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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)

5G NETWORK CO-BUILD AND CO-SHARE COOPERATION WITH CHINA UNICOM

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of the 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).

As published in the announcement by China Telecom Corporation Limited (the "Company") dated 6 June 2019, China Telecom has been granted from the Ministry of Industry and Information Technology of the People's Republic of China the permit to operate 5G digital cellular mobile service.

The board of directors (the "Board") of the Company announces that on 9 September 2019, the Company entered into a 5G network co-build and co-share framework cooperation agreement (the "Cooperation Agreement") with China United Network Communications Corporation Limited ("China Unicom"). Pursuant to the Cooperation Agreement, the Company will cooperate with China Unicom to jointly co-build one 5G access network nationwide and co-share 5G spectrum resources while the 5G core network shall be respectively constructed by each party. Both parties will delineate and designate districts each will be responsible to build in and the party responsible for the construction in a designated district will bear the relevant investment, maintenance and network operating costs. Both parties will delineate and designate districts in 15 cities for each party to build, mainly with reference to the total scale of 4G base stations (including indoor distribution systems) of both parties. In the 5 cities including Beijing, Tianjin, Zhengzhou, Qingdao and Shijiazhuang, the construction district ratio of the Company to China Unicom will be 4:6. In the 10 cities including Shanghai, Chongqing, Guangzhou, Shenzhen, Hangzhou, Nanjing, Suzhou, Changsha, Wuhan and Chengdu, the construction district ratio of the Company to China Unicom will be 6:4. Apart from the districts mentioned above, China Telecom will be independently responsible for 10 prefecture-level cities in Guangdong province, 5 prefecture-level cities in Zhejiang province and 17 provinces (Anhui, Fujian, Gansu, Guangxi, Guizhou, Hainan, Hubei, Hunan, Jiangsu, Jiangxi, Ningxia, Qinghai, Shaanxi, Sichuan, Xizang, Xinjiang and Yunnan). China Unicom will be independently responsible for 9 prefecture-level cities in Guangdong province, 5 prefecture-level cities in Zhejiang province and 8 provinces. The Company and China Unicom will be jointly responsible for ensuring the unification of network planning, construction, maintenance and service standard in the co-built and co-shared districts, guaranteeing the same level of service standard. Network co-build and co-share cooperation by either party with independent third parties shall not inappropriately impair the interests of the other party. The business and branding of each party will continue to operate independently and the subscribers will belong to each party respectively. Both parties will adhere to the principles of maximising the benefit of co-build and co-share, favouring sustainable cooperation and not profiting

from settlement, striving to insist on fair and equitable market-oriented settlement and formulating reasonable and precise settlement method.

The Company believes that based on mutual network and spectrum resources of both parties, the commencement of 5G network co-build and co-share cooperation is beneficial to the efficient construction of 5G network and will rapidly create 5G service capability to enhance network quality and business experience. It will reduce network construction and maintenance costs while achieving enhancement of efficiency in network and assets operation and reinforcement of market competitiveness of the 5G network and service of the Company, endeavouring to achieve a win-win situation for both parties.

In the future, the Company will emphasise the focus on customers and insist on open cooperation. Maintaining independent market operation, the Company will fully leverage the comprehensive edges of cloud and network integration and the rich resources of government and enterprises customers to promote high-quality development of 5G service, so as to continuously create new value for shareholders.

The Company will strictly comply with its obligation to disclose information in accordance with the Listing Rules and other relevant laws and regulations depending on the progress of the Cooperation Agreement.

In the meantime, investors are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
China Telecom Corporation Limited
Ke Ruiwen

Chairman, Chief Executive Officer, President and Chief Operating Officer

Beijing, China, 9 September 2019

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, chief executive officer, president and chief operating officer); Mr. Gao Tongqing, Mr. Chen Zhongyue, Mr. Liu Guiqing, Madam Zhu Min (as the chief financial officer) and Mr. Wang Guoquan (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).