

# Consolidated Statement of Cash Flows

For the year ended 31 December 2025

(All amounts in RMB millions)

	Year ended 31 December	
	2025	2024
<b>Cash flows from operating activities</b>		
Cash generated from operations	94,295	94,435
Interest received	1,771	1,981
Interest paid	(1,208)	(1,797)
Income tax paid	(4,683)	(5,217)
Net cash inflow from operating activities	90,175	89,402
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, right-of-use assets and other assets	(67,641)	(75,740)
Proceeds from disposal of property, plant and equipment and other assets	1,751	1,976
Acquisition of financial assets measured at fair value through profit or loss ("FVPL")	(1,466)	(1,062)
Proceeds from disposal of financial assets measured at FVPL	980	1,316
Acquisition of debt securities measured at FVOCI (recycling)	(43,480)	(6,020)
Proceeds from disposal of debt securities measured at FVOCI (recycling)	31,513	22,330
Decrease in other financial assets measured at amortised cost	993	15
Dividends received from financial assets measured at FVOCI (non-recycling)	171	156
Acquisition of interest in associates	(61)	(65)
Acquisition of interest in joint ventures	—	(87)
Acquisition of a subsidiary	—	(4)
Proceeds from disposal of associates and subsidiary	531	—
Dividends received from associates	1,648	1,772
Dividends received from a joint venture	300	360
Placement of bank deposits and restricted deposits	(17,777)	(42,219)
Release of short-term bank deposits and restricted deposits	22,785	13,016
Lending by Unicom Group Finance Company Limited ("Finance Company") to a related party	(4,900)	(8,400)
Repayment of loans from a related party to Finance Company	5,000	8,000
Net cash outflow from investing activities	(69,653)	(84,656)

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For the year ended 31 December 2025

(All amounts in RMB millions)

	Note	Year ended 31 December	
		2025	2024
<b>Cash flows from financing activities</b>			
Capital contributions from non-controlling interests		16	22
Proceeds from short-term bank loans		960	710
Proceeds from long-term loans		2,500	237
Loans from related parties		—	546
Repayment of short-term bank loans		(711)	(680)
Repayment of long-term loans		(897)	(440)
Capital element of lease rentals paid		(13,384)	(12,887)
Dividends paid to equity shareholders of the Company		(13,472)	(11,683)
Net deposits with Finance Company		1,999	999
Increase in statutory reserve deposits placed by Finance Company		(627)	(874)
Repayment of other obligations		(185)	(14)
Net cash outflow from financing activities		(23,801)	(24,064)
<b>Net decrease in cash and cash equivalents</b>		(3,279)	(19,318)
Cash and cash equivalents, beginning of year		28,480	47,733
Effect of changes in foreign exchange rate		(92)	65
<b>Total cash and cash equivalents, end of year</b>	30	<b>25,109</b>	28,480
<b>Analysis of the balances of cash and cash equivalents:</b>			
Cash balances		—	—
Bank balances		25,109	28,480
		<b>25,109</b>	28,480

The notes on pages 110 to 213 are an integral part of these consolidated financial statements.

The reconciliation of profit before income tax to cash generated from operations is as follows:

	<b>Year ended 31 December</b>	
	<b>2025</b>	2024 (Re-presented)
Profit before income tax	<b>25,453</b>	25,254
Adjustments for:		
Depreciation and amortisation	<b>80,831</b>	83,392
Interest income	<b>(1,771)</b>	(1,981)
Finance costs	<b>1,202</b>	1,733
Gain on disposal of property, plant and equipment	<b>(2,694)</b>	(2,827)
Impairment losses under expected credit loss ("ECL") model and write-down of inventories	<b>5,536</b>	7,275
Dividends from financial assets measured at FVOCI (non-recycling)	<b>(171)</b>	(156)
Gains on disposal of financial assets measured at FVPL	<b>(60)</b>	(17)
Gains on disposal of financial assets measured at FVOCI (recycling)	<b>—</b>	(1)
Dividends from financial assets at FVPL	<b>(13)</b>	(10)
Investment income from debt securities measured at FVOCI (recycling)	<b>(201)</b>	(385)
Investment income from debt securities measured at amortised cost	<b>(23)</b>	(23)
Fair value gains on financial assets measured at FVPL	<b>(20)</b>	(49)
Share of net profit of associates	<b>(2,668)</b>	(2,592)
Share of net profit of joint ventures	<b>(1,487)</b>	(1,481)
Gain from disposal of associates and subsidiary	<b>(106)</b>	—
Expenses for restricted shares of A Share Company granted to the Group's employees	<b>118</b>	247
Changes in working capital:		
Increase in accounts receivable	<b>(14,922)</b>	(30,133)
(Increase)/decrease in contract assets	<b>(737)</b>	14
Increase in contract costs	<b>(5,270)</b>	(7,400)
Increase in inventories	<b>(254)</b>	(377)
Decrease/(increase) in restricted deposits	<b>139</b>	(70)
(Increase)/decrease in other assets	<b>(834)</b>	266
Decrease/(increase) in prepayments and other current assets	<b>2,467</b>	(1,294)
Increase in accounts payable and accrued liabilities	<b>7,791</b>	24,933
Increase in other taxes payable	<b>171</b>	435
Increase/(decrease) in advances from customers	<b>141</b>	(76)
Increase in contract liabilities	<b>254</b>	573
Increase/(decrease) in deferred revenue	<b>1,445</b>	(870)
(Decrease)/increase in other obligations	<b>(22)</b>	55
Cash generated from operations	<b>94,295</b>	94,435

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