



PRESS RELEASE

For Immediate Release

CHINA MOBILE 2024 INTERIM RESULTS

Significant enhancements to information services supply capability
 Business operations and development maintain stable progress with an upward momentum
 New milestones on journey to high-quality development

Highlights

- Achieving new milestones in high-quality development
- Further advancing strategic transformation with remarkable results
- Accelerating the upgrade of the “Two New Elements”
- Growing momentum of technological innovation
- Effectively unlocking benefits from enterprise reform and innovation
- Persistently enhancing cash returns of shareholders
- Accelerating the building of a world-class enterprise

Operating performance

	1H 2023	1H 2024	Change
Operating revenue (RMB million)	530,719	546,744	3.0%
Of which: Revenue from telecommunications services (RMB million)	452,238	463,589	2.5%
EBITDA (RMB million)*	183,457	182,270	-0.6%
Profit attributable to equity shareholders (RMB million)	76,173	80,201	5.3%
Basic earnings per share (RMB)	3.56	3.75	5.3%
Dividend per share- interim (HK\$)	2.43	2.60	7.0%
Total mobile customers (million)	985	1,000	1.5%
Of which: 5G network customers (million)	393	514	30.8%
Mobile ARPU (RMB)	52.4	51.0	-2.7%
Wireline broadband customers (million)	286	309	7.9%
Of which: Household broadband customers (million)	255	272	6.8%
Household customer blended ARPU (RMB)	43.3	43.4	0.2%
Corporate customers (million)	24.30	30.38	25.0%

* EBITDA = profit from operations + depreciation and amortization

(Hong Kong, 8 August 2024) – In the first half of 2024, China Mobile obtained operating revenue of RMB546.7 billion, representing a growth of 3.0% year-on-year. Of this, our telecommunications services revenue accounted for RMB463.6 billion, an increase of 2.5% year-on-year. Total connections surpassed 3.50 billion, with a net addition of 150 million. In the CHBN markets, HBN revenue accounted for 45.0% of telecommunications services revenue, an increase of 2.3 percentage points year-on-year. Our digital transformation revenue, as the “second curve” of revenue growth, reached RMB147.1 billion, an increase of

11.0% year-on-year. It accounted for 31.7% of telecommunications services revenue and represented an increase of 2.4 percentage points year-on-year.

Profit attributable to equity shareholders was RMB80.2 billion, an increase of 5.3% year-on-year, and earnings per share were RMB3.75. EBITDA was RMB182.3 billion, and as a percentage of telecommunications services revenue, was 39.3%. Annualized return on equity (ROE) increased by 0.3 percentage points year-on-year to 11.8%, and we maintained industry-leading profitability among top-tier global telecommunications operators. Capital expenditure totaled RMB64.0 billion. Free cash flow amounted to RMB67.4 billion.

To create higher returns for our shareholders and share the results of our growth, after giving full consideration to the Company's profitability, cash flow generation and future development needs, the Company has decided to pay HK\$2.60 per share for the 2024 interim dividend, representing an increase of 7.0% year-on-year. For the full year of 2024, profit to be distributed in cash as a percentage of the profit attributable to equity shareholders of the Company will further increase from that of 2023. The Company will continue to create more value for shareholders.

Mr. Yang Jie, Chairman of the Company commented, 'In the first half of 2024, despite various challenges faced by the Company with a complex external environment, we worked closely together and forged ahead with determination as a strong team to seize the important opportunities brought by developing new quality productive forces to the information services industry. We relentlessly pursued the "1-2-2-5" strategy, collectively fostered the "Two New Elements" featuring smart digitalization infrastructure and smart info-service spectrum, and robustly implemented the "BASIC6" and "AI+" initiatives. Thanks to these concerted efforts, we have significantly strengthened our capability to supply information services. Our business operations and development maintained stable progress with an upward momentum, and our efficiency and effectiveness saw ongoing growth. We achieved significant digital-intelligent transformation, marking new milestones on our journey to high-quality development. These results were truly hard-earned.'

Value-oriented Operations Continued to Progress

"Customer" Market: Integrated Operations to Fortify Business Foundation

We continued to integrate data access, applications and customer benefits. 5G customers represented a growing share of our overall customer base as a result of unleashing the synergies of CHBN markets, together with our redoubled efforts to strengthen value retention of mid-to-high-end customers and deepen the innovation of scenario-based operations. Our "Customer" market maintained stable, with revenue reaching RMB255.2 billion in the first half of 2024. Mobile customers exceeded one billion, with a net addition of 9.26 million customers. Of which, our 5G network customer base reached 514 million, representing a net addition of 49 million and accounting for 51.4% of the overall customer base. Revenue from personal China Mobile Cloud Drive increased by 47.7% year-on-year to RMB4.8 billion. The number of customers for integrated-benefit products reached 315 million, with the corresponding revenue of RMB14.0 billion, up by 37.2% year-on-year. The number of customers using our 5G New Calling over high-definition video reached 129 million, of which, smart application subscribers amounted to 11.82 million. Our M-zone Mango Card products recorded total sales volume of 21.55 million, demonstrating its popularity among young customers. Mobile ARPU (average revenue per user per month) maintained a leading position in the industry and amounted to RMB51.0.

"Home" Market: Extended Services with Greater Value

We pursued the development of a smart home ecosystem featuring full-gigabit network. With China Mobile Aijia (AI Home) brand as the guiding force, we have strengthened the upgrade of our existing customers and the integration of different operations, and actively created new growth drivers such as FTTR (Fiber to the Room) and HDICT (home data, information and communications technology, collectively "home

informatization solutions”). As a result, our “Home” market generated favorable growth, with revenue for the first half of 2024 reaching RMB69.8 billion, an increase of 7.5% year-on-year. The number of household broadband customers reached 272 million, or a net increase of 8.48 million customers, maintaining our industry leadership. Gigabit broadband customers accounted for 33.5% of our household broadband customer base, an increase of 3.5 percentage points from the end of 2023. Mobile HD customers reached 208 million, with the corresponding revenue reaching RMB15.1 billion, up by 5.7% year-on-year. The numbers of smart home network and home security customers were 152 million and 58.64 million respectively. FTTR customers surged by 296.4% year-on-year to 5.05 million, and HDICT solutions attracted 35.52 million customers, an increase of 70.1% year-on-year. Household customer blended ARPU reached RMB43.4, representing an increase of 0.2% year-on-year.

“Business” Market: Deep Cultivation of the Industry with Enhancements to Scale and Quality

We advanced the integrated development of our network, cloud and DICT (data, information and communications technology), built innovative “AI+DICT” service capabilities, proactively established an operation system that is standardized and product-driven for effective management of platform-based solutions, and tapped into high-value areas of our corporate customer base. In the first half of 2024, our “Business” market revenue maintained favorable growth and reached RMB112.0 billion, up by 7.3% year-on-year. Our corporate customer base reached 30.38 million, a net increase of 2.01 million. Our share of contracts won in open tenders amounted to an industry-leading 18.4%. We successfully developed “standardized, product-driven and platform-based” solutions that cater to 30 business segments, cultivating 58 core capabilities and expanding over 500 projects. China Mobile Cloud maintained its position as a top-tier cloud services provider, and fully leveraged this advantage and competencies in the integration between cloud on the one hand and network, data, intelligence, edge computing and security on the other. China Mobile Cloud revenue reached RMB50.4 billion, an increase of 19.3% year-on-year. Within this, the revenue market share of IaaS+ PaaS sat comfortably in the industry top five. We maintained leadership in 5G applications for vertical industry sectors, signed an accumulative figure of more than 40,000 agreements for 5G commercial projects, and achieved remarkable scaled development across multiple sectors including smart cities, smart factories, smart parks, and smart campuses, which helped generate 5G dedicated network revenue of RMB3.9 billion, an increase of 53.7% year-on-year.

Our Internet of Vehicles (IoV) market in the “To V” market obtained breakthroughs in scale. The net increase of IoV factory-installed connections reached 7.29 million, accumulating to 57.91 million. The usage of 5G+ Beidou high-precision positioning reached 1.7 trillion times. We enriched the “people-car-home” service offering and entered channel partnerships with 10 top-tier car makers. We also participated in the “vehicle-road-cloud integration” pilots in cities. In the “To G” market, alongside a deepened market expansion, we have accumulated digital government capabilities and released the Jiutian massive-computing large model v3.0 for public administration. We have also deeply participated in the construction and operation of multiple key digital cities at the provincial and municipal levels, delivering exemplary benchmark projects. For the first half of 2024, accumulated contract value exceeded 12.6 billion, an increase of 13.8% year-on-year. We tapped into the growth potential of the corporate market, making efforts to build a “terminal, network, cloud, data” product system. We developed 15.80 million corporate packages targeting specifically at SMEs, a net increase of 10.75 million. We actively explored new business opportunities by accelerating deployment of the planning and competencies for the low-altitude economy, aviation Internet and air-ground business.

“New” Market: Increased Contribution with Scaled Development

Thanks to larger business scale, higher effectiveness and better brand building, our “New” business witnessed rapid growth. Revenue from our “New” market reached RMB26.6 billion in the first half of 2024, an increase of 13.2% year-on-year. In terms of international business, we deepened the synergies between international and domestic markets. We increased the export of high-quality product capabilities and 5G solutions to overseas markets to serve the construction of the “Belt and Road”, while upgrading our digital

infrastructure overseas and further strengthening our international ties. In the first half of 2024, our international business revenue reached RMB11.8 billion, an increase of 16.3% year-on-year. In terms of equity investment, we focused our strategy in areas such as strategic emerging industry clusters, future strategic industries, and digital transformation of industries, amplifying the role of capital in connecting and empowering the industry value chain. In terms of digital content, we strengthened our “content, technology and integrated innovation” operating model, refining core products such as MIGU Video while developing core atomic-level capabilities for digital products including digital humans in the metaverse, XR+ naked eye 3D display and digital space. Digital content revenue reached RMB14.5 billion in the first half of 2024, or growth of 11.3% year-on-year. The number of monthly active users for our cloud games across all platforms reached an industry leading 123 million. In terms of FinTech, we took full advantage of the role of finance in empowering and promoting business growth throughout the industry value chain, achieving a business scale of RMB37.9 billion in the first half of 2024, an increase of 72.1% year-on-year, and serving 55.5% more enterprises. We created an all-in-one digital consumption portal across all platforms, driving growth in monthly active customers of “and-Wallet” transactions by 15.8% year-on-year.

We placed customers at the heart of our business and spared no effort in developing new digital services for all scenarios across multiple modes and sectors, ensuring rapid and steady development of digital transformation. In the first half of 2024, the digitalization revenues from our “Customer”, “Home” and “Business” markets grew by 34.6%, 4.5% and 7.9% year-on-year respectively. Of which, DICT revenue increased by 8.4% year-on-year to RMB65.2 billion. Meanwhile, “New” market digitalization revenue increased by 9.7% year-on-year.

Accelerated the Advancement of the “Two New Elements”

Continued to optimize smart digitalization infrastructure

We accelerated the upgrade of the “Two New Elements”. We spent an overall CAPEX of RMB64 billion in the first half of the 2024, and continuously optimised our smart digitalization infrastructure. We maintained a leading position in “Dual Gigabit” Network. Accumulatively, there were over 2.29 million 5G base stations put into use. At present, we have promoted 5G-A commercial deployment in over 280 cities, with gigabit broadband covering 438 million households. We continued to lead the development of computility network. General computility reached 8.2 EFLOPS and intelligent computility reached 19.6 EFLOPS. We continued to optimise our “N+X” multi-layer and full-coverage deployment of intelligent computility capability. The first batch of 13 intelligent computing center nodes in regions such as Beijing-Tianjin-Hebei, Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing have been put into operation. We expanded the applications of the integration platform. The capabilities on our integration platform were accumulatively deployed 319.7 billion times for the first half of 2024. We have also implemented DSSN in 6 provinces and across 8 industries. We will continue to strengthen targeted investment and meticulous management. Full-year CAPEX will be controlled within the RMB173 billion guidance set at the beginning of the year, with CAPEX-to-revenue ratio decreasing to below 20%.

Continued to optimize smart info-service spectrum

Connection scale reached a record high. Total connections surpassed 3.5 billion, with a net addition of 150 million. The number of mobile customers exceeded 1.0 billion. Product expansion showed robust momentum. In the mass market, 17 of our products each had a user base of over 100 million. In the “Business” market, the revenue from 6 products each exceeded RMB10 billion. In the computility network business, we have developed over 70 intelligent computility projects with an accumulative contract value surpassing RMB2.0 billion. In the big data business, we leveraged Wutong Big Data platform to accumulate more than 2,000PB of data resources, achieving a total of 100 billion times of data deployment throughout the year. In the Visual Internet business, we have accumulated 70.3 million video-cloud connections. We maintained industry-leading service quality. We continued to enjoy an ongoing advantage in customer perception, and significantly enhanced network quality and touchpoint service efficiency.

Growing Momentum of Technological Innovation

Fruitful Results of the “BASIC6” Initiatives

We fully promoted the BASIC6 Initiatives and continuously achieved fruitful innovation results. We remained to be a first-tier global operator in terms of 5G-A standard-setting contributions. We successfully developed the “4-in-1” Brain of Computility Network, and the Yangtze River Delta Hub Wuhu Cluster Computility Public Service Platform was launched as a national-level hub node for the first time. We launched the Jiutian 100 billion-parameter multi-modal large model, and we were the first SOE to have obtained “double filings” from the Chinese government (the Jiutian foundation large model was the first SOE-developed model to have obtained “double filings” from the Chinese government for the provision of generative AI services and domestic deep synthesis service algorithms). We achieved remarkable results in technological innovation. The “5G Key Technologies and Engineering Applications” project that we led has won the first-class award of the State Scientific and Technological Progress Award. China Mobile was also named as the number one enterprise on the inaugural list of 2023 outstanding enterprises leading in science and technology innovation, released by the SASAC of the State Council.

“AI+” Initiatives Achieved Breakthroughs

We seized opportunities timely and firmly, implementing the “AI+” initiative and achieving breakthroughs. We released the Jiutian artificial intelligence foundation comprising 10,000-card intelligent computing clusters, 100 billion-parameter multi-modal large models, and an eco-platform that brings together hundreds of major elements. We accumulated 450 AI capabilities and empowered nearly 1,000 applications. We expedited industrial and scaled development of large models, opening large model training bases, evaluation bases, and industrial innovation bases to provide one-stop industry integration, and facilitating services such as model training and inference, and AI+ native application incubation to society. We accelerated the commercial monetisation of AI capabilities. We have launched 23 AI+ products and 20 AI+ DICT industry applications. We have deployed high-performance industry-specific large models in 40 sub-sectors. In the first half of 2024, we have released 17 self-developed Jiutian industry-specific large models, implementing the applications of large-scale models across multiple industries such as public administration, IoT-enabled irrigation, and social general administration and governance.

Future outlook

The evolving external environment has introduced growing adverse impacts, while effective demand has persistently remained inadequate. Our business transformation is clouded by the transitional phase between old and new growth drivers, introducing an element of uncertainty. Meanwhile, the macroeconomic outlook continues to improve. The development of new quality productive forces not only propels the pervasive integration of next-generation information technology across the entirety of economic and social domains, but also ushers in a new digital-intelligent era characterized by the deep integration of information and energy at an accelerating pace. Data, computility and AI have become the new engine for technological innovations. Information technology and its deep integration with the real and financial economies have given rise to emerging industries. “Internet+”, “5G+” and “AI+” have identified a new pathway for information technology to be integrated into all aspects of the economy, society and everyday life, which will profoundly revolutionize the way people work and live, as well as upending the model of social governance, presenting unprecedented opportunities for the information and communications sector. Especially in recent times, we have seen accelerated breakthroughs in the application of new generation information technologies represented by AI, computility networks, big data and blockchain. Promoting economic and social transformation from “+AI” towards “AI+”, this phenomenon has empowered individuals, families, communities and professionals, facilitated the integrated innovation of emerging technologies, further deepened the integration of multi-domain intelligence applications, and opened up a vast blue-ocean of opportunities.

Mr. Yang Jie, Chairman of the Company commented, ‘Faced with the new business landscape and opportunities, we will fully, accurately and comprehensively align with the new development paradigm. We will pursue stable progress while forging ahead with a steadfast focus on integrity and innovation. We will enhance core functions, strengthen core competencies and fully implement the “1-2-2-5” strategy, further deepening reforms to bolster our organic growth momentum, innovative vitality and development potential. We will also strive to promote the “Two New Elements” with smart digitalization infrastructure and smart info-service spectrum, while making all-out efforts on “AI+” and “BASIC6” initiatives. By doing so, we will develop new quality productive forces at an accelerated pace, promote digital-intelligent transformation and high-quality growth. As we establish ourselves as a world-class information services and sci-tech innovation enterprise, we will consistently create greater value for our shareholders and customers.’

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