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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)

ADJUSTMENT TO DIVIDEND POLICY OF THE COMPANY

This announcement is made by China Telecom Corporation Limited (the “Company”) 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).

We refer to the announcements dated 9 March 2021 and 9 April 2021, and the circular dated 17 March 2021 of the Company, in relation to, among others, the Company’s proposed initial public offering of Renminbi ordinary shares (A shares) and the listing on the main board of the Shanghai Stock Exchange (the “A Share Offering and Listing”) and relevant matters.

The board of directors of the Company (the “Board”) is pleased to announce that, taking into account shareholders’ return, the Company’s profitability, the cashflow level and capital needs for future development, the Board has considered and approved the resolution to adjust the dividend policy of the Company, agreeing that the profit to be distributed by the Company in cash for year 2021 shall be no less than 60% of the profit attributable to equity holders of the Company for that year, and that within three years after the A Share Offering and Listing, the profit to be distributed by the Company in cash for each year will gradually increase to 70% or above of the profit attributable to equity holders of the Company for that year. Meanwhile, the dividend arrangement will be adjusted to provide for the declaration and payment of interim dividends from year 2022.

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

Beijing, China, 21 June 2021

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 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).