



**中国移动通信**  
**CHINA MOBILE**  
**CHINA MOBILE**  
**(HONG KONG) LIMITED**  
*(Incorporated in Hong Kong under the Companies Ordinance with limited liability)*  
**(Stock Code: 941)**



**CHINA RESOURCES PEOPLES**  
**TELEPHONE COMPANY LIMITED**  
*(Incorporated in Hong Kong under the Companies Ordinance with limited liability)*  
**(Stock Code: 331)**

**FIT BEST LIMITED**

*(Incorporated in the British Virgin Islands with limited liability)*

**Despatch of composite offer and response document**  
**relating to**  
**Voluntary conditional cash offers by**

**China International Capital Corporation (Hong Kong) Limited** and **Merrill Lynch (Asia Pacific) Limited**

**on behalf of**

**Fit Best Limited,**

**a wholly-owned subsidiary of China Mobile (Hong Kong) Limited,**

**to acquire all the issued shares in the share capital,**

**and for cancellation of all outstanding options, of**

**China Resources Peoples Telephone Company Limited**

**(other than those already owned by the Offeror, China Mobile (Hong Kong) Limited**

**or parties acting in concert with them)**

**Financial advisers to China Mobile (Hong Kong) Limited and the Offeror**



**CICC**  
**中国国际金融(香港)有限公司**  
**CHINA INTERNATIONAL CAPITAL**  
**CORPORATION (HONGKONG) LIMITED**

**China International Capital**  
**Corporation (Hong Kong) Limited**



**Merrill Lynch**

**Merrill Lynch (Asia Pacific) Limited**

**Independent financial adviser to the independent board committee of**  
**China Resources Peoples Telephone Company Limited**



**Baron Capital Limited**

The Composite Document containing, among other things, details of the Offers, the letter from the Peoples Independent Board Committee setting out its recommendations to the Peoples Independent Shareholders and the Peoples Optionholders, the letter from Baron Capital Limited, the independent financial adviser, setting out its advice to the Peoples Independent Board Committee in respect of the Offers, together with the form of acceptance and transfer in respect of the Share Offer and the form of acceptance and cancellation in respect of the Option Offer, will be despatched to the Peoples Shareholders and the Peoples Optionholders on 10 November 2005.

Peoples Independent Shareholders and Peoples Optionholders are encouraged to read the Composite Document carefully, including the recommendations of the Peoples Independent Board Committee and the advice from Baron Capital Limited to the Peoples Independent Board Committee, before deciding whether or not to accept the Offers.

Unless the Offers have previously been revised or extended with the consent of the Executive, or have previously become or been declared unconditional, the latest time and date for acceptance of the Offers will be 4:00 p.m. on Thursday, 29 December 2005.

**INTRODUCTION**

Reference is made to the joint announcement dated 20 October 2005 (the "Joint Announcement") issued by China Mobile (Hong Kong) Limited and China Resources Peoples Telephone Company Limited in relation to the voluntary conditional cash offers by China International Capital Corporation (Hong Kong) Limited and Merrill Lynch (Asia Pacific) Limited on behalf of Fit Best Limited, a wholly-owned subsidiary of CMHK, to acquire all the issued Peoples Shares and to cancel all outstanding Peoples Options (other than those already owned by the Offeror, CMHK or the Concert Parties). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as defined in the Joint Announcement.

**DESPATCH OF THE COMPOSITE DOCUMENT**

The Composite Document containing, among other things, details of the Offers, the letter from the Peoples Independent Board Committee setting out its recommendations to the Peoples Shareholders (other than the Offeror, CMHK and the Concert Parties) (the "Peoples Independent Shareholders"), the Peoples Optionholders, the letter from Baron Capital Limited, the independent financial adviser, setting out its advice to the Peoples Independent Board Committee in respect of the Offers, together with the form of acceptance and transfer in respect of the Share Offer and the form of acceptance and cancellation in respect of the Option Offer, will be despatched to the Peoples Shareholders and the Peoples Optionholders on 10 November 2005.

Peoples Independent Shareholders and Peoples Optionholders are encouraged to read the Composite Document carefully, including the recommendations of the Peoples Independent Board Committee and the advice from Baron Capital Limited to the Peoples Independent Board Committee, before deciding whether or not to accept the Offers.

**EXPECTED TIMETABLE**

Unless the Offers have previously been revised or extended with the consent of the Executive, or have previously become or been declared unconditional, the latest time and date for acceptance of the Offers will be 4:00 p.m. on Thursday, 29 December 2005 (the "First Closing Date"). The Offeror will publish an announcement on the Stock Exchange's website by 7:00 p.m. on the First Closing Date stating whether the Offers have been revised or extended, have expired or have become or been declared unconditional (whether as to acceptances or in all respects). Such announcement will be republished in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) on Friday, 30 December 2005.

The following expected timetable assumes prior consent from the Telecommunications Authority under section 7P(6) of the Telecommunications Ordinance is obtained on or before the First Closing Date:

Despatch date of the Composite Document	Thursday, 10 November 2005
Commencement of the Offers	Thursday, 10 November 2005
First Closing Date (Note 1)	Thursday, 29 December 2005
Latest time for acceptance of the Offers on the First Closing Date (Note 1)	4:00 p.m. on Thursday, 29 December 2005
Announcement of the results of the Offers as at the First Closing Date on the Stock Exchange's website (Note 2)	By 7:00 p.m. on Thursday, 29 December 2005
Announcement of the results of the Offers as at the First Closing Date in newspapers (Note 2)	Friday, 30 December 2005
Latest date for posting of remittances for the amounts due under the Offers in respect of valid acceptances received at or before the latest time for acceptances of the Offers on the First Closing Date (assuming the Offers become or are declared unconditional in all respects on the First Closing Date) (Note 3)	Friday, 6 January 2006
Final closing date of the Offers (assuming the Offers become or are declared unconditional in all respects on the First Closing Date) (Note 4)	Thursday, 12 January 2006
Latest time and date for acceptance of the Offers (assuming the Offers become or are declared unconditional in all respects on the First Closing Date) (Note 4)	4:00 p.m. on Thursday, 12 January 2006
Latest time and date by which the Offers can become or be declared unconditional as to acceptances (Note 5)	7:00 p.m. on Monday, 9 January 2006
Latest time and date for the Offers to remain open for acceptance (Note 6)	4:00 p.m. on Friday, 10 March 2006

**Notes:**

- (1) The Share Offer will be subject to, among other things, the Offeror having received valid acceptance of the Share Offer in respect of Peoples Shares which constitute not less than 90% of the maximum number of Peoples Shares to which the Share Offer relates, by 4:00 p.m. on the date which is 49 days after the making of the Share Offer, being the First Closing Date, or such later time(s) and/or date(s) as the Offeror may, subject to the rules of the Takeovers Code, decide. The Option Offer will be subject to and conditional upon the Share Offer becoming or being declared unconditional. Unless the Offers have previously become or been declared unconditional, revised or extended, the latest time and date for acceptance of the Offers is 4:00 p.m. on the First Closing Date.
- (2) The First Closing Date assumes that prior consent from the Telecommunications Authority under section 7P(6) of the Telecommunications Ordinance is obtained on or before 29 December 2005. If the prior consent from the Telecommunications Authority is obtained on or before the First Closing Date and the other Conditions are either fulfilled or waived, the Offers will become unconditional and will close at least 14 days thereafter. If the prior consent from the Telecommunications Authority is not obtained on or before the First Closing Date, the Offeror will decide whether to waive that condition on the First Closing Date. If the Offeror decides to waive that condition on the First Closing Date, the Offers will proceed in accordance with the expected timetable set out above. The Offeror reserves the right to extend the Offers until such time and/or date as it may determine and in accordance with the Takeovers Code. The Offeror will issue an announcement on the Stock Exchange's website by 7:00 p.m. on Thursday, 29 December 2005, being the First Closing Date, stating whether the Offers have been revised or extended, have expired or have become or been declared unconditional (as to acceptances or in all respects). Such announcement will be republished in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) on Friday, 30 December 2005.  
An acceptor of the relevant Offer is entitled to withdraw his/her/its acceptance after 21 days from the First Closing Date if the Share Offer has not by then become unconditional as to acceptances. In the situation where prior consent from the Telecommunications Authority under section 7P(6) of the Telecommunications Ordinance is not obtained on or before 29 December 2005 (irrespective of whether the Offeror waives this condition), an acceptor of the relevant Offer is entitled to withdraw his/her/its acceptance from 19 January 2006 if the Share Offer has not become or been declared unconditional as to acceptances by then. However, such entitlement to withdraw is exercisable only until such time as the Share Offer becomes or is declared unconditional as to acceptances.
- (3) Pursuant to Rule 20.1 of the Takeovers Code, payment in cash in respect of acceptances of the Offers will be made within 10 days of the date of receipt of complete and valid acceptance or of the date on which the Offers become or are declared unconditional in all respects, whichever is the later. Relevant documents of title must be received by the Offeror to render each acceptance of the Offers complete and valid.
- (4) In accordance with Rule 15.3 of the Takeovers Code, where the Offers become or are declared unconditional, they should remain open for acceptance for not less than 14 days thereafter. In such case, at least 14 days' notice in writing must be given before the Offers are closed to the Peoples Independent Shareholders or the Peoples Optionholders (as the case may be) who have not accepted the Offers.
- (5) In accordance with Rule 15.5 of the Takeovers Code, except with the consent of the Executive, the Share Offer may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day ("Day 60") after the day on which the Composite Document is posted (or such later date as extended by the Executive). Accordingly, unless the Share Offer has previously become or been declared unconditional as to acceptances, the Offers will lapse at 7:00 p.m. on Monday, 9 January 2006 unless the Offers are extended by the Offeror with the consent of the Executive. Note 3 to Rule 15.5 of the Takeovers Code provides that if there is a delay in the decision of the Telecommunications Authority under section 7P of the Telecommunications Ordinance after the posting of the Composite Document, the Executive will normally extend "Day 39" (see Rule 15.4 of the Takeovers Code) to the second day following the announcement of such decision with consequent changes to Day 60.
- (6) According to Rule 15.6 of the Takeovers Code, as the Offeror may consider exercising its rights under the relevant provisions of the Companies Ordinance to compulsorily acquire those Peoples Shares not acquired by the Offeror under the Share Offer, the Share Offer may not remain open for acceptance for more than four months from the posting of the Composite Document unless the Offeror has by that time become entitled to exercise such power of compulsory acquisition.

*All time references contained in this announcement refer to Hong Kong time.*

**APPLICATION TO THE TELECOMMUNICATIONS AUTHORITY**

The Telecommunications Authority has posted a notice on its website on 9 November 2005 stating that it has received an application, made on behalf of CMHK, for its prior consent under section 7P(6) of the Telecommunications Ordinance, in respect of the Offers. The Telecommunications Authority has indicated that its investigation will include a market inquiry of around two weeks.

By order of the Board  
**CHINA MOBILE (HONG KONG) LIMITED**  
**Wang Jianzhou**  
*Chairman and Executive Director*  
*of China Mobile (Hong Kong) Limited*

By order of the Board  
**CHINA RESOURCES PEOPLES TELEPHONE COMPANY LIMITED**  
**Jiang Wei**  
*Chairman and Non-executive Director*  
*of China Resources Peoples Telephone Company Limited*

Hong Kong, 9 November 2005

*The directors of CMHK jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Peoples Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than as specified above) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Peoples Group) not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the board of directors of CMHK comprises Mr. Wang Jianzhou, Mr. Li Yue, Mr. Lu Xiangdong, Mr. Xue Taohai, Mr. Zhang Chenshuang, Madam Li Mofang, Mr. He Ning, Mr. Li Gang and Mr. Xu Long as executive directors, Dr. Lo Ka Shui, Mr. Frank Wong Kwong Shing and Mr. Moses Cheng Mo Chi as independent non-executive directors and Sir Julian Michael Horn-Smith as a non-executive director.*

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

*As at the date of this announcement, the board of directors of Peoples comprises Mr. Leung Kai Hung, Michael, Mr. Henshaw Charles Guy, Mr. Wong Man Kwan, Willie and Ms. Wong Leung Ka On, Charlotte as executive directors, Professor Chen Kwan Yiu, Edward, Mr. Lam Kwong Yu, Mr. Ma Chiu Cheung, Andrew and Mr. Tan Henry as independent non-executive directors and Mr. Jiang Wei, Dr. Huang Zhi Jian, Mr. Li Fu Zuo, Mr. Sinn Chung Ming, Anthony, Mr. Wu Jun and Mr. Yan Biao as non-executive directors.*