China Communication Telecom Services Company Limited
神通電信服務有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8206)

CLARIFICATION ANNOUNCEMENT AND CANCELLATION OF THE GRANT OF SHARE OPTIONS

Reference is made to the announcement (the "**Announcement**") of China Communication Telecom Services Company Limited (the "**Company**") dated 16 November 2012 in relation to the grant of share options (the "**Grant of Share Options**") to an employee of the Group (the "**Grantee**") to subscribe for an aggregate of 6,000,000 ordinary shares of HK$0.10 each in the capital of the Company. Unless otherwise stated, capitalised used herein shall bear the same meanings as defined in the Announcement.

The Company noted that the Grant of Share Options was made after the expiry of the share option scheme adopted by the Company on 15 November 2002, which was not in compliance with the GEM Listing Rules.

In order to clarify the situation, as approved by the Board (including the approval of the independent non-executive Directors of the Company) and consented by the Grantee, the Grant of Share Options has been cancelled with effect from 19 November 2012. None of the 6,000,000 share options had been accepted by the Grantees before the cancellation of the Grant of Share Options.

The Company considers that the cancellation of the Grant of Share Options shall not have any material adverse impact to the Company.

By Order of the Board
CHINA COMMUNICATION TELECOM SERVICES COMPANY LIMITED
He Chenguang
Chairman

Hong Kong, 19 November 2012

As at the date of this announcement, the executive Directors are Mr. He Chenguang and Mr. Zhang Peng, the non-executive Director is Mr. Xiao Haiping and the independent non-executive Directors are Mr. Yip Tai Him, Ms. Cao Huifang and Ms. Liu Hong.

*This announcement, for which the directors (the "**Directors**") of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "**GEM**") of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge* *and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

This announcement will remain at www.hkgem.com *on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the website of the Group at www.ccpi.com.hk.*