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HKT

HKT Trust

(a trust constituted on November 7, 2011 under the laws of Hong Kong and managed by HKT Management Limited)

and

HKT Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6823)

SALE OF SHARE STAPLED UNITS OF THE HKT TRUST AND HKT LIMITED BY CAS HOLDING NO. 1 LIMITED

On February 13, 2017, PCCW announced that the Vendor, which is a wholly-owned subsidiary of PCCW, and PCCW have entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has agreed to procure placees to purchase, or failing which to purchase itself, 840,747,000 SSUs to be sold by the Vendor, at HK\$10.15 per SSU. PCCW is the ultimate holding company of both the HKT Trust and the Company.

The PCCW Announcement also includes, among other things, the following information:

- (a) as at the date of the PCCW Announcement, the Vendor held 4,775,714,681 SSUs, representing approximately 63.07% of the total number of SSUs in issue;
- (b) the Placing SSUs agreed to be sold by the Vendor represent approximately 11.10% of the total number of SSUs in issue as at the date of the PCCW Announcement;

- (c) immediately following completion of the Placing and the sale of the Placing SSUs by the Vendor, the Vendor will hold 3,934,967,681 SSUs, representing approximately 51.97% of the total number of SSUs in issue (assuming no change to the total number of SSUs in issue between the date of the PCCW Announcement and the date of completion of the Placing);
- (d) the Placing is expected to be completed on February 15, 2017, or such other time as the Vendor and the Placing Agent shall agree; and
- (e) the Placing SSUs are expected to be placed to independent placees who, to the best knowledge and belief of the directors of PCCW, are not connected persons of PCCW and are not acting in concert (within the meaning of the Hong Kong Code on Takeovers and Mergers) with the Vendor and/or persons acting in concert with the Vendor (within the meaning of the Hong Kong Code on Takeovers and Mergers) in respect of the HKT Trust and the Company.

The PCCW Announcement is available for viewing and downloading from the Stock Exchange's website at www.hkexnews.hk and from PCCW's website at www.pccw.com/ir.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions have the following meanings:

“Company”	HKT Limited, an exempted company incorporated in the Cayman Islands with limited liability, which has its SSUs jointly issued with the HKT Trust listed on the Stock Exchange (Stock Code: 6823).
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.
“HKT Trust”	the HKT Trust, a trust constituted under the laws of Hong Kong pursuant to the Trust Deed, which has its SSUs jointly issued with the Company listed on the Stock Exchange (Stock Code: 6823).
“Ordinary Shares”	ordinary shares of HK\$0.0005 each in the Company.
“PCCW”	PCCW Limited, a company incorporated in Hong Kong with limited liability and having its shares listed on the Stock Exchange (Stock Code: 0008) and traded in the form of American Depositary Receipts on the OTC Markets Group Inc. in the United States of America (ticker: PCCWY).
“PCCW Announcement”	the announcement of PCCW dated February 13, 2017 in relation to the Placing.
“Placing”	the placing of the Placing SSUs on the terms of the Placing Agreement.

“Placing Agent”	Goldman Sachs (Asia) L.L.C..
“Placing Agreement”	the placing agreement relating to the Placing entered into on February 13, 2017, between the Vendor, PCCW and the Placing Agent.
“Placing SSUs”	840,747,000 SSUs to be sold by the Vendor pursuant to the Placing.
“Preference Shares”	preference shares of HK\$0.0005 each in the Company.
“SSUs”	<p>share stapled units issued by the HKT Trust and the Company, comprising a combination of the following securities or interests in securities which, subject to the provisions of the Trust Deed, can only be dealt with together and may not be dealt with individually or one without the others:</p> <ul style="list-style-type: none"> (a) a Unit in the HKT Trust; (b) the beneficial interest in a specifically identified Ordinary Share linked to the Unit and held by the Trustee-Manager as legal owner in its capacity as trustee-manager of the HKT Trust; and (c) a specifically identified Preference Share stapled to the Unit; <p>and “SSU” shall be construed accordingly.</p>
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“Trust Deed”	the trust deed dated November 7, 2011 constituting the HKT Trust, between the Trustee-Manager and the Company, as amended and/or supplemented.
“Trustee-Manager”	HKT Management Limited, a company incorporated in Hong Kong with limited liability, in its capacity as trustee-manager of the HKT Trust.
“Unit”	an undivided interest in the HKT Trust, which confers the rights set out in the Trust Deed.
“Vendor”	CAS Holding No. 1 Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of PCCW.

By order of the boards of
HKT Management Limited
and
HKT Limited
Bernadette M. Lomas
Group General Counsel and Company Secretary

Hong Kong, February 13, 2017

As at the date of this announcement, the directors of the Trustee-Manager and the Company are as follows:

Executive Directors

Li Tzar Kai, Richard (Executive Chairman); Alexander Anthony Arena (Group Managing Director) and Hui Hon Hing, Susanna (Group Chief Financial Officer)

Non-Executive Directors

Peter Anthony Allen; Chung Cho Yee, Mico; Lu Yimin; Li Fushen and Srinivas Bangalore Gangaiah (aka BG Srinivas)

Independent Non-Executive Directors

Professor Chang Hsin Kang, FREng, GBS, JP; Sunil Varma; Aman Mehta and Frances Waikwun Wong