

# SECTION VII CHANGES IN SHARES AND INFORMATION ON SHAREHOLDERS



## 1. CHANGES IN SHARE CAPITAL

### (1) Table of changes in shares

#### 1. Table of changes in shares

Unit: shares

	Before the change		Changes (+, -)				After the change		
	Quantity	Percentage (%)	Issue of new shares	Bonus issue	Transferred from reserves	Others	Subtotal	Quantity	Percentage (%)
<b>(1) Shares with lock-up restrictions</b>	67,054,958,321	82.85	6,169,442,087				6,169,442,087	73,224,400,408	80.02
1. State-owned shares									
2. Shares held by state-owned legal persons	67,054,958,321	82.85						67,054,958,321	73.28
3. Shares held by other domestic shareholders			6,169,442,087				6,169,442,087	6,169,442,087	6.74
<b>(2) Shares without lock-up restrictions</b>	13,877,410,000	17.15	4,405,328,291				4,405,328,291	18,282,738,291	19.98
1. RMB ordinary shares			4,405,328,291				4,405,328,291	4,405,328,291	4.81
2. Domestic-Listed Foreign-Invested Shares									
3. Overseas-Listed Foreign-Invested Shares	13,877,410,000	17.15						13,877,410,000	15.17
4. Others									
<b>(3) Total number of shares</b>	80,932,368,321	100.00	10,574,770,378				10,574,770,378	91,507,138,699	100.00



## 2. Explanation on changes in shares

As approved by the Approval Regarding the Initial Public Offering of Shares by China Telecom Corporation Limited (Zheng Jian Xu Ke No. (2021) 2541) issued by the CSRC and as approved by the SSE, the Company issued 10,396,135,267 RMB ordinary shares (A Shares) to the public for the initial public offering (before the exercise of the Over-allotment Option), which were listed on the SSE on 20 August 2021. On 22 September 2021, the exercise period of the Over-allotment Option expired. On the basis of the initial issuance of 10,396,135,267 shares, the Company issued an additional 178,635,111 shares, representing approximately 1.7% of the initial number of shares issued. After the initial public offering and partial exercise of the Over-allotment Option, the final number of shares issued was 10,574,770,378 shares, and the total share capital of the Company was 91,507,138,699 shares.

## 3. Impact of changes in shares on financial indicators including earnings per share and net assets per share for the year and the latest period (if any)

During the Reporting Period, the total number of shares of the Company before the public offering of A Shares was 80,932,368,321 shares, and the total number of shares after the offering was 91,507,138,699 shares.

Item	2021	
	2021	year-on-year
Basic earnings per share (RMB/share)	0.31	0.32
Diluted earnings per share (RMB/share)	0.31	0.32
Net assets per share attributable to shareholders of the Company (RMB/share)	5.08	5.30

Note: The basic earnings per share, diluted earnings per share and net assets per share attributable to shareholders of the Company for 2021 year-on-year are calculated on the basis that no shares would be issued in 2021.



**(2) Changes in shares with lock-up restrictions**

Unit: shares

Name of shareholder	Number of lock-up shares at the beginning of the year	Number of shares released during the year	Increase in lock-up shares during the year	Number of lock-up shares at the end of the year	Reason for lock-up restrictions	Date of unlocking
China Telecommunications Corporation	57,377,053,317	0	0	57,377,053,317	Initial public offering	2024-08-20
Guangdong Rising Holdings Group Co., Ltd.	5,614,082,653	0	0	5,614,082,653	Initial public offering	2022-08-22
Zhejiang Provincial Financial Development Co., Ltd.	2,137,473,626	0	0	2,137,473,626	Initial public offering	2022-08-22
Fujian Investment & Development Group Co., Ltd.	969,317,182	0	0	969,317,182	Initial public offering	2022-08-22
Jiangsu Guoxin Group Limited	957,031,543	0	0	957,031,543	Initial public offering	2022-08-22
Strategic allotment	0	0	662,250,000	662,250,000	Lock-up for strategic allotment of the initial public offering	2024-08-20
Strategic allotment	0	0	4,520,964,000	4,520,964,000	Lock-up for strategic allotment of the initial public offering	2022-08-22
Offline allotment with restrictions	0	0	986,228,087	986,228,087	Lock-up for offline allotment of the initial public offering	2022-02-21
<b>Total</b>	<b>67,054,958,321</b>	<b>0</b>	<b>6,169,442,087</b>	<b>73,224,400,408</b>	<b>/</b>	<b>/</b>



## 2. ISSUANCE AND LISTING OF SECURITIES

### (1) Issuance of securities during the Reporting Period

Unit: shares Currency: RMB

Type of shares and derivative securities	Date of issue	Issue price (or interest rate)	Number of shares issued	Date of listing	Number of shares approved for listing and trading	Date of termination
<b>Ordinary shares</b>						
A Shares	2021-08-09	RMB4.53 per share	10,574,770,378	2021-08-20	10,574,770,378	N/A
<b>Debentures (including corporate bonds, company bonds and non-financial corporate debt financing instruments)</b>						
2021 super short-term commercial papers (first tranche) publicly issued by China Telecom Corporation Limited	2021-01-19	2.30%	3,000,000,000	2021-01-21	3,000,000,000	2021-03-22
2021 super short-term commercial papers (second tranche) publicly issued by China Telecom Corporation Limited	2021-01-22	2.30%	2,000,000,000	2021-01-26	2,000,000,000	2021-02-25
2021 super short-term commercial papers (third tranche) publicly issued by China Telecom Corporation Limited	2021-02-24	2.30%	3,000,000,000	2021-02-26	3,000,000,000	2021-04-08

**Notes:**

1. The date of the A Share Offering as disclosed is the subscription date of the Offering;
2. The A Share Offering and Listing carried the Over-allotment Option mechanism. The Company issued an additional 178,635,111 shares on the basis of the initial issuance of 10,396,135,267 shares. The exercise period of the Over-allotment Option for the issuance expired on 22 September 2021. The total number of shares issued was 10,574,770,378 shares.

For details of the Company's issuance of company bonds during the Reporting Period, please refer to "Relevant Information on Bonds" in this report.

### (2) Changes in total number of shares and shareholding structure of the Company and changes in assets and liabilities structure of the Company

For changes in the total number of ordinary shares and shareholding structure of the Company, please refer to the relevant information in this section of this report. For details of changes in the structure of assets and liabilities of the Company, please refer to "Management's Discussion and Analysis (Report of the Directors)" of this report.



### 3. INFORMATION ON SHAREHOLDERS AND ULTIMATE CONTROLLER

#### (1) Total number of shareholders

Total number of ordinary shareholders as at the end of the Reporting Period	827,118
Total number of ordinary shareholders as at the end of February 2022	782,898

#### (2) Shareholdings of the top ten shareholders and the top ten shareholders of tradable shares (or shareholders of unrestricted shares) as at the end of the Reporting Period

Unit: shares

Name of shareholder (Full name)	Changes during the Reporting Period	Shareholdings of the top ten shareholders		Number of shares held with lock-up restrictions	Pledge, marking or freezing conditions		Nature of shareholder
		Number of shares held at the end of the period	Percentage (%)		Status of shares	Quantity	
China Telecommunications Corporation	459,642,444	57,836,695,761	63.20	57,377,053,317	Nil	-	State-owned legal person
HKSCC Nominees Limited	(953,351)	13,848,136,623	15.13	0	Nil	-	Foreign legal person
Guangdong Rising Holdings Group Co., Ltd.	0	5,614,082,653	6.14	5,614,082,653	Nil	-	State-owned legal person
Zhejiang Provincial Financial Development Co., Ltd.	0	2,137,473,626	2.34	2,137,473,626	Nil	-	State-owned legal person
Fujian Investment & Development Group Co., Ltd.	0	969,317,182	1.06	969,317,182	Nil	-	State-owned legal person
Jiangsu Guoxin Group Limited	0	957,031,543	1.05	957,031,543	Nil	-	Unknown
Suzhou High Speed Rail New Town Economic Development Co., Ltd	662,251,000	662,251,000	0.72	662,251,000	Nil	-	Unknown
Chengdu Vanguard Capital Management Limited – Chengdu Major Industrialisation Project Phase I Equity Investment Fund Limited	662,251,000	662,251,000	0.72	662,251,000	Nil	-	Unknown
China State-owned Enterprises Structural Adjustment Fund Co., Ltd	551,876,000	551,876,000	0.60	551,876,000	Nil	-	Unknown
State Grid Yingda International Holdings Group Co., Ltd.	441,501,000	441,501,000	0.48	441,501,000	Nil	-	Unknown



Shareholdings of the top ten shareholders without lock-up restriction

Name of shareholder	Number of tradable shares held without lock-up restriction	Class and number of shares	
		Class	Quantity
HKSCC Nominees Limited	13,848,136,623	Overseas-listed foreign-invested shares	13,848,136,623
China Telecommunications Corporation	459,642,444	RMB ordinary shares	459,642,444
Industrial and Commercial Bank of China – SSE 50 Trading Open-ended ETF	39,220,089	RMB ordinary shares	39,220,089
National Social Security Fund 006 Portfolio	22,745,700	RMB ordinary shares	22,745,700
Kong Fanxing	17,000,000	RMB ordinary shares	17,000,000
Gu Liming	15,224,700	RMB ordinary shares	15,224,700
Gu Jiawei	13,340,000	RMB ordinary shares	13,340,000
Wang Xiaoke	12,000,000	RMB ordinary shares	12,000,000
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Trading Open-ended ETF	11,641,200	RMB ordinary shares	11,641,200
Zheng Shenggui	11,096,825	RMB ordinary shares	11,096,825
Explanation on the securities account designated for share repurchase of the top ten shareholders		N/A	
Explanation on the voting rights entrusted by or waived by the above shareholders		N/A	
Description of connected relationship or acting in concert among the aforementioned shareholders		The Company is not aware of any connected relationship among the aforementioned shareholders or whether they act in concert.	
Description of the holders of preference shares with restored voting rights and their shareholding		N/A	



Shareholdings of the top ten shareholders with lock-up restrictions

Unit: shares

No.	Name of shareholders with lock-up restrictions	Number of shares held with lock-up restrictions	Listing and trading of shares with lock-up restrictions		Lock-up restrictions
			Date of listing and trading	Number of new shares available for listing and trading	
1.	China Telecommunications Corporation	57,377,053,317	2024-08-20	0	Lock-up for 36 months from the date of listing
2.	Guangdong Rising Holdings Group Co., Ltd.	5,614,082,653	2022-08-22	0	Lock-up for 12 months from the date of listing
3.	Zhejiang Provincial Financial Development Co., Ltd.	2,137,473,626	2022-08-22	0	Lock-up for 12 months from the date of listing
4.	Fujian Investment & Development Group Co., Ltd.	969,317,182	2022-08-22	0	Lock-up for 12 months from the date of listing
5.	Jiangsu Guoxin Group Limited	957,031,543	2022-08-22	0	Lock-up for 12 months from the date of listing
6.	Suzhou High Speed Rail New Town Economic Development Co., Ltd	662,251,000	2022-08-22	0	Lock-up for 12 months from the date of listing
7.	Chengdu Vanguard Capital Management Limited – Chengdu Major Industrialisation Project Phase I Equity Investment Fund Limited	662,251,000	2022-08-22	0	Lock-up for 12 months from the date of listing
8.	China State-owned Enterprises Structural Adjustment Fund Co., Ltd	551,876,000	2022-08-22	0	Lock-up for 12 months from the date of listing
9.	State Grid Yingda International Holdings Group Co., Ltd.	441,501,000	2022-08-22	0	Lock-up for 12 months from the date of listing
10.	China Publishing Group Corp.	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing



No.	Name of shareholders with lock-up restrictions	Listing and trading of shares with lock-up restrictions			
		Number of shares held with lock-up restrictions	Date of listing and trading	Number of new shares available for listing and trading	Lock-up restrictions
11.	Zhongdianke Investment Holding Co., Ltd.	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing
12.	State Development & Investment Corporation	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing
13.	China Energy Capital Holdings Co., Ltd	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing
14.	China-Africa Development Fund	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing
15.	Guoxin Investment Co., Ltd	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing
16.	Huawei Technologies Co., Ltd	220,750,000	2024-08-20	0	Lock-up for 36 months from the date of listing
17.	FAW Share Capital Investment (Tianjin) Co., Ltd	220,750,000	2022-08-22	0	Lock-up for 12 months from the date of listing
Description of connected relationship or acting in concert among the aforementioned shareholders			The Company is not aware of any connected relationship among the aforementioned shareholders or whether they act in concert.		

### (3) Strategic investors or general legal persons becoming top ten shareholders due to placing of new shares

Name of strategic investors or general legal persons	Start date of the agreed shareholding	End date of the agreed shareholding
Suzhou High Speed Rail New Town Economic Development Co., Ltd	20 August 2021	–
Chengdu Vanguard Capital Management Limited – Chengdu Major Industrialisation Project Phase I Equity Investment Fund Limited	20 August 2021	–
China State-owned Enterprises Structural Adjustment Fund Co., Ltd	20 August 2021	–
State Grid Yingda International Holdings Group Co., Ltd.	20 August 2021	–
Description of agreed term of shareholding in respect of strategic investors and general legal persons' participation in placing of new shares	Lock-up for 12 months from the date of listing	





## 4. INFORMATION ON CONTROLLING SHAREHOLDER AND ULTIMATE CONTROLLER

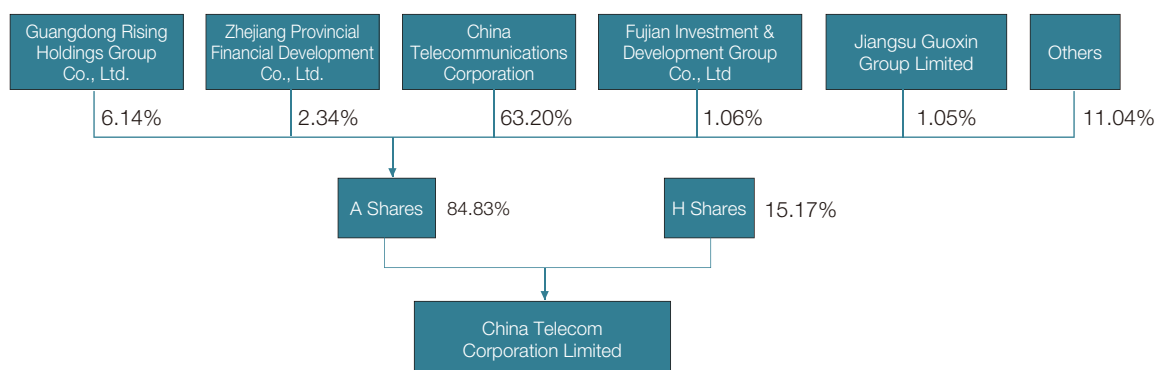
### (1) Information on controlling shareholder

#### 1. Legal person

Name	China Telecommunications Corporation
Person in charge or legal representative	Ke Ruiwen
Date of incorporation	27 April 1995
Principal business	Basic telecommunications services (see license for specific business scope); value-added telecommunications services (see license for specific business scope); chain operation of national internet service premises; operating its group companies and all state-owned assets and state-owned equity interests formed by state investment in the invested enterprises; contracting overseas telecommunications projects and domestic international bidding projects; operation of system integration, technology development, technical services, design and construction, equipment production and sales, advertising and information consultation related to communication and information business; import and export business; hosting exhibitions. (Market entities shall independently select business projects and carry out business activities in accordance with the law; for projects subject to approval in accordance with the law, business activities shall be carried out in accordance with the approved scope after approval by relevant authorities; business activities prohibited and restricted by the industrial policies of the State and the city shall not be carried out.)
Shareholdings in other domestic and overseas listed companies controlled or invested during the Reporting Period	China Telecommunications holds 69.39% equity interest in New Guomai Digital Culture Co., Ltd., 48.99% equity interest in CCS, 22.50% equity interest in China Broadcasting and Television Guangzhou Network Co., Ltd., and holds shares in Postal Savings Bank of China Co., Ltd., Western Securities Co., Ltd., Southwest Securities Co., Ltd., People.cn Co., Ltd., Xinhuanet Co., Ltd. and China Publishing & Media Corporation Limited.
Other information	N/A



## 2. Ownership and controlling relationship between the Company and the controlling shareholder



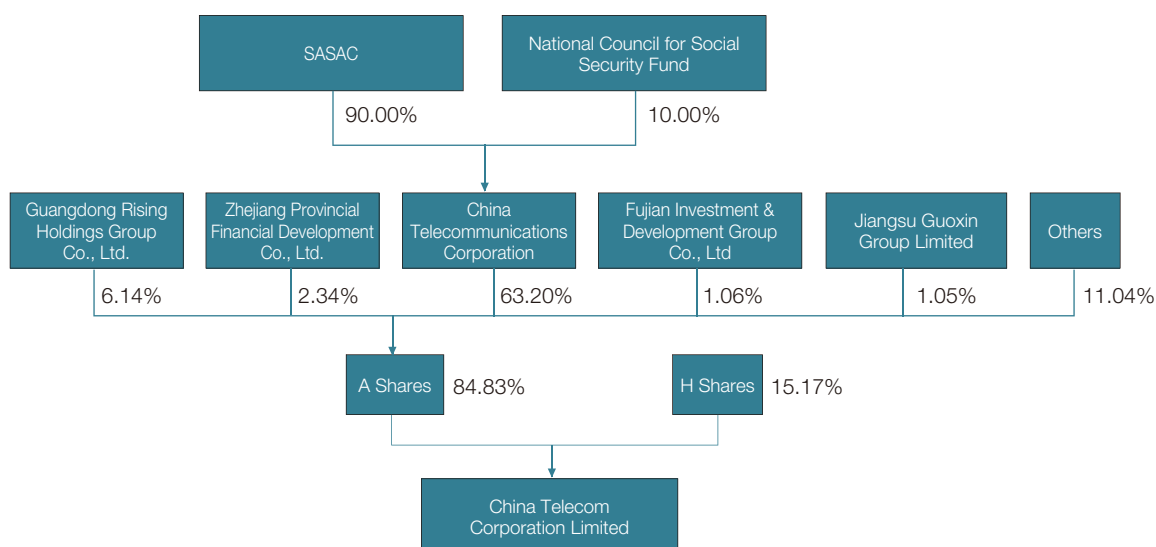
Note: Data as at 31 December 2021.

## (2) Ultimate controller

### 1. Legal person

Name	State-owned Assets Supervision and Administration Commission of the State Council ("SASAC")
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### 2. Ownership and controlling relationship between the Company and the ultimate controller



Note: Data as at 31 December 2021.



## 5. MATTERS REGARDING THE RESTRICTION OF REDUCING SHARES

### **(1) Restrictions on the circulation of shares and undertakings by shareholders to voluntarily lock-up their shares**

The Company's controlling shareholder, China Telecommunications, undertakes that:

Within 36 months from the date on which the A Shares of the Company are listed and traded on the SSE, it shall not transfer or entrust others to manage the shares held by China Telecommunications prior to the initial public offering of A Shares of the Company, nor shall the Company repurchase such shares. China Telecommunications undertakes to strictly comply with the Company Law, the Securities Law, the SSE Listing Rules and other laws and regulations, policy requirements and the relevant requirements of the CSRC for prudent supervision, and to determine the lock-up period by adopting a longer applicable period; In the event of future changes in the above laws and regulations and policies, China Telecommunications undertakes to determine the lock-up period in strict accordance with the requirements after the changes. If the shares held by China Telecommunications are reduced within two years after the expiration of the above-mentioned shareholding period, the price of such reduction shall not be lower than the issue price of the Company's initial public offering of A Shares; if the closing price of the Company's shares is lower than the issue price for 20 consecutive trading

days within 6 months after the listing of the Company, or the closing price at the end of 6 months after the listing of the Company (if such date is not a trading day, the first trading day thereafter) is lower than the issue price, the shareholding period of China Telecommunications shall be automatically extended for at least 6 months.

Each of Guangdong Rising, Zhejiang Financial Development, Fujian Investment Group and Jiangsu Guoxin, being the shareholders of the Company, undertakes that:

Within 12 months from the date on which the A Shares of the Company are listed and traded on a stock exchange, it shall not transfer or entrust others to manage the shares it held before the initial public offering of A Shares of the Company, nor shall the Company repurchase such shares; The lock-up period will be determined in strict compliance with the Company Law, the Securities Law, the SSE Listing Rules and other laws, regulations and policies as well as the relevant requirements of the CSRC for prudent supervision, and to determine the lock-up period by adopting a longer applicable period; In the event of future changes in the above laws and regulations and policies, the lock-up period will be determined in strict accordance with the requirements after the changes; In the event of failure to perform the above undertakings, it shall take the relevant liabilities in accordance with the relevant laws and regulations, regulatory documents and the provisions of the stock exchange's business rules and the requirements of the regulatory authorities.



## **(2) Undertaking on the intention of shareholding and the intention of shareholding reduction by shareholders holding more than 5% of the shares before the Offering**

Each of China Telecommunications, being the controlling shareholder of the Company, and Guangdong Rising, the shareholder holding more than 5% of the shares of the Company, undertakes that:

1. After the initial public offering and listing of A Shares of the Company, it will strictly comply with its undertakings on the lock-up period of its shares. After the expiration of the committed lock-up period, in compliance with the relevant laws and regulations, regulatory documents and the business rules of the stock exchange, it will determine whether to reduce its shareholding in the Company based on factors such as the overall conditions of the securities market, the Company's operating results and stock trends, and its business development needs.
2. After the initial public offering and listing of A Shares of the Company and the expiration of the committed lock-up period, if it decides to reduce its shareholding in the Company, it will be processed through the block trading system of the stock exchange, the centralised bidding trading system or by agreement as permitted by laws and regulations.
3. If it intends to reduce its shareholding, it shall notify the Company in writing in advance on the information such as the number of shares to be reduced and the reasons for such reduction, and the Company shall perform the information disclosure obligations in accordance with the relevant laws and regulations and regulatory rules. It may implement the reduction after three trading days from the date on which the Company discloses its intention to reduce its shareholding.
4. Reduction of shareholding in the Company will be implemented in accordance with the requirements of laws, administrative regulations, *the Several Provisions on Reduction of Shareholding by Shareholders, Directors, Supervisors and Senior Management of Listed Companies* and *the Implementation Rules for Reduction of Shareholding by Shareholders, Directors, Supervisors and Senior Management of Listed Companies of the Shanghai Stock Exchange*. If there are changes in the relevant laws and regulations, regulatory documents and the business rules of the stock exchange, the then effective provisions shall prevail.
5. Reduction of shares of the Company acquired through the secondary market after the initial public offering and listing of A Shares of the Company shall not be subject to the above undertakings.

In the event of failure to perform the above undertakings, it shall take the relevant liabilities in accordance with the relevant laws and regulations, regulatory documents, business rules of stock exchanges and requirements of regulatory authorities.