

Chairman's Statement

Embrace the 5G Era and Create a Future of Intelligent Connectivity Together

The year 2018 marks the 40th anniversary of China's reform and opening up. Over the years, China's information and communications technology (ICT) sector has made massive strides to establish itself as one of the industrial leaders worldwide. China Mobile continues to enhance economic and social well-being through ICT and acts as a key driver in the historic transformation of China's ICT sector that has undergone different phases: blankness in 1G, falling behind in 2G, making breakthroughs in 3G, keeping pace in 4G, and leading in 5G. To capture the opportunities associated with 5G, in 2018, China Mobile strove constantly to build stronger connectivity capabilities, joined hands with other industry players to accelerate digital innovation, and actively fulfilled its social responsibilities, thereby playing an active role in building China's strengths in cyberspace and digital technology.



Yang Jie

Chairman
China Mobile Limited

Provide high-quality connections and consolidate digital infrastructure. We continued to expand the depth and width of our network coverage to deliver unimpeded, high-quality and high-speed connectivity capabilities. As of the end of 2018, we had 2.41 million 4G base stations and had served 713 million 4G customers and 157 million wireline broadband customers and launched our international data roaming services in 239 countries/regions. We had rolled out NB-IoT in 346 cities, and achieved continuous coverage at township level and above. The number of our IoT smart connections grew by 322 million to 551 million. At the same time, we actively harnessed new technologies such as artificial intelligence to boost cloud computing and data center infrastructure upgrades with a view to building new world-class information infrastructure.

Pioneer technological innovations and create an intelligent, beautiful life. We continued to promote research on key technologies and applications, taking the lead in developing international standards for 5G infrastructure and actively engaging in 5G network scale experimentation and business use case demonstration. We launched the "5G Device Forerunner Initiative" and built global open laboratories and 5G industry alliances based on our 5G Joint Innovation Center to promote the maturity of the end-to-end industry chain. As part of our R&D deployment expansion efforts, we established three new industry research institutes in Xiong'an New Area, Chengdu and Shanghai in 2018. We incubated 5G demonstrative applications across key verticals of the economy including industry, agriculture, healthcare, education, transportation, finance and smart cities to drive the in-depth integration between digital economy and real economy and the construction of an intelligent society.

Deepen industry cooperation and create a prosperous digital ecosystem. We continued to implement the 139 Cooperation Plan with three major specific measures, namely upscaling digital industry cooperation, strengthening digital home cooperation, and deepening pan-intelligent terminal cooperation, to provide industry partners with an open platform for achieving win-win cooperation. In 2018, our communications capability sharing platform was selected as a Sharing Economy Demonstration Platform by the National Development and Reform Commission of China, serving more than 305,000 enterprises; our mobile authentication platform processed an average of 670 million accreditations per day; and our OneNET IoT platform brought together 9,396 enterprises and empowered nearly 100,000 developers. We were actively engaged in building a national-level mass entrepreneurship and innovation demonstration base and made an all-out effort to inspire entrepreneurship and innovation, both internal and

external, through a series of initiatives, including the And-Creation Space, independent development competitions as well as employee entrepreneurship and innovation activities, and to support and empower SMEs and individual entrepreneurs. We stepped up strategic cooperation with our industry peers on all fronts in emerging technology areas such as 5G, Internet of Vehicles and artificial intelligence to jointly explore new opportunities in digital services.

Fulfill responsibilities in all respects and share sustainable value. We further implemented measures of speed upgrade and tariff reduction to bring affordable information access to our customers. We continued putting in more efforts to combat telecommunications frauds and regulate harmful information and devising new methods to safeguard information security for our customers. We actively implemented special initiatives including the Telecommunications Universal Service Project, cumulatively delivering broadband access to 417,000 administrative villages and bringing 4G coverage to 97.8% of all administrative villages, thereby further narrowing the urban-rural digital divide. We deepened our partner assistance and targeted poverty alleviation efforts in eight counties of five provinces, expanded the scope of our Targeted Poverty Alleviation System and poverty-alleviation preferential tariffs, and launched projects in livelihood enhancement, industry support, education improvement, healthcare and many other aspects to do our part in supporting rural revitalization and fighting poverty. Our Blue Dream Educational Aid Plan and Heart Caring Campaign continued in 2018, through which we cumulatively trained 115,782 rural primary and secondary school principals in central and western China and sponsored the surgeries of 5,358 impoverished children with congenital heart disease. We carried out the "Green Action Plan" for the 12th consecutive year and contributed to the realization of UN Sustainable Development Goals through measures such as continuously improving energy conservation and emission reduction management and developing low-carbon environmentally friendly applications.

At the dawn of the 5G era, China Mobile is intent on continuing to pioneer technological innovations powered by 5G, big data and artificial intelligence and uniting with other industry players, in order to drive the digital and intelligent transformation of our economic and social life and jointly shape a new future of intelligent connectivity that is to the benefit of everyone.



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