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# **China Telecom Corporation Limited**

## **中国电信股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 728)**

### **POLL RESULTS OF ANNUAL GENERAL MEETING, APPOINTMENT OF SUPERVISORS AND PAYMENT OF THE FINAL DIVIDEND**

- The Board of the Company is pleased to announce that all the proposed resolutions were duly passed by shareholders by way of poll at the AGM of the Company held on 27 May 2015.
- The Company's shareholders approved the profit distribution proposal and declaration of a final dividend of RMB0.076120 per share (equivalent to HK\$0.095 per share) (pre-tax) for the year ended 31 December 2014. The final dividend will be paid on or about 17 July 2015.

#### **Poll Results of the AGM**

The board of directors (the "Board") of China Telecom Corporation Limited (the "Company") is pleased to announce that the 2014 Annual General Meeting of the Company was held on Wednesday, 27 May 2015 (the "AGM") at Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong. The number of issued shares of the Company as at the date of the AGM was 80,932,368,321, which was the total number of shares entitling the holders to attend and vote for or against any of the resolutions proposed at the AGM. There were no restrictions on any shareholders casting votes on any of the proposed resolutions at the AGM. The AGM was held in compliance with the requirements of the Company Law of the People's Republic of China and the provisions of the articles of association of the Company.

The poll results in respect of the proposed resolutions at the AGM were as follows:

<b>Ordinary Resolutions</b>		<b>No. of votes (%)</b>	
		<b>For</b>	<b>Against</b>
1.	That 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 auditor for the year ended 31 December 2014 be considered and approved, and the Board of Directors of the Company be authorised to prepare the budget of the Company for the year 2015.	75,186,930,326 (99.9999%)	96,108 (0.0001%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
2.	That the profit distribution proposal and the declaration and payment of a final dividend for the year ended 31 December 2014 be considered and approved.	75,200,433,157 (99.9999%)	107,277 (0.0001%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
3.	That the re-appointment of Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu Certified Public Accountants LLP as the international auditor and domestic auditor of the Company respectively for the year ending on 31 December 2015 be considered and approved, and the Board be authorised to fix the remuneration of the auditors.	75,198,028,263 (99.9967%)	2,496,171 (0.0033%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
4.	Ordinary resolution numbered 4 of the Notice of AGM dated 9 April 2015 (to approve the election of Mr. Sui Yixun as a Supervisor of the Company)	74,638,864,523 (99.2570%)	558,681,911 (0.7430%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
5.	Ordinary resolution numbered 5 of the Notice of AGM dated 9 April 2015 (to approve the election of Mr. Ye Zhong as a Supervisor of the Company)	74,638,860,931 (99.2571%)	558,669,503 (0.7429%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
<b>Special Resolutions</b>		<b>No. of votes (%)</b>	
		<b>For</b>	<b>Against</b>
6.	6.1 Special resolution numbered 6.1 of the Notice of AGM dated 9 April 2015 (to approve the amendments to article 13 of the articles of association of the Company)	75,200,191,233 (99.9995%)	341,201 (0.0005%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			

Special Resolutions		No. of votes (%)	
		For	Against
	6.2 Special resolution numbered 6.2 of the Notice of AGM dated 9 April 2015 (to authorise any Director of the Company to complete registration or filing of the amendments to the articles of association)	75,200,102,524 (99.9994%)	429,910 (0.0006%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		
7.	7.1 Special resolution numbered 7.1 of the Notice of the AGM dated 9 April 2015 (to consider and approve the issue of debentures by the Company)	70,929,772,966 (94.3208%)	4,270,759,468 (5.6792%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		
	7.2 Special resolution numbered 7.2 of the Notice of the AGM dated 9 April 2015 (to authorise the Board to issue debentures and determine the specific terms, conditions and other matters of the debentures)	70,865,371,318 (94.2352%)	4,335,161,116 (5.7648%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		
8.	8.1 Special resolution numbered 8.1 of the Notice of the AGM dated 9 April 2015 (to consider and approve the issue of company bonds in the People's Republic of China)	75,200,156,157 (99.9995%)	376,277 (0.0005%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		
	8.2 Special resolution numbered 8.2 of the Notice of the AGM dated 9 April 2015 (to authorise the Board to issue company bonds and determine the specific terms, conditions and other matters of the company bonds in the People's Republic of China)	75,199,899,754 (99.9995%)	406,680 (0.0005%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		
9.	Special resolution numbered 9 of the Notice of AGM dated 9 April 2015 (To grant a general mandate to the Board to issue, allot and deal with additional shares in the Company not exceeding 20% of each of the existing domestic Shares and H Shares in issue.)	67,965,630,873 (90.3788%)	7,235,218,561 (9.6212%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		
10.	Special resolution numbered 10 of the Notice of AGM dated 9 April 2015 (To authorise the Board to increase the registered capital of the Company and to amend the articles of association of the Company to reflect such increase in the registered capital of the Company under the general mandate.)	68,340,441,389 (90.8776%)	6,860,103,045 (9.1224%)
	As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.		

Computershare Hong Kong Investor Services Limited, registrar of the Company's H Shares, acted as scrutineer for the vote-taking at the AGM.

## **PAYMENT OF THE FINAL DIVIDEND**

The final dividend of RMB0.076120 per share (equivalent to HK\$0.095 per share) (pre-tax) for the year ended 31 December 2014 was approved at the AGM. The payment shall be made to shareholders whose names appear on the register of members of the Company on Monday, 8 June 2015. The Register of Members will be closed from Wednesday, 3 June 2015 to Monday, 8 June 2015 (both days inclusive). In order to be entitled to the final dividend, holders of H Shares who have not registered the transfer documents are required to deposit the transfer documents together with the relevant share certificates at Computershare Hong Kong Investor Services Limited, at Shops 1712 - 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m. on Tuesday, 2 June 2015. Dividends will be denominated and declared in Renminbi. Dividends for holders of domestic shares and the holders of the Company's H shares through the Southbound Trading Link (the "Southbound Shareholders") will be paid in Renminbi, whereas dividends for H share shareholders other than the Southbound Shareholders will be paid in Hong Kong dollars. The relevant exchange rate will be the average offer rates of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the week prior to the date of declaration of dividends at the AGM (RMB0.80126 equivalent to HK\$1.00).

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and the Implementation Rules of the Enterprise Income Tax Law of the People's Republic of China implemented in 2008, the Company will withhold and pay 10% enterprise income tax when it distributes the 2014 final dividend to non-resident enterprise shareholders of overseas H shares (including HKSCC Nominees Limited, other corporate nominees or trustees, and other entities or organizations) whose names appear on the Company's H shares register of members on 8 June 2015. According to regulations by the State Administration of Taxation and relevant laws and regulations, if the individual H share shareholders who are Hong Kong or Macau residents and those whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H share shareholders. If the individual H share shareholder whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H share shareholders. If the individual H share shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty. If the individual H share shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or a country which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H share shareholders.

For investors of the Shanghai Stock Exchange (including enterprises and individuals) investing in the H shares of the Company listed on Hong Kong Stock Exchange (the "Southbound Trading Link"), the Shanghai branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H shares under the Southbound Trading Link, will receive all dividends distributed by the Company and will distribute the dividends to the relevant investors of H shares under the Southbound Trading Link through its depository and clearing system. According to the relevant provisions under the "Notice on Tax Policies for Shanghai-Hong Kong Stock Connect Pilot Programme (Cai Shui [2014] No.

81)”, the Company shall withhold individual income tax at the rate of 20% with respect to dividends received by the Mainland individual investors for investing in the H shares of the Company listed on the Hong Kong Stock Exchange through the Southbound Trading Link. In respect of the dividends for the investment by Mainland securities investment funds in the H shares of the Company listed on Hong Kong Stock Exchange through the Southbound Trading Link, the tax levied on dividends derived from such investment shall be ascertained by reference to the rules applicable to the treatment of individual investors. The Company is not required to withhold income tax on dividends derived by the Mainland enterprise investors under the Southbound Trading Link, and such enterprises shall report the income and make tax payment by themselves. The record date for entitlement to the shareholders’ rights and the relevant arrangements of dividend distribution for the Southbound Shareholders are the same as those for the Company’s H share shareholders.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the H share shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the H share shareholders or any disputes over the withholding mechanism or arrangements. For H share shareholders other than the Southbound Shareholders, the Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent in Hong Kong (the "Receiving Agent") and will pay to such Receiving Agent the final dividend declared for payment to holders of H shares other than the Southbound Shareholders. The Receiving Agent will pay the final dividend net of the applicable tax on or about 17 July 2015. The relevant dividend warrants will be despatched to holders of H shares by ordinary post and the risk of errors involved in the postage will be borne by the holders of H shares. For the Southbound Shareholders, the final dividend net of the applicable tax will be paid by the Company to China Securities Depository and Clearing Corporation Limited on or about 17 July 2015. China Securities Depository and Clearing Corporation Limited will pay the final dividend net of the applicable tax to the Southbound Shareholders.

## **APPOINTMENT OF SUPERVISORS**

The appointment of Mr. Sui Yixun and Mr. Ye Zhong as the Supervisors of the Company was approved at the AGM. Their terms of office commence from 27 May 2015 until the annual general meeting of the Company for the year 2016 to be held in the year 2017. The Company will enter into service contracts with them and the Supervisory Committee will determine their remuneration with reference to their duties, responsibilities, experience as well as current market situation.

Mr. Sui Yixun, aged 51, is a Supervisor of the Supervisory Committee of the Company. Mr. Sui is currently the managing director of audit department of the Company and a supervisor of Tianyi Telecom Terminals Company Limited. Mr. Sui received a bachelor degree from Beijing Institute of Posts and Telecommunications and a master degree in business administration from Tsinghua University. Mr. Sui served as Deputy General Manager of China Telecom Shandong branch, Deputy General Manager of the Northern Telecom of China Telecommunications Corporation and General Manager of China Telecom Inner Mongolia Autonomous Region branch. Mr. Sui is a senior economist and has extensive experience in financial management and telecommunications industry.

Mr. Ye Zhong, aged 55, is a Supervisor of the Supervisory Committee of the Company. Mr. Ye is a senior accountant. He holds a bachelor degree. Mr. Ye is the Deputy General Manager of Zhejiang Financial Development Company (one of the domestic shareholders of the Company), Chairman and General Manager of Zhejiang Provincial Innovation and Development Investment Co. Ltd., Chairman and General Manager of Zhejiang Provincial Information Economy Investment Co. Ltd., Chairman of Zhejiang Venture Capital Fund of Funds Management Co. Ltd. and Chairman of Zhejiang Financial Market Investment Co.

Ltd.. Mr. Ye served as Deputy Director of the Social Security Division of the Department of Finance of Zhejiang Province, Deputy Director of the Discipline Inspection Division and Director of Supervisory Office of the Department of Finance of Zhejiang Province delegated by the Discipline Inspection Commission and Department of Supervision of Zhejiang Province. Mr. Ye has extensive experience in government's work and state-owned enterprise management.

Save as disclosed in announcement, Mr. Sui Yixun and Mr. Ye Zhong did not hold any directorship in any other listed companies nor take up any post in any affiliated companies of the Company in the past three years, nor have any relationship with any other director, supervisor, senior management, substantial shareholder or controlling shareholder of the Company. Furthermore, Mr. Sui Yixun and Mr. Ye Zhong do not have any equity interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong. Save as disclosed in this announcement, there is no other information relating to the proposed appointment of Mr. Sui Yixun and Mr. Ye Zhong that shall be disclosed pursuant to Rule 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited nor any matters which need to be brought to the attention of the shareholders of the Company.

By Order of the Board  
**China Telecom Corporation Limited**  
**Yung Shun Loy, Jacky**  
*Company Secretary*

Hong Kong, 27 May 2015

As of the date of this announcement, the Board consists of Mr. Wang Xiaochu as the chairman and chief executive officer, Mr. Yang Jie as the president and chief operating officer, Mr. Zhang Jiping, Mr. Yang Xiaowei, Mr. Sun Kangmin and Mr. Ke Ruiwen as the executive vice presidents, Mr. Zhu Wei as the non-executive director, and Mr. Tse Hau Yin, Aloysius, Madam Cha May Lung, Laura, Mr. Xu Erming and Madam Wang Hsuehming as the independent non-executive directors.