



3 Hong Kong Signs Strategic Cooperation with Alibaba in Cloud Computing, Intelligent Big Data and Internet of Things Platform to Create a New Digital Internet Economy Ecosystem in Hong Kong

- *3 Hong Kong and Alibaba today signed a strategic agreement at Alibaba's headquarters in Hangzhou to cooperate in areas that include cloud computing, intelligent big data and the Internet of Things (IoT) platform, as well as infrastructure and information security.*
- *Alibaba's unique ecosystem scale and technology strength can be applied to building a new digital internet economy ecosystem for a variety of industries via cutting-edge cloud-computing capabilities and ecological empowerment. This will help industries gain swift access to the business-to-business applications market.*
- *3 Hong Kong's competitive advantages in terms of branding, sales channels and operational experience, coupled with a vast pool of integrated big data from a large-scale customer case, will help produce applications for enterprises of all sizes, as well as consumer customers.*
- *3 Hong Kong and Alibaba's cloud platform will help enterprises transform their businesses, while creating new business models, opening up fresh sources of revenue and generating more business opportunities. This will also help accelerate Hong Kong's journey to becoming a smart city.*
- *3 Hong Kong and Alibaba will introduce global business applications suitable for the Hong Kong market.*

Hong Kong, 26 June 2018 - 3 Hong Kong, the mobile communications division of Hutchison Telecommunications Hong Kong Holdings Limited (HTHKH, stock code: 215), and Alibaba Group (Alibaba, NYSE ticker: BABA) today announced a strategic cooperation covering an array of technology and services to develop an ecosystem that underpins Hong Kong's new digital internet economy.

The agreement signed at Alibaba's Hangzhou headquarters covers cloud computing, intelligent big data and Internet of Things as well as infrastructure and information security.

The rapidly-developing global IoT market is projected* to be worth USD\$1.1 trillion in revenue by 2025, as market value shifts from connectivity to platforms, applications and services. 3 Hong Kong believes IoT is the economic driver of the future and is keen to develop a new economy ecosystem.

As a major telecoms operator, 3 Hong Kong commands a vast pool of integrated big data from a massive customer base and holds a wealth of know-how in reliable high-speed connectivity. All this, coupled with Alibaba's new economy ecosystem, will help development of new applications to suit various industry scenarios and accelerate Hong Kong's journey to becoming a smart city. Alibaba's economy ecosystem comprises the "One Cloud, Two Ends" operating system for central devices and "edge computing," as well as the "Three Types of Partners" initiative comprising chip developers, other developers and industry partners; and the "Four Areas" project covering city, home, manufacturing and automobiles.

Cliff Woo, Executive Director and CEO of HTHKH, said: "3 Hong Kong's strategic co-operation agreement with Alibaba - one of the top-three cloud service providers - enables us to create a new digital Internet economy ecosystem suitable for the Hong Kong market. It will also promote Hong Kong's development as a smart city with massive-scale connectivity. Alibaba presides over formidable business power and experience in providing an advanced IoT platform, as well as world-class cloud infrastructure and state-of-art big data-processing technology. 3 Hong Kong, on the other hand, offers an extensive and highly-reliable network, along with an advanced mobile telecoms capability, extensive sales and marketing channels, and a vast pool of integrated big data generated by an enormous customer base."

He added: "3 Hong Kong enjoys global advantages such as close ties with CK Hutchison Group's 3 Group, and CK Hutchison's core business interests, such as retail, property management, port operations, energy infrastructure and global network service provision. All this will serve strategic inter-regional co-operation between the two parties and help deliver innovative applications to meet customer demand worldwide

"As Alibaba Group's business and ecosystem continues to expand, we are developing our technology, capability, ecosystem empowerment and industry solutions with a view to opening them up to more business partners. We are exporting our cloud computing capability, as well as our prowess in IoT and artificial intelligence, with the aim of enabling enterprises to boost efficiency and innovate quickly and effectively," said Alibaba Group Vice President Tianhua Zhong. "We believe collaboration with 3 Hong Kong will combine technologies and resources as we both explore the potential in cooperating in new retail and finance initiatives, along with smart environment protection, general merchandise stores, smart buildings, smart supply chains, smart logistics and blockchain. We aim to use inclusive technology to assist development of Hong Kong's enterprise community and society in general."

Launch of IoT platform will lead to new business applications

Alibaba Cloud is one of the leading global cloud service providers and holds a wealth of knowledge and experience in IoT development. The company has completed development of four core IoT application groups to offer convenient connectivity, as well as super-computing power and mature artificial intelligence capabilities. 3 Hong Kong will introduce global applications from the IoT platform to meet local demand. These will address smart buildings, logistics and traffic and so on to enhance quality of life and quicken Hong Kong's development as a smart city.

Alibaba's unique ecosystem scale and cutting-edge technology, along with its world-renowned Link IoT platform and cutting-edge artificial intelligence technology, will enable the two partners to introduce more applications for use in today's digital world, while creating a new ecosystem for a variety of industries. Enterprises large and small, as well as consumer customers, will not need to invest heavily in IT resources, but will still be able to benefit from

development of cloud computing and big data. Meanwhile, business-to-business applications can be developed rapidly to achieve a win-win result.

3 Hong Kong will make use of Alibaba's worldwide ecosystem to build IoT platforms for homes, cities and the manufacturing industry, at the same time support developers to build their own IoT applications. As an example, a 55% boost in IoT development efficiency is achieved in the Hongshan town of Wuxi city, thanks to creation of an IoT ecosystem. Management and operational efficiencies can be significantly improved, thereby giving rise to more business opportunities.

Developing market potential and opening up business opportunities

3 Hong Kong and Alibaba will collaborate in line with their strategic co-operation agreement. This will include Alibaba's cloud computing technology and ecological empowerment capability to assist 3 Hong Kong's business digitalisation and construction of an intelligent big data platform able to connect all flows of data.

On the subject of cloud computing, Alibaba Cloud will provide 3 Hong Kong with branding, as well as operational platform and technical support. The two parties will also become strategic cloud co-operation partners on private clouds in pursuit of business opportunities, expanding business, developing an ecosystem and operating in tandem.

In addition, the two parties will join forces to explore opportunities in information security, while developing services for disaster recovery, network protection, anti-phishing efforts and combating cyber fraud.

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**Source:*

<https://www.gsma.com/newsroom/press-release/new-gsma-study-operators-must-look-beyond-connectivity-to-increase-share/>

About 3 Hong Kong

3 Hong Kong is a leading mobile communications service provider and the only local operator to own blocks of spectrum across the 900MHz, 1800MHz, 2100MHz, 2300MHz and 2600MHz bands. 3 Hong Kong offers cutting-edge data, voice and roaming services under the "3" brand via far-reaching advanced 4G LTE, 3G and 2G networks. 3 Hong Kong also works with renowned partners to offer a wealth of innovative mobile devices and value-added services, while providing high-speed Wi-Fi at 3 Hong Kong's hotspots to serve Hong Kong's major areas. 3 Hong Kong is the mobile division of Hutchison Telecommunications Hong Kong Holdings Limited (stock code: 215), a group member of CK Hutchison Holdings (stock code: 1).

For more information on 3 Hong Kong, please visit www.three.com.hk.

For more information on HTHKH, visit www.hthkh.com.

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere. The company aims to build the future infrastructure of commerce. It envisions that its customers will meet, work and live at Alibaba, and that it will be a company that lasts at least 102 years.

About Alibaba Cloud

Established in 2009, Alibaba Cloud (www.alibabacloud.com), the cloud computing arm of Alibaba Group, is among the world's top three IaaS providers, according to Gartner, and the largest provider of public cloud services in China, according to IDC. Alibaba Cloud provides a comprehensive suite of cloud computing services to businesses worldwide, including merchants doing business on Alibaba Group marketplaces, startups, corporations and government organizations. Alibaba Cloud is the official Cloud Services Partner of the International Olympic Committee.

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