Press Release
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For Immediate Release

China Telecom Corporation Limited Announces Annual Results for Year 2025

FINANCIAL HIGHLIGHTS[1]

(RMB Million)	2025	2024	Rates of change
Service Revenues[2]	485,424	482,033	0.7%
of which: Mobile communications service revenues	204,528	202,524	1.0%
Wireline and Smart Family service revenues	125,979	125,680	0.2%
Industrial Digitalisation service revenues	147,307	146,588	0.5%
EBITDA[3]	143,872	140,847	2.1%
Net Profit[4]	33,185	33,012	0.5%
Basic Earnings Per Share *(RMB)*	0.36	0.36	0.5%
ROE	7.2%	7.3%	-0.1p.p.
Full-year dividend per share *(RMB)*	0.2720	0.2598	4.7%

BUSINESS HIGHLIGHTS

(Million)	2025	2024	Net addition
Mobile Subscribers	438.65	424.52	14.13
of which: 5G Network Subscribers	301.81	250.73	51.08
Wireline Broadband Subscribers	201.12	197.44	3.68

(kTB)	2025	2024	Rates of change
Handset Data Traffic	106,046	89,979	17.9%

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 annual results today in Hong Kong.

In 2025, China Telecom fully, accurately, and comprehensively implemented the new development philosophy, and actively served and integrated into the new development paradigm. It resolutely fulfilled its responsibilities in building China's strength in cyberspace, science and technology, Digital China, as well as safeguarding network and information security. The Company accurately grasped the trends in technological innovation and industrial development, fully embraced AI, and drove the upgrade of its corporate strategy from "Cloudification and Digital Transformation" to "Cloudification, Digital Transformation and AI for Good", taking another solid step towards high-quality development.

In 2025, the Company's operating revenues amounted to RMB529.6 billion. Of which, service revenues amounted to RMB485.4 billion, representing an increase of 0.7% year-on-year. EBITDA amounted to RMB143.9 billion, representing an increase of 2.1% year-on-year. Net profit amounted to RMB33.2 billion, representing an increase of 0.5% year-on-year. The basic earnings per share were RMB0.36. Capital expenditure was RMB80.4 billion, and free cash flow[5] reached RMB44.7 billion.

The Company continued to promote the integrated development driven by the dual engines of innovation-led fundamental businesses and Industrial Digitalisation business, with revenue from fundamental businesses amounting to RMB330.5 billion in 2025, representing an increase of 0.7% year-on-year. The number of mobile subscribers totalled 439 million, and the 5G network subscriber penetration rate was 68.8%. The number of broadband subscribers reached 201 million, and the gigabit broadband penetration rate was 31.6%. Revenue from Industrial Digitalisation business reached RMB147.3 billion, representing an increase of 0.5% year-on-year, of which, resource-based revenues[6] reached RMB63 billion, representing an increase of 1.1% year-on-year. Strategic emerging businesses continued to maintain rapid growth, and revenue from China Telecom Cloud amounted to RMB120.7 billion, raising the Company's market share of public cloud IaaS to the second place in China, while the IaaS+PaaS market share ranks among the top three[7]; revenue from AIDC reached RMB34.5 billion, revenue from the security business reached RMB16.6 billion, and intelligent revenues[8] reached RMB12.3 billion; Internet of Video Things (IoVT) revenues increased by 31.2% year-on-year, quantum revenues increased by 65.4% year-on-year, and satellite revenues increased by 30.7% year-on-year.

5 Free cash flow = Net cash flow from operating activities – Capital expenditure

6 Resource-based revenue includes revenue from AIDC, networking dedicated lines, Internet of Things (IoT), and 5G customized networks

7 Data source: China's Public Cloud Services Market Tracking Report (2025Q3) by IDC

8 Intelligent revenue includes the revenue from artificial intelligence and intelligent computing services provided to customers

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 propose at the Annual General Meeting that the profit to be distributed in cash for the year 2025 shall represent 75% of the profit attributable to equity holders of the Company for the year. A final dividend of RMB0.0908 per share (pre-tax) will be declared for the year 2025. Together with the 2025 interim dividend of RMB0.1812 per share (pre-tax), which has been already distributed, the full year dividend of 2025 amounts to RMB0.2720 per share (pre-tax).

As a strategic technology leading the new round of technological and industrial transformation, AI is profoundly reshaping the ways we produce and live. Against this backdrop, the Company deeply understands the disruptive changes brought about by artificial intelligence, seizes the opportunities and rides on the momentum, accelerates the upgrade of its corporate strategy, continues to deepen the Five-Sphere Integrated intelligent cloud system, and further advances the "AI+" initiative, striving to build itself into an enterprise with "Three Orientations"[9]. The Company accelerated the development of self-reliance and self-strengthening in high-level science and technology fields and concentrated efforts on developing its No.1 technology "Xirang". With the focus on four core fundamental technologies, it stepped up efforts to drive breakthroughs for key and core technologies, with its R&D expenses[10] reaching RMB15.6 billion, representing an increase of 7.3% year-on-year, leading to significant achievements in scientific and technological innovation.

9 Enterprise with "three orientations": service-oriented, technology-oriented, and secured enterprise

10 R&D expenses are based on the China Accounting Standards for Business Enterprises

With its No.1 technology "Xirang" as the core, the Company leveraged the advantages of cloud-network integration, accelerated research on core technologies, successfully built and continuously deepened the integrated intelligent cloud system integrating computing power, platform, data, model, and application. **At the IaaS layer,** the Company achieved a comprehensive upgrade from a basic computing power foundation to an AI-native computing power foundation. Relying on the integrated elastic computing of general computing, intelligent computing, supercomputing, and quantum computing, AI unified data storage, and AI high performance cloud networking, it improved the collaborative efficiency of cloud intelligence integrated computing, storage, and networking significantly, forming a large-scale production capacity for AI token with high concurrency, high throughput, and high computing efficiency. **At the PaaS layer,** the Company developed the Triless[11] platform architecture to achieve triple decoupling of resources, frameworks, and tools. As of now, the total scale of its self-owned and accessed intelligent computing power has reached 91 EFLOPS. By making breakthroughs in technologies such as multi-level caching, heterogeneous computing, and model routing optimization, the Company provided tool services for various large models. **At the DaaS layer,** the Company developed high-quality datasets and trusted circulation toolchain, driving the deeper integration of self-owned, opensource, and third-party data sets, aggregating general large model corpus data of over 10 trillion tokens and high-quality datasets covering over 14 industries, with a total volume exceeding 500TB. **At the MaaS layer,** the Company continuously strengthened the first full-modal, full-size, and fully homegrown Xingchen large model system for state-owned central enterprises, establishing industry-leading advantages in semantics, speech, visual perception, and multi-modality. **At the SaaS layer,** the Company built a standardised AI product system and launched industry-specific large models and agent services adapted to multiple scenarios, making AI more accessible and easier to use, and continuously empowering the digital and intelligent transformation of the economy and society.

The Company comprehensively and deeply advanced the "AI+" initiative. It continued to embed AI into the core parts of its operations, and developed a map of AI application scenarios spanning five key areas, i.e. intelligent customer services, intelligent marketing, intelligent operations, intelligent R&D, and intelligent management, and has launched more than 250 applications in total, revolutionising workflows with AI and comprehensively improving operating efficiency. The Company developed over 110 industry-specific large models and over 350 agents, forming AI application standard paradigms covering 15 industries including industry and government affairs, serving over 37,000 industrial customers. Moreover, it built the "AI+" action demonstration base and led the construction of the trusted data space and computing power pool for state-owned central enterprises, with an AI penetration rate of 85% in state-owned central enterprises.

[11] Triless refers to the "Three Irrelevances", namely being resource-irrelevant, framework-irrelevant, and tool-irrelevant

The Company deeply engaged in quantum communication, quantum computing and quantum precision measurement, accelerating the launch of full-stack quantum products. Quantum communication recorded users exceeding 6.8 million, serving more than 5,000 industry customers in sectors such as government administration, finance, and energy. The Company achieved commercialisation of products for three major scenarios, i.e., real quantum computer deployment, cloud platform applications, and quantum information education, providing quantum computing power and academic support for universities. The Company accelerated the progression of quantum precision measurement technology from the engineering stage to the market stage, with deployments in typical scenarios such as geological exploration.

The Company has made forward-looking strategic deployments in the new low-altitude economy sector, creating a newly upgraded AI+ "1+1+4+N"[12] low-altitude economy capability system and developing over a thousand application scenarios. It provided one-stop solutions for scenarios such as low-altitude infrastructure, operational supervision, safety protection, and intelligent operations, with its products being implemented in more than 160 cities, comprehensively enhancing the digitalization, intelligence, and safety levels of low-altitude operations, and assisting the low-altitude economy to "fly safely and fly efficiently."

The Company consistently integrated secure development into all aspects of its production and operations, and continuously improved and perfected its institutional system, solidly enhanced governance capabilities, focused on building a robust technological foundation, continuously optimized service guarantees, and firmly consolidated the cyber and information security defenses. The Company attached great importance to AI security governance, and continuously improved the AI security governance framework covering environment, data, model, content, and application. The Company issued the White Paper on AI Agent Security Governance, the first of its kind in the industry, and kept upgrading the comprehensive, dynamic AI-driven protection system. The Company strove to develop top-tier security products, first-class security services, and industry-grade security integration capabilities, to provide customers with more diverse and reliable security protection solutions. The Company built a product matrix with Anti-DDoS Cloud Dam, Yunmai Zero Trust, Security Brain, and Cloud Mirror Host Security at the core, and accelerated the integration of AI into security. The Company launched the first operator-grade agent security solution in China — e-Surfing Smart Security, assisting users in building OpenClaw-type agent security solutions with its full-process control, real-time defense, and behavior traceability capabilities.

12 1+1+4+N: 1 integrated service foundation, 1 low-altitude intelligent network, 4 major platforms coordinated safeguard, and N scenarios application drive

The Company deepened its development philosophy of "network as the foundation, cloud as the core, network moving with the cloud, cloud-network integration, and intelligent-benefit symbiosis", and accelerated the upgrade of its digital information infrastructure for the AI era. Based on the integrated computing network nationwide, the Company drove the integrated layout and upgrade of computing power, storage capacity, connectivity, AIDC, and electricity. The Company promoted efficient collaboration of computing resources with self-owned intelligent computing power reaching 46 EFLOPS. Centred around the "East-to-West Computing Resource Transfer" strategy, the Company optimised its layout and appropriately advanced its reserves of server rooms, electricity, and energy resources at national hub nodes, built an efficient, green and intelligent computing infrastructure in line with the "Two Highs, Two Flexibles"[13] standards. The Company's rack power capacity exceeded 3.2GW, with the total power of high-power racks increased by more than 35% year-on-year, actively carrying out global AIDC deployment. The Company deepened synergistic development between computing power and electricity, promoted the upgrade of the power supply architecture. It explored new power supply models, pioneering the creation of four national benchmarks.

The Company continued to advance the evolution and upgrade of its integrated space-aerial-ground and international and domestic information and communication network infrastructure. It constructed 10 million 10G PON ports in the gigabit fibre network, and its gigabit broadband covered over 97% of urban residential areas. The Company actively drove the project approval and construction of the new-generation high-orbit mobile communication satellites and high-orbit high throughput satellites. The Company opened access to its Tiantong satellite services, and initiated the commercial trial of Beidou Short Message Service. It built an international network system featuring "one axis, two wings, three networks, and four centres", and advanced the construction of full-service gateway offices in Kunming and Haikou. The Company led the construction of the Asia Direct Cable (ADC)[14], the first international submarine cable connected to Chinese mainland in nearly five years, actively serving business expansion in the direction of the Belt and Road. It built a shared network characterised by high-/mid-/low-band coordination as well as 5G/4G integration, further contributing Chinese wisdom and solutions to the world.

13 "Two Highs, Two Flexibles": high density, high IT productivity, flexible expansion, and flexible construction

14 ADC: Asia Direct Cable

2026 marks the beginning of China's 15th Five-Year Plan period. China's economy is underpinned by a stable foundation, numerous advantages, strong resilience and great potential, and the long-term positive trend remains unchanged. A new round of technological revolution and industrial transformation is accelerating, and intelligence, green transition and integration have become the development directions for building China's modern industrial system. "AI+" is deepening and expanding in all aspects, and new forms of the intelligent economy are rapidly taking shape, giving rise to broad and vigorous market space. The Company will seize the strategic opportunities for development, fully implement its "Cloudification, Digital Transformation and AI for Good" strategy, continue to deepen the Five-Sphere Integrated intelligent cloud system. Aiming to become a leading AI service provider, and taking token services as the main line of business, the Company will strengthen original innovation, tackle key and core technological challenges, create high-quality digital and intelligent products and services, and accelerate the construction and upgrading of intelligent and comprehensive digital information infrastructure. The Company will further deepen reform and opening up on all fronts, comprehensively enhance corporate governance capabilities, ensuring a good start for the 15th Five-Year Plan period, enabling the Company to take the lead, shoulder the responsibilities, and set an example in 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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