



Press Release
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For Immediate Release

China Telecom Corporation Limited Announces Results for Year 2024

**Actively Embracing Artificial Intelligence,
Making Solid New Strides Towards High-Quality Development
Operating Performance Continues to Grow,
Striving to Create Value for Shareholders**

FINANCIAL HIGHLIGHTS¹

(RMB Million)	2024	2023	Rates of change
Operating Revenues	529,417	513,551	3.1%
Service Revenues ²	482,033	464,965	3.7%
of which: Mobile communications service revenues	202,524	195,660	3.5%
Wireline and Smart Family service revenues	125,680	123,063	2.1%
Industrial Digitalisation service revenues	146,588	138,890	5.5%
EBITDA ³	140,847	136,830	2.9%
Net Profit ⁴	33,012	30,446	8.4%
EPS (RMB)	0.36	0.33	8.4%
ROE	7.3%	6.9%	0.4p.p.
Full-year dividend per share (RMB)	0.2598	0.2332	11.4%

BUSINESS HIGHLIGHTS

(Million)	2024	2023	Net addition
Mobile Subscribers	424.52	407.77	16.75
of which: 5G Package Subscribers	351.48	318.66	32.82
Broadband Subscribers	197.44	190.16	7.28

¹ All figures are based on IFRS Accounting Standards.

² Service revenues are calculated based on operating revenues minus sales of mobile terminals, sales of wireline equipment and other non-service revenues.

³ EBITDA is calculated based on operating revenues minus operating expenses plus depreciation and amortisation.

⁴ Net profit represents profit attributable to equity holders of the Company.

China Telecom Corporation Limited (hereinafter “China Telecom” or the “Company”) (Stock Code on the Hong Kong Stock Exchange: 728) (Stock Code on the Shanghai Stock Exchange: 601728) announces its 2024 annual results today in Hong Kong.

In 2024, the Company firmly grasped the direction of artificial intelligence development. Having implemented the new development principles completely, accurately and comprehensively, the Company is also resolutely fulfilling its responsibilities in building Cyberpower and Digital China, as well as safeguarding network and information security. The Company further deepened the implementation of its Cloudification and Digital Transformation strategy and accelerated the transformation towards a service-oriented, technology-oriented, and secured enterprise. Insisting on leading industrial innovation with sci-tech innovation, the Company accelerated the development of new quality productive forces in light of its own conditions, and continuously improved the supply level of high-quality products and services. The Company also expanded the scale of strategic emerging businesses and consistently deepened corporate reform, and comprehensively advanced opening up and cooperation. With the enhancement of the quality and upgrade of digital information infrastructure, the Company maintained a continued growth in operating performance, and made solid new strides towards high-quality development.

In 2024, the Company’s operating revenues amounted to RMB529.4 billion, representing an increase of 3.1% year-on-year. Of which, service revenues amounted to RMB482.0 billion, representing an increase of 3.7% year-on-year. EBITDA amounted to RMB140.8 billion, representing an increase of 2.9% year-on-year. Net profit amounted to RMB33.0 billion, representing an increase of 8.4% year-on-year, and the basic earnings per share were RMB0.36. Capital expenditure was RMB93.5 billion, representing a decrease of 5.4% year-on-year. Free cash flow reached RMB22.2 billion, representing an increase of 70.7% year-on-year.

The strategic emerging businesses led the dual engines; fundamental businesses maintained stable growth; and Industrial Digitalisation business achieved sound growth. In 2024, the Company’s mobile communications service revenues reached RMB202.5 billion, representing an increase of 3.5% year-on-year. Of which, revenue from mobile value-added and applications increased by 16.1% year-on-year, bringing the total number of mobile subscribers to 425 million, and mobile ARPU reached RMB45.6. Wireline and Smart Family service revenues reached RMB125.7 billion, representing an increase of 2.1% year-on-year. Of which, revenue from the Smart Family business increased by 16.8% year-on-year. The number of broadband subscribers reached 197 million, and the broadband blended ARPU reached RMB47.6. Revenue from Industrial Digitalisation business reached RMB146.6 billion, representing an increase of 5.5% year-on-year and accounting for 30.4% of service revenues, up by 0.5 p.p. over last year. The revenue from China Telecom Cloud amounted to RMB113.9 billion, representing an increase of 17.1% year-on-year; revenue from IDC reached RMB33 billion, representing an increase of 7.3% year-on-year; revenue from the security business reached RMB16.2 billion, representing an increase of 17.2% year-on-year; intelligent revenue reached RMB8.9 billion, representing an increase of 195.7% year-on-year; Internet of Video Things (IoVT) revenue increased by 40.1% year-on-year.

The Company attaches great importance to shareholder returns. It continuously promotes the synchronised growth of market value and corporate value and strives to enhance its profitability and cash flow generation capabilities. Taking the Company's profitability into full consideration, alongside cash flow levels and capital needs for its future development, the Board of Directors has decided to recommend at the Annual General Meeting that the profit to be distributed in cash for the year 2024 shall represent 72% of the profit attributable to equity holders of the Company for the year. A final dividend of RMB0.0927 per share (pre-tax) will be declared for year 2024. Together with the 2024 interim dividend of RMB0.1671 per share (pre-tax), which has been already distributed, the full year dividend of 2024 amounts to RMB0.2598 per share (pre-tax), and the aggregate amount of the full year dividend increased by 11.4% year-on-year. Within three years from 2024, the profit distributed in cash by the Company will gradually increase to above 75% of the profit attributable to equity holders of the Company for the year, continuously creating more value for shareholders.

The Company adhered to a customer-oriented approach, actively seizing new consumption trends driven by digital technology and deeply empowering product and service innovation and upgrades with AI and other strategic emerging elements to continuously enhance its business value and customer perception. In 2024, mobile and broadband ARPU remained stable, and the penetration rate of AI, quantum-encrypted messages and calls and handset direct-to-satellite applications steadily increased. The Company continued to deepen the "All Customers' Say" service mechanism and launched the brand-new "Good Service, Customised Service" initiatives, consolidating and enhancing its advantages in terms of customer satisfaction and service reputation.

The Company regarded sci-tech innovation as the core essence of its corporate strategy and the pillar for high-quality development, and accelerated its construction of a leading sci-tech enterprise. It focused on the four fundamental technology directions of network, cloud and cloud-network integration, artificial intelligence and quantum/security, and continuously strengthened core technologies. The Company stepped up its investment in R&D resources with R&D expenses increasing by 11.3% year-on-year. The echelon pattern of sci-tech talents, composed of 5 leading talents, a thousand chief/senior experts, and ten thousand technical experts, has been basically formed.

The Company continued to build a complete and in-depth security and defense system, covering “cloud, network, edge, terminal, application, data and aerial-ground integration”. It comprehensively enhanced customers’ security assurance capabilities, and constructed systematic capabilities including Secure Connectivity, Secure Services and Secure Integration. e-Surfing Security Brain, which was based on internet connections, developed 354,000 new lines, bringing the total to 500,000 lines. The cleaning capacity for whole-network traffic of its Anti-DDoS Cloud Dam, which was based on all-domain networks, reached 16.3 Tbps, maintaining a leading position in terms of its protection capability and market share.

China Telecom Cloud is fully advancing into a new stage of intelligent cloud development. The “Xirang” integrated intelligent computing service platform offered capabilities such as heterogeneous ubiquitous computing power, robust computing network scheduling, efficient training and inference engines, one-stop intelligent computing services, high-quality datasets, secure and fast model services as well as a wealth of industry intelligent applications. It completed deep adaptation and optimization with various mainstream intelligent computing chips and the DeepSeek-R1/V3 series of large models, becoming the first domestic operator-level cloud platform to achieve the full-stack localization of DeepSeek model inference services, and deployed them over a full suite of products such as cloud hosts, cloud computers, cloud phones, MaaS services, computing power scheduling platform s and edge security acceleration platforms. With advantages such as full-stack independent control, flexible model selection and heterogeneous computing power integration, it supported the efficient training and flexible deployment, and doubled inference performance of mainstream models like DeepSeek. The Company gathered resources from all parties to further its expansion in intelligent computing. In collaboration with 50 computing power partners, its total self-owned and connected intelligent computing power reached 62 EFLOPS.

The Company thoroughly implemented “AI+”, completing the “1+1+1+M+N” overall layout for artificial intelligence. Adhering to the philosophy of independent innovation, opening up and cooperation, it developed the Xingchen multimodal general large model foundation. It developed AI-native applications such as intelligent systems and industrial solutions, as well as over 10 standardised AI products including AI smartphones and AI cloud computers. The Company launched over 50 industrial large models, serving more than 10,000 industrial customers. It accelerated the implementation and promotion of industrial large models in areas such as grassroots governance, smart government customer service and tourism guidance. It also undertook the construction of 3 national-level data annotation bases. In the meantime, its data intelligence core platform served over 150 customers and built a large model training dataset comprising over 9 trillion Tokens. The Company inspired the new momentum and new model of “Quantum+” for the future development of the industry. Alongside steady progress in the construction of quantum security infrastructure, its exploration of quantum technology transformation and commercialisation also showed initial results.

The Company fully leveraged the advantages of cloud-network integration, adhered to the principle of network as the foundation, cloud as the core and security as the guarantee, seizing the direction of artificial intelligence development, expediting the enhancement and upgrade of new digital information infrastructure and empowering the development of AI. Network for AI, the Company appropriately advanced the deployment of cloud-network infrastructure for AI, establishing two all-liquid-cooling pools with ten-thousand GPUs in Beijing-Tianjin-Hebei and Yangtze River Delta, and deploying computing power pools with a thousand GPUs in Guangdong, Jiangsu, Zhejiang, Mongolia and Guizhou, making the intelligent computing power resources reaching 35 EFLOPS. The Company promoted the comprehensive upgrade of data centers to AIDC, relying on large parks in key regions, provincial and municipal telecom facility rooms, and edge stations to meet various intelligent computing deployment needs such as training and inference, central and edge, cloud side and terminal side. The Company continuously strengthened its fundamental network connectivity capabilities, and continued deepening of co-building and co-sharing with China Unicom. The total number of 5G mid-to-high frequency base stations reached 1.375 million. The 5G network achieved contiguous coverage in areas of townships and above across the country, while the in-depth coverage rate of key areas and key scenes increased to 90%. Coverage and perceived speed of mobile network steadily increased. The Company continued to strengthen the strategic deployment of 5G-A, sizeably deploying approximately 70,000 stations across 121 cities, with RedCap coverage exceeding 200 cities. The Company enhanced the construction of international network capabilities, initiated the establishment of full-service international communication gateway stations in Kunming and Haikou, increased submarine cable bandwidth by 5T, and actively opened strategic transit channels in “the Belt and Road” direction.

Currently, China's economy is in a critical period of structural adjustment and transformative upgrade. The new round of sci-tech revolution and industrial transformation is accelerating, with the new-generation of information technology represented by artificial intelligence profoundly changing the production, life, and social governance models. New scenarios and new demands for digital services are continuously emerging, exhibiting new characteristics of diversification and scenario-based development. The country is providing stronger support for the “Two Focuses” projects and intensifying the implementation of the “Two Upgrades” policies, placing the industry and Company at a crucial juncture for accelerating high-quality development.

Chairman Ke pointed out that, artificial intelligence is the direction, and even more so, the reality. China Telecom will fully embrace artificial intelligence, remain steadfast in its direction, and seize opportunities. It will continue to deeply implement its Cloudification and Digital Transformation strategy, and strive to build a service-oriented, technology-oriented, and secured enterprise. It will place greater emphasis on the theme of high-quality development, while harnessing driving forces from reforms and opening up, with strengthening the enterprise with talents as the key. The Company will continue to promote the deep integration of sci-tech innovation and industrial innovation, facilitating the smooth transition between new and old development momentum. It will further strengthen the supply of high-quality, efficient digitalised and intelligent products and services, thereby boosting consumption and meeting the new demands of thousands of industries and households for a better digital life, deeply promote the “Artificial Intelligence+” initiative, advancing the empowerment of economy and society with artificial intelligence applications, the Company continuously enhance its core functions and core competitiveness. Accelerating the building of a world-class enterprise, the Company will proactively bring returns to shareholders, and strive to write a new chapter in Chinese-style modernised telecommunications.

For further information, please browse the Company's website at: www.chinatelecom-h.com or scan below QR code to follow China Telecom's IR public account on Wechat (content available in Chinese only).



FORWARD-LOOKING STATEMENTS

The development strategies, future business plans, prospects and other forward-looking statements in this document do not constitute commitment by China Telecom Corporation Limited to investors. 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. Investors are advised to pay attention to investment risks.

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