

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**VOLUNTARY DISCLOSURE –
COMMERCIAL PRICING OF THE LEASE OF TELECOMMUNICATIONS
TOWERS AND RELATED ASSETS FROM
CHINA TOWER CORPORATION LIMITED**

Reference is made to the announcement dated 8 July 2016 issued by China Unicom (Hong Kong) Limited (the “**Company**”) in connection with the commercial pricing of the lease of telecommunications towers and related assets from China Tower Corporation Limited (the “**Tower Company**”) through the Company’s wholly-owned subsidiary, China United Network Communications Corporation Limited (“**CUCL**”).

On 8 July 2016, CUCL and the Tower Company entered into a commercial pricing agreement (the “**Commercial Pricing Agreement**”). Respective companies of both parties at the provincial level entered into the Provincial Service Agreement according to the Commercial Pricing Agreement.

On 31 January 2018, pursuant to the Commercial Pricing Agreement and after arm-length negotiations and discussions, both parties agreed on certain supplementary provisions based on the original agreement, which mainly included:

1. The pricing of tower products stated in Annex 1 Product Catalogue and Pricing of the Commercial Pricing Agreement shall be adjusted, including: cost margin shall be adjusted from 15% to 10%; the base price co-tenancy discounts shall be increased from 20% to 30% if two companies share the use and from 30% to 40% if three companies share the use; the additional 5% discount enjoyed by anchor tenant will remain unchanged; the regional adjustment coefficients on standard construction costs for certain provinces on new tower products and the discount rate on acquired towers shall be adjusted; the Existing Sharing Parties concessionary policy shall be extended to 31 December 2019 and both parties shall negotiate on the pricing terms prior to its expiry.
2. The adjusted Product Catalogue and Pricing shall be effective from 1 January 2018. Respective subordinate companies of both parties at the provincial level or city level shall execute Product Confirmation Orders or Bulk Lease Forms to confirm.
3. The agreement tenure shall be five years, effective from 1 January 2018 to 31 December 2022. Prior to expiry, both parties shall negotiate with each other for the pricing thereafter.

The Company is of the view that the signing of the supplementary agreement with the Tower Company will be beneficial for the Company to lower the tower usage fee in the future.

By order of the Board
CHINA UNICOM (HONG KONG) LIMITED
YUNG SHUN LOY JACKY
Company Secretary

Hong Kong, 1 February 2018

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, Lu Yimin, Li Fushen and Shao Guanglu

Non-executive Directors: Cesareo Alierta Izuel

Independent Non-executive Directors: Cheung Wing Lam Linus, Wong Wai Ming, Chung Shui Ming
Timpson and Law Fan Chiu Fun Fanny