

HGC and China Telecom Cooperate for the First Carrier-to-carrier Interconnection at the Hong Kong-Zhuhai-Macau Bridge

*New Cross Border Fibre Optic Connection
to cater to the growth of network traffic in the region*

Hong Kong/Chicago, 8 May 2018 - HGC Global Communications Limited (HGC), a fixed-line operator with extensive Hong Kong and international network coverage, and China Telecommunications Corporation (China Telecom), Mainland China's largest fixed-line and FDD LTE operator and a global communications service provider with abundant international cable network resources, today announced that the two companies have entered into a Memorandum of Understanding (MOU) for construction of a network interconnection system via the Hong Kong- Zhuhai- Macau Bridge (HZM Bridge).

This will be the first interconnection between Hong Kong and Mainland China fixed telecommunication network service providers on the HZM Bridge, and is HGC's fifth cross-border route between Mainland China and Hong Kong.

Since 2000, HGC has self-financed and constructed fibre optic cable systems at Lok Ma Chau, Man Kam To and Lo Wu, and in 2008 was the first carrier to provide cross-border telecom services through the Hong Kong-Shenzhen Western Corridor. When the fibre connection on the HZM Bridge comes into operation, HGC will retain its leading position among Hong Kong carriers as operating the most cross-border connections to the mainland. The new link boosts capacity by at least 100 Gbps, with design capacity of 8Tbps. Adding the fifth connection will strengthen network routing diversification, and thus cater to high-end customers' demand for high quality and reliable telecom services.

The Guangdong-Hong Kong-Macau Greater Bay Area (Greater Bay Area) initiative set out in China's 13th five-year plan intends to highlight the region's role and aspiration in the global economic supply chain, with the inclusion of the Special Administrative Regions of Hong Kong and Macau. The key economic sectors of the area include high-tech manufacturing, logistics, digital and innovation industries. The new fibre connection will provide capacity for anticipated growth in cross-border traffic. Once the interconnection is in place, the fibre cable will stretch along the 29.6 km dual 3-lane carriageway – including a 6.7 km tunnel – and connecting the Boundary Crossing Facilities in Hong Kong, Zhuhai, and Macau.

Andrew Kwok, Chief Executive Officer of HGC, said, “HGC has a long history of partnership with China Telecom, where the two entities’ networks and assets have been fully utilised to reach common goals. This evolves from traditional bilateral cooperation to a common platform which can address different possibilities and mutually benefit both HGC and China Telecom and ultimately reinforce Hong Kong’s leading position as Asia’s telecom hub. The fibre cable deployed by HGC at the “Hong Kong Link Road section” of the HZM Bridge is now in service, offering fibre and transmission capacity even before the official opening of the bridge.”

Deng Xiaofeng, Managing Director, Global Business Department of China Telecom, said, “China Telecom is pleased to establish an interconnection with HGC at the Hong Kong- Zhuhai- Macau Bridge. With both parties’ diverse network connection routes and our history of close cooperation, the new fibre connection will help both parties provide customers with stable and reliable service, meeting the ever-increasing demand in the Greater Bay Area and neighbouring countries and regions.”

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About HGC Global Communications Limited

HGC Global Communications Limited (HGC) is a leading Hong Kong and international fixed-line operator. The company owns an extensive network and infrastructure in Hong Kong and overseas and provides various kinds of services. It provides telecom infrastructure service to others operators and serves as a service provider to corporations and households. The company provides full-fledged telecom, data centre services, ICT solutions and broadband services for local, overseas, corporate and mass markets. HGC owns and operates an extensive fibre-optic network, four cross-border telecom routes integrated into tier-one telecom operators in mainland China and connects with hundreds of world-class international telecom operators. HGC is one of Hong Kong’s largest Wi-Fi service providers, running over 29,000 Wi-Fi hotspots in Hong Kong. The company is committed to further investing and enriching its current infrastructure and, in parallel, adding on top the latest technologies and developing its infrastructure services and solutions. HGC is a portfolio company of I Squared Capital, an independent global infrastructure investment manager focusing on energy, utilities and transport in North America, Europe and selected fast-growing economies.

For more information, please visit HGC’s website at: www.hgc.com.hk

About China Telecommunications Corporation

China Telecommunications Corporation (“China Telecom”) is one of the largest state-owned telecommunication companies in China. At present, the size of China Telecom’s total assets exceeds RMB 800 billion, with annual revenue of more than RMB 410 billion. Ranking 133rd in the 2017 Fortune Global 500, China Telecom was awarded the Most Honoured Company, the Best Managed Company in the Asia Telecom Sector, as well as the Best Managed Company in Asia by esteemed international institutions for consecutive years.

With the world’s largest broadband Internet network and a leading-edge mobile network, China Telecom is capable of providing cross-region, fully-integrated information services to global customers through its sound customer service channel system. Its comprehensive service capability has earned China Telecom a large customer base. By the end of 2017, the number of its broadband Internet subscribers exceeded 160 million, mobile subscribers exceeded 260 million, and IPTV subscribers exceeded 100 million.

To drive corporate transformation, China Telecom has rolled out Transformation 3.0 strategy with a focus of upgrading intelligent network, service ecosystem and smart operation for the digital ecosystem. China Telecom will strive to become a leading comprehensive intelligent information service provider, with the aim of becoming a powerhouse in the Internet and cyber realms in order to serve the society and enhance people’s wellbeing.

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