

China Telecom Corporation Limited
Announces Interim Results for Year 2025

Completing intelligent cloud system construction
Upgrading the “Cloudification, Digital Transformation and AI for Good”
strategy comprehensively
Improving corporate governance capabilities continuously
Taking solid strides towards high-quality development

FINANCIAL HIGHLIGHTS¹

<i>(RMB Million)</i>	2025 First Half	2024 First Half	Rates of change
Operating Revenues	271,469	268,011	1.3%
Service Revenues ²	249,112	246,235	1.2%
of which: Mobile communications service revenues	106,572	105,217	1.3%
Wireline and Smart Family service revenues	64,133	63,993	0.2%
Industrial Digitalisation service revenues	74,853	73,750	1.5%
EBITDA ³	80,588	76,792	4.9%
Net Profit ⁴	23,017	21,812	5.5%
EPS <i>(RMB)</i>	0.25	0.24	5.5%
ROE	5.0%	4.8%	0.2p.p.
Interim dividend per share <i>(RMB)</i>	0.1812	0.1671	8.4%

BUSINESS HIGHLIGHTS

<i>(Million)</i>	2025.06	2024	Net addition
Mobile Subscribers	432.71	424.52	8.19
of which: 5G Network Subscribers	282.02	250.73	31.29
Wireline Broadband Subscribers	198.60	197.44	1.16

<i>(kTB)</i>	2025 First Half	2024 First Half	Rates of change
Handset Data Traffic	49,953	42,951	16.3%

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 2025 interim results today in Hong Kong.

In the first half of 2025, the Company completely, accurately, and comprehensively implemented the new development principles, resolutely fulfilled its responsibilities in building China’s strength in cyberspace, science and technology, Digital China, as well as safeguarding network and information security. By accurately grasping the trends in sci-tech innovation and industrial development, the Company fully embraced artificial intelligence, promoted the upgrade of its corporate strategy from “Cloudification and Digital Transformation” to “Cloudification, Digital Transformation and AI for Good”, and continuously advanced its high-quality development.

Overall results

In the first half of 2025, the Company’s operating revenues amounted to RMB271.5 billion, representing an increase of 1.3% year-on-year. Of which, service revenues amounted to RMB249.1 billion, representing an increase of 1.2% year-on-year. EBITDA amounted to RMB80.6 billion, representing an increase of 4.9% year-on-year. Net profit amounted to RMB23.0 billion, representing an increase of 5.5% year-on-year. The basic earnings per share were RMB0.25. Capital expenditure was RMB34.2 billion. Free cash flow reached RMB13.1 billion, representing an increase of 13.9% year-on-year.

The Company continued to promote the integrated development driven by the innovation-led dual engines of its fundamental businesses and Industrial Digitalisation business, with its fundamental businesses growing steadily and strategic emerging businesses developing rapidly. In the first half of 2025, the Company’s mobile communications service revenues amounted to RMB106.6 billion, representing an increase of 1.3% year-on-year; Wireline and Smart Family service revenues amounted to RMB64.1 billion, representing an increase of 0.2% year-on-year. The number of mobile subscribers reached 433 million, and the number of broadband subscribers reached 199 million. Mobile ARPU reached RMB46.0, and broadband blended ARPU reached RMB48.3. Revenue from Industrial Digitalisation reached RMB74.9 billion, and AIDC revenues increased by 7.4% year-on-year. Revenue from key strategic emerging products maintained rapid growth, with revenue from China Telecom Cloud reaching RMB57.3 billion. Intelligent revenues reached RMB6.3 billion, representing an increase of 89.4% year-on-year. Revenue from the security business reached RMB9.1 billion, representing an increase of 18.2% year-on-year. Internet of Video Things (IoVT) revenues increased by 46.2% year-on-year, satellite revenues increased by 20.5% year-on-year, and quantum revenues increased by 171.1% year-on-year.

The Company attaches great importance to shareholder returns, continuously strengthens market value management, promotes the growth of market value and enterprise value, and strives to enhance its profitability and cash flow generation capabilities. The Board of Directors has decided to continue distributing an interim dividend in 2025, with the profit to be distributed in cash representing 72% of the profit attributable to equity holders of the Company for the first half of the year, i.e., RMB0.1812 per share (pre-tax), representing an increase of 8.4% year-on-year. It is intended that the proportion of profit to be distributed in cash by the Company to profit attributable to equity holders in 2025 would be further increased compared to 2024, thereby continuously creating greater value for shareholders.

Completing the construction of intelligent cloud system and deeply promoting the “AI+” initiative

With the No. 1 technology “Xirang” as the core, the Company completed the construction of intelligent cloud system, leveraging cloud-network integration to provide integrated intelligent cloud services encompassing “computing power + platform + data + model + application”. At the IaaS layer, the Company continued to optimise the computing power supply structure, with the total scale of self-owned and accessed computing power reaching 77 EFLOPS, providing heterogeneous computing power services covering general computing, intelligent computing, supercomputing and quantum computing. At the PaaS layer, the Company accelerated the upgrade of its intelligent computing platform, providing one-stop computing power scheduling and AI development services, efficiently meeting customers’ needs for training and inference scenarios. At the DaaS layer, the Company built the “Xinghai” data intelligent middle platform to promote the deep integration of proprietary datasets, open-source datasets, and third-party datasets, aggregating over 10 trillion tokens of general large model corpus data and datasets from 14 industries, with a total volume exceeding 350TB. At the MaaS layer, the Company built a full-modal, full-size, and fully homegrown Xingchen large model. Third-party foundational large models and various industrial large models were actively introduced to meet the diverse needs for large model selection and application scenario innovation. At the SaaS layer, focusing on the digital needs of production, life, and governance, the Company created standardised AI products and launched industrial large model and agent services for scenario-based demands, serving the smart life of individual household subscribers and empowering the digital transformation of enterprise production and governance. In addition, the Company released Agent as a Service (AaaS) and Terminal as a Service (TaaS) systems, empowered the intelligent transformation and upgrading of industries, and popularised the applications of artificial intelligence. The Company deeply advanced AI technology empowerment, creating over 160 AI applications across 21 key areas, and effectively driving cost reduction while enhancing quality and efficiency.

Further deepening reform and opening up on all fronts, improving the governance system and enhancing governance capabilities

Through further deepening reform and opening up on all fronts, the Company broke down institutional and mechanism barriers that hinder high-quality development, and promoted the modernisation of its corporate governance system and governance capabilities. By pursuing deep insights into customer demands, the Company continued to enhance the quality of its product and service supply, effectively addressing challenges and creating value for customers. Taking root downward and empowering upward, the Company continuously enhanced sci-tech innovation capabilities. The Company took concrete steps to improve the security protection capabilities and independent controllability level of cloud networks, and continuously enhanced risk prevention capabilities. Relying on data resources, intelligent platforms and applications, the Company boosted operating efficiency and the performance of products and services, further enhancing digital and intelligent capabilities. By fully leveraging the primary role of its talent team in corporate governance, the Company continuously strengthened its strategic execution capabilities.

Riding on the momentum, seizing the direction and promoting the enterprise strategy upgrades

Chairman Ke pointed out that, at present, global sci-tech innovation has entered an unprecedentedly active period, with a new round of sci-tech revolution and industrial transformation, represented by artificial intelligence and quantum technology, accelerating its development, bringing disruptive and remodeling impacts on economic and social development, and enterprises have entered a critical stage of development. The Company is riding on the momentum to promote the upgrading of its corporate strategy towards “Cloudification, Digital Transformation and AI for Good”, adhering to a customer-centric approach, taking the fulfillment of customers’ aspirations for a better life as its starting and ending point. The Company insists on reforming and opening up as the driving force, continuously breaking down institutional and mechanism barriers that hinder high-quality development. By adhering to sci-tech innovation as the core, the Company strengthens the supply of high quality technologies and promotes the deep integration of sci-tech innovation and industrial innovation. With cloud-network integration as the foundation, the Company is accelerating the construction and upgrading of digital information infrastructure. The Company persists in green safety as the background, empowering the green and safe development of the economy and society. Adhering to the digital intelligence platform as the hub, the Company has been widely gathering various internal and external resources and capabilities of the enterprise. The Company regards its talent team as the foundation, focusing on cultivating and building an innovative talent team with a reasonable structure, excellent quality, and mastery of key core technologies. This will effectively drive the modernisation of corporate governance systems and governance capabilities and the execution of strategies, as well as accelerate the high-quality development of the Company.

Going forward, the Company will comprehensively implement the Cloudification, Digital Transformation and AI for Good strategy, and strengthen the innovation-driven integrated development of the dual engines of fundamental businesses and Industrial Digitalisation business. It will deeply promote the “AI+” initiative, allowing the dividends of intelligence to better benefit thousands of industries and households. The Company will accelerate the intelligent evolution and upgrade of digital information infrastructure, making intelligent services more easily accessible. Reform and opening up will be deepened across all fronts, with a focus on stimulating the vitality and dynamics for the high-quality development of the Company. Core functions will be continuously enhanced and core competitiveness will be strengthened to accelerate the building of a world-class enterprise. The Company will firmly undertake responsibilities in building China’s strength in cyberspace, science and technology, Digital China, as well as safeguarding network and information security, and take the lead, shoulder the responsibility and set an example in driving Chinese modernisation.

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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