

CHINA UNICOM (HONG KONG) Ltd

Form 6-K

August 31, 2018

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

For the Month of August 2018

Commission File Number 1-15028

China Unicom (Hong Kong) Limited

(Exact Name of Registrant as Specified in Its Charter)

75/F, The Center,

99 Queen s Road Central, Hong Kong

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K on paper as permitted by Regulation S-T Rule 101(b)(1):)

(Indicate by check mark if the registrant is submitting the Form 6-K on paper as permitted by Regulation S-T Rule 101(b)(7):)

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes No

(If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82-)

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EXHIBITS

Exhibit
Number

1 Interim report for the six months ended June 30, 2018.

FORWARD-LOOKING STATEMENTS

This announcement contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements may include, without limitation, statements relating to (i) the Company's plans and strategies and the ability to successfully execute these plans and strategies, including those in connection with mergers and acquisitions and capital expenditures; (ii) the Company's plans for network expansion, including those in connection with the build-out of mobile services and network infrastructure; (iii) the Company's competitive position, including the ability to upgrade and expand existing networks and increase network efficiency, to improve existing services and offer new services, to develop new technological applications and to leverage the Company's position as an integrated telecommunications operator and expand into new services and markets; (iv) the Company's future business condition, including future financial results, cash flows, financing plans and dividends; (v) the future growth of market demand of, and opportunities for, the Company's new and existing products and services; and (vi) future regulatory and other developments in the PRC telecommunications industry.

The words "anticipate", "believe", "could", "estimate", "intend", "may", "seek", "will" and similar expressions, as they appear in this announcement, are intended to identify certain of these forward-looking statements. The Company does not intend to update any of these forward-looking statements and are under no obligation to do so.

The forward-looking statements contained in this announcement are, by their nature, subject to significant risks and uncertainties. In addition, these forward-looking statements reflect the Company's current views with respect to future events and are not a guarantee of the Company's future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements as a result of a number of factors, including, without limitation:

the Company's ability to effectively sustain its growth and to achieve or enhance profitability;

changes in the regulatory regime and policies for the PRC telecommunications industry, including without limitation, changes in the regulatory and tariff policies of the State Council of the PRC, the Ministry of Industry and Information Technology, the State-owned Assets Supervision and Administration Commission, and other relevant government authorities of the PRC;

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changes in the PRC telecommunications industry resulting from the issuance of licenses for telecommunications services by the central government of the PRC;

changes in telecommunications and related technologies and applications based on such technologies, including testing and monetization of future generations of mobile technologies;

the level of demand for telecommunications services, in particular, the fourth generation mobile telecommunications services;

competitive forces from more liberalized markets and the Company's ability to retain market share in the face of competition from existing telecommunications companies and potential new market entrants;

effects of restructuring and integration (if any) in the PRC telecommunications industry and any cooperation among the PRC telecommunications operators;

the availability, terms and deployment of capital and the impact of regulatory and competitive developments on capital outlays;

changes in the assumptions upon which the Company has prepared its projected financial information and capital expenditure plans;

costs and benefits from the Company's investment in and arrangements with China Tower Corporation Limited;

results and effects of any investigation by the relevant PRC regulatory authorities overseeing State-owned enterprises and their directors, officers and employees; and

changes in the political, economic, legal, tax and social conditions in China, including the PRC Government's policies and initiatives with respect to foreign exchange policies, foreign investment activities and policies, entry by foreign companies into the Chinese telecommunications market and structural changes in the PRC telecommunications industry.

Please also see the "Risk Factors" section of the Company's latest Annual Report on Form 20-F, as filed with the U.S. Securities and Exchange Commission.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHINA UNICOM (HONG KONG) LIMITED
(Registrant)

Date: August 31, 2018

By: /s/ Yung Shun Loy Jacky
Name: Yung Shun Loy Jacky
Title: Company Secretary

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Exhibit 1

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this report 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 and other filings with the U.S. Securities and Exchange Commission.

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Chairman's Statement

DEAR SHAREHOLDERS,

Since the beginning of 2018, the Company has proactively promoted a new development philosophy, deepened the implementation of the Strategy of Focus, Innovation and Cooperation and fully accelerated the establishment of China Unicom's Five New , featuring New DNA, New Governance, New Operation, New Energy and New Ecology. We have been gradually speeding up the pace in driving Internet-oriented operations, while our efforts in mixed-ownership reform started delivering notable enhancement in growth momentum, quality, efficiency and corporate vibrancy, achieving overall a good start in the kick-off year of the mixed-ownership reform.

OVERALL RESULTS

The Company reported remarkable growth in its operating results for the first half of 2018. Service revenue amounted to RMB134.4 billion, representing an 8.3% year-on-year growth, atop of its industry peers. EBITDA¹ amounted to RMB45.7 billion, up by 4.9% year-on-year. The profit before income tax reached RMB7.8 billion and the profit attributable to equity shareholders of the Company increased by 145% year-on-year to RMB5.9 billion.

The Company upheld its precise investment strategy and strived to enhance investment returns by taking extensive effort to exploit the potential value of various resources and drive sharing through cooperation. Capital expenditure for the first half of the year amounted to RMB11.6 billion. Thanks to the effective management of capital expenditure and notable improvements in profitability, the Company's free cash flow amounted to RMB39.3 billion, reaching another record high level. Its liabilities-to-assets ratio went further down to 43.8%, reflecting an increasingly healthy financial position.

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Taking into account the Company's profitability, debt obligations and cash flow level, capital requirements for future development, etc., the Board of Directors decided not to pay an interim dividend for the current year. The Board will submit a proposal for final dividend payment based on our overall results for the year for consideration at the shareholders' general meeting.

BUSINESS DEVELOPMENT

Fast and highly effective mobile service growth driven by the deepened Internet-oriented innovative operations

During the first half of the year, the Company centered its energy on driving business model innovation with light touchpoints and low acquisition costs and stepping up effort in transformation into an Internet-oriented operation, enabling accelerated growth and high-quality development of mobile service. Mobile service revenue reached RMB84.3 billion, representing a year-on-year growth of 9.7% that exceeded the industry average substantially by nearly 8 percentage points. Mobile billing subscribers achieved a net increase of 17.86 million, reaching a total number of 302 million mobile billing subscribers. The average revenue per user (ARPU) of mobile billing subscribers amounted to RMB47.9, which was largely stable compared to the full year of 2017.

During the period, the Company actively strengthened the development of its differentiated operations. Leveraging fully the first-mover advantages in Internet-oriented operation and the centralised IT system, the Company expedited product upgrading and optimisation. The Company enhanced its cooperation in content and privileges offering to satisfy the sub-divided markets. Differentiated products have been launched to meet the unanswered demand of heavy data users. The Company promoted O2O touch-point unified operation and actively expanded new sales touchpoints to widen customer reach and flow while strengthening business convergence and bundling to promote mutual growth. For the first half of the year, the Company's 4G business registered scale development and its 4G subscriber base saw a net increase of 28.23 million to a total of 203 million. The 4G subscriber market share was up by 3 percentage points year-on-year. The proportion of 4G subscribers in total mobile billing subscribers increased by 16 percentage points year-on-year to over 67%.

The Company strengthened data traffic operation and strived to achieve win-win in implementing "Speed Upgrade and Tariff Reduction" policy leveraging price elasticity. It proactively prepared for the implementation of the policy of the cancellation of domestic mobile data roaming charges effective 1 July by optimising tariff packages and strengthened effort to promote heavy data packages to facilitate a smooth transition for customers. For the first half of the year, the unit pricing for the Company's mobile data service decreased substantially year-on-year, while the mobile data consumption volume sustained robust growth. The monthly average DOU per handset subscriber increased by 2.2 times year-on-year, while handset Internet access revenue grew by 25% year-on-year to RMB53.4 billion.

Continuous improvement in broadband service amid intense competition

During the first half of the year, the Company adopted proactive measures in response to intense market competition and continued to report improvements in its fixed-line broadband business.

Adhering to the strategy of "big integration, big bandwidth and big video" and to satisfy the various demand of household market, the Company continued to optimise the array of integrated products, striving to increase penetration of bundle services and drive mutual development. The Company promoted high-bandwidth products and further enhanced network coverage and quality with increased private capital cooperation so as to strengthen the edges in network capability. Featuring the power of content, the Company continuously enriched quality video content to boost customer loyalty and stickiness. Integrated products value was further enhanced by bundling popular smart home applications such as home networking services, smart gateway, video surveillance, etc. For the first half of the

year, the Company's fixed-line broadband access revenue amounted to RMB21.5 billion, which was largely stable compared to the same period last year. The number of fixed-line broadband subscribers increased by 2.38 million on a net basis to 78.92 million. Video service subscribers accounted for over 43% of the fixed-line broadband subscribers, up by 10 percentage points year-on-year.

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Rapid development of innovative service contributed to the solid growth of fixed-line service

During the first half of the year, facing the enormous opportunities in the new business areas such as Cloud Computing, Big Data and the Internet of Things (IoT), the Company accelerated the efforts on sharpening the core capability in innovative product platforms and products, focusing on key sectors such as government affairs, education, medical and healthcare, environmental services, tourism and industrial Internet. The Company also established system and mechanism segregated from its fundamental services and proactively expanded markets to drive new breakthroughs in its innovative business.

Driven by cloud business, the Company made great efforts in delivering cloud-network integrated corporate solutions to drive rapid growth in both cloud and network businesses. Expediting the new integrated sales model transformation, Cloud + Smart Networks + Smart Applications and targeting government and enterprise customers markets, the Company offered customers cloud-network integrated services and intelligent network services to drive the growth of its fundamental services. Taking advantage of the synergies with our strategic partners introduced by the mixed-ownership reform, we innovated business model and actively explored cooperation by way of investment or capital financing to diversify ownership structure and achieve asset-light operation, strengthening new energy for innovative development. In the first half of the year, the Company's innovative business sustained rapid growth. The Industrial Internet business reported revenue of RMB11.7 billion, representing a 39% growth year-on-year. Within which, revenue from cloud business grew by 39% year-on-year. Driven by the rapid growth of the innovative business, the Company's fixed-line business reported a turnaround from decline to positive growth, with its revenue reaching RMB49.1 billion, representing a 5.5% year-on-year growth.

NETWORK CONSTRUCTION

During the first half of the year, adopting a return-oriented approach and focusing on market demand and business transformation requirement, the Company sought to build high-quality networks through precise investments, providing effective support for fast business development.

With a persistent emphasis on focus and cooperation, the Company continued to strengthen its investments in key cities, 4G networks and regions with promising high data traffic and returns for enhanced investment efficiency. It actively carried out resources sharing and private capital cooperation to meet market demands in regions with weak resources. It also deployed Big Data to monitor traffic hotspots to facilitate dynamic and precise capacity expansion. During the first half of the year, the Company further strengthened its network capability with 0.06 million 4G base stations added, driving the total number of 4G base stations to 0.91 million, while FTTH ports accounted for 81% of the total fixed-line broadband ports. Our 4G network utilisation rate increased continuously and the percentage of FTTH subscribers to total broadband subscribers reached 79%. The Company continued to see network quality and customer perception on the rise in focused regions, as we achieved industry leading average uplink and downlink speeds in 4G networks, Net Promoter Score (NPS) on mobile network and fixed-line broadband enhanced further and Internet network latency being industry-best.

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The Company actively engaged in new technology evolution and scientifically planned for network deployment on a forward-looking basis. With an aim for fostering core competence for long-term sustainable development, the Company built up network infrastructure resources and capability, promoting the advancement of cloud-based, intelligent, open and ubiquitous networks.

MIXED-OWNERSHIP REFORM

Adhering to the principle of enhance governance, strengthen incentives, protrude core businesses and raise efficiency , the Company actively pushed forward the implementation of the mixed-ownership reform.

During the first half of the year, the Company advanced comprehensive and in-depth cooperation with strategic investors. We continued to cooperate with Tencent, Alibaba, Baidu, JD.com and DiDi to expand Internet touch points, effectively reaching out to new customers, especially the youth market, achieving a development model with low subscriber acquisition cost and subsidy. Our 2I2C business saw rapid growth with subscriber base reaching 77 million and driving the rapid growth in 4G subscribers. The public cloud products branded as WO Cloud were launched in association with Alibaba and Tencent, providing differentiated products and services to our customers. Cooperation in cloud-network integrated products was also kicked off, aiming to equip customers with capability in hybrid cloud networking. The joint venture with Alibaba created a powerful alliance to offer customised application software services to government and enterprise customers. Active efforts were made to explore the development of New Retail pilot outlets, as we joined forces with Alibaba, Suning, JD.com and Tencent. Making good use of Big Data, we were able to enrich product portfolio in stores and strengthen synergy and flow between online and offline operation, resulting in a significant boost for our business development. Our cooperation with strategic investors in innovative businesses, such as IPTV, mobile video contents, Big Data, IoT and AI, and in fundamental businesses continued to report smooth progress with win-win development.

The Company is committed to ongoing in-depth implementation of system and mechanism innovation and reform to enhance corporate vibrancy and efficiency. During the first half of the year, continuous efforts were made to streamlining and re-organisation. Through reducing demand on outsourcing and encouraging staff to join sub-divided units and innovative business, our organisation and staff structure were further optimised. To charge up energy for innovative business development, the Company had appropriately stepped up human capital investment by actively recruiting new talents in innovative business and strengthening the performance-based incentives mechanism to achieve a better alignment of efforts and rewards. It adopted a differentiated compensation system for the innovative business which was segregated from traditional business. The sub-division reform was deeply enforced, aiming to achieve sharing of incremental return with revenue and gross profit as KPIs, while aligning responsibilities with authorities and rewards to lift corporate vibrancy and efficiency. China Unicom A Share Company's employee share incentive scheme, with unlocking conditions set on a scientific basis, was smoothly launched, with 794 million restrictive shares of the China Unicom A Share Company being issued to 7,752 key managerial staff and talents under the initial grant and set to align our shareholders and staff interests with the corporate development.

CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITY

The Company continues to improve its corporate governance mechanism, enhance its execution capability and strengthen its risk management and internal control, in a bid to providing solid protection for sustainable and healthy development. During the year, the Company was awarded a number of accolades, including Asia's No. 1 Best Managed Telecom Company by FinanceAsia and, for three years in a row, Asia's No. 1 Most Honored Telecom Company by Institutional Investor.

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The Company has taken initiatives in fulfilling its social responsibilities. Adhering to the development philosophy of Innovation, Coordination, Greenness, Openness and Sharing and deepening the supply-side structural reform, the Company is committed to meeting the ever-increasing demand for information life of the public and actively supporting the harmonious economic, social and environmental development. The Company persisted in smart development and built a quality network with craftsmanship spirit to provide users with smart network experience featuring higher speed, wider coverage and better perception. It vigorously developed smart living and smart industry, and provided a variety of smart+ applications, enabling the public to enjoy more convenient and more intelligent information life. It fully participated in universal telecommunications services, implemented Speed Upgrade and Tariff Reduction and constantly introduced new concessionary offerings to narrow digital divide across regions. The Company actively engaged in green operation, facilitated cost reduction and efficiency enhancement, improved development quality and promoted harmonious and symbiotic growth of the enterprise and environment.

OUTLOOK

At present, the industry is embracing at tremendous market opportunities arising from the deep integration of the Internet with the real economy aided by the shifting of the growth model of China's economy from emphasising on high speed to high quality, as a new cycle of technological and industrial revolution is looming in the wake of the fast-paced development of the digital economy. The mixed-ownership reform has empowered the Company with differentiated advantages, resulting in invaluable opportunities for development. Meanwhile, the continued downward pressure in our traditional businesses, the cancellation of domestic mobile data roaming charges effective 1 July and the cyclical escalation of market competition in the second half of the year will collectively impose challenges for the Company's development.

In the second half of the year, the Company will actively cope with challenges and persistently deepen the execution of its Strategy of Focus, Innovation and Cooperation. It will accelerate the establishment of China Unicom's Five New to drive high-quality sustainable growth in full-force. By unleashing the unique edges, the Company will persevere in the implementation of the Internet-oriented operation, creating differentiated competitive advantages. Centred on return and efficiency, and riding on Internet-oriented operation transformation, the Company strived to enhance total-factor development efficiency. The Company will enhance its key capability in network, IT and management on all fronts to provide a solid foundation for the healthy and sustainable development of various businesses. We will step up investments appropriately for nurturing the future growth engines. Seizing opportunities afforded by the mixed-ownership reform, we will deepen strategic cooperation and further advance the system and mechanism reform, accelerating the delivery of benefits from the reform and comprehensively enhancing the Company's overall competitive strengths with a view to creating greater value for shareholders.

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Lastly, on behalf of the Board of Directors, I would like to express our sincere gratitude to all shareholders, customers and friends across society for their support to the Company, and to all employees for their continuous dedication and contribution along the way!

Wang Xiaochu

Chairman and Chief Executive Officer

Hong Kong, 15 August 2018

Note 1: EBITDA represents profit for the period before finance costs, interest income, shares of net profit of associates, share of net profit of joint ventures, other income-net, income tax, depreciation and amortisation. As the telecommunications business is a capital intensive industry, capital expenditure and finance costs may have a significant impact on the net profit of the companies with similar operating results. Therefore, the Company believes that EBITDA may be helpful in analysing the operating results of a telecommunications service operator like the Company.

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Financial Overview

REVENUE

In the first half of 2018, total revenue was RMB149.11 billion, up by 7.9% as compared to the same period of last year. The Company continued to implement the Focus Strategies, operating results improved rapidly. Service revenue was RMB134.42 billion in the first half of 2018, up by 8.3% as compared to the same period of last year.

As a result of the rapid development in the Internet service and the continuous optimisation of the Company's business structure, revenue from non-voice service was RMB110.42 billion, up by 14.8% as compared to the same period of last year. Revenue from non-voice service as a percentage of service revenue further improved from 77.5% in the first half of 2017 to 82.1% in the first half of 2018.

COSTS AND EXPENSES¹

In the first half of 2018, total costs and expenses were RMB141.29 billion, up by 4.9% as compared to the same period of last year.

Depreciation and amortisation charge were RMB38.65 billion in the first half of 2018, down by 0.6% as compared to the same period of last year.

Network, operation and support expenses were RMB27.74 billion in the first half of 2018, up by 5.2% as compared to the same period of last year.

The Company continuously promoted the transformation of its sales and marketing model, selling and marketing expenses were RMB16.49 billion in the first half of 2018, up by 2.4% as compared to the same period of last year.

Interconnection charges were RMB6.69 billion in the first half of 2018, up by 5.6% as compared to the same period of last year.

Costs of telecommunications products sold were RMB14.70 billion, up by 0.4% as compared to the same period of last year. Loss on the sales of telecommunications products was RMB0.01 billion, of which terminal subsidy cost accounted to RMB0.38 billion, down by 52.3% as compared to the same period of last year.

As a result of the improved operating results, employee benefit expenses were RMB24.41 billion in the first half of 2018, up by 21.6% as compared to the same period of last year.

General, administrative and other expenses² were RMB13.41 billion, up by 20.9% as compared to the same period of last year.

Finance costs, net of interest income, was RMB0.21 billion, decreased by RMB2.22 billion as compared to the same period of last year.

EARNINGS

In the first half of 2018, profit before income tax was RMB7.82 billion, profit for the period³ was RMB5.91 billion, up by 144.9% as compared to the same period of last year. Basic earnings per share was RMB0.193 in the first half of 2018. EBITDA⁴ was RMB45.67 billion in the first half of 2018, up by 4.9% as compared to the same period of last

year.

OPERATING CASH FLOW AND CAPITAL EXPENDITURE

In the first half of 2018, the Company's net cash flow from operating activities was RMB50.91 billion, up by 9.1% as compared to the same period of last year. Capital expenditure was RMB11.59 billion in the first half of 2018.

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STATEMENT OF FINANCIAL POSITION

Liabilities-to-assets ratio decreased from 46.8% as at 31 December 2017 to 43.8% as at 30 June 2018.

Debt-to-capitalisation ratio changed from 19.5% as at 31 December 2017 to 14.2% as at 30 June 2018.

Note 1: Including interconnection charges, depreciation and amortisation, network, operation and support expenses, employee benefit expenses, selling and marketing expenses, costs of telecommunications products sold, general, administrative and other expenses, finance costs, interest income, share of net profit of associates, share of net profit of joint ventures and other income-net.

Note 2: Excluded costs of telecommunications products sold and selling and marketing expenses.

Note 3: Profit for the period refers to profit attribute to equity shareholders of the Company.

Note 4: EBITDA represents profit for the period before finance costs, interest income, shares of net profit of associates, share of net profit of joint ventures, other income-net, income tax, depreciation and amortisation. As the telecommunications business is a capital intensive industry, capital expenditure and finance costs may have a significant impact on the net profit of the companies with similar operating results. Therefore, the Company believes that EBITDA may be helpful in analysing the operating results of a telecommunications service operator like the Company.

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FOR THE SIX MONTHS ENDED 30 JUNE 2018

(All amounts in Renminbi (RMB) millions, except per share data)

	Note	Six months ended 30 June	
		2018	2017
Revenue	5	149,105	138,160
Interconnection charges		(6,685)	(6,331)
Depreciation and amortisation		(38,646)	(38,874)
Network, operation and support expenses	6	(27,744)	(26,365)
Employee benefit expenses	7	(24,410)	(20,074)
Costs of telecommunications products sold	8	(14,696)	(14,638)
Other operating expenses	9	(29,897)	(27,193)
Finance costs	10	(1,122)	(3,130)
Interest income		908	703
Share of net profit of associates		554	487
Share of net profit of joint ventures		291	261
Other income net	11	161	411
Profit before income tax		7,819	3,417
Income tax expenses	12	(1,870)	(994)
Profit for the period		5,949	2,423
Profit attributable to:			
Equity shareholders of the Company		5,912	2,415
Non-controlling interests		37	8
Earnings per share for profit attributable to equity shareholders of the Company during the period:			
Basic earnings per share (RMB)	13	0.19	0.10
Diluted earnings per share (RMB)	13	0.19	0.10

Note: The Group has initially applied IFRS/HKFRS 15 and IFRS/HKFRS 9 (2014) at 1 January 2018. Under the transition method chosen, comparative information is not restated. See Note 3.

The notes on pages 16 to 52 are an integral part of this unaudited condensed consolidated interim financial information.

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UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2018

(All amounts in RMB millions)

	Six months ended 30 June	
	2018	2017
Profit for the period	5,949	2,423
Other comprehensive income		
Items that will not be reclassified to statement of income:		
Changes in fair value of financial assets through other comprehensive income	(506)	370
Tax effect on changes in fair value of financial assets through other comprehensive income	2	(1)
Changes in fair value of financial assets through other comprehensive income, net of tax	(504)	369
Remeasurement of net defined benefit liability, net of tax	(2)	5
	(506)	374
Item that may be reclassified subsequently to statement of income:		
Currency translation differences	22	(66)
Other comprehensive income for the period, net of tax	(484)	308
Total comprehensive income for the period	5,465	2,731
Total comprehensive income attributable to:		
Equity shareholders of the Company	5,428	2,723
Non-controlling interests	37	8

Note: The Group has initially applied IFRS/HKFRS 15 and IFRS/HKFRS 9 (2014) at 1 January 2018. Under the transition method chosen, comparative information is not restated. See Note 3.

The notes on pages 16 to 52 are an integral part of this unaudited condensed consolidated interim financial information.

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AS AT 30 JUNE 2018

(All amounts in RMB millions)

	Note	30 June 2018	31 December 2017
ASSETS			
Non-current assets			
Property, plant and equipment	14	389,649	416,596
Lease prepayments		9,224	9,313
Goodwill		2,771	2,771
Interest in associates		33,787	33,233
Interest in joint ventures		2,659	2,368
Deferred income tax assets	12	4,160	5,973
Contract assets		472	
Contract costs		5,937	
Financial assets at fair value through other comprehensive income	15	3,780	4,286
Other assets	16		