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*The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*In connection with the Global Offering, UBS, as stabilising manager, or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilising or maintaining the market price of the Shares at a level higher than that which might otherwise prevail for a limited period commencing from the day on which the Shares commence trading on the Stock Exchange. Such stabilisation may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules made under the Securities and Futures Ordinance. Such stabilisation, if commenced, will be conducted at the absolute discretion of UBS or any person acting for it and may be discontinued at any time for a limited period. Details of the permitted stabilising action are set out in the paragraphs headed "Stabilisation" in the section headed "Structure of the Global Offering" of the prospectus dated 22 March 2004 (the "Prospectus") issued by the Company.*

*The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement may be terminated by notice in writing from UBS (on behalf of the Hong Kong Underwriters) to the Company if any of the events set out under the paragraph headed "Grounds for termination of the Hong Kong Underwriting Agreement" in the section headed "Underwriting" of the Prospectus occurs prior to 8:00 a.m. on the day on which dealings in the Shares commence on the Stock Exchange.*

*It is expected that the number of Offer Shares being offered in the International Placing may be increased by up to and not more than an aggregate of 40,278,000 additional Shares through the exercise of the Over-allotment Option granted to UBS to cover over-allocations (if any) in the International Placing, which option is exercisable at any time from the day on which trading of Shares commences on the Stock Exchange until 30 days from the last day for the lodging of applications under the Hong Kong Public Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made by the Company.*

*Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Prospectus.*



## **China Resources Peoples Telephone Company Limited**

**華潤萬眾電話有限公司**

*(Incorporated in Hong Kong under the Companies Ordinance with limited liability)*

### **Global Offering**

**Number of Shares under the Global Offering : 268,525,000 (subject to the Over-allotment Option)**

**Number of Hong Kong Offer Shares : 26,852,500 (subject to adjustment)**

**Maximum offer price : HK\$5.65 per Share payable in full on application in Hong Kong dollars, subject to refund, plus brokerage of 1 per cent., SFC transaction levy of 0.005 per cent., investor compensation levy of 0.002 per cent. and Stock Exchange trading fee of 0.005 per cent.**

**Nominal value : HK\$0.48 each**

**Stock code : 331**

**Global Coordinator, Bookrunner, Sponsor and Lead Manager**



An application has been made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares in issue and the Offer Shares to be issued as described in the Prospectus, including any Shares which may be issued pursuant to the Capitalisation Issue and Conversion, the exercise of the Over-allotment Option and the exercise of the options which have been granted and may be granted under the Pre-IPO Share Option Scheme and the Share Option Scheme. Dealings in the Shares on the Stock Exchange are expected to commence on 31 March 2004. Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange, as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Shares on the Stock Exchange or such other date as may be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Global Offering comprises the Hong Kong Public Offering of initially 26,852,500 Hong Kong Offer Shares and the International Placing of initially 241,672,500 International Placing Shares (of which 122,597,500 Shares are being offered by the Company and 119,075,000 Shares are being offered by the Selling Shareholders). The allocation of the Shares between the Hong Kong Public Offering and the International Placing is subject to adjustment as stated in the paragraph headed “Pricing and Allocation” in the section headed “Structure of the Global Offering” of the Prospectus.

The total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (subject to allocation to and from the International Placing, if any) will be divided equally into two pools for allocation purposes: pool A and pool B (subject to odd lot size). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to successful applicants who have validly applied for Hong Kong Offer Shares with an aggregate subscription amount of HK\$5 million (excluding brokerage, SFC transaction levy, investor compensation levy and Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to successful applicants who have applied for Hong Kong Offer Shares with an aggregate subscription amount of more than HK\$5 million and up to a total value of the Shares in pool B (excluding brokerage, SFC transaction levy, investor compensation levy and Stock Exchange trading fee payable). Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one pool (but not both pools) are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools.

In connection with the Global Offering, the Company is expected to grant an Over-allotment Option to UBS. Pursuant to the Over-allotment Option, UBS has the right (but not an obligation), exercisable at any time from the day of the International Underwriting Agreement until thirty days from the last day for the lodging of applications under the Hong Kong Public Offering, to require us to allot and issue up to 40,278,000 additional Shares, representing no more than 15.0 per cent. of the Shares initially available under the Global Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made.

Applications for the Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and in the **WHITE** or **YELLOW** Application Forms. It should be noted that multiple or suspected multiple applications or any application for more than 13,426,000 Shares,

being the greatest multiple of 500 Shares which does not exceed 50 per cent. of the Hong Kong Offer Shares initially being offered to the public are liable to be rejected. Only one application on a **WHITE** or **YELLOW** Application Form or by way of giving **electronic application instructions** to HKSCC may be made for the benefit of any person. Applicants for the Hong Kong Offer Shares are required to undertake and confirm that they and any persons for whose benefit they are making the applications have not applied for or taken up or indicated an interest in and will not apply for or take up or indicate an interest in, the International Placing Shares.

The Offer Price is expected to be determined by agreement between UBS, on behalf of the Hong Kong Underwriters, and the Company on or about Friday, 26 March 2004 and in any event, not later than Tuesday, 30 March 2004. If, for any reason, the Offer Price is not agreed between UBS, on behalf of the Hong Kong Underwriters, and the Company, the Global Offering will not proceed.

Investors applying for Hong Kong Offer Shares must pay, on application, the maximum Offer Price of HK\$5.65 per Share, together with a brokerage of 1%, SFC transaction levy of 0.005%, investor compensation levy of 0.002% and Stock Exchange trading fee of 0.005%. UBS, on behalf of the Underwriters, may, with the consent of the Company, reduce the indicative Offer Price range below that stated in the Prospectus (which is HK\$4.55 per Share to HK\$5.65 per Share) at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the Offer Price to a price below the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. **If applications for Hong Kong Offer Shares have been submitted prior to the last day for lodging applications under the Hong Kong Public Offering, then even if the indicative Offer Price range is so reduced, such applications cannot be subsequently withdrawn.**

Acceptance of all applications for the Offer Shares in the Hong Kong Public Offering is conditional on the fulfillment of conditions as stated in the paragraph headed “Conditions of the Hong Kong Public Offering” in the section headed “Structure of the Global Offering” of the Prospectus. If any of the conditions are not fulfilled or waived on or before its specified date and time (and in any event not later than 21 April 2004), the Hong Kong Public Offering will lapse and all application monies received from applicants under the Hong Kong Public Offering will be refunded, without interest, on the terms set out under the paragraphs headed “Refund of Application Monies” in the section headed “How to Apply for Hong Kong Offer Shares” of the Prospectus. In addition, if the Offer Price as finally determined is less than HK\$5.65 per Share (excluding brokerage, SFC transaction levy, investor compensation levy and Stock Exchange trading fee thereon) initially paid on application or if an application is rejected, not accepted or accepted in part only or if any application is revoked or any allotment pursuant thereto has become void, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy, investor compensation levy and Stock Exchange trading fee, will be refunded, without interest.

Applicants who would like to be allocated Hong Kong Offer Shares in their own names should complete and sign the **WHITE** Application Forms. Applicants who would like to have the Hong Kong Offer Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS investor participant stock accounts or the stock accounts of their designated CCASS participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m., Monday, 22 March 2004 until 12:00 noon,

Thursday, 25 March 2004 at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong, or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128–140 Queen’s Road Central, Hong Kong; or (ii) give **electronic application instructions** to HKSCC.

**WHITE** Application Forms, together with copies of the Prospectus, may be obtained during normal business hours in the same period from:

Any of the following address of the Hong Kong Underwriters:

UBS AG

25th Floor, One Exchange Square  
8 Connaught Place  
Central  
Hong Kong

ABN AMRO Rothschild  
38th Floor, Cheung Kong Center  
2 Queen’s Road Central  
Hong Kong

BOCI Asia Limited  
35th Floor, Bank of China Tower  
1 Garden Road  
Hong Kong

CLSA Limited  
18th Floor, One Pacific Place  
88 Queensway  
Hong Kong

*or any of the following branches of:*

**The Bank of East Asia, Limited**

Hong Kong Island	Main Branch	10 Des Voeux Road, Central
	Causeway Bay Branch	46 Yee Wo Street
	Kennedy Town Centre Branch	Shop D, G/F, Kennedy Town Centre, 23 Belcher’s Street
	Wanchai Branch	314–324 Hennessy Road
Kowloon	Hoi Yuen Road Branch	Unit 1, G/F, Hewlett Centre, 54 Hoi Yuen Road
	Mongkok Branch	638–640 Nathan Road
	Tsim Sha Tsui Branch	Shop A and B, Milton Mansion, No. 96 Nathan Road
	Waterloo Road Branch	Shop A, G/F, Richland House, 77B & 77C Waterloo Road

New Territories	Shatin New Town Branch	Shop 726–730, Level 7/F, New Town Plaza Phase 1, Shatin
	Ha Kwai Chung Branch	202 Hing Fong Road

### **Bank of China (Hong Kong) Limited**

Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road, Central
	Central District (Wing On House) Branch	71 Des Voeux Road, Central
	Wanchai Branch	395 Hennessy Road, Wanchai
	North Point Branch	G/F, Roca Centre, 464 King’s Road, North Point
Kowloon	Mong Kok (President Commercial Centre) Branch	608 Nathan Road, Mong Kok
	Kowloon Plaza Branch	Unit 1, Kowloon Plaza, 485 Castle Peak Road, Kowloon
	Hoi Yuen Road Branch	55 Hoi Yuen Road, Kwun Tong
New Territories	Lucky Plaza Branch	G/F, Lucky Plaza, Wang Pok Street, Shatin
	Castle Peak Road (Yuen Long) Branch	162 Castle Peak Road, Yuen Long
	Castle Peak Road (Tsuen Wan) Branch	167 Castle Peak Road, Tsuen Wan

**WHITE** or **YELLOW** Application Forms, completed in accordance with the instructions printed thereon (to which cheques or banker’s cashier orders should be securely stapled) should be deposited in the special collection boxes provided at any one of the branches of the banks referred to above on the following dates during the following times:

<b>Monday, 22 March 2004</b>	—	<b>9:00 a.m. to 4:00 p.m.</b>
<b>Tuesday, 23 March 2004</b>	—	<b>9:00 a.m. to 4:00 p.m.</b>
<b>Wednesday, 24 March 2004</b>	—	<b>9:00 a.m. to 4:00 p.m.</b>
<b>Thursday, 25 March 2004</b>	—	<b>9:00 a.m. to 12:00 noon</b>

Application by giving **electronic application instructions** to HKSCC

Investors can apply for Shares by giving **electronic application instructions** to HKSCC as follows:

1. CCASS Investor Participants can give **electronic application instructions** to HKSCC through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (<https://ip.ccass.com>) (using the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). HKSCC can also input **electronic application instructions** on behalf of CCASS Investor Participants if they go to the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128–140 Queen’s Road Central, Hong Kong and complete an input request form. Prospectuses are also available for collection at the Customer Service Centre of HKSCC; and



2. those who are not CCASS Investor Participants can instruct their brokers or custodians who are CCASS Broker Participants or CCASS Custodian Participants to give **electronic application instructions** to HKSCC via CCASS terminals to apply for Hong Kong Offer Shares on their behalf.

CCASS Participants can input **electronic application instructions** at the following times on the following dates:

<b>Monday, 22 March 2004</b>	<b>—</b>	<b>9:00 a.m. to 7:00 p.m.<sup>(1)</sup></b>
<b>Tuesday, 23 March 2004</b>	<b>—</b>	<b>9:00 a.m. to 7:00 p.m.<sup>(1)</sup></b>
<b>Wednesday, 24 March 2004</b>	<b>—</b>	<b>9:00 a.m. to 7:00 p.m.<sup>(1)</sup></b>
<b>Thursday, 25 March 2004</b>	<b>—</b>	<b>9:00 a.m. to 12:00 noon<sup>(1)</sup></b>

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Participants.

Subject to the terms and conditions set out in the Prospectus and the Application Forms relating thereto, applications made on **WHITE** or **YELLOW** Applications Forms or the inputting of the **electronic application instructions** must be received no later than 12:00 noon on Thursday, 25 March 2004 (or such later date as may apply in the case of a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal being in force in Hong Kong as described in the paragraphs headed “Effect of Bad Weather on the Opening of the Application Lists” and “Effect of Bad Weather on Inputting Electronic Application Instructions” in the section headed “How to Apply for the Hong Kong Offer Shares” of the Prospectus).

It is expected that the Offer Price, the indication of level of interest in the International Placing, the results of applications in respect of the Hong Kong Public Offering and the basis of allotment of the Hong Kong Offer Shares will be announced in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on or about Tuesday, 30 March 2004. Details of the procedures regarding the despatch of Share certificates and/or refund cheques are set out in the paragraphs headed “Despatch/Collection of Share Certificates and Refund Cheques” in the section headed “How to Apply for the Hong Kong Offer Shares” of the Prospectus.

Applicants who have applied for 500,000 Hong Kong Offer Shares or more and have indicated on the **WHITE** or **YELLOW** Application Forms that they will collect their Share certificates (where applicable) and/or refund cheques (where applicable) in person, may do so in person from the Company’s Share Registrar, Tricor Investor Services Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong between 9:00 a.m. and 1:00 p.m. on Tuesday, 30 March 2004 or such other date as notified by us in the newspaper as the date of collection/despatch of refund cheques/Share certificates. Individual applicants who opt for personal collection must not authorise any other person to make collection on their behalf. For a corporate applicant who opts for personal collection, collection must be made by its authorised representative bearing a letter of authorisation from its corporation stamped with the corporation chop. Both individuals and authorised representatives (if applicable) must produce evidence of identity acceptable to Tricor Investor Services Limited at the time of collection.

Uncollected Share certificates and refund cheques will be despatched promptly thereafter by ordinary post at the applicant’s own risk to the addresses specified in the relevant Application Forms. For enquiries, please call the hotline of Tricor Investor Services Limited at 852 2980 1333.

If an applicant has applied for less than 500,000 Hong Kong Offer Shares or if an applicant has applied for 500,000 Hong Kong Offer Shares or more and have not indicated on the Application Form that the applicant will collect the applicant's Share certificate(s) (where applicable) and/or refund cheque(s) (where applicable), the Share certificate(s) (where applicable) and/or refund cheque(s) (where applicable) will be sent to the address specified on the applicant's Application Form on or around Tuesday, 30 March 2004, by ordinary post and at the applicant's own risk.

If an applicant has applied for Hong Kong Offer Shares on a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC and the applicant's application is wholly or partially successful, the applicant's Share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to the applicant's CCASS Investor Participant stock account or the applicant's designated CCASS Participant's stock account as instructed by the applicant at the close of business on Tuesday, 30 March 2004 or under contingent situation, on any other date as shall be determined by HKSCC or HKSCC Nominees Limited. Applicants applying through designated CCASS Participants (other than CCASS Investor Participants) should check the number of Hong Kong Offer Shares allocated to them with their respective designated CCASS Participants. Applicants applying as CCASS Investor Participants should check the announcement to be published by the Company on Tuesday, 30 March 2004 and report any discrepancies to HKSCC before 5:00 p.m. on Tuesday, 30 March 2004 or such other date as shall be determined by HKSCC or HKSCC Nominees Limited. Applicants applying as CCASS Investor Participants may check their new stock account balances (for CCASS Investor Participants applying by giving **electronic application instructions** to HKSCC, they can also check the amount of refund monies credited to their bank accounts) via the CCASS Phone System and the CCASS Internet System on Wednesday, 31 March 2004, HKSCC will also make available to each of such applicants an activity statement showing the number of Hong Kong Offer Shares credited to the applicant's CCASS Investor Participant stock account.

The Company will not issue any temporary documents of title. No receipt will be issued for any application monies paid. Share certificates will only become valid certificates of title at 8:00 a.m. on Wednesday, 31 March 2004 provided that the Hong Kong Public Offering has become unconditional in all respects and the right of termination described in the paragraphs headed "Grounds for termination of the Hong Kong Underwriting Agreement" in the section headed "Underwriting" of the Prospectus has not been exercised.

By Order of the Board  
**China Resources Peoples Telephone Company Limited**  
**Ning Gao Ning**  
*Chairman*

Hong Kong, 22 March 2004

*Please also refer to the published version of this announcement in the (South China Morning Post)*