

# COMPANY PROFILE

China Unicom (Hong Kong) Limited (the “Company”) was incorporated in Hong Kong on 8 February 2000 and was listed on the New York Stock Exchange<sup>#</sup> and the Stock Exchange of Hong Kong Limited on 21 June 2000 and 22 June 2000 respectively. On 1 June 2001, the Company was included as a constituent stock of the Hang Seng Index. The Company merged with China Netcom Group Corporation (Hong Kong) Limited on 15 October 2008.

China Unicom establishes branches in 31 provinces in China (including autonomous regions and municipalities) and multiple countries and regions overseas. The Company’s telecommunication network and global customer service system covers China and connects to the world. The Company has been one of the “Fortune Global 500” companies for consecutive years, and ranked 279th in “Fortune Global 500” for the year 2024. It was also voted as “Asia’s Most Honored Telecom Company” in 2024 for the ninth consecutive year by Institutional Investor.

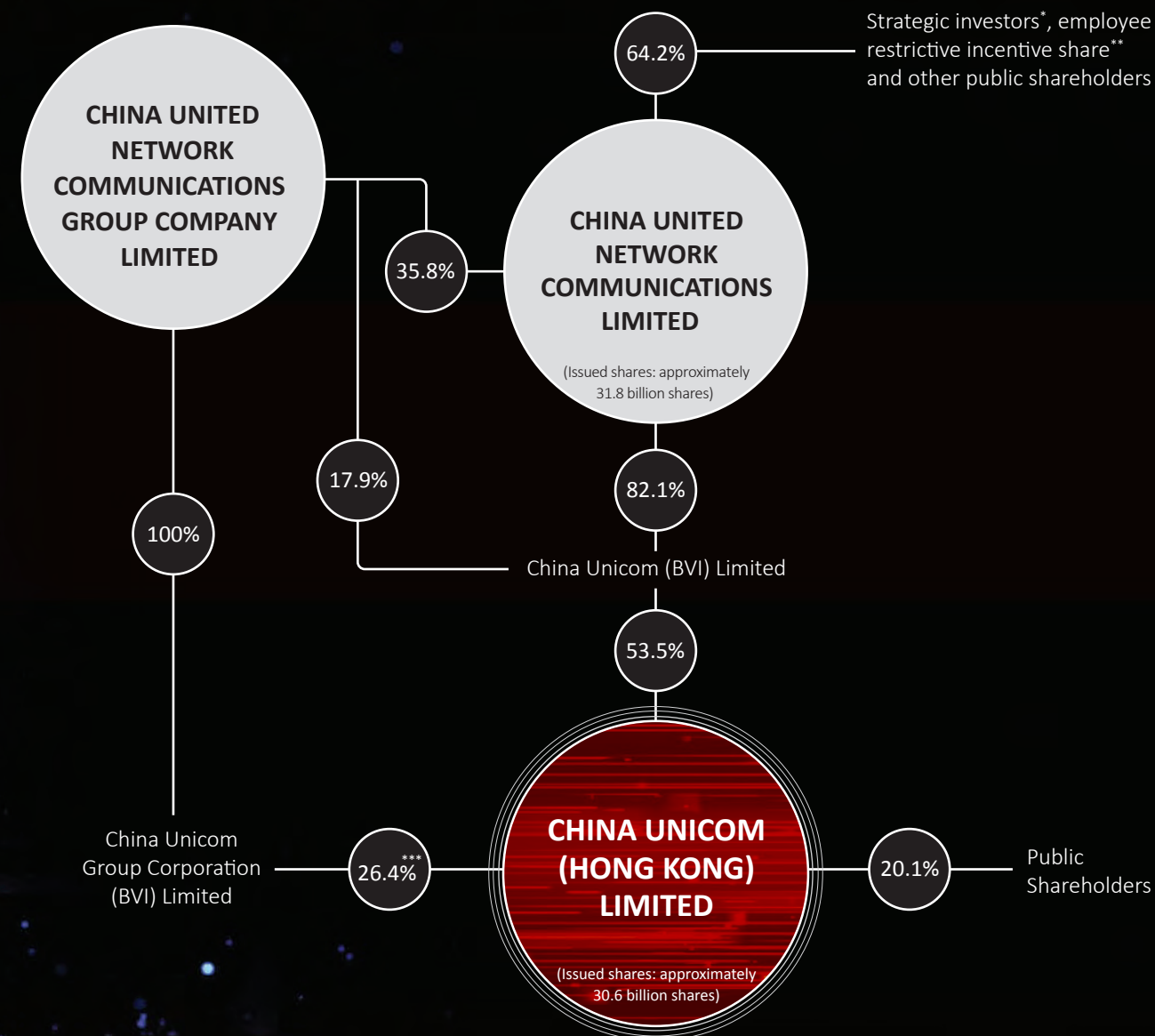
China Unicom is committed to the development of the network and information industry and fulfilling the mission of a central state-owned enterprise. It aims to enhance its core functions and competitive edge comprehensively to better serve the construction of Cyber Superpower and Digital China. It safeguards national network and information security, acts as the leading contributor of digital information operation and services and the pioneer of digital technology integration and innovation. It fully leverages its role in technological innovation, industrial control, and security support.

To become a world-class technology service enterprise with global competitiveness, the Company steadily promotes the two main businesses of Connectivity and Communications (“CC”) and Computing and Digital Smart Applications (“CDSA”). It holistically builds comprehensive digital information infrastructure with industry-leading coverage, breadth and depth, so as to build an unobstructed information channel and a new digital base for economic and social development. Using technologically leading and highly integrated digital services which are “comprehensive in coverage, fully online and cloudified, green and one-stop”, it helps thousands of industries “migrate to the cloud, and use data for intelligent empowerment”. It promotes the development of the digital economy and information consumption upgrade, enhances customers’ satisfaction and sense of reward in information and communication services, and lets the whole society further enjoy the new benefits brought by information and communication development.

Note:

<sup>#</sup> The Company’s ADSs were delisted from the New York Stock Exchange on 18 May 2021. Please refer to the Company’s announcement dated 23 July 2021 for details.

# SHAREHOLDING STRUCTURE



\* In 2017, approximately 10.9 billion shares of China United Network Communications Limited were acquired by the strategic investors introduced by the mixed ownership reform through non public share issuance and transfer of existing shares. These shares were no longer restricted from sale in November 2020.

\*\* Pursuant to the phase 2 restrictive share incentive scheme in 2022, China United Network Communications Limited granted restricted shares to the core management talents and professional talents.

\*\*\* Excluded the interest regarding the pre-emptive right owned by China Unicom Group Corporation (BVI) Limited in 225,722,791 shares of the Company.

As at 31 December 2024



# CHAIRMAN'S STATEMENT

Dear Shareholders,

In 2024, China Unicom focused on the two main businesses, namely Connectivity and Communications (CC) and Computing and Digital Smart Applications (CDSA), with the aim of advancing network innovation, technology innovation and service innovation, and achieving new breakthroughs in high-quality development.

**CHEN ZHONGYUE**

Chairman and  
Chief Executive Officer



## OVERALL RESULTS

In 2024, the Company's operating revenue grew steadily, reaching RMB389.6 billion, up by 4.6% year-on-year, leading the industry in growth rate. CC business revenue<sup>1,2</sup> accounted for 76% of service revenue, and grew by 1.5% year-on-year. CDSA business revenue<sup>3</sup> accounted for 24% of service revenue, and grew by 9.6% year-on-year. Profitability continued to improve, with profit attributable to equity shareholders of the Company reaching RMB20.6 billion, up by 10.1% year-on-year, and return on equity (ROE)<sup>4</sup> rising to 5.8%.

The Company highly values shareholder return and is committed to sharing the fruits of development with shareholders. In view of the good performance over the past year, the Board of Directors proposed a final dividend<sup>5</sup> of RMB0.1562 per share (pre tax). Together with the interim dividend of RMB0.2481 per share (pre tax) already paid, the full-year dividend reached RMB0.4043 per share (pre tax), representing a year-on-year increase of 20.1%. In 2024, the dividend payout ratio reached 60%, up by 5 percentage points year-on-year.

**CC business provided steady support.** Subscriber scale reached another record high. The total number of mobile and broadband subscribers reached 470 million, with a net addition of 19.52 million. The number of Internet of Things (IoT) connections exceeded 620 million, with a net addition of 130 million. The number of Internet of Vehicles (IoV) connections reached 76 million, maintaining the leading position in industry. Gewu Industrial Internet platform managed over 12 million devices, accounting for 1/8 of the total number of devices nationwide.

**CDSA business grew with quality enhancement.** Unicom Cloud revenue<sup>6</sup> was RMB68.6 billion, up by 17.1% year-on-year, and IDC revenue was RMB25.9 billion, up by 7.4% year-on-year. Intelligent computing business drove strong growth in computing power services, with newly signed contract value exceeding RMB26 billion last year.



## CHAIRMAN'S STATEMENT

### NETWORK INNOVATION

The Company built new infrastructure that is fast, ubiquitous, integrated with computing-networks, green and low-carbon. It enhanced network intelligence to solidify the foundation for high-quality development. The Company adhered to a precise and moderate investment strategy, comprehensively deepened co-build co-share, and promoted intelligent operations across the entire network, striving to build an ultra-lean network, thereby achieving coordinated development of connectivity and computing networks as well as synergetic domestic and international deployment.

In 2024, the Company's capital expenditure was RMB61.37 billion, down by 17% year-on-year. Within that, computing power investment increased by 19% year-on-year, with better network quality and higher efficiency. Mobile network population coverage rate reached 99%, up by nearly 1 percentage point, benefiting millions of customers. The number of broadband network ports increased by 5% year-on-year, benefiting tens of millions of households. Equipment consolidation and AI empowerment have shown significant results, saving RMB1.9 billion in operating expenses (OPEX) annually, with energy consumption per unit of business decreasing by 10%.

**The Company promoted the capability upgrade of its mobile and broadband networks, achieving wider coverage and better experience.** The number of mobile network base stations exceeded 4.5 million, with deeper network coverage in key scenarios such as high-speed rail, subways, popular tourist attractions, and densely populated residential areas. It accelerated the large-scale commercialisation of 5G-A by deploying carrier aggregation in 300 cities to achieve 10-gigabit downlink and gigabit uplink ultra-high speed. RedCap upgrade was carried out in 150 cities, enabling full-spectrum and universal-mode applications. The number of broadband network ports

reached 280 million, with 10G PON ports accounting for more than 80%, supporting the rapid growth of gigabit broadband subscribers. It accelerated the construction of 10-gigabit optical networks to assist Beijing, Tianjian, Shanghai, Guangzhou, Shenzhen, etc. in becoming the first double 10-gigabit cities.

**The Company enriched computing power and computing-network innovative supply, with larger scale and stronger capabilities.** It accelerated the upgrade from IDC to AIDC and from general computing to intelligent computing. It constructed large-scale intelligent computing centres in Shanghai, Guangdong, Hong Kong, Inner Mongolia, Ningxia, Guizhou, etc. It established over 300 integrated training and inference computing resource pools, with intelligent computing capacity exceeding 17 EFLOPS, better meeting the demand for AI training and inference. It has built a computing power intelligent network (AINet), fully covering eight national computing hubs and 22 provincial backbone nodes. It upgraded Unicom Cloud "Xingluo" computing power allocation platform to enhance the intelligent allocation across the entire network.

**The Company built a robust and widespread international network with computing-network integration, stronger presence and richer resources.** It enhanced the backbone capacity in Asia-Pacific, Asia-America and Asia-Africa-Europe directions, established new international exchanges in Qingdao and Haikou, constructed over 60 submarine and terrestrial cables and over 400 points of presence (POP), covering over 200 countries and regions. Leveraging the role of the Hong Kong Tseung Kwan O Data Centre as a hub, the Company aggregated its own computing power in Tokyo, Singapore, and Frankfurt, etc. to connect with the resource pools of over 50 leading global cloud service providers, providing high-quality computing network services to global customers.

## TECHNOLOGY INNOVATION

The Company deepened the integration and innovation of communication technology (CT), information technology (IT), data technology (DT), artificial intelligence technology (AT), and operational technology (OT) to enhance the Company's intrinsic vibrancy and core strength.

**The Company continued to increase investment in innovation**, with R&D expenses up by 9.1% year-on-year. It recruited and cultivated more top-notch technological talents, with the proportion of technological innovation talents reaching 42%, and the proportion of R&D personnel nearly 10%. **It continuously improved its innovation system**, establishing innovation entities in Beijing-Tianjin-Hebei, the Yangtze River Delta, and the Guangdong-Hong Kong-Macau Greater Bay Area, etc. In particular, it consolidated professional institutions in Big Data and artificial intelligence to establish China Unicom Data Intelligence Co., Ltd. and Data Science and Artificial Intelligence Research Institute, to create a highland of digital intelligence technology and industry. Since last year, we have made a series of landmark achievements, such as winning the First Prize for National Science and Technology Progress and the GSMA Global Mobile Awards.

**The Company made advance deployment for the next-generation Internet.** Leveraging the role of the National Engineering Research Centre as an innovation driver, the Company advanced the innovation in "Internet 2030" basic protocols and system architecture, and conducted validation on performance attributes such as network-wide interconnection, deterministic carriage, AI-native features, and computing-network integration. It conducted research on key technologies such as wide-area lossless transmission and inter-network computing power allocation. It achieved for the first time lossless data transmission over more than 3,000 km as well as storage-computation separation of data set across 200 km, enhancing the throughput, performance, and intelligence of AINet. The Company built and operated Sanjiangyuan Park which demonstrates integration of green power with intelligent computing, a 10,000-accelerator Green Computing Centre in Qinghai, achieving computing-network and computing-electricity integration, with the average cluster utilisation rate expected to exceed 60%.



## CHAIRMAN'S STATEMENT

**The Company accelerated the R&D and application of next-generation mobile communications.** It conducted research on key 5G-A technologies such as millimetre wave (mmWave), multi-frequency sensing, and reconfigurable intelligent surfaces (RIS), applying them to key scenarios in the IoT, IoV and industrial Internet. This supports efficient inference through edge-cloud collaboration, real-time computation through vehicle-cloud collaboration, and rapid switching of flexible production lines. It conducted research on key technologies such as ultra-low latency, high-precision positioning, and dense sensing in low-altitude intelligent networks and satellite internet. It established national-class test zones in Anyang, Nanjing, etc., to promote integrated innovation across air, space, land and sea. The Company engaged in 6G standard development, technology R&D and validation to prepare for 6G industry development.

**The Company promoted the integrated innovation of data and AI in a unified manner. By deeply cultivating Big Data business,** the Company built high-quality data sets that aggregate internal and external, multi-industry data, and made breakthroughs in key technologies such as dynamic generation of vector data and distributed collaborative computing. It established a technologically advanced, high-performance, and cross-domain integrated data platform, and upgraded Trusted Data Space, consolidating its leading data governance and data security capabilities. **The Company developed the UniAI large model** with breakthroughs in key technologies such as adaptive slow thinking and asymmetric mixture of experts (MoE) architecture,

ranking among the top in international benchmarks of language, multi-modal, speech and visual models. In particular, in industrial Internet, the Gewu platform has integrated with the UniAI large model to generate precise mappings of over 1,000 industrial equipment object models, comprehensively enhancing the convenience of application development. It has created a software gateway that automatically parses over 100 industrial protocols, significantly improving the efficiency of equipment connectivity.

### SERVICE INNOVATION

The Company fully embraced artificial intelligence and launched a series of new AI products and services, in order to tap into this vast market and enhance its value creation capability.

**Innovative upgrade in digital smart services.** The Company provided public customers with smart living services in different scenarios. It launched AI agents such as 5G New Calling, "Smart Home Tone" robot and smart customer service. The Company iteratively upgraded its Smart Home platform, leading to scale development of products such as Unicom Cloud Handset, Unicom Cloud Drive, Unicom Housekeeper, and Unicom UHD. There were over 180 million Unicom Cloud Drive subscribers, and over 50 million Unicom UHD subscribers. Adhering to business integration and market convergence, the Company's subscriber structure continued to be optimised. The penetration of integrated subscribers exceeded 77%. Subscriber value continued to rise and the ARPU of integrated package subscribers exceeded RMB100.

**Unicom Cloud Intelligent Upgrade.** The Company achieved integrated operation of intelligent computing and general computing, integrating key capabilities such as AI model training and inference, native storage, lossless network, and cluster coordination, providing services such as intelligent computing, data, and models, flexibly meeting the one-stop service needs of artificial intelligence. China Unicom, as the official partner of telecom and cloud services for Harbin Asian Winter Games, achieved integrated innovation of 5G-A network and high-definition cloud broadcasting, supporting the cloudified and hi-tech Asian Winter Games. In particular during the Two Sessions this year, China Unicom's UniAI MaaS platform integrated reasoning capability and security technology to develop 5G rich media and AI agents, demonstrating the great potential of the integrated innovation of digital technology and media communication.

**Digital smart applications made a breakthrough in scale.** The Company focused on the industrial Internet, and leveraged on the edges of 5G private networks and the Gewu platform to integrate industrial Big Data and large industrial models to effectively empower production scenarios such as design simulation, control optimisation, and predictive maintenance. It has cumulatively implemented over

29,000 industrial Internet projects and established over 7,100 5G factories, achieving leadership in service capability and market position. **Focusing on digital government service,** the Company enhanced its integrated capabilities in government networks, cloud, Big Data, and intelligent applications, empowering the intelligent upgrade of service hotlines and intelligent urban governance, enhancing digital government service capability. Intelligence services revenue reached RMB7.1 billion, up by 26.5% year-on-year. Data services revenue reached RMB6.4 billion, up by 20.8% year-on-year.

**The Company fully rebranded its international business.** In 2024, its international business growth accelerated, with revenue reaching RMB12.5 billion, up by 15.2% year-on-year. It established branches in Saudi Arabia, Peru, the United Arab Emirates (UAE), Uzbekistan, etc. to better serve the global roaming and digital needs of customers. In particular, the Company leveraged its globally integrated IoT operational advantages to serve the overseas expansion of leading Chinese automotive enterprises and to facilitate the development of the intelligent connected new energy vehicle industry. In December last year, the Company launched its international brand UniCom, further accelerating the pace of international development and enhancing globalised operations.

## CHAIRMAN'S STATEMENT

### **SOCIAL RESPONSIBILITY AND CORPORATE GOVERNANCE**

**The Company actively fulfils its corporate ESG responsibilities.**

**In terms of green practices,** the Company released a Green Action Plan, in an effort to deepen network energy conservation, explore computing-electricity synergy and adopt clean energy. 22 data centres were rated as the national green data centres.

**In terms of livelihood support,** the Company upgraded the "Unicom Digital Village" platform, serving 260,000 administrative villages and 280 million villagers, and assisting in the comprehensive rural revitalisation. It deeply advanced universal telecommunication services to help bridge the digital divide. Smart elderly assistance centres have been set up in 8,000 business outlets.

**In terms of corporate governance enhancement,** the Company built a strong enterprise with digital intelligence, and advanced the intelligent upgrade of corporate management, operations, and services. It actively assumed its responsibilities as a listed company by establishing a market value management system and conducting over 160 investor events, leading to a more open, transparent, and credible image as a listed company. The Company was awarded multiple accolades, including ranking 279th in the 2024 Fortune Global 500, ranking 299th in the Forbes Global 2000, being named "Asia's Most Honoured Telecom Company" by Institutional Investor for nine consecutive years, and winning the Gold Award for "Best Managed Company in China" in the "Asia's Best Managed Companies Poll 2024" organised by FinanceAsia.

### **OUTLOOK**

In the past year, the Company embraced intelligence and moved forward with innovation. It made every effort to strengthen its capabilities, optimise structure, improve quality, and enhance efficiency, achieving a new level in business development. In 2025, revenue, profit, and ROE are expected to achieve sound growth. Capital expenditure is expected to be around RMB55.0 billion. Within that, computing power investment is expected to increase 28% year-on-year. In addition, we have allocated special budget for key infrastructure and major projects in artificial intelligence. The Company will deeply implement the integrated innovation strategy, continuously advance the "Three Innovations", striving to achieve more robust innovation momentum, stronger capability advantages, more optimised business structure, better operational efficiency, and an outstanding brand image.

Finally, I would like to express my sincere gratitude on behalf of the Board of Directors to all shareholders, customers, and the community for their long-term care and support for the Company, as well as to all employees for their continuous efforts and contributions!



**Chen Zhongyue**

*Chairman and Chief Executive Officer*

Hong Kong, 18 March 2025

- Note 1: CC business includes six major categories: mobile connectivity, broadband connectivity, TV connectivity, leased line connectivity, communications service, and information service.
- Note 2: From 2024 onwards, interconnection revenue is classified as CC business revenue based on its business attributes during revenue analysis, and relevant data in 2023 are presented on the same basis.
- Note 3: CDSA business includes six major categories: Unicom Cloud, IDC, system integration, data services, intelligence services and cybersecurity.
- Note 4:  $\text{Return on equity} = \frac{\text{Profit attributable to equity shareholders of the Company during the period}}{\text{Average balance of equity attributable to equity shareholders of the Company at the beginning and end of the period}}$
- Note 5: The proposed 2024 final dividend is subject to approval at the annual general meeting of the Company.
- Note 6: To reflect the business opportunities brought by the development of artificial intelligence in terms of general computing and intelligent computing, the scope of Unicom Cloud revenue has been optimised to include revenue from cloud IDC, cloud resources, cloud platform, cloud service, cloud integration, cloud interconnection, cloud security, etc. generated from integrated innovative solutions.



# MAJOR EVENTS

## January 2024

China Unicom established the Artificial Intelligence Innovation Center to accelerate its deployment in the emerging AI industry, contributing significantly to the Company's technological innovation and high-quality development.

## February 2024

China Unicom launched "Yanfei", the world's first 5G RedCap product matrix, and released ten achievements of 5G-A innovative demonstration, the "1+1+M" UniAI large model system and a series of AI innovation achievements, etc.

## May 2024

China Unicom successfully completed the world's first verification of massive data wide-area high-throughput lossless transmission over a distance exceeding 3,000 kilometers, laying a technological foundation for intelligent computing and connectivity in the "Eastern Data and Western Computing" scenario.

## June 2024

China Unicom established its Saudi Arabia subsidiary, becoming the first Chinese telecom operator to obtain the Commercial Registration Certificate in Saudi Arabia. It is also China Unicom's first branch in the Middle East.

## July 2024

The China Unicom Partners Conference was successfully held, where the UniAI large model 2.0, the Computing Power AI Network (AI-Net), and other significant achievements were announced, along with the unveiling of China Unicom's mascot, Tone.

China Unicom received approval from the Ministry of Industry and Information Technology for two international communication business exchange stations in Qingdao and Haikou, marking a new milestone in its construction of international communication infrastructure.

## December 2024

China Unicom (HONG KONG) Innovation Research Institute Limited was officially established, and China Unicom's international brand was fully rebranded as UniCom.

China Unicom successfully completed the technical verification of "AI Large Model 300 Kilometer Distributed Collaborative Training," fully validating the commercial feasibility of DC collaborative training technology, providing a new solution for AI large model training.

## September 2024

China Unicom launched the "Carbon Exploration Green Action Plan," implementing a new "3+5+1+1" green action scheme aimed at becoming a trusted green ecosystem navigator for customers.

China Unicom Data Intelligence Co., Ltd. was established to focus on developing professional and specialised products and services in the fields of AI and big data, aiming to turn China Unicom into a "leading brand for digital-intelligence service innovation".



# RECOGNITION AND AWARDS



For more information, please visit the Company's website at [www.chinaunicom.com.hk](http://www.chinaunicom.com.hk)



# CORPORATE INFORMATION

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## BOARD OF DIRECTORS (As At 18 March 2025)

### Executive Directors

Chen Zhongyue *Executive Director, Chairman and Chief Executive Officer*

Jian Qin *Executive Director and President*

Wang Junzhi *Executive Director*

Li Yuzhuo *Executive Director and Chief Financial Officer*

### Independent Non-Executive Directors

Cheung Wing Lam Linus

Chung Shui Ming Timpson

Law Fan Chiu Fun Fanny

Fan Chun Wah Andrew

### Audit Committee

Chung Shui Ming Timpson (*Chairman*)

Cheung Wing Lam Linus

Law Fan Chiu Fun Fanny

Fan Chun Wah Andrew

### Remuneration Committee

Cheung Wing Lam Linus (*Chairman*)

Chung Shui Ming Timpson

Fan Chun Wah Andrew

### Nomination Committee

Chung Shui Ming Timpson (*Chairman*)

Chen Zhongyue

Law Fan Chiu Fun Fanny

## COMPANY SECRETARY

Chan Ngar Wai

## AUDITOR

Deloitte Touche Tohmatsu

Registered Public Interest Entity Auditors

## LEGAL ADVISORS

Freshfields Bruckhaus Deringer

## REGISTERED OFFICE

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Tel: (852) 2126 2018

## MAJOR SUBSIDIARY

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Xicheng District, Beijing 100033, P.R.C.

## SHARE REGISTRAR

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Shops 1712–1716,

17th Floor, Hopewell Centre,

183 Queen's Road East,

Wanchai, Hong Kong

Tel: (852) 2862 8555

Fax: (852) 2865 0990

Website: [www.computershare.com/hk/contact](http://www.computershare.com/hk/contact)

## PUBLICATIONS

Financial reports, announcements, press releases and other investor information on the Company are available to access electronically via the Company's website.

## STOCK CODE

Hong Kong Stock Exchange: 762

## COMPANY WEBSITE

[www.chinaunicom.com.hk](http://www.chinaunicom.com.hk)



# CORPORATE CULTURE

## ■ OUR STRATEGY

Aim for the vision of becoming a world-class technology service enterprise with global competitiveness, fully implement the integrated innovation strategy

## ■ OUR VISION

Accelerate to become a world-class technology service enterprise with global competitiveness

## ■ OUR MISSION

The leading contributor of digital information operation and services  
The pioneer of digital technology integration and innovation

## ■ OUR CORE VALUES

Customer-oriented  
Inherently innovative  
Employee-friendly  
Proud of endeavours  
Attentive to quality service  
Adhering to integrity

## ■ CORPORATE STYLE

Rigorous, Pragmatic, Skillful, Meticulous, Efficient

## ■ OPERATION AND MANAGEMENT PHILOSOPHIES

Create value for customers  
Driven by both market and innovation  
One China Unicom with integrated capabilities and operating services