	<u>447</u>	<u>917</u>	<u>3,426</u>	<u>467</u>	<u>3,893</u>
Segment liabilities	920	69	15	108	165	1,277	—	1,277
Reconciled items:								
Unallocated corporate liabilities	—	—	—	—	—	—	7	7
Tax payable	—	—	—	—	—	—	29	29
Deferred tax liabilities	—	—	—	—	—	—	3	3
Total liabilities	<u>920</u>	<u>69</u>	<u>15</u>	<u>108</u>	<u>165</u>	<u>1,277</u>	<u>39</u>	<u>1,316</u>

The accounting policies of the reportable segments are the same as the Group's accounting policies. Central corporate office income and expenses, assets and liabilities that are not directly related to reportable segments have not been allocated to the operating segments. Performance is evaluated on the basis of profit or loss from operations before taxation. Taxation charge/(credit) is not allocated to reportable segments.

Additional disclosures on segments information by geographical location for the period ended 30 June 2009 and 2008 are shown below:

2009

HK\$ million	Europe (Unaudited)	US (Unaudited)	Asia Pacific and others (Unaudited)	Group totals (Unaudited)
Revenues	<u>395</u>	<u>167</u>	<u>153</u>	<u>715</u>

2008

HK\$ million	Europe (Unaudited)	US (Unaudited)	Asia Pacific and others (Unaudited)	Group totals (Unaudited)
Revenues	<u>499</u>	<u>782</u>	<u>202</u>	<u>1,483</u>

Revenues are attributed to regions with reference to the final locations where the Group's products were sold to consumers. The geographical information for the prior period which allocated revenues to regions where the Group's customers were incorporated has been restated to conform with the current period's basis of allocation.

For the six months ended 30 June 2009, revenues from each of three major customers of the telecom and electronic products segment represent HK\$145 million, HK\$144 million and HK\$89 million of the Group's total revenues respectively.

For the six months ended 30 June 2008, revenues from each of two major customers of the telecom and electronic products segment represent HK\$625 million and HK\$164 million of the Group's total revenues respectively.

4. Other Income and Gains

HK\$ million	Six months ended 30 June	
	2009 (Unaudited)	2008 (Unaudited)
Unrealised gain on financial assets	65	—
Unrealised gain on investment properties	7	—
Exchange gain	2	7
Sample income	5	10
Gain on partial disposal/deemed disposal of interest in a subsidiary	—	1
Other income	<u>7</u>	<u>15</u>
	<u>86</u>	<u>33</u>

5. Other Expenses

HK\$ million	Six months ended 30 June	
	2009 (Unaudited)	2008 (Unaudited)
Unrealised loss on financial assets	—	226
Write-off of deferred development costs	—	14
Other expenses	<u>11</u>	<u>4</u>
	<u><u>11</u></u>	<u><u>244</u></u>

6. Profit/(loss) Before Tax

The Group's profit/(loss) before tax is arrived at after charging:

HK\$ million	Six months ended 30 June	
	2009 (Unaudited)	2008 (Unaudited)
Cost of inventories sold	622	1,474
Depreciation	48	70
Amortisation of prepaid land lease payments	3	3
Amortisation of deferred development costs	—	22
Write off of deferred development costs	<u>—</u>	<u>14</u>

7. Tax

HK\$ million	Six months ended 30 June	
	2009 (Unaudited)	2008 (Unaudited)
Charge for the period:		
Current — Hong Kong	1	2
Current — Elsewhere	1	3
Deferred tax	<u>—</u>	<u>—</u>
Total tax charge for the period	<u><u>2</u></u>	<u><u>5</u></u>

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

There were no income tax relating to the other comprehensive income during the period (2008: Nil).

8. Dividends

The board of directors has declared an interim dividend for 2009 of HK\$0.030 per share (30 June 2008: HK\$0.025 per share) to be payable from the Company's distributable reserve. The interim dividend will be paid on or around Wednesday, 21 October 2009 to shareholders whose names appear on the register of members of the Company on Friday, 9 October 2009. The register of members of the Company will be closed from Wednesday, 7 October 2009 to Friday, 9 October 2009 (both date inclusive).

9. Earnings/(Loss) Per Share Attributable to Owners of the Parent

The calculation of the basic earnings/(loss) per share amount for the period is based on the profit for the period attributable to owners of the parent of HK\$38 million (30 June 2008: loss of HK\$337 million) and the weighted average number of 731,846,823 (30 June 2008: 797,123,505) ordinary shares in issue during the period.

Diluted earnings per share amount for the period has not been disclosed as no diluting events existed during the period. Diluted loss per share amount for the prior period has not been disclosed, as the convertible bonds outstanding during the period had an anti-dilutive effect on the basic loss per share for the period.

10. Property, Plant and Equipment

During the six months ended 30 June 2009, the Group acquired fixed assets of HK\$4 million (six months ended 30 June 2008: HK\$41 million) and disposed fixed assets of nil (six months ended 30 June 2008: HK\$13 million).

11. Trade and Bills Receivables

An aged analysis of the trade and bills receivables as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

HK\$ million	30 June 2009 (Unaudited)		31 December 2008 (Audited)	
	Balance	Percentage	Balance	Percentage
Current to 30 days	101	47	147	35
31 to 60 days	87	41	113	27
61 to 90 days	20	9	149	35
Over 90 days	<u>6</u>	<u>3</u>	<u>13</u>	<u>3</u>
	<u>214</u>	<u>100</u>	<u>422</u>	<u>100</u>

The Group allows an average credit period of 30 to 90 days to its trade customers.

12. Trade and Bills Payables

An aged analysis of the trade and bills payable as at the balance sheet date is as follows:

HK\$ million	30 June 2009 (Unaudited)		31 December 2008 (Audited)	
	Balance	Percentage	Balance	Percentage
Current to 30 days	111	35	106	19
31 to 60 days	57	18	76	14
61 to 90 days	63	20	134	24
Over 90 days	<u>82</u>	<u>27</u>	<u>235</u>	<u>43</u>
	<u>313</u>	<u>100</u>	<u>551</u>	<u>100</u>

The trade payables are non-interest-bearing and are normally settled on 60 to 90 days terms.

13. Comparative Figures

Certain comparative figures have been re-classified to conform with the current period's presentation.

FINANCIAL REVIEW

Highlights on Financial Results			
	Six months ended 30 June		
HK\$ million	2009	2008	% increase/ (decrease)
	(Unaudited)	(Unaudited)	
Turnover	<u>715</u>	<u>1,483</u>	(51.8%)
Profit/(loss) for the period	<u>25</u>	<u>(402)</u>	N/A
Profit/(loss) attributable to:			
Owners of the parent	38	(337)	N/A
Minority interests	<u>(13)</u>	<u>(65)</u>	(80.0%)
	<u>25</u>	<u>(402)</u>	N/A
Earnings/(loss) per share	<u>HK\$0.052</u>	<u>(HK\$0.423)</u>	N/A
Dividends per share	<u>HK\$0.030</u>	<u>HK\$0.025</u>	20.0%

Discussion on Financial Results

The substantial drop in turnover in the period was mainly due to the decrease in sales of our telecom products business, caused by the Discontinuation and the slump global consumer demand.

Despite a decrease in sales, the Group reported profit attributable to owners of the parent of HK\$38 million for the period, significantly improved from the loss of approximately HK\$337 million in the corresponding previous period. The remarkable turnaround in results in the period demonstrates the success of the Group's strategy to revitalize its core businesses and shows signs of strong recovery of its business operations. The Group's actions to restructure and streamline its operations have resulted in improvement of efficiency in the period. One major reduction of costs is the substantial decrease in depreciation and amortization charges in the current period caused by the provision for impairment loss of non-current assets arising from the Discontinuation made in last year. Loss attributable to owners of the parent in last period ended 30 June 2008 included an unrealized fair value loss of our securities business of HK\$226 million.

Analysis by Business Segment

	Turnover (including bank interest income)				
	Six months ended 30 June				
	2009		2008		% increase/
HK\$ million	Amount	Relative %	Amount	Relative %	(decrease)
	(Unaudited)		(Unaudited)		
Telecom product business	625	87.4%	1,352	91.2%	(53.8%)
Component business	108	15.1%	228	15.4%	(52.6%)
Infant and child product business	62	8.7%	77	5.2%	(19.5%)
Securities business	24	3.4%	10	0.6%	140.0%
Property development and holding	3	0.4%	8	0.5%	(62.5%)
Unallocated items	—	—	31	2.1%	N/A
Inter-segments transactions	(107)	(15.0)%	(223)	(15.0)%	(52.0%)
Total	715	100.0%	1,483	100.0%	(51.8%)

	Profit/(loss) before tax		
	Six months ended 30 June		% increase/
	2009	2008	(decrease)
HK\$ million	(Unaudited)	(Unaudited)	
Telecom product business	(23)	(115)	(80.0%)
Components business	(16)	(22)	(27.3%)
Infant and child product business	9	5	80.0%
Securities business (gain/(loss))	89	(206)	N/A
Property development and holding	(4)	(9)	(55.6%)
Unallocated items	(28)	(50)	(44.0%)
Total	27	(397)	N/A

During the period, the telecom product business continued to be the principal business of the Group which accounted for approximately 87.4% of the Group's total turnover. Affected by the Discontinuation and the shrinking global demand, revenues from the telecom product business fell significantly by 53.8% over the last corresponding period to approximately HK\$625 million in the period. Loss before tax from the telecom product business, however, narrowed substantially from HK\$115 million in the last corresponding period to only HK\$23 million in the current period, which shows strong signs of recovery of the manufacturing business.

Revenues derived from the components business dropped by 52.6% to HK\$108 million for the six months ended 30 June 2009, in line with the reduction in sales of the telecom product business to which the component business supplies most of its components. The components product business reported a loss of approximately HK\$16 million in the first half of 2009, as compared to a loss of approximately HK\$22 million in previous corresponding period, which demonstrates positive effect of its restructure actions.

Under weak business environment, performance of our infant and child products business in the period is however encouraging. Profit before tax from the infant and child product business surged 80.0% to HK\$9 million for the period, despite a decrease in sales. The strong financial results was caused by launch of new products which were well-received by the market and effective actions taken by the Group to improve efficiency.

The Group's securities business contributed earnings before tax of HK\$89 million for the six months ended 30 June 2009, as compared to a net loss of HK\$206 million from the same period last year. The strong turnaround in performance of the securities business was caused by the rebound of the Hong Kong stock market in the second quarter of 2009.

The property business reported a net loss of approximately HK\$4 million for the six months ended 30 June 2009 and was mainly due to the depreciation and mortgage loan interest of the properties held as the property development business has not yet commenced to generate revenue.

Unallocated items represent mainly head office administrative expenses.

Analysis by Geographical Segment

HK\$ million	Turnover				
	Six months ended 30 June				
	2009		2008		% increase/ (decrease)
	Amount (Unaudited)	Relative %	Amount (Unaudited)	Relative %	
Europe	395	55.2%	499	33.7%	(20.8%)
US	167	23.4%	782	52.7%	(78.6%)
Asia Pacific and others	153	21.4%	202	13.6%	(24.3%)
Total	<u>715</u>	<u>100.0%</u>	<u>1,483</u>	<u>100.0%</u>	(51.8%)

In order to better reflect the geographical risks of the Group's sales, the geographical classification in the current period is prepared with reference to the final locations where the Group's products were sold to the customers instead of where the Group's customers were incorporated. The geographical segment information for prior period has been reclassified to conform with the current period's presentation.

Due to the Discontinuation, US was no longer the largest market of the Group during the six months ended 30 June 2009. Instead, the European market has overtaken the US to become the largest market of the Group during the period under review and contributed approximately 55.2% of the Group's total turnover. The sale to the US and the Asia Pacific region accounted for 23.4% and 21.4%, respectively, of the Group's total turnover. As a result of our market diversification strategy, we have reduced reliance on any single country or customer. We will continue to dedicated resources to increase our market share in Europe and the emerging markets

HIGHLIGHTS ON FINANCIAL POSITION AND MAJOR BALANCE SHEET ITEMS

HK\$ million	30 June 2009 (Unaudited)	31 December 2008 (Audited)	% increase/ (decrease)
NON-CURRENT ASSETS			
Property, plant and equipment	840	886	(5.2%)
Investment properties	178	171	4.1%
Interest in an associate	203	229	(11.4%)
CURRENT ASSETS			
Inventories	106	135	(21.5%)
Trade and bills receivables	214	422	(49.3%)
Properties for development	423	113	274.3%
Financial assets at fair value through profit or loss	405	446	(9.2%)
Cash and cash equivalents	471	786	(40.1%)
CURRENT LIABILITIES			
Current interest-bearing bank loans and other borrowings	253	351	(27.9%)
EQUITY AND NON-CURRENT LIABILITIES			
Non-current interest-bearing bank loans and other borrowings	113	124	(8.9%)
Minority interests	351	364	(3.6%)
Equity attributable to owners of the parent	2,111	2,213	(4.6%)

DISCUSSION ON FINANCIAL POSITION AND MAJOR BALANCE SHEET ITEMS

As at 30 June 2009, the amount of the property, plant and equipment decreased slightly by 5.2% to approximately HK\$840 million. The decrease was mainly attributable to the depreciation charge of HK\$48 million net off against additions to fixed assets of approximately HK\$4 million during the period.

Increase in the amount of the investment properties from HK\$171 million as at 31 December 2008 to HK\$178 million as at 30 June 2009 was mainly caused by the unrealized fair value gain on the Group's investment properties as at 30 June 2009.

Decrease in the amount of the interest in an associate was due to the share of loss of CCT Resources for the six months ended 30 June 2009.

As at 30 June 2009, inventories of the Group decreased to HK\$106 million, represented a drop of approximately 21.5%, as compared to that as at 31 December 2008. The drop in inventories level is in line with the decrease in the turnover of the Group's manufacturing businesses and also reflects our improvement in inventory control during the period under review.

Trade and bills receivables of the Group decreased from HK\$422 million as at 31 December 2008 to HK\$214 million, represented a drop of 49.3%. The drop in amount of trade and bills receivables is in line with the decrease in the Group's sales of telecom products and also reflects the good creditability and payment records of our customers.

As at 30 June 2009, the balance of the properties for development represents the land cost of two pieces of land located in the Liaoning Province, the PRC. The increase in amount was caused by payment of the remaining balance of the cost of acquisition of land in the Liaoning Province during the period.

The decrease in the balance of the financial assets at fair value through profit or loss was attributable to the aggregate effect of the disposal of part of our holdings in Hong Kong listed shares during the period and increase in fair value of the listed shares held as at 30 June 2009.

Cash and cash equivalents decreased by 40.1% to HK\$471 million as at 30 June 2009 mainly due to cash outflow for payment of trade payables, payment for balance of acquisition costs of land in the Liaoning Province and the partial repayment of bank and other borrowings during the period under review.

The amount of bank and other borrowings decreased from approximately HK\$475 million as at 31 December 2008 to approximately HK\$366 million as at 30 June 2009, representing a decrease of 22.9%. The decrease was mainly attributable to part repayment of bank and other borrowings during the six months ended 30 June 2009.

Decrease in the minority interests was mainly due to the sharing of loss by the minority shareholders in CCT Tech.

The decrease of the shareholders' funds from HK\$2,213 million as at 31 December 2008 to HK\$2,111 million as at 30 June 2009 was primarily due to the cancellation of the issued share capital and the share premium relating to the repurchase of shares under the Cash Offer and the dividend paid in cash during the period, net off against the profit attributable to the owners of the parent for the period.

Capital Structure and Gearing Ratio

HK\$ million	30 June 2009		31 December 2008	
	Amount (Unaudited)	Relative %	Amount (Audited)	Relative %
Bank loans	363	14.7%	470	17.5%
Finance lease payable	<u>3</u>	<u>0.1%</u>	<u>5</u>	<u>0.2%</u>
Total borrowings	366	14.8%	475	17.7%
Equity	<u>2,111</u>	<u>85.2%</u>	<u>2,213</u>	<u>82.3%</u>
Total capital employed	<u>2,477</u>	<u>100.0%</u>	<u>2,688</u>	<u>100.0%</u>

The Group's gearing ratio was approximately 14.8% as at 30 June 2009 (31 December 2008: 17.7%). The decrease in gearing ratio was mainly caused by the net repayment of bank and other borrowings during the six months ended 30 June 2009. The gearing ratio was maintained at low level which reflects a healthy financial position and the prudent financial policy of the Group. Taking into account the cash on hand, the Group in fact did not have any net borrowings.

Outstanding bank borrowings amounted to HK\$363 million at 30 June 2009 (31 December 2008: HK\$470 million). Approximately 69.1% of these bank borrowings was arranged on a short-term basis for the ordinary business activities of the Group and was repayable within one year. The remaining 30.9% of the bank borrowings was of long-term nature, principally comprised of mortgage loans on properties held by the Group.

Acquisition of certain of the Group's assets was financed by way of finance leases and the total outstanding finance lease payables for the Group as at 30 June 2009 amounted to approximately HK\$3 million (31 December 2008: HK\$5 million).

As at 30 June 2009, the maturity profile of the bank and other borrowings of the Group falling due within one year, in the second to the fifth year and in the sixth to the tenth year amounted to HK\$253 million, HK\$84 million and HK\$29 million, respectively (31 December 2008: HK\$351 million, HK\$85 million and HK\$39 million, respectively). There was no material effect of seasonality on the Group's borrowing requirements.

Liquidity and Financial Resources

HK\$ million	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Current assets	1,879	2,334
Current liabilities	<u>792</u>	<u>1,189</u>
Current ratio	<u>237.2%</u>	<u>196.3%</u>

The Group's current ratio as at 30 June 2009 was 237.2% (31 December 2008: 196.3%). The strong liquid position was attributable to the effective financial management of the Group.

As at 30 June 2009 the Group's cash balance amounted to HK\$560 million (31 December 2008 HK\$875 million), of which HK\$89 million (31 December 2008: HK\$89 million) was pledged for general banking facilities. Almost all of the Group's cash was placed on deposits with licensed banks in Hong Kong.

Commitments

As at 30 June 2009, capital commitment of the Group amounted to approximately HK\$3 million (31 December 2008: HK\$208 million). The capital commitment will be funded partly by internal resources and partly by bank borrowings.

Treasury Management

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised.

During the period under review, the Group's receipts were mainly denominated in US dollars, with some in Hong Kong dollars and the Euros. Payments were mainly made in Hong Kong dollars, US dollars and Renminbi and some made in Euros. Cash was generally placed in short-term deposits and medium-term deposits denominated in Hong Kong dollars and US dollars. As at 30 June 2009, the Group's borrowings were mainly denominated in Hong Kong dollars and US dollars. As at 30 June 2009, the Group's borrowings were principally made on a floating rate basis.

The objective of the Group's treasury policies is to minimise risks and exposures due to the fluctuations in foreign currency exchange rates and interest rates. The Group does not have any significant interest rate risk, as both the borrowings of the Group and the interest rates currently remain at low levels. In terms of foreign exchange exposures, the Group is principally exposed to two major currencies, namely the US dollar in terms of receipts and the Renminbi in terms of the production costs (including mainly wages and overhead) in China. For US dollar exposure, since the Hong Kong dollar remains pegged to the US dollar, the exchange fluctuation is not expected to be significant. Above all, as most of the

Group's purchases are also made in US dollars, which are to be paid out of our sales receipts in US dollars, the management considers that the foreign exchange exposure risk for the US dollar is not material.

For Renminbi exposure, as our wages and overheads in our factories in China are paid in Renminbi, our production costs will be increased by the possible further appreciation of Renminbi. Any further appreciation of the Renminbi in future will be of concern to all manufacturers with manufacturing facilities in China. The Group will continue to explore ways and methods to hedge future appreciation of Renminbi and will only consider to enter into any forward contracts at appropriate costs and pricing. We have also invested some of our surplus funds on listed shares that we believe will benefit from appreciation of Renminbi. We hope that the returns and gains that we may derive from these listed shares will hedge partly against the potential appreciation of the Reniminbi.

Acquisition and Disposal of Material Subsidiaries and Associates

The Group did not acquire or dispose of any material subsidiaries and associates during the period under review.

Significant Investment

The Group did not hold any significant investment as at 30 June 2009 (31 December 2008: Nil).

Pledge of Assets

As at 30 June 2009, certain of the Group's assets with a net book value of HK\$828 million (31 December 2008: HK\$714 million) and time deposits of HK\$89 million (31 December 2008: HK\$89 million) were pledged to secure the general banking facilities granted to the Group.

Contingent Liabilities

As at 30 June 2009, the Group did not have any significant contingent liabilities.

Employees and Remuneration Policy

The total number of employees of the Group as at 30 June 2009 was 7,475 (31 December 2008: 10,943). The Group's remuneration policy is built on principle of equality, motivating, performance-oriented and market-competitive remuneration package to employees. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include provident fund contributions, medical insurance coverage and performance related bonuses. Share options may also be granted to eligible employees and persons of the Group. At 30 June 2009, there were no outstanding share options issued by the Company.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES OF THE COMPANY

During the six months ended 30 June 2009, the Company has repurchased a total of 198,558,635 shares of the Company on 2 March 2009 by the Cash Offer (details of which are set out in the offer document of the Company dated 23 January 2009) at the offer price of HK\$0.50 per share of the Company and the total consideration paid pursuant thereto was HK\$99,279,317.50. The shares of the Company repurchased were then cancelled on 11 March 2009.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed shares of the Company during the six months ended 30 June 2009.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Corporate Governance Practices

In the opinion of the directors of the Company, the Company has complied with the code provisions under the Code on Corporate Governance Practices (the “CG Code”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the period for the six months ended 30 June 2009, except for the following deviations from the code provisions of the CG Code:

- (1) A.2.1: the roles of chairman and chief executive officer should be separate;
- (2) A.4.1: non-executive directors should be appointed for a specific term; and
- (3) A.4.2: all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director should be subject to retirement by rotation at least once every three years.

Detailed information of such deviations and their respective considered reasons as well as other information on the corporate governance practices of the Company have been disclosed in the corporate governance report contained in the 2008 Annual Report of the Company issued in April 2009 and will be disclosed in the 2009 Interim Report of the Company, which will be despatched to the shareholders of the Company on or before 30 September 2009.

Audit Committee

The Company has established an audit committee (the “Audit Committee”) with specific written terms of reference formulated in accordance with the requirements of the Listing Rules. The Audit Committee consists of three members comprising the three independent non-executive directors of the Company (“INED(s)”), namely Mr. Lau Ho Man, Edward, Mr. Tam King Ching, Kenny and Mr. Chen Li, two of whom are qualified accountants and have extensive experience in accounting and financial matters. The Audit Committee is chaired by an INED who is subject to rotation each year.

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2009.

Remuneration Committee

The Company has established a remuneration committee (the “Remuneration Committee”) with specific written terms of reference in line with the code provisions under the CG Code. The Remuneration Committee consists of five members comprising the three INEDs, namely Mr. Lau Ho Man, Edward, Mr. Tam King Ching, Kenny and Mr. Chen Li, and the two executive directors of the Company, namely Mr. Mak Shiu Tong, Clement and Mr. Tam Ngai Hung, Terry. The Remuneration Committee is chaired by an INED who is subject to rotation each year.

Model Code for Securities Transactions by the Directors of the Company

The Company has adopted its code of conduct regarding the securities transactions by the directors of the Company on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all directors of the Company, they confirmed that they have complied with the required standard set out in the Model Code adopted by the Company throughout the period for the six months ended 30 June 2009.

Independent Non-executive Directors of the Company

The Company has complied with Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of a sufficient number of the INEDs and at least an INED with appropriate professional qualifications, or accounting or related financial management expertise throughout the period for the six months ended 30 June 2009. The Board comprises the three INEDs, two of whom have accounting and financial expertise and bring strong independent judgement, knowledge and experience to the Board.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND 2009 INTERIM REPORT

This interim results announcement is published on the websites of the Company at www.cct.com.hk and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at www.hkexnews.hk. The 2009 Interim Report of the Company will be despatched to the shareholders of the Company in the manner as required by the Listing Rules and made available on the websites of the Company and the Stock Exchange in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the executive directors of the Company are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt and the INEDs are Mr. Tam King Ching, Kenny, Mr. Lau Ho Man, Edward and Mr. Chen Li.

By Order of the Board
Mak Shiu Tong, Clement
Chairman

Hong Kong, 18 September 2009

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