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CHINA RESOURCES PEOPLES TELEPHONE COMPANY LIMITED

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

(Stock Code: 331)

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The independent board committee comprising all of the independent non-executive directors of the Company, namely Mr. Ma Chiu Cheung, Andrew, Prof. Chen Kwan Yiu, Edward, Mr. Tan Henry and Mr. Lam Kwong Yu, has been established. Baron Capital Limited has been appointed as the independent financial adviser to the independent board committee in respect of the Offers.

Reference is made to the joint announcement dated 20 October 2005 (the “Announcement”) issued by China Mobile (Hong Kong) Limited and China Resources Peoples Telephone Company Limited (the “Company”). Unless otherwise defined, terms used herein shall have the same meanings as defined in the Announcement.

The independent board committee comprising all of the independent non-executive directors of the Company, namely Mr. Ma Chiu Cheung, Andrew, Prof. Chen Kwan Yiu, Edward, Mr. Tan Henry and Mr. Lam Kwong Yu, has been established to advise the Peoples Shareholders and the Peoples Optionholders (i) as to whether the Offers are, or are not, fair and reasonable and (ii) as to acceptance. Baron Capital Limited has been appointed as the independent financial adviser to the independent board committee in respect of the Offers. Baron Capital Limited’s appointment has been approved by the independent board committee.

It is expected that the Composite Document containing, among others, the terms of the Offers, the letter from the independent board committee and the letter from the independent financial adviser, Baron Capital Limited, will be despatched to the Peoples Shareholders and the Peoples Optionholders within 21 days from the date of the Announcement or such later date as approved by the Executive.

By Order of the Board
China Resources Peoples Telephone Company Limited
Kong Kin Sing, James
Company Secretary

Hong Kong, 25 October 2005

As at the date of this announcement, the Board of Directors comprises:

Chairman & Non-executive Director:

Mr. Jiang Wei

Executive Vice Chairman & Executive Director:

Mr. Leung Kai Hung, Michael

Executive Directors:

Mr. Henshaw Charles Guy (*Chief Executive Officer*)

Mr. Wong Man Kwan, Willie

Ms. Wong Leung Ka On, Charlotte

Non-executive Directors:

Dr. Huang Zhi Jian

Mr. Li Fu Zuo

Mr. Sinn Chung Ming, Anthony

Mr. Wu Jun

Mr. Yan Biao

Independent Non-executive Directors:

Professor Chen Kwan Yiu, Edward

Mr. Lam Kwong Yu

Mr. Ma Chiu Cheung, Andrew

Mr. Tan Henry

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this announcement have been arrived at after due and careful consideration, and that there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

Please also refer to the published version of this announcement in The Standard.