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**CC1 TELECOM HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands and continued in  
Bermuda with limited liability)*  
(Stock Code: 138)

**TRADEEASY HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8163)

**(1) VERY SUBSTANTIAL ACQUISITION (1) VERY SUBSTANTIAL ACQUISITION**

**ACQUISITION OF FORESTRY PROJECTS THROUGH TRADEEASY ACQUISITION OF FORESTRY PROJECTS IN PAPUA, INDONESIA WITH NATURAL FOREST CONCESSION OF 613,500 HECTARES (APPROXIMATELY 5 TIMES THE SIZE OF HONG KONG)**

**(2) POSSIBLE DISCLOSEABLE ACQUISITION AND POSSIBLE VERY SUBSTANTIAL DISPOSAL TRANSACTIONS**

**(2) CONNECTED TRANSACTION**

**POSSIBLE INCREASE OR DECREASE IN SHAREHOLDINGS OF TRADEEASY UPON CONVERSION OF THE MANISTAR CONVERTIBLE BONDS AND THE MCL CONVERTIBLE BONDS**

**SUBSCRIPTION OF CONVERTIBLE BONDS BY MANISTAR ENTERPRISES LIMITED**

**AND**

**AND**

**(3) RESUMPTION OF TRADING**

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Tradeeasy entered into the Agreement with MCL and MTG for the Acquisition at the Sale Consideration of US\$157,000,000 (equivalent to HK\$1,224,600,000) and for the Subscription at the Subscription Consideration of US\$28,000,000 (equivalent to HK\$218,400,000). Upon Completion, Tradeeasy will be beneficially interested in 100% equity interest of the then total issued share capital of MTG as enlarged by the Subscription Shares. The principal activity of MTG is investment holding and it holds directly or indirectly through the Intermediate Holding Companies a controlling shareholding interest in each of PTMTT, PTML and PTMP which are in the process of incorporation and will be established to pursue the Projects in the forestry businesses of harvesting and extraction of timber, land clearing, plantation of oil palm and production of palm oil, operations of sawmills, and production and export of sawn timber and other timber and wood products in or near the Concession Areas located in the Papua Province of Indonesia. After Completion, the Project Companies will have natural forest concessions of approximately 613,500 hectares (approximately 5 times the size of Hong Kong) in the Papua Province of Indonesia.

The Sale Consideration shall be satisfied by way of the Cash Consideration, the issue of the First Convertible Bonds and the Second Convertible Bonds. The Subscription Consideration shall be satisfied by way of cash.

The Agreement constitutes a very substantial acquisition for Tradeeasy under Chapter 19 of the GEM Listing Rules. The entering into of the Agreement, the Acquisition and the Subscription, the issue of the MCL Convertible Bonds and the issue and allotment of the Conversion Shares by Tradeeasy arising from the conversion of the MCL Convertible Bonds are subject to the approval by the Tradeeasy Shareholders at the EGM. To the best of the Tradeeasy Directors' knowledge, information and belief, having made all reasonable enquiries, MCL, MTG and their respective associates and parties acting in concert with them do not hold any Tradeeasy Shares as at the date of this announcement and no Tradeeasy Shareholder has a material interest in the Transactions. As the Transactions and the Manistar Subscription Agreement are inter-conditional, Manistar and its associates have agreed to abstain from voting on the resolutions to approve the Agreement and the transactions contemplated thereunder at the EGM. The Agreement and the transactions contemplated thereunder are subject to approval by the Independent Shareholders at the EGM.

Tradeeasy entered into the Manistar Subscription Agreement with Manistar, pursuant to which Manistar has agreed to subscribe for and Tradeeasy has agreed to issue the Manistar Convertible Bonds in the aggregate principal amount of HK\$226,200,000 payable in cash. The proceeds from the issue of the Manistar Convertible Bonds will be used by Tradeeasy to pay for the Cash Consideration and the Subscription Consideration.

As Manistar is a substantial shareholder of Tradeeasy, the Manistar Subscription Agreement constitutes a connected transaction for Tradeeasy under Chapter 20 of the GEM Listing Rules. The entering into of the Manistar Subscription Agreement, the issue of the Manistar Convertible Bonds and the issue and allotment of the Conversion Shares arising from the conversion of the Manistar Convertible Bonds are subject to the approval by the Independent Shareholders at the EGM. Manistar and its associates are required to abstain from voting on the resolutions to approve the Manistar Subscription Agreement and the transactions contemplated thereunder at the EGM.

As Tradeeasy is a non wholly-owned subsidiary of CCT Telecom, the Transactions constitute a very substantial acquisition for CCT Telecom under Chapter 14 of the Listing Rules. The entering into of the Agreement, the Acquisition and the Subscription by Tradeeasy are therefore subject to the approval by the CCT Telecom Shareholders at the SGM.

The future conversion of the Manistar Convertible Bonds and the MCL Convertible Bonds may result in the maximum possible increase of 25.76% of Manistar's shareholdings in Tradeeasy from 62.52% to 88.28% or the maximum possible decrease of 43.73% of Manistar's shareholdings in Tradeeasy from 62.52% to 18.79%. This will constitute a possible discloseable acquisition or a possible very substantial disposal transaction of CCT Telecom, as the case may be, pursuant to the provisions as stipulated in Chapter 14 of the Listing Rules. The possible very substantial disposal transaction arising from the possible maximum decrease of Manistar's shareholdings in Tradeeasy as a result of the future conversion of the MCL Convertible Bonds and the Manistar Convertible Bonds will be subject to the approval by the CCT Telecom Shareholders at the SGM. Other than the Interested Shareholder who is required to abstain from voting on the resolution to approve the possible very substantial disposal transaction at the SGM, no other CCT Telecom Shareholder is required to abstain from voting on the resolution to approve the possible very substantial disposal transaction at the SGM.

A circular of Tradeeasy containing, among other things, (i) further details of the Transactions and the Manistar Subscription; (ii) the Forest Consultant's valuation reports on the Projects; (iii) a letter from an independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders on the Manistar Subscription; (iv) the recommendation of the Independent Board Committee regarding the Manistar Subscription to the Independent Shareholders; and (v) the notice of the EGM will be despatched to the Tradeeasy Shareholders in accordance with the requirements of the GEM Listing Rules as soon as possible.

A circular of CCT Telecom containing further information of the Agreement and the Manistar Subscription Agreement, together with, among other things, the Forest Consultant's valuation reports on the Projects, a notice of the SGM will be dispatched to the CCT Telecom Shareholders in accordance with the requirements of the Listing Rules as soon as possible.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the request of CCT Telecom, trading in the CCT Telecom Shares was suspended with effect from 12:03 p.m. on 4 October 2007 pending the release of this announcement. An application has been made by CCT Telecom to the Stock Exchange for the resumption of trading of the CCT Telecom Shares with effect from 9:30 a.m. on 24 October 2007.

At the request of Tradeeasy, trading in the Tradeeasy Shares was suspended with effect from 12:03 p.m. on 4 October 2007 pending the release of this announcement. An application has been made by Tradeeasy to the Stock Exchange for the resumption of trading of the Tradeeasy Shares with effect from 9:30 a.m. on 24 October 2007.

## **THE AGREEMENT**

The Agreement dated 4 October 2007 as supplemented by the Supplemental Agreement dated 17 October 2007 were entered into between the following parties:

### **Parties**

Purchaser and Subscriber : Tradeeasy

Seller : MCL

The company whose shares are  
to be acquired and subscribed : MTG

The Transactions constitute a very substantial acquisition for Tradeeasy under the GEM Listing Rules. To the best knowledge, information and belief of the Tradeeasy Directors, having made all reasonable enquiries, MCL, its ultimate beneficial owners, MTG and their respective associates and the parties acting in concert to them are third parties independent of and not connected with the directors, chief executives, substantial shareholders and management shareholders of Tradeeasy and its subsidiaries and their respective associates as defined in the GEM Listing Rules.

As Tradeeasy is a non wholly-owned subsidiary of CCT Telecom, the Transactions also constitute a very substantial acquisition for CCT Telecom under the Listing Rules. To the best knowledge, information and belief of the CCT Telecom Directors, having made all reasonable enquiries, MCL, its ultimate beneficial owners, MTG and their respective associates and the parties acting in concert with them:

- (a) are independent of and not connected with the directors, chief executives, substantial shareholders and management shareholders of CCT Telecom, Manistar (a subsidiary of CCT Telecom and a controlling shareholder of Tradeeasy holding approximately 63% shareholding interest in Tradeeasy as at the date of this announcement), other subsidiaries of CCT Telecom and their respective associates as defined in the Listing Rules;
- (b) are not parties acting in concert with any of Manistar and CCT Telecom; and
- (c) have no prior relationship or transaction with CCT Telecom and Manistar.

### **Transactions of the Agreement**

Tradeeasy shall purchase the Sale Shares from MCL and Tradeeasy shall subscribe the Subscription Shares in MTG, subject to the terms and conditions of the Agreement. Immediate after Completion of the Acquisition and the Subscription, Tradeeasy (or its designated nominee(s)) will beneficially own 100% of the then total issued capital of MTG as enlarged by the Subscription Shares. The principal activity of MTG is investment holding. MTG holds directly or indirectly through the Intermediate Holding Companies a controlling shareholding interest in each of PTMTT, PTML and PTMP which are in the process of incorporation and will be established to

pursue the Projects in the forestry businesses of harvesting and extraction of timber, land clearing, plantation of oil palm and production of palm oil, the operations of sawmills, and the production and export of sawn timber and other timber and wood products in or near the Concession Areas located in the Papua Province of Indonesia. After all licenses, permits and approvals in respect of the Concession Areas having been granted to the Project Companies, the Project Companies will have natural forest concessions of approximately 613,500 hectares (approximately 5 times the size of Hong Kong) in the Papua Province of Indonesia.

## **Consideration for the Transactions**

The total consideration for the Transactions amounts to US\$185,000,000 (equivalent to HK\$1,443,000,000) of which (i) the Sale Consideration amounts to US\$157,000,000 (equivalent to HK\$1,224,600,000) (subject to adjustment as set out in the section headed “Adjustments to the Sale Consideration” below); and (ii) the Subscription Consideration amounts to US\$28,000,000 (equivalent to HK\$218,400,000).

## **Sale Consideration**

The Sale Consideration of US\$157,000,000 or the equivalent of HK\$1,224,600,000 (subject to adjustment as set out in the section headed “Adjustments to the Sale Consideration” below) shall be payable to MCL as follows:

- (a) HK\$7,800,000 by way of Cash Consideration;
- (b) HK\$776,880,000 (subject to adjustment) by the issue of the First Convertible Bonds; and
- (c) HK\$439,920,000 (subject to adjustment) by the issue of the Second Convertible Bonds.

The Cash Consideration shall be payable at Completion by setting off against the MCL Loan.

The First Convertible Bonds shall be issued by Tradeeasy to MCL and/or its designated nominee(s) at Completion.

The Second Convertible Bonds shall be issued by Tradeeasy after Completion to MCL and/or its designated nominee(s) within five Business Days immediately after the last of the following requirements have been met:

- (a) the Project Companies having obtained all the relevant Concessions, licenses, rights, permits and relevant government approvals in order for it to carry out all aspects of the commercial operations of the Second Project under the laws of Indonesia; and
- (b) Tradeeasy having obtained a satisfactory legal opinion from qualified Indonesian legal counsel in the form and contents satisfactory to Tradeeasy.

Further details of the First Convertible Bonds and the Second Convertible Bonds will be set out in the section headed “Principal terms of the MCL Convertible Bonds” below.

## Adjustments to the Sale Consideration

Tradeeasy will engage a qualified forest consultant company to conduct a technical valuation of the Mimika Project and the Second Project. The valuation report for the Mimika Project will be issued by the forest consultant (“Forest Consultant”) before Completion. If the valuation of the Mimika Project arrived at by the Forest Consultant (“Mimika Valuation”) is less than US\$138,750,000 (HK\$1,082,250,000) (“Mimika Reference Amount”):

- (a) upon the written consent of all the parties to the Agreement, eighty percent (80%) of the shortfall amount which is equal to the amount of the Mimika Valuation that falls short of the Mimika Reference Amount shall be deducted, on a dollar-for-dollar basis, from the amount of the First Convertible Bonds before Completion, first from (1) the amount which shall be subject to the lock-up restriction on conversion in the first year of issue and then from (2) the remaining amount of the First Convertible Bonds (if applicable) and only the net amount of the First Convertible Bonds after deduction of such shortfall shall be issued to MCL and/or its nominees; or
- (b) any of the parties to the Agreement shall have a right to terminate the Agreement and not to proceed with Completion.

The valuation report for the Second Project should be issued by the Forest Consultant before the issue of the Second Convertible Bonds and if the valuation of the Second Project arrived at by the Forest Consultant (“Second Valuation”) is less than US\$92,500,000 (equivalent to HK\$721,500,000) (“Second Reference Amount”):

- (a) upon the written consent of all the parties to the Agreement, eighty percent (80%) of the shortfall amount which is equal to the amount of the Second Valuation that falls short of the Second Reference Amount shall be deducted, on a dollar-for-dollar basis, from the amount of the Second Convertible Bonds before issue of the Second Convertible Bonds and only the net amount of the Second Convertible Bonds after deduction of such shortfall shall be issued to MCL and/or its nominees; or
- (b) any of the parties to the Agreement shall have a right to decide not to proceed with the Second Project and not to issue the Second Convertible Bonds and pay for the Second Subscription Consideration.

As the valuation to be conducted by the Forest Consultant will be carried out on 100% of each of the Projects but Tradeeasy is acquiring 80% effective interest in each of the Projects, therefore only 80% of the respective shortfall amount for each of the Projects, if any, should be deducted from the respective amount of the First Convertible Bonds and the Second Convertible Bonds, as the case may be. If the Mimika Valuation and the Second Valuation is higher than the Mimika Reference Amount and the Second Reference Amount respectively, there shall not be any upward adjustment to the Sale Consideration and the amounts of the First Convertible Bonds and the Second Convertible Bonds and no additional consideration shall be payable for any increase in the Mimika Valuation and the Second Valuation.

Tradeeasy has appointed Poyry Forest Industry Pte. Ltd as the Forest Consultant and the Forest Consultant intends to adopt the standing stock method in arriving at the valuation of the Mimika Project and the Second Project. The standing stock valuation means using the present market value per unit volume of log, the estimated harvesting and distribution costs and the total merchantable volume of log in the concessions as a basis for coming up with the estimated value.

## **Loans**

Tradeeasy shall, within five Business Days immediately after the conditions set out below having been fulfilled or waived (as the case may be) lend:

- (a) an interest free loan (“MCL Loan”) in the amount of US\$1,000,000 (equivalent to HK\$7,800,000) to MCL; and
- (b) an interest free loan (“MTG Loan”) of US\$7,500,000 (equivalent to HK\$58,500,000) to MTG.

The obligations of Tradeeasy to provide the Loans is subject to the following conditions which Tradeeasy has an absolute discretion to waive any of the conditions:

- (a) Tradeeasy having obtained a satisfactory legal opinion acceptable to Tradeeasy which opines on PTMTT and its licenses;
- (b) mortgage of the Sale Shares in favour of Tradeeasy, original share certificate and any other document of title relating the Sale Shares as required by Tradeeasy; and
- (c) mortgage of the shares in MLL and MPL in favour of Tradeeasy, original share certificates and any other document of title relating those shares as required by Tradeeasy.

The MCL Loan effectively serves earnest money for the Acquisition. The MCL Loan shall be repaid in full on Completion by setting off against the Cash Consideration and upon such set-off, Tradeeasy shall be fully discharged from its obligation to pay the Cash Consideration. The MTG Loan shall be payable to the Designated Bank Account of MTG and shall be used by MTG for purchasing plant and machinery and for establishing and commencing the operation of PTMTT and for payment of the capital and preparatory expenses of PTML and PTMP. The MTG Loan shall be repaid in full on Completion by setting off against part of the First Subscription Consideration and upon such set-off, Tradeeasy shall be fully discharged from its obligation to pay such part of the First Subscription Consideration. If for any reasons, Completion does not take place on or before the Long Stop Date and the Agreement is terminated as a result, MCL shall repay the MCL Loan and MTG shall repay the MTG Loan in full amount in cash to Tradeeasy within five Business Days after termination of the Agreement. MCL shall guarantee to Tradeeasy the due and timely performance by itself and MTG of their respective obligations in respect of the Loans.

## **Subscription Consideration**

The Subscription Consideration of US\$28,000,000 or the equivalent of HK\$218,400,000 shall be payable by Tradeeasy as follows:

- (a) At Completion, that part of the First Subscription Consideration in the amount of US\$7,500,000 or the equivalent of HK\$58,500,000 shall be set off against the repayment of the MTG Loan by MTG to Tradeeasy and upon such set-off, Tradeeasy shall be fully discharged from its obligation to pay such part of the First Subscription Consideration. The balance of the First Subscription Consideration in the amount US\$9,300,000 or the equivalent of HK\$72,540,000 shall be payable by Tradeeasy in cash to the Designated Bank Account of MTG within five Business Days after Completion; and
- (b) The Second Subscription Consideration in the amount of US\$11,200,000 or the equivalent of HK\$87,360,000 shall be payable by Tradeeasy in cash to the Designated Bank Account of MTG within five Business Days immediately after the last of the following requirements have been met:
  - (i) The Project Companies having obtained all the relevant Concessions, relevant licenses, rights, permits and the relevant government approvals in order for them to carry out all aspects of the commercial operations of the Second Project under the laws of Indonesia; and
  - (ii) Tradeeasy having obtained a satisfactory legal opinion from qualified Indonesian legal counsel in the form and contents satisfactory to Tradeeasy.

The money from the Subscription Consideration shall be used by the MTG Group to purchase plant and machinery for and to fund other capital expenditure, the preparation costs and working capital of the Projects.

## **Basis of the Sale Consideration and the Subscription Consideration**

The total consideration for the Transactions was arrived at after arm's length negotiations between MCL, MTG and Tradeeasy on normal commercial terms with reference to (a) future prospects and growth of the forestry business and the Projects; (b) the large size of the natural forests covered by the Concession Areas; (c) relatively close proximity of the Projects to the potential markets which the Project Companies intend to sell their products; (d) close proximity of the Projects to the established transportation and port facilities; (e) the mechanism to adjust the Sale Consideration with reference to technical valuation to be conducted by the Forest Consultant set out in the section headed "Adjustments to the Sale Consideration" of this announcement; and (f) comparable prices per hectare of recent acquisitions of forest concessions by other listed companies in Hong Kong.

In considering the factors in (a) and (b) above, the Tradeeasy Directors have considered the forest survey reports of the Mimika Project prepared by the local forestry department of Papua and an air survey (which is visual observation from a flying aircraft) performed over the forests in Papua with the presence of representatives from Tradeeasy.

The Tradeeasy Directors consider that the business of the MTG Group has promising prospect as the consumption of wood products in the world, especially in China and other countries in the Asia-Pacific region has continued to increase. As a result of growing demand, the prices of wood products especially tropical hardwood timber has also increased significantly.

As listed in the table below, the prices per hectare of forest concession in the recent acquisitions by other listed companies in Hong Kong ranges between US\$235 to US\$2,650 whereas the price per hectare for the Mimika Project is US\$468 and that for the Second Project is US\$282.

Acquiror	Stock Code	Date Announced	Target Location	Concession Area (hectares)	% Acquired	Consideration*	
						Total (US\$mil)	Per ha (US\$)
Omicorp	0094.HK	24/8/2007	Suriname	177,965.00	60%	48.08	450
Medical China	8186.HK	31/7/2007	Cambodia	10,082.00	100%	26.71	2,650
China Timber	0269.HK	10/4/2006	Guyana	164,800.00	51%	19.74	235
Tradeeasy	8163.HK	23/10/2007	Indonesia (M)	313,500.00	80%	117.4	468
			Indonesia (S)	300,000.00	80%	67.6	282

\* For the sake of comparison, HK\$ has been converted into US\$ at the exchange rate of 1US\$ = 7.8 HK\$.

The price per hectare of the Second Project is lower than that of the Mimika Project because the Second Project is expected to be situated deeper in the inland than the Mimika Project. The average price per hectare of the Projects is US\$377 which falls on the lower range of the comparables. There is no recent acquisition of forest concessions in Indonesia by other listed companies in Hong Kong. The above comparable companies are selected because their acquisitions are made to acquire concession rights to exploit forests which is similar to the nature of acquisition of Tradeeasy. Although forests in different countries have certain different variety and species of trees, the type of forests covered in the acquisitions of the comparable companies are all tropical forests which are similar to the forests of Papua, Indonesia.

In light of the above, the Tradeeasy Directors consider that the Transactions represent a good opportunity for the Tradeeasy Group which forms part of the CCT Telecom Group to enter the forestry industry with huge potential and good future prospect. The Tradeeasy Directors are therefore of the opinion that the consideration and the terms of the Agreement are fair and reasonable and on normal commercial terms and in the interest of the Tradeeasy Shareholders as a whole. The CCT Telecom Directors concur the view of the Tradeeasy Directors in this respect.

The Conversion Price of the MCL Convertible Bonds in the amount of HK\$0.10 represents:

- a discount of approximately 16.67% to the closing price of HK\$0.12 per Tradeeasy Share as quoted on the Stock Exchange on 27 September 2007, the last trading date immediately before the issue of the Clarification Announcement;

- a discount of approximately 64.29% to the closing price of HK\$0.280 per Tradeeasy Share as quoted on the Stock Exchange before the suspension of trading of the Tradeeasy Shares on the Last Trading Date;
- a discount of approximately 45.05% to the average closing price of HK\$0.182 per Tradeeasy Share for the five consecutive trading days up to and including the Last Trading Date;
- a discount of approximately 39.39% to the average closing price of HK\$0.165 per Tradeeasy Share for the 30 consecutive trading days up to and including the Last Trading Date;
- a discount of approximately 45.95% to the average closing price of HK\$0.185 per Tradeeasy Share for the 60 consecutive trading days up to and including the Last Trading Date; and
- a premium of approximately 317.00% over the audited consolidated net asset value of HK\$0.024 per Tradeeasy Share as at 31 March 2007.

The Tradeeasy Shares traded in the range of HK\$0.051 and HK\$0.28 per share during the last nine month period starting from 4 January 2007 up to including 4 October 2007, the Last Trading Date. The Tradeeasy Share price has therefore increased by 449.02% during the last nine months up to and including the Last Trading Date. The Tradeeasy Directors and the CCT Telecom Directors consider that the recent increase in the Tradeeasy Share prices might be attributable to the recent market sentiment, ignoring the fact that the existing e-commerce business of the Tradeeasy Group incurred a loss during the year ended 31 March 2007. The price of the Tradeeasy Shares increased sharply by approximately 133.33% from HK\$0.12 per Tradeeasy Share on 27 September 2007, the date immediately before the Clarification Announcement to HK\$0.28 per Tradeeasy Share on 4 October 2007, being the date of the Agreement and the Last Trading Date. The Tradeeasy Directors consider that the surge in the Tradeeasy Shares prices during the period from 28 September 2007 to 4 October 2007 might be contributable to the positive response by the market regarding the possible acquisition of a resource business by Tradeeasy and the recent optimistic market sentiment. As the Conversion Price of the MCL Convertible Bonds represents a very high premium of approximately 317% over the audited consolidated net asset value per Tradeeasy Share, the Tradeeasy Directors and the CCT Telecom Directors (including the respective independent non-executive directors of Tradeeasy and CCT Telecom) therefore consider that the Conversion Price of the MCL Convertible Bonds to be fair and reasonable.

Save for the 107,160,000 outstanding Share Option, Tradeeasy has no outstanding options, warrants or securities convertible into the Tradeeasy Shares or other securities of Tradeeasy as at the date of this announcement.

### **Restriction in conversion of the MCL Convertible Bonds and the Manistar Convertible Bonds**

Pursuant to the terms of the Agreement, and the terms and conditions of the MCL Convertible Bonds, the conversion of the MCL Convertible Bonds are subject to the following restrictions:

- (a) MCL and/or its nominee(s) do not have the right to convert the MCL Convertible Bonds into Conversion Shares, during the term of the MCL Convertible Bonds, if MCL and the parties acting in concert with it will be interested in 30% (or such amount as may from time to time be specified in the Takeovers Codes as being the level for triggering a mandatory general offer) or more of the then enlarged issued share capital of Tradeeasy at the date of the relevant conversion;
- (b) any MCL Convertible Bonds cannot be converted into Conversion Shares during the term of the MCL Convertible Bonds if such conversion will cause Tradeeasy to be in breach of the minimum public float requirement under the GEM Listing Rules; and
- (c) certain other lock-up provisions in conversion, details of which have been set out under the subsection headed “the First Convertible Bonds” and the subsection headed “the Second Convertible Bonds” under the section headed “Principal Terms of the MCL Convertible Bonds” below.

Pursuant to the Manistar Subscription Agreement and the terms and conditions of the Manistar Convertible Bonds, any Manistar Convertible Bonds cannot be converted into Conversion Shares during the term of the Manistar Convertible Bonds if such conversion will cause Tradeeasy to be in breach of the minimum public float requirement under the GEM Listing Rules. Other than the public float restriction, the Manistar Convertible Bonds will not be subject to any other conversion restriction or lock-up provisions.

### **Principal terms of the MCL Convertible Bonds**

The principal terms of the MCL Convertible Bonds are summarised as follows:

#### ***1. First Convertible Bonds***

Issuer	:	Tradeeasy
Principal Amount of the First Convertible Bonds	:	HK\$776,880,000
Interest	:	Zero Coupon
Conversion Period	:	Subject to the restrictions specified below, bondholders shall be entitled to convert the First Convertible Bonds into the Conversion Shares at any time during the period commencing from the date of issue of the First Convertible Bonds until the date that falls on the fifth day immediately before the maturity date.

Restrictions in conversion:

- (i) Notwithstanding the conversion rights attaching to the First Convertible Bonds, bondholders shall not

convert any amount of the First Convertible Bonds and Tradeeasy shall not issue any Conversion Shares if, upon such issue, MCL and the parties acting in concert with it, will be interested in 30% (or such amount as may from time to time be specified in the Takeovers Codes as being the level for triggering a mandatory general offer) or more of the then enlarged issued share capital of Tradeeasy at the date of the relevant conversion. This restriction shall remain valid throughout the term of the First Convertible Bonds;

(ii) bondholders shall not convert any amount of the First Convertible Bonds and Tradeeasy shall not issue any Conversion Shares if, upon such issue, Tradeeasy will be in breach of the minimum public float requirement under the GEM Listing Rules. This restriction shall remain valid throughout the term of the First Convertible Bonds; and

(iii) any amount of the First Convertible Bonds up to the principal amount of HK\$426,880,000 shall not be converted into Conversion Shares at any time during the period commencing from the date of issue of the First Convertible Bonds and until the date that falls on the first anniversary of such date of issue.

Conversion Price : HK\$0.10 per Conversion Share, subject to customary adjustments, among other things, sub-divisions and consolidations of the Tradeeasy Shares, in accordance with the terms and conditions of the First Convertible Bonds.

The overriding principle as set out in the Stock Exchange's letter dated 5 September 2005 is that no adjustment to the exercise price or number of shares should be to the advantage of share option scheme participants without prior shareholders' approval. The adjustment that will be made to the conversion price if and only if in the event of, among other things, sub-division or consolidation of Tradeeasy Shares, bonus issues, right issues and other dilutive events. The Tradeeasy Directors believe that the adjustment considerations set out in the First Convertible Bonds in general accord with the overriding principle.

Conversion Shares : If the First Convertible Bonds are fully converted at the initial Conversion Price of HK\$0.10 each, there will be 7,768,800,000 Conversion Shares.

- Ranking of Conversion Shares : Conversion Shares will rank pari passu in all respects with the Tradeeasy Shares then in issue on the relevant conversion date.
- Maturity : Three years from the date of issue of the First Convertible Bonds. Unless previously converted or cancelled under the conditions of the First Convertible Bonds, each First Convertible Bond shall be redeemed at their principal amount on the maturity date.
- Voting rights : Bondholders shall not have any right to attend or vote in any general meeting of Tradeeasy by virtue of their being bondholders.
- Transferability : Subject to the restriction mention below, the First Convertible Bonds are transferable from the date of issue of the First Convertible Bonds until the date that falls on the tenth day before the maturity date, subject to the terms and conditions of the First Convertible Bonds.
- Without the prior written consent of Tradeeasy, any amount of the First Convertible Bonds up to the principal amount of HK\$426,880,000 shall not be transferred or assigned to any third party during the period commencing from the issue date of the First Convertible Bonds until the date that falls on the first anniversary of such date of issue.
- Status : General, unsecured obligations of Tradeeasy ranking equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of Tradeeasy except for the obligations accorded preference by mandatory provisions of applicable laws.
- Listing : No application will be made for the listing of the First Convertible Bonds. Application will be made to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares arising from the conversion of the First Convertible Bonds.

## ***2. Second Convertible Bonds***

- Issuer : Tradeeasy
- Principal Amount of the  
Second Convertible Bonds : HK\$439,920,000
- Interest : Zero Coupon

## Conversion Period

- : Subject to restrictions below, bondholders shall be entitled to convert the Second Convertible Bonds into the Conversion Shares at any time during the period commencing from the date of issue of the Second Convertible Bonds until the date that falls on the fifth day immediately before the maturity date.

### Restriction in conversion:

- (i) Notwithstanding the conversion rights attaching to the Second Convertible Bonds, bondholders shall not convert any amount of the Second Convertible Bonds and Tradeeasy shall not issue any Conversion Shares if, upon such issue, MCL and the parties acting in concert with it, will be interested in 30% (or such amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the then enlarged issued share capital of Tradeeasy at the date of the relevant conversion. This restriction shall remain valid throughout the term of the Second Convertible Bonds;
- (ii) bondholders shall not convert any amount of the Second Convertible Bonds and Tradeeasy shall not issue any Conversion Shares if, upon such issue, Tradeeasy will be in breach of the minimum public float requirement under the GEM Listing Rules. This restriction shall remain valid throughout the term of the Second Convertible Bonds; and
- (iii) bondholders do not have any right to convert any principal amount of the Second Convertible Bonds at any time during the period commencing from the date of issue of the Second Convertible Bonds and until the date that falls on the second anniversary of the date of Completion.

## Conversion Price

- : HK\$0.10 per Conversion Share, subject to customary adjustments, among other things, sub-divisions and consolidations of the Tradeeasy Shares, in accordance with the terms and conditions of the Second Convertible Bonds.

The overriding principle as set out in the Stock Exchange's letter dated 5 September 2005 is that no adjustment to the exercise price or number of shares should be to the advantage of share option scheme participants without prior shareholders' approval. The adjustment that will be

made to the conversion price if and only if in the event of, among other things, sub-division or consolidation of Tradeeasy Shares, bonus issues, right issues and other dilutive events. The Tradeeasy Directors believe that the adjustment considerations set out in the Second Convertible Bonds in general accord with the overriding principle.

- Conversion Shares : If the Second Convertible Bonds are fully converted at the initial Conversion Price of HK\$0.10 each, there will be 4,399,200,000 Conversion Shares.
- Ranking of Conversion Shares : Conversion Shares will rank pari passu in all respects with the Tradeeasy Shares then in issue on the relevant conversion date.
- Maturity : Three years from the date of issue of the Second Convertible Bonds. Unless previously converted or cancelled under the conditions of the Second Convertible Bonds, each Second Convertible Bond shall be redeemed at their principal amount on the maturity date.
- Voting rights : Bondholders shall not have any right to attend or vote in any general meeting of Tradeeasy by virtue of their being bondholders.
- Transferability : Subject to the restrictions below, the Second Convertible Bonds are transferable until the date that falls on the tenth day immediately before the maturity date, subject to the terms and conditions of the Second Convertible Bonds.
- Without the prior written consent of Tradeeasy, any principal amount of the entire Second Convertible Bonds is not transferable at any time during the period commencing from the date of Completion and until the date that falls on the second anniversary of such date of Completion.
- Status : General, unsecured obligations of Tradeeasy ranking equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of Tradeeasy except for the obligations accorded preference by mandatory provisions of applicable laws.
- Listing : No application will be made for the listing of the Second Convertible Bonds. Application will be made to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares arising from the conversion of the Second Convertible Bonds.

## Conditions Precedent of the Agreement

Completion of the Agreement is conditional upon, among other things, the fulfillment of the following conditions on or before the Long Stop Date, or such other date as the parties to the Agreement may agree:

- (a) Tradeeasy having been satisfied with the results of due diligence conducted on the MTG Group;
- (b) PTMTT, PTML and PTMP having been duly incorporated as foreign investment companies under the laws of Indonesia and that 65%, 80% and 95% of the share ownership of PTMTT, PTML and PTMP is owned by MTG, MLL and MPL respectively;
- (c) the Project Companies together having obtained all the relevant Concessions, licenses, rights, permits and government approvals in order for them to carry out (i) the logging and harvesting of trees and reforestation activities; (ii) the clearing of forest by logging of trees; and (iii) the operations of sawmill(s), and the process, production and export of sawn timber and other timber and wood products of the Mimika Project under the laws of Indonesia;
- (d) Tradeeasy has obtained legal opinions to its satisfaction from legal counsels in the British Virgin Islands and Indonesia;
- (e) the passing of resolutions at the EGM by the Independent Shareholders and at the Tradeeasy Board meeting by the Tradeeasy Board approving the Agreement and the transactions contemplated thereunder, the issue of the MCL Convertible Bonds and the issue and allotment of the Conversion Shares arising from the conversion of the MCL Convertible Bonds and the transactions contemplated thereunder;
- (f) the passing of resolutions at the EGM by the Independent Shareholders and at the Tradeeasy Board meeting by the Tradeeasy Board approving the Manistar Subscription Agreement, the issue of the Manistar Convertible Bonds and the issue and allotment of the Conversion Shares arising from the conversion of the Manistar Convertible Bonds and the transactions contemplated thereunder;
- (g) the passing of resolutions by the CCT Telecom Shareholders at the SGM approving the entering of the Agreement by Tradeeasy and all transactions contemplated under the Agreement;
- (h) the granting by the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Conversion Shares to be issued upon the conversion of the MCL Convertible Bonds and the Manistar Convertible Bonds;
- (i) Tradeeasy having obtained from the Forest Consultant the valuation report on the Mimika Project;

- (j) the representations and warranties contained in the Agreement remaining true and accurate in all material respects and not misleading in any respect as at the date of Completion;
- (k) Tradeeasy having satisfied that there has been no Material Adverse Change of the MTG Group as at the date of Completion; and
- (l) MTG having received the written consent of each of minority shareholders of PTMTT, PTML and PTMP consenting to the sale and purchase of the Sale Shares and the subscription of the Subscription Shares by Tradeeasy in accordance with the Agreement, if required by Tradeeasy.

In respect of conditions precedent (c) above, the conditions that shall be complied with in order to obtain the relevant rights and licenses under conditions precedent (c) are that (1) the Project Companies undertake to observe and comply with the relevant forestry laws applicable to the Projects; and (2) the Project Companies have been duly incorporated and set up in Indonesia in accordance with the laws of Indonesia.

Tradeeasy, acting through the Tradeeasy Board, may in its absolute discretion waive the conditions precedent set out in (a), (b), (c), (d), (i), (j), (k) and (l) provided that all the other conditions precedent cannot be waived. In exercising the right of waiver, the Tradeeasy Board will act in good faith and in the best interest of Tradeeasy and its shareholders as a whole and will only waive any conditions precedent on minor issues or on issues that will not affect the substance of the Transactions and the Projects. As at the date of this announcement, Tradeeasy has no present intention to waive any conditions precedent of the Agreement. If the above conditions precedent are not satisfied or waived on or before the Long Stop Date, Tradeeasy has the right to terminate the Agreement or postpone to another date and neither party shall have any liability or obligation under the Agreement.

### **Completion of the Agreement**

The Agreement and the Manistar Subscription Agreement are inter-conditional to each other. Completion of the Acquisition and the Subscription shall take place together and simultaneously. Completion of the Agreement shall take place on the second Business Day after the conditions precedent are fulfilled or waived (as the case may be) or such other date as the parties shall agree in writing. The Agreement will lapse if the conditions precedent are not fulfilled or waived (as the case may be) by the Long Stop Date or such later date as the parties shall agree in writing. In the event that the Completion of the Agreement has not taken place by the Long Stop Date, further announcement will be made by Tradeeasy and CCT Telecom.

# **THE MANISTAR SUBSCRIPTION AGREEMENT**

The Manistar Subscription Agreement dated 4 October 2007 as amended by the Manistar Supplemental Agreement dated 17 October 2007 were entered into between the following parties:

## **Parties**

Subscriber : Manistar

Convertible Bonds Issuer : Tradeeasy

Pursuant to the Manistar Subscription Agreement, Manistar has agreed to subscribe for and Tradeeasy has agreed to issue the Manistar Convertible Bonds in the aggregate principal amount of HK\$226,200,000. As Manistar is a substantial shareholder of Tradeeasy, the Manistar Subscription Agreement constitutes a connected transaction for Tradeeasy under Chapter 20 of the GEM Listing Rules. The amount of the Manistar Subscription Agreement is determined based on the total amount of the Cash Consideration and the Subscription Consideration that Tradeeasy is required to pay for the Transactions in cash. The proceeds from the issue of the Manistar Convertible Bonds will be used by Tradeeasy to pay for the Cash Consideration and the Subscription Consideration under the Agreement.

The CCT Telecom Directors consider that the Transactions represent a good opportunity for the Tradeeasy Group which forms part of the CCT Telecom Group to enter the forestry industry with huge potential and good future prospect. The CCT Telecom Directors therefore consider that it is in the interest of the CCT Telecom Shareholders as a whole to enter into the Manistar Subscription Agreement in order to provide funding to Tradeeasy to pay for the Cash Consideration and the Subscription Consideration.

## **Principal terms of the Manistar Convertible Bonds**

The principal terms of the Manistar Convertible Bonds are summarised as follows:

Issuer : Tradeeasy

Principal Amount of the  
Manistar Convertible Bonds : HK\$226,200,000

Interest : Zero Coupon

Conversion Period : Subject to the restriction below, bondholders shall be entitled to convert the Manistar Convertible Bonds into the Conversion Shares at any time during the period commencing from the date of issue of the Manistar Convertible Bonds until the date that falls on the fifth day immediately before the maturity date.

Restriction in conversion:

Bondholders shall not convert any amount of the Manistar Convertible Bonds and Tradeeasy shall not issue any Conversion Shares if, upon such issue, Tradeeasy will be in breach of the minimum public float requirement under the GEM Listing Rules. This restriction shall remain valid throughout the term of the Manistar Convertible Bonds.

Conversion Price : HK\$0.10 per Conversion Share, subject to customary adjustments, among other things, sub-divisions and consolidations of the Tradeeasy Shares, in accordance with the terms and conditions of the Manistar Convertible Bonds.

The overriding principle as set out in the Stock Exchange's letter dated 5 September 2005 is that no adjustment to the exercise price or number of shares should be to the advantage of share option scheme participants without prior shareholders' approval. The adjustment that will be made to the conversion price if and only if in the event of, among other things, sub-division or consolidation of Tradeeasy Shares, bonus issues, right issues and other dilutive events. The Tradeeasy Directors believe that the adjustment considerations set out in the Manistar Convertible Bonds in general accord with the overriding principle.

Conversion Shares : If the Manistar Convertible Bonds are fully converted at the initial Conversion Price of HK\$0.10 each, there will be 2,262,000,000 Conversion Shares.

Ranking of Conversion Shares : Conversion Shares will rank pari passu in all respects with the Tradeeasy Shares then in issue on the relevant conversion date.

- Maturity : Three years from the date of issue of the Manistar Convertible Bonds. Unless previously converted or cancelled under the conditions of the Manistar Convertible Bonds, each Manistar Convertible Bond shall be redeemed at their principal amount on the maturity date.
- Voting rights : Bondholders will not have any right to attend or vote in any general meeting of Tradeeasy by virtue of their being bondholders.
- Transferability : The Manistar Convertible Bonds are transferable from the date of issue of the Manistar Convertible Bonds until the date that falls on the tenth day before the maturity date, subject to the terms and conditions of the Manistar Convertible Bonds.
- Status : General, unsecured obligations of Tradeeasy ranking equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of Tradeeasy except for the obligations accorded preference by mandatory provisions of applicable laws.
- Listing : No application will be made for the listing of the Manistar Convertible Bonds. Application will be made to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares arising from the conversion of the Manistar Convertible Bonds.

The conversion price of the Manistar Convertible Bonds in the amount of HK\$0.10 per Tradeeasy Share represents:

- A discount of approximately 16.67% to the closing price of HK\$0.12 per Tradeeasy Share as quoted on the Stock Exchange on 27 September 2007, the last trading date immediately before the issue of the Clarification Announcement;
- a discount of approximately 64.29% to the closing price of HK\$0.280 per Tradeeasy Share as quoted on the Stock Exchange before the suspension of trading of the Tradeeasy Shares on the Last Trading Date;
- a discount of approximately 45.05% to the average closing price of HK\$0.182 per Tradeeasy Share for the five consecutive trading days up to and including the Last Trading Date;
- a discount of approximately 39.39% to the average closing price of HK\$0.165 per Tradeeasy Share for the 30 consecutive trading days up to and including the Last Trading Date;
- a discount of approximately 45.95% to the average closing price of HK\$0.185 per Tradeeasy Share for the 60 consecutive trading days up to and including the Last Trading Date; and

- a premium of approximately 317.00% over the audited consolidated net asset value of HK\$0.024 per Tradeeasy Share as at 31 March 2007.

For the same reasons as stated in the section headed “Basis of the Sale Consideration and the Subscription Consideration” above, the Tradeeasy Directors (including the independent non-executive Tradeeasy Directors) therefore consider that the Conversion Price for the Manistar Convertible Bonds to be fair and reasonable.

### **Conditions Precedent of the Manistar Subscription Agreement**

Completion of the Manistar Subscription Agreement is conditional upon, among other things, the fulfillment of the following conditions on or before the Long Stop Date, or such other date as the parties to the Manistar Subscription Agreement may agree:

- (a) the passing by the Tradeeasy Board all necessary resolutions at the Tradeeasy Board meeting approving the Manistar Subscription Agreement and the transactions contemplated thereunder including (but not limited to) the issue of the Manistar Convertible Bonds and the Conversion Shares upon exercise of the conversion rights attaching to the Manistar Convertible Bonds;
- (b) the passing by the Independent Shareholders of all necessary resolutions by way of poll at the EGM approving the Manistar Subscription Agreement and the transactions contemplated hereunder including (but not limited to) the issue of the Manistar Convertible Bonds and the Conversion Shares upon exercise of the conversion rights attaching to the Manistar Convertible Bonds;
- (c) the GEM Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in the Conversion Shares upon the exercise of the conversion rights attaching to the Manistar Convertible Bonds (and such permission and listing not subsequently being revoked prior to the delivery of the convertible bond certificates);
- (d) the Agreement being unconditional in accordance with the terms thereof (other than in connection with the Manistar Subscription Agreement); and
- (e) the representation and warranties contained in the Manistar Subscription Agreement remaining true and accurate and not misleading in any respect on the date of the Manistar Subscription Agreement and the date of Completion.

Manistar may in its absolute discretion waive the condition precedent set out in (e) provided that all the other conditions precedent cannot be waived. As at the date of this announcement, Manistar has not indicated any intention to waive any conditions precedent of the Manistar Subscription Agreement. If the above conditions precedent are not satisfied or waived on or before the Long Stop Date, Manistar has the right to terminate the Manistar Subscription Agreement or postpone to another date and neither party shall have any liability or obligation under the Manistar Subscription Agreement.

## Completion of the Manistar Subscription Agreement

Completion of the Manistar Subscription Agreement shall take place on the second Business Day after the conditions precedent are fulfilled or waived (as the case may be) or such other date as the parties shall agree in writing. The Completion of the Manistar Subscription Agreement shall take place immediately after the Completion of the Agreement. The Manistar Subscription Agreement will lapse if the conditions precedent are not fulfilled or waived (as the case may be) by the Long Stop Date or such later date as the parties shall agree in writing. In the event that the Completion of the Manistar Subscription Agreement has not taken place by the Long Stop Date, further announcement will be made by Tradeeasy.

## Shareholding structure

The shareholding structure of Tradeeasy before and immediately after Completion, the conversion of the Manistar Convertible Bonds and the MCL Convertible Bonds (assuming no adjustment as set out in the section headed “Adjustments to the Sale Consideration” of this announcement) before and after triggering the applicable public float and offer obligation restrictions and other conversion restriction as stipulated in the terms of each of the convertible bonds, at the initial Conversion Price, as at the date of this announcement (assuming no Share Option is exercised) is as follows:

Tradeeasy Shareholders	As at the date of this announcement before Completion		Immediately after Completion and before conversion of any Manistar Convertible Bonds and MCL Convertible Bonds		Immediately after Completion and conversion of the Manistar Convertible Bonds before triggering the public float restriction		Immediately after Completion and full conversion of the Manistar Convertible Bonds	
	No. of Tradeeasy Shares held	%	No. of Tradeeasy Shares held	%	No. of Tradeeasy Shares held	%	No. of Tradeeasy Shares held	%
CCT Telecom: Manistar Enterprises Limited	643,364,070	62.52	643,364,070	62.52	1,114,820,070	74.29	2,905,364,070	88.28
MCL Independent Non-executive Tradeeasy Director	950,000	0.09	950,000	0.09	950,000	0.06	950,000	0.03
Public Tradeeasy Shareholders	<u>384,774,930</u>	<u>37.39</u>	<u>384,774,930</u>	<u>37.39</u>	<u>384,774,930</u>	<u>25.65</u>	<u>384,774,930</u>	<u>11.69</u>
Total	<u><u>1,029,089,000</u></u>	<u><u>100.00</u></u>	<u><u>1,029,089,000</u></u>	<u><u>100.00</u></u>	<u><u>1,500,545,000</u></u>	<u><u>100.00</u></u>	<u><u>3,291,089,000</u></u>	<u><u>100.00</u></u>

Tradeeasy Shareholders	Immediately after Completion and full conversion of the Manistar Convertible Bonds and the conversion of First Convertible Bonds before triggering the mandatory general offer		Immediately after Completion and full conversion of the Manistar Convertible Bonds and the conversion of that part of the First Convertible Bonds not subject to lock-up restriction in the first anniversary of the date of issue		Immediately after Completion and full conversion of the Manistar Convertible Bonds and the First Convertible Bonds		Immediately after Completion, and full conversion of the Manistar Convertible Bonds, the First Convertible Bonds and the Second Convertible Bonds	
	No. of Tradeeasy Shares held	%	No. of Tradeeasy Shares held	%	No. of Tradeeasy Shares held	%	No. of Tradeeasy Shares held	%
CCT Telecom:								
Manistar Enterprises Limited	2,905,364,070	61.87	2,905,364,070	42.78	2,905,364,070	26.27	2,905,364,070	18.79
MCL	1,404,500,000	29.91	3,500,000,000	51.54	7,768,800,000	70.24	12,168,000,000	78.71
Independent Non-executive Tradeeasy Director	950,000	0.02	950,000	0.01	950,000	0.01	950,000	0.01
Public Tradeeasy Shareholders	<u>384,774,930</u>	<u>8.20</u>	<u>384,774,930</u>	<u>5.67</u>	<u>384,774,930</u>	<u>3.48</u>	<u>384,774,930</u>	<u>2.49</u>
Total	<u>4,695,589,000</u>	<u>100.00</u>	<u>6,791,089,000</u>	<u>100.00</u>	<u>11,059,889,000</u>	<u>100.00</u>	<u>15,459,089,000</u>	<u>100.00</u>

As set out in the section headed “Restriction in conversion of the MCL Convertible Bonds and the Manistar Convertible Bonds” of this announcement, the conversion of the Manistar Convertible Bonds and the MCL Convertible Bonds is subject to the public float restriction and the conversion of the MCL Convertible Bonds is subject to the general offer obligation restriction during the term of the respective convertible bonds. As set out in the section headed “Principal terms of the MCL Convertible Bonds”, up to the principal amount of HK\$426,880,000 of the First Convertible Bonds is subject to lock-up provisions in conversion in the first year of issue and the entire principal amount of the Second Convertible Bonds is subject to lock-up provisions in conversion within the period commencing from the date of issue of the Second Convertible Bonds and until the date that falls on the second anniversary of the date of Completion.

The aggregate 2,262,000,000 Conversion Shares arising from the full conversion of the Manistar Convertible Bonds at the initial Conversion Price represent (i) approximately 219.81% of the existing issued share capital of Tradeeasy; and (ii) approximately 14.63% of the issued share capital of Tradeeasy immediately after full conversion of the Manistar Convertible Bonds, the First Convertible Bonds, and the Second Convertible Bonds at the initial Conversion Price, assuming no Share Option is exercised.

The aggregate 7,768,800,000 Conversion Shares arising from the full conversion of the First Convertible Bonds at the initial Conversion Price represent (i) approximately 754.92% of the existing issued share capital of Tradeeasy; and (ii) approximately 50.25% of the issued share capital of Tradeeasy immediately after full conversion of the Manistar Convertible Bonds, the First Convertible Bonds and the Second Convertible Bonds at the initial Conversion Price, assuming no Share Option is exercised.

The aggregate 4,399,200,000 Conversion Shares arising from the full conversion of the Second Convertible Bonds at the initial Conversion Price represent (i) approximately 427.48% of the existing issued share capital of Tradeeasy; and (ii) approximately 28.46% of the issued share

capital of Tradeeasy immediately after full conversion of the Manistar Convertible Bonds, the First Convertible Bonds, and the Second Convertible Bonds at the initial Conversion Price, assuming no Share Option is exercised.

Tradeeasy will promptly notify the Stock Exchange upon becoming aware of any dealings in the First Convertible Bonds, the Second Convertible Bonds and the Manistar Convertible Bonds by any connected persons as defined in the GEM Listing Rules.

Application will be made to the Stock Exchange for the listing of, and the permission to deal in the Tradeeasy Shares to be issued upon the conversion of the Manistar Convertible Bonds, the First Convertible Bonds and the Second Convertible Bonds.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Tradeeasy Shares.

## **INFORMATION OF MCL AND THE MTG GROUP**

MCL was incorporated in the British Virgin Islands on 29 January 2007, whose principal business is investment holding. MCL held 100% shareholding in MTG as at the date of this announcement.

MTG was incorporated in the British Virgin Islands on 27 April 2007 whose principal business is investment holding. As at the date of this announcement, MTG held 100% shareholding interest in MLL and MPL.

Each of the Intermediate Holding Companies, MLL and MPL, is a limited liability company incorporated in the British Virgin Islands on 1 August 2007 and whose principal business is investment holding.

PTMTT, PTML and PTMP are in the process of incorporation as foreign investment companies in Indonesia and their shares will be owned as to 65%, 80% and 95% by MTG, MLL and MPL respectively. The remaining shareholding interest of PTMTT, PTML and PTMP will be owned by Indonesian shareholders who are third parties independent of and not connected with the directors, chief executives, substantial shareholders and management shareholders of Tradeeasy and CCT Telecom, and their respective subsidiaries and associates.

The Project Companies will pursue the Projects by engaging in different parts of the upstream and downstream forestry business activities in or near the Concession Areas. PTMTT will be incorporated as a foreign investment company in Indonesia. PTMTT will obtain the industrial license in the Papua Province of Indonesia to operate sawmills, and to process, produce and export sawn timbers, and whose activities will be expanded to include the production and export of other timber and wood products in or near the Concession Areas.

PTML is in the process of incorporation as a foreign investment company in Indonesia. The business scope of PTML is the logging and harvesting of trees and the reforestation in areas logged and the clearing of forest land within the Concession Areas, and subject to relevant government approvals, its business activities may also include (i) the operation of sawn mill(s) and (ii) the production and export of sawn timber, and other timber and wood products.

PTMP is a foreign investment company which is in the process of incorporation in Indonesia. The business scope of PTMP is the clearing of forest lands within the Mimika Concession Areas, the plantation of oil palms on forest land cleared by logging, and the production of palm oil in or near the Mimika Concession Areas, and, incidental to the plantation activities and subject to relevant government approvals, its business activities may also include the processing and export of timber and wood products being produced from clearing of forest.

Each of MCL and MTG undertakes and procures that all the relevant Concessions, licenses, rights permits, and the relevant government approvals in order for the Project Companies to carry out all aspects of business operations of the Projects under the laws of Indonesia will be granted to the Project Companies and that all such licenses, permits and approvals to be granted to the Project Companies shall have a term long enough for the Project Companies to develop and exploit the entire Concession Areas including logging, reforestation, clearing of forest land and plantation. As the substance of the Transactions is to acquire the relevant Concessions and logging right to exploit and harvest the forests of the Concessions Areas, MCL shall therefore undertake and procure that all these relevant Concessions, licenses, permits and the relevant governmental approvals in respect of each of the Projects be granted to the Project Companies so that the Project Companies will possess such Concessions and rights to exploit the forests before the respective completion of acquisition of each of the Projects by Tradeeasy. The management of MCL has conducted other business and has been exploring natural resources projects in Papua for many years. The management of MCL has therefore established extensive working relationship and network with and trust from the provincial and local government and the local people in Papua, Indonesia. Furthermore, the management of MCL has experience in forestry projects and timber business in other countries. Therefore, MCL has to get involved in procuring all relevant Concessions, licenses, permits and approvals to be granted to the Project Companies. The vendor does not have to incur any material costs in relation to performing its role in the Transactions. As Tradeeasy is not yet a shareholder of MTG and does not have the relevant experience and network as the management of MCL and therefore is not in a position to procure such Concessions, rights, licenses and approvals in respect of the Projects.

PTMTT is expected to obtain the industrial license within one month from the date of the Agreement. The relevant licenses, permits and approvals in relation to the Mimika Projects and the Second Projects are expected to be granted to the Project Companies within three months and six months respectively from the date of the Agreement.

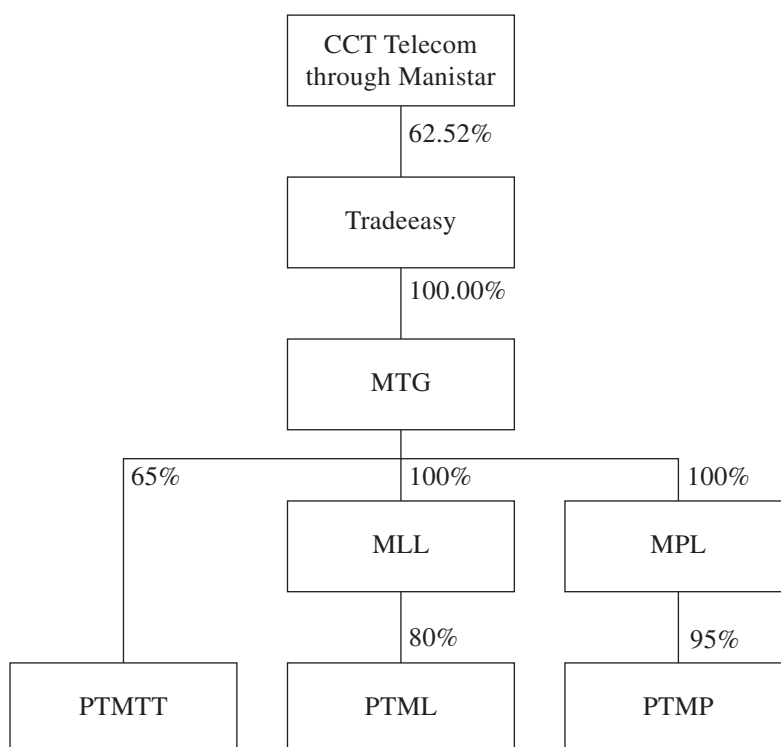
Each member of the MTG Group has not conducted any material business activities since its incorporation. None of any member of the MTG Group has any material assets or liability. Set out below is a summary of the unaudited profits and loss account for the period from date of incorporation to 5 October 2007 and the unaudited balance sheet as at 5 October 2007 for each of MTG, MLL and MPL.

Summary of unaudited financial information of MTG, MLL and MPL:

	<b>MTG</b>	<b>MLL</b>	<b>MPL</b>
	<b>For the period from 23 April 2007 (date of incorporation) to 5 October 2007 US\$</b>	<b>For the period from 1 August 2007 (date of incorporation) to 5 October 2007 US\$</b>	<b>For the period from 1 August 2007 (date of incorporation) to 5 October 2007 US\$</b>
Revenue	—	—	—
Operating Expenses	(1,474)	(1,032)	(1,032)
Loss for the period	<u>(1,474)</u>	<u>(1,032)</u>	<u>(1,032)</u>
	<b>As at 5 October 2007 US\$</b>	<b>As at 5 October 2007 US\$</b>	<b>As at 5 October 2007 US\$</b>
Total Assets	8,654	—	—
Total Liabilities	(128)	(932)	(932)
Equity	<u>8,526</u>	<u>(932)</u>	<u>(932)</u>

As PTMTT, PTML and PTMP have not been incorporated, no accounts have been prepared for each of these Project Companies.

The following chart sets forth the simplified shareholding structure of Tradeeasy and CCT Telecom in the MTG Group immediately upon Completion and assuming no conversion of the MCL Convertible Bonds and the Manistar Convertible Bonds:



## INFORMATION OF THE PROJECTS

The Projects are the integrated upstream and downstream forestry businesses to be carried out by the Project Companies in or near the Mimika Concession Areas and the Second Concession Areas. The upstream forestry and timber businesses will include the extraction and logging of trees, harvesting of salvage timber, forest land clearing and oil palm plantation. The downstream forestry businesses will include the production of palm oil, the operations of sawmills, the process, production and export of sawn timber, export sawn timbers and other timber and wood products. If all the Concessions have been obtained, the Projects will have natural forest concessions of approximately 613,500 hectares (approximately 5 times the size of Hong Kong), located in the Papua Province of Indonesia. The natural forests of the Concession Areas contain abundant resources of tropical hardwood and softwood.

Papua, situated near Equator, is an autonomous region of Indonesia. The Papua Province possesses abundant resources of natural rainforests and has one of the world's largest reserves of tropical hardwood species such as merbau whose wood is of high value and can be used for furniture, interior decoration, flooring and construction. Papua is situated at the east end of Indonesia and it is situated in a strategic location which is close to countries in the Asian Pacific region such as India, Japan and the PRC which have a high consumption of wood products and which are the target markets of the Projects.

Upon the grant of concessions for the two Projects to the Project Company, the Tradeeasy Directors and the CCT Telecom Directors believe the Project Companies will possess one of the biggest natural forest concessions of tropical timber in the world.

### **Mimika Project**

Mimika Project is a project to be engaged by the Project Companies in or near the Mimika Concession Areas which comprise natural forest concessions of aggregate areas of approximately 313,500 hectares (approximately 2.5 times the size of Hong Kong), located at Mimika Administration Region, Papua Province, Indonesia. In the Mimika Project, the Project Companies will carry out upstream and downstream timber operations including (i) the logging and harvesting of trees and reforestation of the areas logged; (ii) the clearing of forest land by logging of trees; (iii) the operations of sawmill(s) and the processing, production and export of sawn timbers, and other timber and wood products; and (iv) subject to relevant government approval, the plantation of oil palms in areas approximately 200,000 hectares within the Mimika Concession Areas on forest lands cleared by the logging activities and the production of palm oil.

### **Second Project**

Second Project is a project to be engaged by the Project Companies in or near the Second Concession Areas which comprise natural forest concessions of aggregate areas of at least 300,000 hectares (approximately 2.5 times the size of Hong Kong), in the Papua Province of Indonesia. In the Second Project, the Project Companies will carry out upstream and downstream timber operations including (i) the logging and harvesting of trees and reforestation in areas logged; (ii) the clearing of forest land by logging of trees (iii) the operations of sawmill(s); and (iv) the processing, production and export of sawn timbers, and other timber and wood products.

MCL undertakes that the Second Concession Areas, subject to relevant government approvals, will have natural forest concession with an aggregate area of at least 300,000 hectares.

The Projects are relatively easy to develop as the natural forests in the Concession Areas are situated closed to the cities where there are well established infrastructure and transportation logistics including roads and ports to transfer the wood products for export.

## **INFORMATION ON CCT TELECOM, TRADEEASY AND MANISTAR**

CCT Telecom Group is principally engaged in (i) the manufacture, sale, design and development of telecom products and electronic products; (ii) the manufacture of power supply and plastic components; (iii) the manufacture and sale of baby products; (iv) securities business; (v) properties investment and development; and (vi) provision of e-commerce service through Tradeeasy.

Tradeeasy is an international trade enabler which is principally engaged in the provision of on-line and off-line integrated marketing solutions and management automation services to assist small and medium-size enterprises mainly located in Hong Kong and the PRC to generate and transform trade leads into transactions. The audited consolidated net loss before taxation and extraordinary items of Tradeeasy for the year ended 31 March 2006 and 31 March 2007 amounted

to HK\$1,554,000 and HK\$10,326,000 respectively. The consolidated audited net loss after taxation and extraordinary items of Tradeeasy for the year ended 31 March 2006 and 31 March 2007 amounted to HK\$1,703,000 and HK\$10,326,000 respectively. The audited consolidated net assets value of Tradeeasy as at 31 March, 2006 and 31 March 2007 amounted to HK\$10,194,000 and HK\$23,291,000 respectively. The unaudited consolidated net loss before taxation and extraordinary items and unaudited consolidated net loss after taxation and extraordinary items of Tradeeasy for the three months ended 30 June 2007 amounted to HK\$612,000 and HK\$612,000 respectively.

Manistar was incorporated in the British Virgin Islands. It is an investment holding company holding approximately 62.52% shareholding interest in Tradeeasy as at the date of this announcement. Manistar is a wholly-owned subsidiary of CCT Telecom.

## **REASONS OF THE TRANSACTIONS**

The Tradeeasy Group is principally engaged in the e-commerce business. For the year ended 31 March 2007, the Tradeeasy Group has reported an audited loss of approximately HK\$10 million, due to keen competition. The Tradeeasy Directors and also the CCT Telecom Directors believe that the operating environment of the existing business of the Tradeeasy Group will remain highly competitive and more resources and investment have to be made in order to increase its competitiveness and to improve its results.

In order to complement with the highly competitive e-commerce market, the Tradeeasy Directors and the CCT Telecom Directors consider the diversification of business into new areas of high-growth potential will be in the best interest of Tradeeasy Shareholders and also CCT Telecom Shareholders as a whole. Tradeeasy has been taking initiative in identifying business opportunities that will broaden its revenue sources and improve its profitability.

Due to the increasing of deforestation and surge demand for timber products in developing countries, particularly for tropical and subtropical forests, there is a significant and growing shortage of large-diameter logs, both softwood and hardwood, particularly in plywood and sawn timber producers. The supply shortfall is particularly apparent in the Asia Pacific region, where regional demand for wood products significantly exceeds supply, and the region is the largest wood deficit region in the world. Positive economic growth in Asia, increasing urbanisation and expanding furniture, construction and interior decoration industries are the major drivers that are expected to support demand for logs and wood products. Demand for wood products particularly in the Asia Pacific region is therefore expected to grow over the next decade.

With sustained growth in the demand for wood products in the Asia-Pacific region due to expanding construction, furniture and interior decoration industries, price for timber products especially tropical hardwood products is expected to maintain in higher levels and increasing as log shortages exist and demand continues to be robust.

The acquisition of the forestry business represents an expansion and diversification of the existing principal business activities of the Tradeeasy Group and the CCT Telecom Group. It is the present intention of Tradeeasy and CCT Telecom to continue its respective existing business after Completion of the Transactions. It is not a term of the Agreement, nor is it the intention of the Tradeeasy and CCT Telecom, that there will be any change in the Board or management

of Tradeeasy and CCT Telecom following Completion. The existing management of Tradeeasy and the CCT Telecom Group has no relevant experience and expertise in relation to the forestry business. However, the existing management of the Tradeeasy Group and the CCT Telecom Group has extensive management experience and expertise in manufacturing, distribution and marketing, international trade, commerce and finance and they believe that they can derive such skills and managing experience in managing the new forestry business. Furthermore, professional and technical managers with expertise and experience in forestry and timber business will be recruited to develop and run the Projects following Completion.

The characteristic of acquisition of a forestry project is that the purchaser acquires forest concession of timber resources and the cutting right to exploit such timber resources. The value of a forest concession depends on the reserve of timber resources in that particular forest and the right to log the trees, exploit and harvest the timber resources of the forest concession and not on whether a timber business has started or not. Although the Project Companies are in the process of being incorporated and the forestry business has not been started, Tradeeasy entered into the Agreement in order to secure the right to acquire the Concessions and logging right of the Concession Areas that will be granted to the Project Companies. The consideration that Tradeeasy is going to pay pursuant to the terms of the Agreement is to acquire the Concessions and an exclusive right to develop and exploit the forests in the Concession Areas of large areas with substantial reserve of timber resources and is not payable to acquire an existing timber business.

The Tradeeasy Board is aware that there are other potential investors who also have interest in the Projects. Tradeeasy entered into the Agreement before incorporation of the Project Companies in order to secure an exclusive right to the Projects ahead of other investors who are also interested in the Projects. By entering into the Agreement, Tradeeasy has locked in its right to acquire the Projects at any agreed consideration, which will be re-assessed and be subject to downward adjustment (but not upward adjustment) with reference to the valuation of the Projects by an independent Forest Consultant. Although the Project Companies have not been incorporated, the Transactions can only be completed and the Cash Consideration, the First Convertible Bonds and the First Subscription Consideration shall only be settled at Completion subject to the Project Companies having been duly incorporated and all the relevant Concessions, licenses and approvals in relation to the Mimika Projects having been granted to the Project Companies. As regards the Second Project, the Second Convertible Bonds and the Second Subscription Consideration shall only be settled after the Project Companies have obtained all the relevant Concessions, licenses and approvals in relation to the Second Project. Based on the analysis set out in the section headed “Basis of the Sale Consideration and the Subscription Consideration” of this announcement, the Tradeeasy Board is of the opinion that the terms of the Agreement are fair and reasonable and on normal commercial terms. It is therefore in the interest of Tradeeasy and its shareholders as a whole for Tradeeasy to enter into the Agreement at this stage in order to secure the right to acquire the Projects at the agreed consideration and terms of the Agreement.

In light of the above, the Tradeeasy Directors and the CCT Telecom Directors consider that the forestry industry is a high-growth business and believe that the Transactions represent a good opportunity for the Tradeeasy Group to enter the forestry industry with huge potential and good future prospect. The Tradeeasy Directors consider that the Transactions will substantially enhance the assets, revenue and profitability of the Tradeeasy Group. The Tradeeasy Directors and the CCT Telecom Directors consider that the terms of the Agreement are on normal commercial terms and

fair and reasonable and in the interests of Tradeeasy and Tradeeasy Shareholders and also CCT Telecom and CCT Telecom Shareholders as a whole.

## **GENERAL**

The Agreement constitutes a very substantial acquisition for Tradeeasy under Chapter 19 of the GEM Listing Rules. The entering into of the Agreement, the Acquisition and the Subscription, the issue of the MCL Convertible Bonds and the issue and allotment of the Conversion Shares are subject to the approval by the Tradeeasy Shareholders at the EGM. To the best of the Tradeeasy Directors' knowledge, information and belief, having made all reasonable enquires, MCL, MTG and their respective associates and parties acting in concert with them do not hold any Tradeeasy Shares as at the date of this announcement and no Tradeeasy Shareholder has a material interest in the Transactions. As the Transactions and the Manistar Subscription Agreement are inter-conditional, Manistar and its associates have agreed to abstain from voting on the resolutions to approve the Agreement and the transactions contemplated thereunder at the EGM. The Agreement and the transactions contemplated thereunder are subject to approval by the Independent Shareholders at the EGM. The vote of Independent Shareholders taken at the EGM to approve the Agreement and the transactions contemplated thereunder will be taken by way of a poll.

As Manistar is a substantial shareholder of Tradeeasy, the Manistar Subscription Agreement constitutes a connected transaction for Tradeeasy under Chapter 20 of the GEM Listing Rules. As such, the entering into of the Manistar Subscription Agreement, the issue of the Manistar Convertible Bonds and the allotment and issue of the Conversion Shares arising from the conversion of the Manistar Convertible Bonds are subject to the approval by the Independent Shareholders at the EGM. Manistar and its associates are required to abstain from voting at the resolutions to approve the Manistar Subscription Agreement and the transactions contemplated thereunder at the EGM.

A circular of Tradeeasy containing, among other things, (i) further details of the Transactions and the Manistar Subscription; (ii) the Forest Consultant's valuation reports on the Projects; (iii) a letter from an independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders on the Manistar Subscription; (iv) the recommendation of the Independent Board Committee regarding the Manistar Subscription to the Independent Shareholders; and (v) the notice of the EGM will be despatched to the Tradeeasy Shareholders in accordance with the requirements of the GEM Listing Rules as soon as possible.

As Tradeeasy is a non wholly-owned subsidiary of CCT Telecom, the Transactions also constitute a very substantial acquisition for CCT Telecom under Chapter 14 of the Listing Rules. The entering into of the Agreement by Tradeeasy, the Acquisition and the Subscription by Tradeeasy are therefore subject to the approval by the CCT Telecom Shareholders at the SGM. A director and a beneficial owner of 85% shareholding interest in MCL, namely Mr. Lai Wing Hung, holds 1,576,000 shares in CCT Telecom (the "Interested Shareholder"), representing approximately 0.198% of the total issued capital of CCT Telecom as at the date of this announcement. To the best of the CCT Telecom Directors' knowledge, information and belief, having made all reasonable enquiries, with the exception of the Interested Shareholder, MCL, MTG and their

respective associates and parties acting in concert with them do not hold any CCT Telecom Shares as at the date of this announcement. The Interested Shareholder is required to abstain from voting on the resolutions to approve the Agreement and the transactions contemplated thereunder at the SGM. Other than the Interested Shareholder, no other CCT Telecom Shareholder has a material interest in the Transactions, and therefore no other CCT Telecom Shareholder is required to abstain from voting on the resolutions to approve the Agreement and the transactions contemplated thereunder at the SGM. The vote of shareholders taken at the SGM to approve the Agreement and the transactions contemplated thereunder will be taken by way of a poll.

As set out in the shareholding table under the section headed “Shareholding Structure” of this announcement, the maximum possible increase of Manistar’s shareholdings in Tradeeasy is 25.76% from 62.52% to 88.28% and the maximum possible decrease of Manistar’s shareholdings in Tradeeasy is 43.73% from 62.52% to 18.79%. This will constitute a possible discloseable acquisition or a possible very substantial disposal transaction of CCT Telecom, as the case may be, pursuant to the provisions as stipulated in Chapter 14 of the Listing Rules. The possible very substantial disposal transaction arising from the possible decrease of Manistar’s shareholdings in Tradeeasy as a result of the future conversion of the MCL convertible Bonds and the Manistar Convertible Bonds will be subject to the approval by the CCT Telecom Shareholders at the SGM. Other than the Interested Shareholder who is required to abstain from voting on the resolution to approve the possible very substantial disposal transaction at the SGM, no other CCT Telecom Shareholder is required to abstain from voting on the resolution to approve the possible very substantial disposal transaction at the SGM. The vote of shareholders taken at the SGM to approve the possible very substantial disposal transaction will be taken by way of a poll.

A circular of CCT Telecom containing further information of the Agreement and the Manistar Subscription Agreement, the Forest Consultant’s valuation reports on the Projects together with, among other things, a notice of the SGM will be despatched to the CCT Telecom Shareholders in accordance with the requirements of the Listing Rules as soon as possible.

The Tradeeasy Board has noted the unusual increase in price and trading volume of the Tradeeasy Shares on 4 October 2007 and wishes to state that apart from the Agreement and the Manistar Subscription Agreement entered into by Tradeeasy, the Tradeeasy Board is not aware of any reasons for such increase in price and trading volume of Trading Shares and confirms that there are no other negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Tradeeasy Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of price-sensitive nature.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the respective request of CCT Telecom and Tradeeasy, trading in the CCT Telecom Shares and the Tradeeasy Shares were suspended with effect from 12:03 p.m. on 4 October 2007 pending the release of this announcement. Applications have been made by CCT Telecom and Tradeeasy to the Stock Exchange for the resumption of trading in the CCT Telecom Shares and the Tradeeasy Shares with effect from 9:30 a.m. on 24 October 2007.

## **STATEMENT OF RESPONSIBILITY OF THE TRADEEASY DIRECTORS**

This announcement, for which the Tradeeasy Directors collectively and individually accept full responsibility includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to Tradeeasy. The Tradeeasy Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief:

1. the information contained in this announcement is accurate and complete in all material respects and not misleading;
2. there are no other facts the omission of which would make any statement in this announcement misleading; and
3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on basis and assumptions that are fair and reasonable.

## **DEFINITIONS**

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

<b>“Acquisition”</b>	the acquisition by Tradeeasy of the Sale Shares from MCL pursuant to the terms and conditions of the Agreement;
<b>“acting in concert”</b>	has the meaning ascribed to it under the Takeovers Code;
<b>“Agreement”</b>	the agreement dated 4 October 2007 entered into between Tradeeasy, MCL and MTG as amended by the Supplemental Agreement in relation to the Acquisition and the Subscription as more particularly set out under the section headed “The Agreement” of this announcement;
<b>“associates”</b>	has the meaning ascribed to it under the GEM Listing Rules and the Listing Rules;
<b>“Business Day(s)”</b>	a day other than Saturday, Sunday or any day on which licensed banks in Hong Kong are authorised or obligated to close;
<b>“Cash Consideration”</b>	The sum of US\$1,000,000 or the equivalent of HK\$7,800,000 to be payable by Tradeeasy to MCL as part of consideration for the purchase of the Sale Shares, and to be payable at Completion by setting off against the MCL Loan in accordance with the terms of the Agreement;

<b>“CCT Telecom”</b>	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange, which is the holding company of Manistar and the ultimate holding company of Tradeeasy;
<b>“CCT Telecom Board”</b>	the board of the CCT Telecom Directors from time to time;
<b>“CCT Telecom Directors”</b>	the director(s) of CCT Telecom from time to time;
<b>“CCT Telecom Group”</b>	CCT Telecom and its subsidiaries from time to time;
<b>“CCT Telecom Share(s)”</b>	the ordinary share(s) of HK\$0.10 each in the share capital of CCT Telecom;
<b>“CCT Telecom Shareholder(s)”</b>	the holder(s) of the CCT Telecom Share(s);
<b>“Clarification Announcement”</b>	the announcement of Tradeeasy dated 28 September 2007 in relation to the negotiation of a possible acquisition of a resource business by Tradeeasy;
<b>“Completion”</b>	completion of the Acquisition and the Subscription in accordance with the Agreement or the completion of the Manistar Subscription in accordance with the Manistar Subscription Agreement, as the case may be;
<b>“Concession”</b>	a right to exploit natural forest granted by or licensed from a relevant government authority for the utilization, harvesting and production and export of timber and wood products in accordance with the applicable guidelines and restrictions set by the respective government authority;
<b>“Concession Areas”</b>	the Mimika Concession Areas and the Second Concession Areas;
<b>“Conversion Share(s)”</b>	new Tradeeasy Shares to be allotted and issued by Tradeeasy upon exercise of the conversion rights under the MCL Convertible Bonds or the Manistar Convertible Bonds, from time to time;
<b>“Conversion Price”</b>	HK\$0.10 per Conversion Share, subject to adjustment under the terms and conditions of the MCL Convertible Bonds or the Manistar Convertible Bonds;
<b>“Designated Bank Account”</b>	the bank account to be established by each member of the MTG Group and each such account to be operated by the authorised signatories nominated by Tradeeasy;

<b>“EGM”</b>	the extraordinary general meeting of Tradeeasy to be convened and held to consider and, if thought fit, to approve, among other matters (if any), the Agreement, the Manistar Subscription Agreement and all transactions contemplated under the Agreement and the Manistar Subscription Agreement;
<b>“First Convertible Bonds”</b>	the convertible bonds in the aggregate principal amount of HK\$776,880,000, subject to adjustment, to be issued by Tradeeasy to MCL and/or its designated nominee(s) as part of the consideration for the Acquisition, the principal terms of which are set out under the sub-section headed “First Convertible Bonds” of the section headed “Principal terms of the MCL Convertible Bonds” of this announcement;
<b>“First Subscription Consideration”</b>	the sum of US\$16,800,000 or the equivalent of HK\$131,040,000 payable by Tradeeasy in cash, after setting off against the MTG Loan, to the Designated Bank Account of MTG as part consideration for the subscription of the Subscription Shares in accordance with the provisions of the Agreement;
<b>“GEM”</b>	the Growth Enterprise Market of the Stock Exchange;
<b>“GEM Listing Rules”</b>	the Rules Governing The Listing of Securities on the GEM of the Stock Exchange;
<b>“Hong Kong”</b>	Hong Kong Special Administrative Region of the PRC;
<b>“HK\$”</b>	Hong Kong dollar, the lawful currency of Hong Kong;
<b>“Independent Board Committee”</b>	the independent board committee of Tradeeasy formed by Tradeeasy to advise the Independent Shareholders as to whether the terms of the Manistar Subscription are fair and reasonable in the interests of Tradeeasy and the Tradeeasy Shareholders as a whole;
<b>“Independent Shareholders”</b>	the Tradeeasy Shareholders other than Manistar and its associates;
<b>“Indonesia”</b>	the Republic of Indonesia;
<b>“Interested Shareholder”</b>	has the meaning referred to in the section headed “General” of this announcement;
<b>“Intermediate Holding Companies”</b>	MLL and MPL;
<b>“Last Trading Date”</b>	4 October 2007, being the last trading day before the issue of this announcement;

<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“Loans”</b>	the MCL Loan and the MTG Loan;
<b>“Long Stop Date”</b>	28 February 2008, or such other date as the parties thereto may agree in writing;
<b>“Material Adverse Change”</b>	means any event, change in or effect on the MTG Group that, individually or in the aggregate, has had or is reasonably expected to have a material adverse effect on the business, condition (financial or otherwise), results of operations and assets and the prospect of the MTG Group taken as a whole;
<b>“Manistar”</b>	Manistar Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, which is the holding company of Tradeeasy and a wholly-owned subsidiary of CCT Telecom;
<b>“Manistar Convertible Bonds”</b>	the convertible bonds in the aggregate principal amount of HK\$226,200,000 to be issued by Tradeeasy to Manistar under the Manistar Subscription Agreement, the principal terms of which are set out in the section headed “Principal Terms of the Manistar Convertible Bonds” of this announcement;
<b>“Manistar Subscription”</b>	the subscription of the Manistar Convertible Bonds by Manistar and the issue of the Manistar Convertible Bonds by Tradeeasy to Manistar contemplated under the Manistar Subscription Agreement;
<b>“Manistar Subscription Agreement”</b>	the subscription agreement entered on 4 October 2007 between Tradeeasy and Manistar as amended by the Manistar Supplemental Agreement in relation to the Manistar Subscription as more particularly set out under the section headed “The Manistar Subscription Agreement” of this announcement;
<b>“Manistar Supplemental Agreement”</b>	the supplemental agreement entered on 17 October 2007 between Tradeeasy and Manistar to amend certain terms of the Manistar Subscription Agreement with regard to mainly the conversion restriction and the maturity date of the Manistar Convertible Bonds;
<b>“MCL”</b>	Merdeka Commodities Limited, a company incorporated in the British Virgin Islands with limited liability;

<b>“MCL Convertible Bonds”</b>	the First Convertible Bonds and the Second Convertible Bonds in the aggregate principal amount of HK\$1,216,800,000, subject to adjustment, to be issued by Tradeeasy to MCL and/or its designated nominee(s) as part of the consideration for the Sale Shares;
<b>“MCL Loan”</b>	has the meaning as referred to in the subsection headed “Loans” under the section headed “The Agreement” of this announcement;
<b>“Mimika Concession Areas”</b>	means the natural forests with an aggregate areas of approximately 313,500 hectares, located at Mimika Administration Region, Papua Province, Indonesia on which MCL shall procure that all the relevant Concessions, licenses, rights, permits and the relevant government approvals to carry out the timber logging, harvesting, reforestation and plantation operations of the Mimika Project shall be granted to PTML and PTMP;
<b>“Mimika Project”</b>	means the forestry businesses to be carried out by the Project Companies in or near the Mimika Concession Areas including the logging and harvesting of trees and reforestation of the areas logged, the clearing of forest land by logging, the operations of sawmill(s) and the processing, production and export of sawn timbers, and other timber and wood products and subject to relevant government approval, the plantation of oil palms in 200,000 hectares within the Mimika Concession Areas on forest lands cleared by the logging activities and the production of palm oil;
<b>“MLL”</b>	Merdeka Logging Limited, a limited liability company incorporated in the British Virgin Islands and is a wholly-owned subsidiary of MTG as at the date of this announcement;
<b>“MPL”</b>	Merdeka Plantation Limited, a limited liability company incorporated in the British Virgin Islands and is a wholly-owned subsidiary of MTG as at the date of this announcement;
<b>“MTG”</b>	Merdeka Timber Group Limited, a company incorporated in the British Virgin Islands with limited liability, 100% of the entire issued share capital of which is held by MCL as at the date of this announcement;
<b>“MTG Board”</b>	the board of the MTG Directors from time to time;
<b>“MTG Directors”</b>	the directors of MTG from time to time;

<b>“MTG Group”</b>	MTG and its subsidiaries, including the Project Companies, from time to time;
<b>“MTG Loan”</b>	has the meaning as referred to in the subsection headed “Loans” under the section headed “The Agreement” of this announcement;
<b>“MTG Share(s)”</b>	the ordinary share(s) of US\$1.00 each in the share capital of MTG;
<b>“MTG Subsidiaries”</b>	MLL and MPL which have been incorporated and the proposed indirect subsidiaries, PTMTT, PTML and PTMP, which are in the process of incorporation, and any other direct or indirect subsidiaries of MTG from time to time;
<b>“PRC”</b>	the People’s Republic of China;
<b>“Projects”</b>	the Mimika Project and the Second Project;
<b>“Project Companies”</b>	the proposed project companies, namely, PTMTT, PTML and PTMP, which are in the process of incorporation and any other subsidiaries to be incorporated in Indonesia to carry out the forestry business of the Mimika Project and the Second Project;
<b>“PTML”</b>	a limited liability company to be incorporated in Indonesia under the name of “PT Merdeka Logging Indonesia”, whose shares shall be owned as to 80% by MLL, and whose principal activities shall be the logging and harvesting of trees and the reforestation in areas logged and the clearing of forest land within the Concession Areas, and, subject to relevant government approvals, its business activities may also include (i) the operation of sawmill(s) and (ii) the production and export of sawn timber, and other timber and wood products;
<b>“PTMP”</b>	a limited liability company to be incorporated in Indonesia under the name of “PT Merdeka Plantation Indonesia”, whose shares shall be owned as to 80% by MPL and whose principal activities shall include the clearing of forest lands within the Mimika Concession Areas, the plantation of oil palms, and the production of palm oil in or near the Mimika Concession Areas, and, incidental to the plantation activities and subject to relevant government approvals, its business activities may also include the processing and export of timber and wood products being produced from clearing of forest;

<b>“PTMTT”</b>	a limited liability company to be incorporated in Indonesia under the name of “PT Merdeka Tapare Timber”, whose shares shall be owned as to 65% by MTG, which will obtain the industrial license in the Papua Province of Indonesia to operate sawmill(s), and to process, produce and export sawn timbers, and whose activities shall be expanded to include the production and export of other timber and wood products in or near the Concession Areas;
<b>“Sale Shares”</b>	the 10,000 MTG Shares held by MCL representing 100% of the total issued share capital of MTG as at the date of the Agreement, which will be sold to Tradeeasy (or its nominee(s)) by MCL pursuant to the terms of the Agreement;
<b>“Sale Consideration”</b>	the sum of US\$157,000,000 or the equivalent of HK\$1,224,600,000, subject to adjustment, as consideration for the Acquisition to be settled by Tradeeasy by way of the Cash Consideration, the First Convertible Bonds and the Second Convertible Bonds in accordance with the provisions of the Agreement;
<b>“Second Concession Areas”</b>	the natural forests with an aggregate area of at least 300,000 hectares located in the Papua Province of Indonesia which MCL shall procure that all the relevant Concessions, licenses, permits and the relevant government approvals to carry out all aspects of operations of the Second Project shall be granted to the Project Companies;
<b>“Second Convertible Bonds”</b>	the convertible bonds in the aggregate principal amount of HK\$439,920,000, subject to adjustment, to be issued by Tradeeasy to MCL and/or its designated nominee(s) as part of the consideration for the Acquisition, the principal terms of which are set out under the sub-section headed “Second Convertible Bonds” of the section headed “Principal terms of the MCL Convertible Bonds” of this announcement;
<b>“Second Project”</b>	the forestry businesses to be carried out by the Project Companies in or near the Second Concession Areas including (i) the logging and harvesting of trees and reforestation in areas logged; (ii) the clearing of forest land by logging of trees; (iii) the operations of sawmill(s); and (iv) the processing, production and export of sawn timbers, and other timber and wood products;
<b>“Second Subscription Consideration”</b>	the sum of US\$11,200,000 or the equivalent of HK\$87,360,000 payable by Tradeeasy in cash to the Designated Bank Account of MTG as part consideration for the subscription of the Subscription Shares in accordance with the provisions of the Agreement;

<b>“SGM”</b>	the special general meeting of CCT Telecom to be convened and held to consider and, if thought fit, to approve, among other matters (if any), the Agreement and all transactions contemplated under the Agreement;
<b>“Share Option”</b>	the outstanding share options granted by Tradeeasy to the grantees to subscribe for an aggregate 107,160,000 Tradeeasy Shares pursuant to the share option scheme adopted by Tradeeasy on 20 February 2002 and effective on 7 March 2002;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Subscription”</b>	the subscription of the Subscription Shares by Tradeeasy pursuant to the terms and conditions of the Agreement;
<b>“Subscription Consideration”</b>	the sum total of the First Subscription Consideration and the Second Subscription Consideration;
<b>“Subscription Shares”</b>	2,000 new MTG Shares to be allotted and issued to Tradeeasy (or its designated nominee(s)) pursuant to the terms of the Agreement;
<b>“subsidiary”</b>	has the meaning given to it under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
<b>“substantial shareholder”</b>	has the meaning given to it under the GEM Listing Rules and the Listing Rules;
<b>“Supplemental Agreement”</b>	the supplemental agreement entered on 17 October 2007 between Tradeeasy, MCL and MCL to amend certain terms of the Agreement dated 4 October 2007 with regard to mainly the conversion restrictions and the maturity date of the MCL Convertible Bonds;
<b>“Takeovers Codes”</b>	The Codes On Takeovers and Mergers And Share Repurchases;
<b>“Tradeeasy”</b>	Tradeeasy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Tradeeasy Shares of which are listed on the GEM;
<b>“Tradeeasy Board”</b>	the board of the Tradeeasy Directors from time to time;
<b>“Tradeeasy Director(s)”</b>	the director(s) of Tradeeasy from time to time;
<b>“Tradeeasy Group”</b>	Tradeeasy and its subsidiaries from time to time;

<b>“Tradeeasy Share(s)”</b>	the ordinary share(s) of HK\$0.01 each in the share capital of Tradeeasy;
<b>“Tradeeasy Shareholder(s)”</b>	the holder(s) of the Tradeeasy Share(s);
<b>“Transactions”</b>	the sale and purchase of the Sale Shares and the subscription and allotment and issue of the Subscription Shares pursuant to the terms of the Agreement; and
<b>“US\$”</b>	United States dollar, the lawful currency of the United States of America.

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

By Order of the Board of  
**TRADEEASY HOLDINGS LIMITED**  
**Tam Ngai Hung, Terry**  
*Director*

Hong Kong, 23 October 2007

*As at the date of this announcement, the executive CCT Telecom 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 CCT Telecom Directors are Mr. Samuel Olenick, Mr. Tam King Ching, Kenny and Mr. Lau Ho Man, Edward.*

*As at the date of this announcement, the executive Tradeeasy 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 Tradeeasy Directors are Mr. Lam Kin Kau, Mark, Mr. Fung Hoi Wing, Henry and Mr. Lau Ho Wai, Lucas.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) and the “Latest Listed Company Information” page of the Main Board website at [www.hkex.com.hk](http://www.hkex.com.hk) for at least seven days from the day of its publication and will be published and remain on the website of Tradeeasy at [www.tradeeasy.com](http://www.tradeeasy.com) and on the website of CCT Telecom at [www.cct.com.hk](http://www.cct.com.hk). Notification of this announcement will be published by each of Tradeeasy and CCT Telecom on The Standard and Hong Kong Economic Times.*