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CHINA UNICOM (HONG KONG) LIMITED

中國聯合網絡通信(香港)股份有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0762)

**Cooperation with China Telecom
on 5G Network Co-build Co-share**

This announcement is made by China Unicom (Hong Kong) Limited (the "Company") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 9 September 2019, a wholly-owned subsidiary of the Company, China United Network Communications Corporation Limited ("China Unicom"), entered into a framework agreement with China Telecom Corporation Limited ("China Telecom") of cooperation on 5G network co-build co-share (the "Cooperation Agreement").

According to the Cooperation Agreement, China Unicom and China Telecom will cooperate to co-build one 5G access network nationwide. Both parties will delineate and designate the regions for construction of 5G network by each party. The party who is responsible for the construction in a designated region will bear the relevant investment, maintenance and operating cost of the network. The 5G network co-build co-share will be based on co-share of access network and 5G spectrum resources but with core network to be constructed independently by each party. Both parties will jointly ensure a unified standard on network planning, construction, maintenance and service in the 5G network co-build co-share regions, and assure the same service level. Any cooperation on network co-build co-share by either party with a third party must not improperly harm the interests of the other party. The subscriber ownership will remain unchanged while independent branding and business operation will be maintained for each party.

Regarding regions of network construction, both parties will delineate and designate districts in 15 cities for each party to build 5G network, mainly with reference to the total scale of 4G base stations (including indoor distribution systems) of both parties. In the 5 Northern cities, namely Beijing, Tianjin, Zhengzhou, Qingdao, Shijiazhuang, the ratio of construction districts of China Unicom to China Telecom will be 6:4 while in the 10 Southern cities, namely Shanghai, Chongqing, Guangzhou, Shenzhen, Hangzhou, Nanjing, Suzhou, Changsha, Wuhan, Chengdu, the ratio of construction districts of China Unicom to China Telecom will be 4:6. China Unicom will be solely responsible for the construction in 9 prefecture-level cities in Guangdong province, 5 prefecture-level cities in Zhejiang province and 8 Northern provinces (Hebei, Henan, Heilongjiang, Jilin, Liaoning, Inner Mongolia, Shandong, Shanxi) other than the regions mentioned above. China Telecom will be solely responsible for the construction in 10 prefecture-level cities in Guangdong province, 5 prefecture-

level cities in Zhejiang province and 17 Southern provinces other than the regions mentioned above. On formulating reasonable, simple and precise settlement method, both parties will uphold the principles of maximising the benefits of 5G network co-build co-share and beneficial to sustainable cooperation and not profiting from settlement. Both parties will insist on equitable and fair market-oriented settlement.

The Company is of the view that the cooperation with China Telecom on 5G network co-build co-share, especially co-sharing the continuous 5G spectrum of both parties, will enhance the reduction of 5G network construction, operation and maintenance costs, while achieving 5G network coverage efficiently. It will also benefit the establishment of 5G service capabilities rapidly and strengthen the market competitiveness of 5G networks and services, while improving network investment return and asset operation efficiency, and leading to win-win for both parties.

With regard to the progress of the Cooperation Agreement, the Company will timely perform its information disclosure obligation strictly in accordance with the requirements of the listing rules and other related laws and regulations.

In the meantime, shareholders and investors of the Company are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board of
China Unicom (Hong Kong) Limited
Wang Xiaochu
Chairman and Chief Executive Officer

Hong Kong, 9 September 2019

Forward-looking Statements

Certain statements contained in this announcement may be viewed as “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934 (as amended). 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. Further information regarding these risks, uncertainties and other factors is included in the Company’s most recent Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the “SEC”) and in the Company’s other filings with the SEC.

As at the date of this announcement, the Board of Directors of the Company comprises:

Executive Directors:	Wang Xiaochu, Li Guohua, Li Fushen, Shao Guanglu and Zhu Keping
Non-executive Director:	Cesareo Alierta Izuel
Independent Non-executive Directors:	Cheung Wing Lam Linus, Wong Wai Ming, Chung Shui Ming Timpson and Law Fan Chiu Fun Fanny