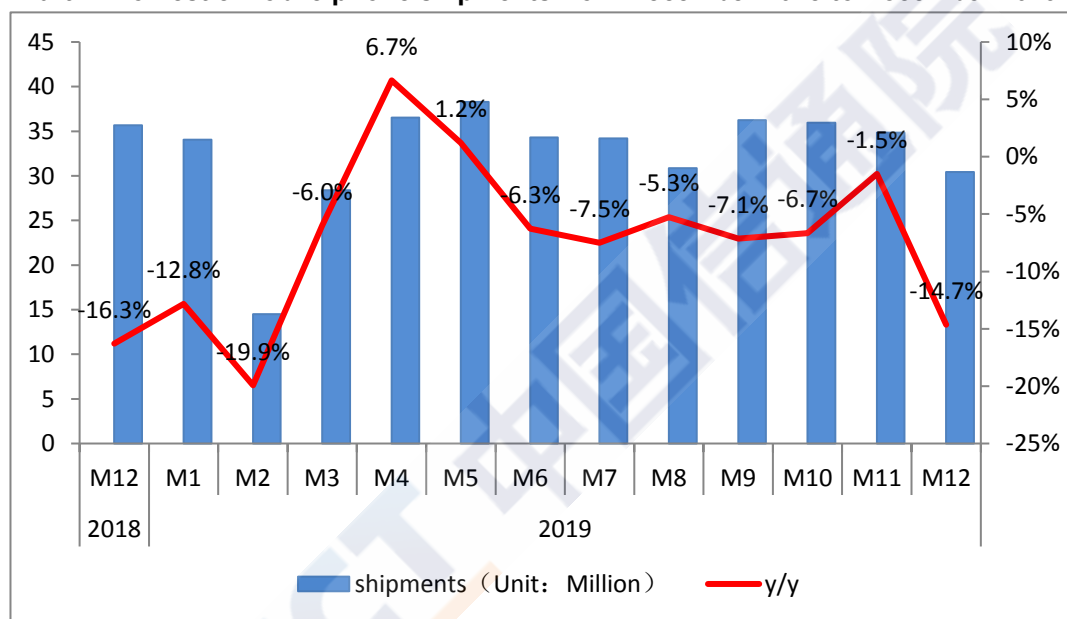


Part 1. Overall Mobile Phone Market in China

December domestic mobile phone shipments reached 30.4 million units, down 14.7 percent year over year. 35 new models were released in the month, down 16.7 percent year-over-year (y/y).

Over the past 12 months, domestic mobile phone shipments reached 388.6 million units and number of new model release reached 573, down 6.2 percent and 25.0 percent y/y respectively.

Chart 1: Domestic mobile phone shipments from December 2018 to December 2019

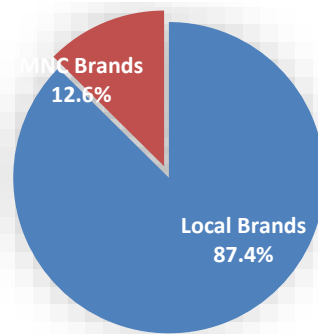


Part 2. Local and MNC Brands of Mobile Phones

December mobile phone shipments by the local brands reached 26.6 million units, down 17.3 percent y/y, accounting for 87.4 percent of the domestic mobile phone shipments. Number of new models released by the local brands (30 units) decreased by 21.1 percent y/y, and represented 85.7 percent of the total number of new model release in the month.

Mobile phone shipment volume for year 2019 by the local brands reached 352.5 million units, down 4.9 percent y/y, and accounted for 90.7 percent of the domestic mobile phone shipments. Number of new models released by the local brands (506 units) decreased by 27.2 percent y/y, and represented 88.3 percent of the total number of new model release in the domestic market.

Chart 2: December 2019 mobile phone shipments by local and MNC brands



Part 3. Development of Smart Phones

December smart phone shipments were 28.9 million units, down 13.7 percent y/y, and accounted for 95.0 percent of the domestic mobile phone shipments in the month. Over the past 12 months, smart phone shipments were 371.7 million units, down 4.7 percent y/y, and represented 95.6 percent of domestic mobile phone shipments.

In December, 27 new smart phone models were released, down 25.0 percent y/y, and accounted for 77.1 percent of the number of new release. Over the past 12 months, 424 new smart phone models were released, down 27.8 percent y/y, and accounted for 74.0 percent of the number of new release.