

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of China Telecom Corporation Limited (the "Company") for the year ended 2003 will be held at 10:00 a.m. on 3 May 2004 at Beijing Nan Yue Yuan Hotel, 186 Zheng Wang Fen, Feng Tai District, Beijing, PRC to consider and, if thought fit, pass the following business:

### ORDINARY RESOLUTIONS

1. to consider and approve the consolidated financial statements of the Company, the report of the Board of Directors, the report of the Supervisory Committee and the report of the international auditors for the year ended 31 December 2003;
2. to consider and approve the profit distribution proposal and declaration of a final dividend for the year ended 31 December 2003;
3. to consider and approve the annual remuneration proposal for the Company's directors for the year ending 31 December 2004;
4. to consider and approve the reappointment of KPMG as the Company's international auditors and KPMG Huazhen as the Company's domestic auditors for the year ending 31 December 2004 and the authorisation to the board of directors of the Company to fix the remuneration thereof;

And to consider and approve other matters, if any.

And as special business, to consider and, if thought fit, pass the following as special resolutions:

### SPECIAL RESOLUTIONS

5. "THAT:
  - (a) subject to paragraph (c) below, the exercise by the board of directors of the Company during the Relevant Period (as hereafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company ("Shares") and to make or grant offers, agreements and options which might require the exercise of such powers be hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) shall authorise the board of directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
  - (c) the amount of additional domestic Shares or overseas-listed foreign invested shares ("H Shares") (as the case may be) allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with either separately or concurrently by the board of directors of the

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Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereafter defined) or (ii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed 20% of each of the Company's existing domestic shares and H shares (as the case may be) in issue at the date of passing this special resolution; and

- (d) for the purpose of special resolution 5:

"Relevant Period" means the period from the passing of special resolution 5 until the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the 12 months period following the passing of these special resolutions; and
- (iii) the revocation or variation of the authority given to the board of directors of the Company under these

special resolutions by a special resolution of the Company's shareholders in general meetings.

"Rights Issue" means an offer of shares open for a period fixed by the board of directors of the Company to holders of Shares on the register of members on a fixed record date in proportion of their then holdings of such Shares (subject to such exclusion or other arrangements as the board of directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirement of, any recognised regulatory body or any stock exchange in any territory applicable to the Company) and an offer, allotment or issue of shares by way of rights shall be construed accordingly."

6. **"THAT** the board of directors of the Company be authorised to increase the registered capital of the Company to reflect the issue of shares in the Company authorised under special resolution 5, and to make such appropriate and necessary amendments to the articles of association of the Company as they think fit to reflect

such increases in the registered capital of the Company and to take any other action and complete any formality required to effect such increase of the registered capital of the Company.”

By Order of the Board

**Li Ping**  
*Company Secretary*

Beijing, PRC  
17 March 2004

**Notes:**

- (1) Buyers who submit the relevant share transfer application forms to the Company's share registrar before 4:00 p.m. on 2 April 2004 and then register as shareholders on the register of members of the Company are entitled to attend the annual general meeting.
- (2) Each shareholder entitled to attend and vote at the annual general meeting may appoint one or more proxies to attend and vote on his behalf at the annual general meeting. A proxy need not be a shareholder. Each shareholder who wishes to appoint one or more proxies should first review the annual report of the Company for the year 2003, which is expected to be despatched to shareholders on 19 March 2004.
- (3) To be valid, the form of proxy together with the power of attorney or other authorisation document (if any) signed by the authorised person or notari- ally

certified power of attorney must be delivered to the Office of the Board of Directors of the Company for holders of domestic shares and to Computershare Hong Kong Investor Services Limited for holders of H shares not less than 24 hours before the designated time for the holding of the annual general meeting. Completion and return of a form of proxy will not preclude a shareholder from attending in person and voting at the annual general meeting if he so wishes.

The address of the share registrar for the Company's H shares is as follows:

Computershare Hong Kong Investor Services Limited  
Rooms 1901-1905,  
19th Floor, Hopewell Centre,  
183 Queens Road East,  
Wanchai,  
Hong Kong

- (4) A proxy of a shareholder may vote by hand or vote on a poll, but a proxy of a shareholder who has appointed more than one proxy may only vote on a poll.
- (5) The registration procedure for attending the annual general meeting:
  - (a) shareholders attending the annual general meeting in person or by proxy shall present their identity certification. If the attending shareholder is a corporation, its legal representative or person authorised by the board or other

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decision making authority shall present a copy of the relevant resolution of the board or other decision making authority in order to attend the annual general meeting.

- (b) shareholders intending to attend the annual general meeting are to return the attendance slip via hand delivery, mail or fax to the Office of the Board of Directors of the Company on or before 12 April 2004.

- (6) Closure of the register of members:

The register of members of the Company will be closed from 3 April 2004 to 3 May 2004 (both days inclusive).

- (7) The annual general meeting is expected to last for half a day and shareholders (in person or by proxy) attending the annual general meeting shall be responsible for their own transportation and accommodation expenses.

- (8) The address of the office of the Board of Directors is as follows:

31 Jinrong Street  
Xicheng District, Beijing 100032  
PRC

Contact person: Li Ping

Telephone: (8610) 6642 8166

Facsimile: (8610) 6601 0728