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CHINA MOBILE LIMITED

中國移動有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

Stock Codes: 941 (HKD Counter) and 80941 (RMB Counter)

RESULTS FOR THE FIRST QUARTER OF 2024

The unaudited results and performance indicators of the Group for the first quarter of 2024:

- Operating revenue was RMB263.7 billion, up by 5.2% year-on-year; of which, revenue from telecommunications services was RMB219.3 billion, up by 4.5% year-on-year
- EBITDA was RMB78.0 billion, down by 2.3% year-on-year
- Profit attributable to equity shareholders was RMB29.6 billion, up by 5.5% year-on-year
- Mobile customers amounted to 996 million; of which, 5G package customers amounted to 799 million
- Wireline broadband customers amounted to 305 million

SELECTED UNAUDITED KEY PERFORMANCE INDICATORS

Financial Data

	For the period from 1 January 2024 to 31 March 2024	For the period from 1 January 2023 to 31 March 2023	Change
Operating Revenue (RMB)	263.7 billion	250.7 billion	5.2%
Of which, Revenue from			
Telecommunications Services (RMB)	219.3 billion	209.8 billion	4.5%
Sales of Products and Others (RMB)	44.4 billion	40.9 billion	8.6%
EBITDA ¹ (RMB)	78.0 billion	79.9 billion	-2.3%
EBITDA Margin ²	29.6%	31.8%	
Profit before Taxation (RMB)	38.4 billion	36.5 billion	5.1%
Profit Attributable to			
Equity Shareholders (RMB)	29.6 billion	28.1 billion	5.5%
Margin of Profit Attributable to			
Equity Shareholders	11.2%	11.2%	

¹ EBITDA = profit from operations + depreciation and amortization

² EBITDA margin = EBITDA / operating revenue

Operating Data

	As at 31 March 2024/ For the period from 1 January 2024 to 31 March 2024	As at 31 December 2023/ For the period from 1 October 2023 to 31 December 2023
Mobile Business		
Total Customers	996 million	991 million
Net Additional Customers *	4.63 million	0.97 million
5G Package Customers	799 million	795 million
5G Network Customers	488 million	465 million
Average Revenue per User per Month (ARPU) (RMB/user/month) *	47.9	44.9
Total Voice Usage (minutes) *	663.4 billion	695.8 billion
Average Minutes of Usage per User per Month (MOU) (minutes/user/month) *	224	232
Handset Data Traffic (GB) *	38.9 billion	44.5 billion
Average Handset Data Traffic per User per Month (DOU) (GB/user/month) *	14.9	16.8
Broadband Business		
Total Wireline Broadband Customers	305 million	298 million
Net Additional Wireline Broadband Customers *	6.83 million	3.56 million

* for the relevant reporting period

In the first quarter of 2024, the Group continued to pursue stable progress while forging ahead with a steadfast focus on integrity and innovation, which helped anchor us in our position as a world-class information services and sci-tech innovation enterprise. We fully implemented the “1-2-2-5” strategy, comprehensively promoted digital intelligence transformation and high quality development, and expedited the advancement of “BASIC6” sci-tech innovation plan. Our operating development has shown favourable growth momentum.

For the “Customer” market, the Group furthered the integrated operation of data access, applications and customer benefits. Efforts were directed towards fortifying the existing customer operation system, intensifying scenario operations, fostering deeper integrated development, and further expanding our scale while strengthening our value proposition that further enhanced growth. As at 31 March 2024, the Group has obtained a total of 996 million mobile customers; of which, the numbers of 5G package customers and 5G network customers reached 799 million and 488 million respectively. During the first quarter of the year, handset data traffic recorded a year-on-year increase of 3.3% and handset data DOU amounted to 14.9GB. Mobile ARPU was RMB47.9.

For the “Home” market, we built a smart home ecosystem featuring full-gigabit network and cloud-based applications, advancing the development of home security, mobile high-definition and smart home network deployment on a larger scale. We also upgraded the smart home ecosystem and enhanced the value contribution of HDICT (home data, information and communications technology). As at 31 March 2024, the Group’s total number of wireline broadband customers was 305 million, with a quarterly net increase of 6.83 million; of which, the number of household broadband customers reached 269 million, with a quarterly net increase of 5.28 million. For the first quarter of the year, household customer blended ARPU grew by 1.8% year-on-year to RMB39.9.

For the “Business” market, the Group endeavoured to promote the scale and integrated development of networks, cloud and DICT (data, information and communications technology), with redoubled efforts to tap into the corporate customer market. We further advanced our plans to deliver standardized, product-driven and platform-based corporate solutions, promoted industry digital intelligence transformation in greater depth and supported high-quality development. For the first quarter of the year, the Group’s DICT revenue maintained favourable growth.

For the first quarter of 2024, the Group’s revenue from telecommunications services grew by 4.5% year-on-year to RMB219.3 billion; revenue from sales of products and others increased by 8.6% year-on-year to RMB44.4 billion.

Profit attributable to equity shareholders of the Group increased by 5.5% year-on-year to RMB29.6 billion for the first quarter of 2024. Margin of profit attributable to equity shareholders was 11.2%. EBITDA decreased by 2.3% year-on-year to RMB78.0 billion, with EBITDA as a percentage of telecommunications services revenue standing at 35.6%.

The Group will continue to pursue stable progress while forging ahead with a steadfast focus on integrity and innovation. We will enhance core functions, improve core competitiveness, expedite the cultivation and growth of emerging sectors of strategic importance, develop new quality productive forces at an accelerated pace, and establish ourselves as a world-class information services and sci-tech innovation enterprise to a high standard. With these efforts, we will consistently create greater value for our shareholders and customers.

GROUP RESULTS

China Mobile Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2024, which have been prepared in accordance with International Financial Reporting Standards.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the three months ended 31 March 2024

(Expressed in Renminbi (“**RMB**”))

	Three months ended 31 March	
	2024	2023
	Million	Million
Operating revenue		
Revenue from telecommunications services	219,294	209,837
Revenue from sales of products and others	44,413	40,909
	<u>263,707</u>	<u>250,746</u>
Operating expenses		
Network operation and support expenses	74,594	72,935
Depreciation and amortization	48,142	52,273
Employee benefit and related expenses	36,080	33,534
Selling expenses	14,947	13,156
Cost of products sold	43,692	40,089
Other operating expenses	16,392	11,181
	<u>233,847</u>	<u>223,168</u>
Profit from operations	29,860	27,578
Other gains	930	1,483
Interest and other income	5,506	5,247
Finance costs	(845)	(937)
Income from investments accounted for using the equity method	2,923	3,133
Profit before taxation	38,374	36,504
Taxation	(8,745)	(8,421)
PROFIT FOR THE PERIOD	<u>29,629</u>	<u>28,083</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

for the three months ended 31 March 2024

(Expressed in RMB)

	Three months ended	
	31 March	
	2024	2023
	Million	Million
Other comprehensive income for the period, net of tax:		
Items that will not be subsequently reclassified to profit or loss		
Changes in the fair value of financial assets measured at fair value through other comprehensive income	(15)	38
Share of other comprehensive income/(loss) of investments accounted for using the equity method	2	(5)
Items that may be subsequently reclassified to profit or loss		
Changes in the fair value of financial assets measured at fair value through other comprehensive income	133	–
Currency translation differences	797	(592)
Share of other comprehensive loss of investments accounted for using the equity method	(1)	(161)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>30,545</u>	<u>27,363</u>
Profit attributable to:		
Equity shareholders of the Company	29,609	28,067
Non-controlling interests	20	16
PROFIT FOR THE PERIOD	<u>29,629</u>	<u>28,083</u>
Total comprehensive income attributable to:		
Equity shareholders of the Company	30,516	27,347
Non-controlling interests	29	16
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>30,545</u>	<u>27,363</u>
Earnings per share – Basic	<u>RMB1.38</u>	<u>RMB1.31</u>
Earnings per share – Diluted	<u>RMB1.38</u>	<u>RMB1.31</u>

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

as at 31 March 2024

(Expressed in RMB)

	As at 31 March 2024 Million	As at 31 December 2023 Million
Assets		
Non-current assets		
Property, plant and equipment	690,212	714,663
Construction in progress	86,692	74,496
Right-of-use assets	91,361	94,753
Land use rights	14,779	14,877
Goodwill	35,301	35,301
Development expenditure	2,506	2,279
Other intangible assets	31,163	32,720
Investments accounted for using the equity method	184,718	181,715
Deferred tax assets	48,669	47,337
Financial assets measured at fair value through other comprehensive income	3,552	3,518
Financial assets measured at fair value through profit or loss	174,642	185,621
Other financial assets measured at amortized cost	5,673	5,628
Bank deposits	55,439	55,387
Other non-current assets	48,222	46,258
	<u>1,472,929</u>	<u>1,494,553</u>
Current assets		
Inventories	12,847	12,026
Contract assets	17,929	19,407
Accounts receivable	87,070	54,881
Other receivables	12,470	12,342
Bills receivable	987	1,205
Prepayments	10,064	7,516
Prepaid income tax	659	809
Other non-financial assets	22,760	23,108
Financial assets measured at fair value through profit or loss	176,313	156,018
Other financial assets measured at amortized cost	17,060	32,020
Bank deposits	33,787	37,213
Cash and cash equivalents	166,026	141,559
	<u>557,972</u>	<u>498,104</u>
Total assets	<u><u>2,030,901</u></u>	<u><u>1,992,657</u></u>

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

as at 31 March 2024

(Expressed in RMB)

	As at 31 March 2024 Million	As at 31 December 2023 Million
Equity and liabilities		
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	302,810	297,456
Bills payable	19,677	26,520
Contract liabilities	74,949	66,193
Receipts in advance	76,925	79,035
Other payables	43,717	38,201
Income tax payable	15,117	15,985
Lease liabilities	32,930	35,175
	<u>566,125</u>	<u>558,565</u>
Non-current liabilities		
Lease liabilities	66,013	67,759
Deferred revenue	9,341	9,281
Defined benefit plan and other employee benefit liabilities	6,447	6,408
Deferred tax liabilities	4,042	3,077
Other non-current liabilities	1,803	1,582
	<u>87,646</u>	<u>88,107</u>
Total liabilities	<u>653,771</u>	<u>646,672</u>
Equity		
Share capital	455,589	455,001
Reserves	917,254	886,731
Total equity attributable to equity shareholders of the Company	<u>1,372,843</u>	<u>1,341,732</u>
Non-controlling interests	<u>4,287</u>	<u>4,253</u>
Total equity	<u>1,377,130</u>	<u>1,345,985</u>
Total equity and liabilities	<u>2,030,901</u>	<u>1,992,657</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the three months ended 31 March 2024
(Expressed in RMB)

	Three months ended	
	31 March	
	2024	2023
	Million	Million
Operating activities		
Profit before taxation	38,374	36,504
Adjustments for:		
– Depreciation and amortization	48,142	52,273
– Interest and other income	(5,506)	(5,247)
– Finance costs	845	937
– Income from investments accounted for using the equity method	(2,923)	(3,133)
– Others	7,514	4,524
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Operating cash flows before changes in working capital	86,446	85,858
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Changes in working capital		
– Increase in inventories	(1,063)	(3,641)
– Decrease in contract assets	1,538	568
– Increase in accounts receivable	(39,249)	(31,141)
– Increase in accounts payable and accrued expenses	14,368	23,978
– Increase in contract liabilities	8,756	13,660
– Others	(4,844)	(6,597)
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Cash generated from operations	65,952	82,685
Tax paid		
– The mainland of China and other countries and regions’ enterprise income tax paid	(8,820)	(7,099)
– Hong Kong profits tax paid	(228)	(381)
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Net cash generated from operating activities	56,904	75,205
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(CONTINUED)**

for the three months ended 31 March 2024

(Expressed in RMB)

	Three months ended	
	31 March	
	2024	2023
	Million	Million
Investing activities		
Payment for property, plant and equipment, other intangible assets and non-current assets	(34,478)	(37,246)
Proceeds from disposal and write-off of property, plant and equipment and non-current assets	65	80
Purchase of term deposits and certificates of deposits	(10,374)	(27,937)
Proceeds from disposal of term deposits and certificates of deposits	11,124	52,335
Decrease in the statutory deposit reserves by China Mobile Finance	2,214	275
Purchase of other financial assets measured at amortized cost	(16,143)	(18,022)
Proceeds from disposal of other financial assets measured at amortized cost	31,225	10,146
Interest and other finance income received	3,720	1,600
Proceeds from disposal of investments accounted for using the equity method	–	79
Purchase of financial assets measured at fair value through profit or loss	(24,100)	(17,000)
Proceeds from disposal of financial assets measured at fair value through profit or loss	16,145	2,659
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	111	–
Others	–	(690)
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Net cash used in investing activities	(20,491)	(33,721)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(CONTINUED)**

for the three months ended 31 March 2024

(Expressed in RMB)

	Three months ended	
	31 March	
	2024	2023
	Million	Million
Financing activities		
Proceeds received from exercise of share options	550	247
Interest paid in relation to short-term deposits placed by CMCC Group	(2)	(12)
Net repayment of short-term deposits placed by CMCC Group	(1,602)	(10,305)
Repayment of principal and interest of lease liabilities	(10,865)	(4,641)
Payment for purchase of own shares	(141)	–
Others	(4)	(8)
	<u> </u>	<u> </u>
Net cash used in financing activities	(12,064)	(14,719)
	<u> </u>	<u> </u>
Net increase in cash and cash equivalents	24,349	26,765
Cash and cash equivalents, beginning of period	141,559	167,106
Effect of changes in foreign exchange rate	118	(223)
	<u> </u>	<u> </u>
Cash and cash equivalents, end of period	166,026	193,648
	<u> </u>	<u> </u>

The Board wishes to remind investors that the above results and performance indicators are based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such data.

In the meantime, investors are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
China Mobile Limited
Yang Jie
Chairman

Hong Kong, 22 April 2024

FORWARD-LOOKING STATEMENTS

Forward-looking statements contained in this announcement do not constitute and should not be viewed as commitments made by the Company. Such forward-looking statements involve 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 those implied by such forward-looking statements. In addition, the Company does not intend to update such forward-looking statements. Investors are cautioned not to unduly rely on such forward-looking statements.

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Yang Jie, Mr. Li Pizheng and Mr. Li Ronghua as executive directors; and Mr. Stephen Yiu Kin Wah, Dr. Yang Qiang, Mr. Carmelo Lee Ka Sze and Mrs. Margaret Leung Ko May Yee as independent non-executive directors.