

SECTION VI SIGNIFICANT EVENTS

1. PERFORMANCE OF UNDERTAKINGS

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 undertaking	Type of undertakings	Undertaking party	Content of undertakings	Time of undertaking	Whether there is a term for performance		Whether performed strictly	Specific reasons for the failure to timely honor the undertaking	Further plans in the event of failing to timely honor the undertakings
					Term for	undertakings			
Undertakings related to the initial public offering	Restricted tradable shares	Controlling shareholder	Restrictions on the circulation of the shares and the shareholders' commitment to voluntary lock-up their shares	2021-08-20	Yes	36 months from the date of A Share listing of the Company	Yes	N/A	N/A
	Restricted tradable shares	Controlling shareholder, Guangdong Rising	Undertakings on intention to hold shares and intention to sell shares	2021-08-20	Yes	Long-term	Yes	N/A	N/A
Resolving peer competition	Controlling shareholder	Non-competition undertaking	2021-08-20	Yes	Long-term	Yes	N/A	N/A	
Resolving related party transactions	Controlling shareholder, Guangdong Rising	Undertakings to regulate and reduce related party transactions	2021-08-20	Yes	Long-term	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	2021-08-20	Yes	Long-term	Yes	N/A	N/A	
Others	Controlling shareholder	Commitment to long-term use of trademark license	2021-08-20	Yes	Long-term	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	2021-08-20	Yes	Within three years from the date of A Share listing of the Company	Yes	N/A	N/A	

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Background of undertaking	Type of undertakings	Undertaking party	Content of undertakings	Time of undertaking	Whether there is a term for performance	Term for undertakings	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 undertaking
Others	The Company, controlling shareholder, directors and senior management	The Company, controlling shareholder, directors and senior management	Undertaking to adopt remedial measures for dilution of the immediate returns by the issuance of share	2021-08-20	Yes	Long-term	Yes	N/A	N/A
Others	The Company, controlling shareholder, directors, supervisors and senior management	The Company, controlling shareholder, directors, supervisors and senior management	Undertaking that there is no false record, misleading statement, or material omission in the prospectus	2021-08-20	Yes	Long-term	Yes	N/A	N/A
Others	The Company, controlling shareholder, directors, supervisors and senior management	The Company, controlling shareholder, directors, supervisors and senior management	Undertaking on binding measures for the failure to perform the commitment	2021-08-20	Yes	Long-term	Yes	N/A	N/A
Others	The Company	The Company	Undertaking on disclosure of shareholders' information	2021-08-20	Yes	Long-term	Yes	N/A	N/A
Others	Dividend	The Company	Undertaking on the profit distribution policy and the arrangement in relation to the accumulated profits	2021-08-20	Yes	Long-term	Yes	N/A	N/A

2. MATERIAL CONTRACTS AND PERFORMANCE

MATERIAL GUARANTEES PERFORMED AND NOT YET FULFILLED DURING THE REPORTING PERIOD

Unit: yuan Currency: Renminbi

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

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

Guarantees provided by the Company to its subsidiaries

Total amount of guarantees provided to subsidiaries incurred during the Reporting Period	17,813,420.70
Total balance of guarantees provided to subsidiaries as at the end of the Reporting Period (B)	44,058,819.19

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

Aggregate amount of guarantees (A + B)	44,058,819.19
Percentage of total aggregate amount of guarantee to net assets of the Company (%)	0.0096
Representing:	
Amount of guarantees provided for shareholders, ultimate controller and their related parties (C)	-
Amount of debt guarantees directly or indirectly provided to guaranteed parties with gearing ratio over 70% (D)	-
Amount of total guarantee exceeding 50% of net assets (E)	-
Aggregate amount of the above three guarantees (C + D + E)	-
Explanation on the potential joint and several liability for outstanding guarantees	Nil

Clarification of guarantee

The external guarantees provided by the Company were non-financing guarantees provided by China Telecom Group Finance Co., Ltd. and China Telecom Global Limited, both 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 28 June 2024.

SECTION VI SIGNIFICANT EVENTS

(1) Description of guarantees during the Reporting Period

According to the needs of daily production and operation, China Telecom Finance, China Telecom Global and China Telecom Middle East FZ-LLC, all being subsidiaries of the Company, contemplated to provide guarantees to wholly-owned subsidiaries of the Company in 2023, in an aggregate amount of not exceeding RMB393.50 million (or equivalent foreign currency). The guarantee limit is valid until 31 March 2024. The guaranteed entities 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, China Telecom Global and China Telecom Middle East FZ-LLC have separately performed relevant internal decision-making procedures for the above guarantees. For details, please refer to the "Announcement on the Plan for External Guarantee for 2023 of China Telecom Corporation Limited" disclosed by the Company on 30 March 2023. 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 29 February 2024, pursuant to which China Telecom Finance agreed to provide guarantee to China Telecom Digital Intelligence Technology with a limit of not more than RMB300 million. During the Reporting Period and within the scope of the guarantee limit under the agreement of guarantee described above, China Telecom Finance provided three guarantees to China Telecom Digital Intelligence Technology, details of which are set out in the section below headed "[2] the progress of guarantees during the Reporting Period" in this report.

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 2024, in an aggregate amount of not exceeding RMB479.20 million (or equivalent foreign currency). The guarantee limit is valid until 31 March 2025. The guaranteed entities are all wholly-owned subsidiaries of the Company with asset-liability ratio not exceeding 70%. In accordance with relevant laws and regulations, the guarantors have separately performed relevant internal decision-making procedures for the above guarantees. For details, please refer to the "Announcement on the Plan for External Guarantee for 2024 of China Telecom Corporation Limited" disclosed by the Company on 26 March 2024.

(2) The progress of guarantees during the Reporting Period

In the second quarter of 2024 and within the scope of the aggregate guarantee limit described above, China Telecom Finance provided four guarantees totaling RMB17.2322 million to China Telecom Digital Intelligence Technology and China Telecom Digital City Technology Co., Ltd. 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 Group Finance Co., Ltd.	China Telecom Digital Intelligence Technology Co., Ltd. Anhui Branch	89,000.00	19 April 2024 to 13 August 2027	Non-financing guarantee	Quality guarantee
	China Telecom Digital Intelligence Technology Co., Ltd.	39,595.00	29 April 2024 to 7 May 2024	Non-financing guarantee	Performance guarantee
	China Telecom Digital Intelligence Technology Co., Ltd. Anhui Branch	2,103,600.00	24 May 2024 to 25 May 2024	Non-financing guarantee	Advance payment guarantee
	China Telecom Digital City Technology Co., Ltd.	15,000,000.00	24 June 2024 to 23 June 2025	Non-financing guarantee	Performance guarantee

Note: For details of the progress of guarantees during the first quarter of 2024, please refer to the 2024 First Quarter Report of China Telecom Corporation Limited published on 23 April 2024.

(3) 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 RMB44.0588 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 28 June 2024.