



SECTION VI SIGNIFICANT EVENTS

1. PERFORMANCE OF UNDERTAKINGS

(1) The ultimate controller, shareholders, related parties, acquirers of the Company, the Company, and other relevant parties of the undertakings during or subsisting to the Reporting Period

Background of undertakings	Type of undertakings	Undertaking party	Content of undertakings	Term for undertakings	Whether there is a term for performance	Whether performed timely and strictly	Specific reasons for the failure to timely honor the undertaking	Further plans in the event of failing to timely honor the undertakings
	Restricted tradable shares	Controlling shareholder	Restrictions on the circulation of the shares and the shareholders' commitment to voluntary lock-up their shares	36 months from the date of A Share listing of the Company	Yes	Yes	N/A	N/A
Undertakings related to the initial public offering	Restricted tradable shares	Guangdong Rising, Zhejiang Financial Development, Fujian Investment Group, Jiangsu Guoxin	Restrictions on the circulation of the shares and the shareholders' commitment to voluntary lock-up their shares	12 months from the date of A Share listing of the Company	Yes	Yes	N/A	N/A
	Restricted tradable shares	Controlling shareholder, Guangdong Rising	Undertakings on intention to hold shares and intention to sell shares	Long-term	Yes	Yes	N/A	N/A
	Resolving peer competition	Controlling shareholder	Non-competition undertaking	Long-term	Yes	Yes	N/A	N/A

SECTION VI SIGNIFICANT EVENTS

Background of undertakings	Type of undertakings	Undertaking party	Content of undertakings	Term for undertakings	Whether there is a term for performance	Whether performed timely and strictly	Specific reasons for the failure to timely honor the undertaking	Further plans in the event of failing to timely honor the undertakings
	Resolving related party transactions	Controlling shareholder, Guangdong Rising	Undertakings to regulate and reduce related party transactions	Long-term	Yes	Yes	N/A	N/A
	Resolution of defects in property rights of land	Controlling shareholder	Loss-bearing commitment for defects in property rights of land	Long-term	Yes	Yes	N/A	N/A
	Others	Controlling shareholder	Commitment to long-term use of trademark license	Long-term	Yes	Yes	N/A	N/A
	Others	Controlling shareholder, the Company, directors and senior management other than independent directors and directors who do not receive remuneration from the Company	Undertakings to stabilise the share price	Within three years from the date of A Share listing of the Company	Yes	Yes	N/A	N/A
	Others	The Company, controlling shareholder, directors and senior management	Undertaking to adopt remedial measures for dilution of the immediate returns by the issuance of share	Long-term	Yes	Yes	N/A	N/A
	Others	The Company, controlling shareholder, directors, supervisors and senior management	Undertaking that there is no false record, misleading statement, or material omission in the prospectus	Long-term	Yes	Yes	N/A	N/A
	Others	The Company, controlling shareholder, directors, supervisors and senior management	Undertaking on binding measures for the failure to perform the commitment	Long-term	Yes	Yes	N/A	N/A
	Others	The Company	Undertaking on disclosure of shareholders' information	Long-term	Yes	Yes	N/A	N/A
Other undertakings	Dividend	The Company	Undertaking on the profit distribution policy and the arrangement in relation to the accumulated profits	Long-term	Yes	Yes	N/A	N/A



2. MATERIAL CONTRACTS AND PERFORMANCE

(1) Material guarantees performed and not yet fulfilled during the Reporting Period

Unit: yuan Currency: Renminbi

External guarantees provided by the Company (excluding guarantees provided for its subsidiaries)

Total amount of guarantees incurred during the Reporting Period (excluding those provided to subsidiaries)	0
Total balance of guarantees as at the end of the Reporting Period (A) (excluding those provided to subsidiaries)	0

Guarantees provided by the Company to its subsidiaries

Total amount of guarantees provided to subsidiaries incurred during the Reporting Period	6,736,818.00
Total balance of guarantees provided to subsidiaries as at the end of the Reporting Period (B)	16,253,443.90

Aggregate guarantees of the Company (including those guarantees provided to its subsidiaries)

Aggregate amount of guarantees (A + B)	16,253,443.90
Percentage of total aggregate amount of guarantee to net assets of the Company (%)	0.004
Representing:	
Amount of guarantees provided for shareholders, ultimate controller and their related parties (C)	0
Amount of debt guarantees directly or indirectly provided to guaranteed parties with gearing ratio over 70% (D)	0
Amount of total guarantee exceeding 50% of net assets (E)	0
Aggregate amount of the above three guarantees (C + D + E)	0
Explanation on the potential joint and several liability for outstanding guarantees	Nil

Clarification of guarantee

During the Reporting Period, the external guarantees provided by the Company were non-financing guarantees provided by China Telecom Group Finance Co., Ltd. and China Telecom Global Limited, all being subsidiaries of the Company, to wholly-owned subsidiaries of the Company. If the amount of the above-mentioned external guarantees involves foreign currency, it would be converted at the median rate for the exchange rate of RMB announced by the People's Bank of China on 30 June 2022.



(2) Description of guarantees during the Reporting Period

The Company held the 12th meeting of the seventh session of the Board on 10 November 2021, at which the Proposal on the Plan for External Guarantee was considered and approved, pursuant to which the provision of guarantee in an aggregate amount of not exceeding RMB182.85 million by the Company's subsidiaries (hereinafter referred to the Company's wholly-owned and holding companies), including China Telecom Finance, China Telecom Global and China Telecom (Europe) Limited, a wholly-owned subsidiary of China Telecom Global, to the Company's wholly-owned subsidiaries was approved. The limits of the guarantee shall be valid from the date of consideration and approval by the Board of the Company to 31 March 2022. For details, please refer to the "Announcement of China Telecom Corporation Limited on the Plan for External Guarantee" disclosed by the Company on 10 November 2021. Within the scope of the above guarantee limits, China Telecom Finance, a subsidiary of the Company, entered into an agreement of guarantee with China Telecom Digital Intelligence Technology on 14 December 2021, pursuant to which China Telecom Finance agreed to provide guarantee to China Telecom Digital Intelligence Technology with a limit of not more than RMB100 million.

According to the needs of daily production and operation, China Telecom Finance and China Telecom Global, both being subsidiaries of the Company, contemplated to provide guarantees to wholly-owned subsidiaries of the Company in 2022, with the provision of guarantee in an aggregate amount of not exceeding RMB205.80 million (or equivalent foreign currency). The guarantee limit is valid until 31 March 2023. The guaranteed are all wholly-owned subsidiaries of the Company with asset-liability ratio not exceeding 70%. In accordance with relevant laws and regulations, China Telecom Finance and China Telecom Global have separately performed relevant internal decision-making procedures for the above guarantees. For details, please refer to the "Announcement of China Telecom Corporation Limited on the Plan for External Guarantee for 2022" disclosed by the Company on 30 March 2022.

(3) The progress of guarantees during the Reporting Period

Within the scope of the above guarantee limit, China Telecom Finance provided three guarantees totaling RMB6,736,818.00 to China Telecom Digital Intelligence Technology pursuant to its application. The details of the guarantees are as follows:

Guarantor	Guaranteed party	Amount of guarantee (RMB)	Guarantee period	Type of guarantee	Method of guarantee
	China Telecom Digital Intelligence Technology Co., Ltd Shaanxi Branch	6,550,318.00	07 May 2022 to 06 September 2022	Non-financing guarantee	Performance guarantee
China Telecom Group Finance Co., Ltd.	China Telecom Digital Intelligence Technology Co., Ltd Anhui Branch	144,000.00	25 May 2022 to 05 April 2023	Non-financing guarantee	Performance guarantee
	China Telecom Digital Intelligence Technology Co., Ltd Anhui Branch	42,500.00	25 May 2022 to 24 May 2023	Non-financing guarantee	Performance guarantee

(4) The cumulative amount of guarantees and the amount of overdue guarantees

As at the end of the Reporting Period, the balance of external guarantees provided by the Company and its subsidiaries was RMB16.2534 million, all of which were guarantees provided by subsidiaries of the Company to other wholly-owned subsidiaries of the Company. The Company did not provide guarantees to its subsidiaries or third parties, and there was no overdue guarantee. Any amount of the above-mentioned external guarantees involving foreign currency is converted at the median rate of the exchange rate of RMB announced by the People's Bank of China on 30 June 2022.

3. DESCRIPTION OF OTHER SIGNIFICANT EVENTS

1. On 21 September 2021, the Company published the "Announcement on the Plan to Increase Shareholding by the Controlling Shareholder", pursuant to which, China Telecommunications proposed to increase its shareholding in the Company by an amount of not less than RMB4 billion, as and when appropriate, during the twelve-month period from 22 September 2021. There is no price range for the increase in shareholding. In view of the fair judgement on the Company's share price, China Telecommunications would 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. The shareholding increase plan is a voluntary shareholding increase plan of China Telecommunications and is implemented separately from the plan for share price stabilisation within three years after the A Share listing of the Company. On 7 March 2022, the Company published

the "Announcement on the Progress of Shareholding Increase by the Controlling Shareholder of China Telecom Corporation Limited". From 22 September 2021 to 7 March 2022, China Telecommunications increased its shareholding in the Company by 466,948,944 A Shares in aggregate through the trading system of the SSE, representing 0.51% of the total issued shares of the Company. The cumulative amount of the shareholding increase was RMB2,009,939,616.73, which has exceeded 50% of the lower limit of the amount of the shareholding increase plan. After the implementation of the above-mentioned shareholding increase, China Telecommunications held 57,844,002,261 A Shares of the Company, representing 63.21% of the total issued shares of the Company. On 21 March 2022, the Company published the "Announcement on the Progress of Shareholding Increase by the Controlling Shareholder of China Telecom Corporation Limited and Half of the Period Passed for the Increase of Shareholding". As at 21 March 2022, half of the period for the increase of shareholding has passed. From 22 September 2021 to 21 March 2022, China Telecommunications has increased its shareholding in the Company by 593,198,098 A Shares, representing 0.65% of the total issued shares of the Company, through the trading system of the SSE, for an aggregate amount of RMB2,515,805,248.38. After the above increase in shareholding, China Telecommunications held 57,970,251,415 A Shares of the Company, representing 63.35% of the total issued shares of the Company.



2. On 27 January 2022, the Company published the “Announcement on Measures of the Share Price Stabilisation of China Telecom Corporation Limited”. According to the “Proposal regarding the Price Stabilisation Plan of A Shares within Three Years Following the Initial Public Offering and Listing of RMB ordinary shares (A Shares) of China Telecom Corporation Limited”, China Telecommunications intended to take measures to stabilise share price by increasing its A Shares holding of the Company. China Telecommunications proposed to increase its holding in A Shares of the Company by the amount of not less than RMB500 million, as and when appropriate, during the twelve-month period from 28 January 2022. There is no price range for the shareholding increase. The source of funding for the increase will be self-owned capital fund. In view of the fair judgement on the Company’s share price, China Telecommunications would 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.