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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 ON THE PLAN TO INCREASE SHAREHOLDING BY THE CONTROLLING SHAREHOLDER**

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 and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

China Telecommunications Corporation (the "China Telecom Corp."), the controlling shareholder of China Telecom Corporation Limited (the "Company"), proposed to increase its shareholding in the Company by an amount of not less than RMB 4 billion, as and when appropriate, during the twelve-month period from 22 September 2021 (the "Proposed Shareholding Increase" or the "Shareholding Increase"). There is no price range for the Shareholding Increase. In view of the fair judgement on the Company's share price, China Telecom Corp. will gradually implement the plan on Shareholding Increase taking into account of the fluctuations in the Company's share price and the overall trend of the capital market. Details are set out as follows:

#### **I. The Basic Information of the Entity to Increase Shareholding**

1. Name of the entity to increase shareholding: China Telecommunications Corporation
2. Number of shares held by the entity to increase shareholding and the percentage of shareholding: As at 21 September 2021, China Telecom Corp. held 57,377,053,317 A shares of the Company, representing approximately 62.82% of the total issued shares of the Company (before the exercise of the over-allotment option in relation to the A Share Offering of the Company. Please refer to the Company's announcement titled "Completion of A Share Offering and Amendments to the Article of Association" dated 18 August 2021 for details.).

#### **II. Main Content of the Plan on Shareholding Increase**

1. Purpose of the Proposed Shareholding Increase: The Shareholding Increase proposed by China Telecom Corp. is based on its steadfast confidence on the future development prospect of the Company and its high-level recognition of the investment value of the Company.

2. Type of shares to be acquired in the Proposed Shareholding Increase: A Shares of the Company.
3. Amount for the Proposed Shareholding Increase: The amount for the Proposed Shareholding Increase shall be not less than RMB 4 billion. There is no price range for the Shareholding Increase. In view of the fair judgement on the Company's share price, China Telecom Corp. will gradually implement the plan on Shareholding Increase taking into account of the fluctuations in the Company's share price and the overall trend of the capital market.
4. Implementation period of the plan on Shareholding Increase: Taking into consideration of the large scale in the amount of the Shareholding Increase and changes in the capital market, China Telecom Corp. plans to implement the Shareholding Increase during the twelve-month period from 22 September 2021.
5. Funding arrangement of the Proposed Shareholding Increase: Self-owned capital fund.

### **III. Uncertainty Risk in the Implementation of the Plan on Shareholding Increase**

There may be a risk that the plan on Shareholding Increase may not be implemented due to changes in the capital market and factors which cannot be foreseen at present.

### **IV. Other Relevant Information**

1. The plan on Shareholding Increase complies with the provisions of the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), and other applicable laws and regulations, departmental regulations and the relevant rules of the Shanghai Stock Exchange.
2. China Telecom Corp. undertakes that it will not reduce its shareholdings in the Company during the implementation of the Shareholding Increase and within the statutory restricted period.
3. The Company will continuously monitor the relevant matters regarding China Telecom Corp.'s increase in shareholding in the Company and comply with its obligation to disclose information in a timely manner in accordance with the relevant requirements under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (《上海證券交易所股票上市規則》), Administrative Measures for the Takeover of Listed Companies (《上市公司收購管理辦法》), and the Guidelines of the Shanghai Stock Exchange on Increase in Shareholdings by Shareholders of Listed Companies and Their Parties Acting In Concert (《上海證券交易所上市公司股東及其一致行動人增持股份行為指引》).

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

Beijing, China, 21 September 2021

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 and Madam Zhu Min (as the Chief Financial Officer) (all as the Executive Vice Presidents); 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).