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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)

ANNOUNCEMENT IN RELATION TO THE OPERATING CONDITIONS FOR THE YEAR 2021 AND THE RECENT PERIOD

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. OPERATING CONDITIONS FOR THE YEAR 2021 AND THE RECENT PERIOD

In 2021, China Telecom Corporation Limited (the “**Company**”) proactively seized the strategic opportunities, implemented its “Cloudification and Digital Transformation” strategy, accelerated the construction of new information infrastructure based on cloud-network integration, actively completed its strategic deployments in fields such as sci-tech innovation and ecological cooperation, and adhered to the low-carbon green development principles, promoting its high-quality development.

In 2021, the Company developed integrated intelligent information services with a customer-oriented approach, facilitated the upgrade of individuals’ demands for emerging information consumption and enriched the service content of Smart Family digital life, while the subscriber scale continued to grow. The Company deeply integrated the key elements of digital economy with the real economy. The commercial projects of the Company’s 5G customised networks have covered all key industries that fall under the 5G applications “Raising the Sail” Action Plan. Achieving breakthroughs in key core technologies, E-Surfing Cloud has been upgraded to a distributed cloud while the Company continuously enhances the cloud-network security capabilities and actively empowers the transformation and upgrades of traditional industries. Fully leveraging its edges in cloud-network integration while pivoting on the nation’s “east-to-west computing resource transfer” project and the deployment of integrated Big Data centres, the Company comprehensively deployed data centres, DCI network, computing power and product services, actively undertaking the implementation of “east-to-west computing resource transfer” project.

As at the end of 2021, the total number of mobile subscribers of the Company reached 372 million while the penetration rate of 5G package subscribers reached above 50%. The total number of wireline broadband subscribers reached approximately 170 million. Based on our preliminarily accounting records, the operating revenues of the Company for the year 2021 increased by 10%-12% over the same period of last year, and the profit attributable to equity holders of the Company increased by 23%-25% over the same period of last year.

In 2022, the Company will fully implement its “Cloudification and Digital Transformation” strategy, persistently transform its development model and growth approach while pushing forward innovative development as well as enhancement of quality and efficiency. In January and February, operating results of the Company continued to be robust and the high-quality development achieved remarkable results.

II. RISK WARNING

The key financial data for the year 2021 as set out in this announcement are preliminary figures and have not been audited by the reporting accountants. The final figures will be based on those to be disclosed in the 2021 annual report of the Company. Investors are advised to exercise caution for the investment risks when dealing in the securities of the Company.

By Order of the Board
China Telecom Corporation Limited
Ke Ruiwen
Chairman and Chief Executive Officer

Beijing, China, 11 March 2022

FORWARD-LOOKING STATEMENTS

Certain statements contained in this announcement may be viewed as “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934 (as amended). Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of the Company to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. In addition, we do not intend to update these forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company’s most recent Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the “SEC”) and in the Company’s other filings with the SEC.

As at the date of this announcement, the Board of Directors of the Company consists of Mr. Ke Ruiwen (as the Chairman and Chief Executive Officer); Mr. Li Zhengmao (as the President and Chief Operating Officer); Mr. Shao Guanglu; Mr. Liu Guiqing (as the Executive Vice President); Mr. Chen Shengguang (as the Non-Executive Director); Mr. Tse Hau Yin, Aloysius, Mr. Xu Erming, Madam Wang Hsuehming and Mr. Yeung Chi Wai, Jason (all as the Independent Non-Executive Directors).