CHINA TOWER CORPORATION LIMITED
中國鐵塔股份有限公司

Annual Report 2025

About China Tower

China Tower is the world's largest telecommunications tower infrastructure service provider, and the Company always adheres to the philosophy of shared development and implements the "One Core and Two Wings" strategy. The Company is principally engaged in the construction, maintenance and operation of base station ancillary facilities such as telecommunications towers, public network coverage in railway tunnels and subways, and large-scale indoor Distributed Antenna Systems (DAS). Meanwhile, relying on unique resources to provide information application services and energy application services such as intelligent battery exchange and power backup to the society, the Company strives to build itself into a world-class integrated digital infrastructure service provider, and a highly competitive information and new energy applications provider. As at the end of December 2025, the Company's total assets amounted to RMB336,579 million. China Tower operated and managed 2.149 million tower sites across 31 provinces, municipalities and autonomous regions in the PRC, and served over 3.856 million tenants with the tenancy ratio of 1.79.

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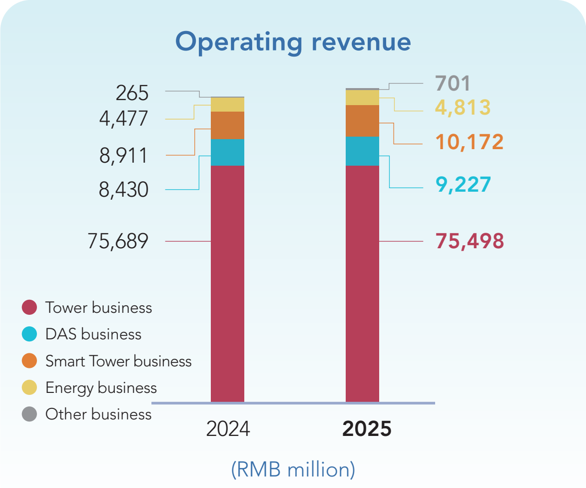
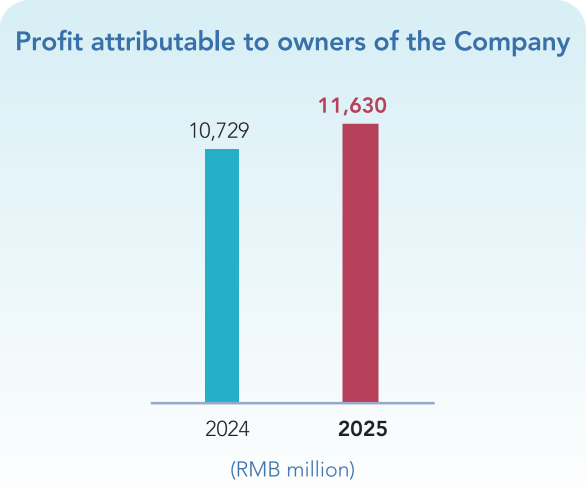
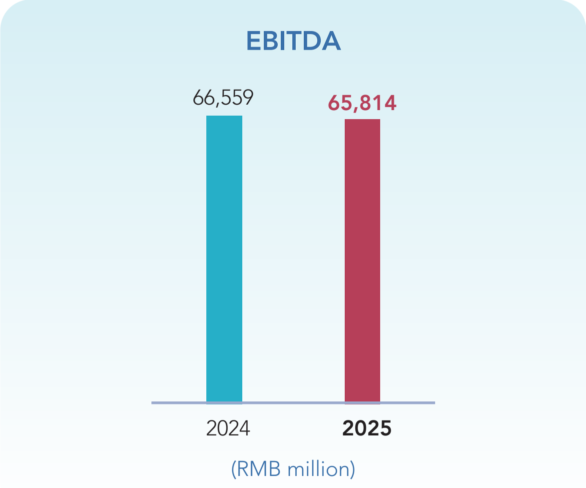
Performance Highlights

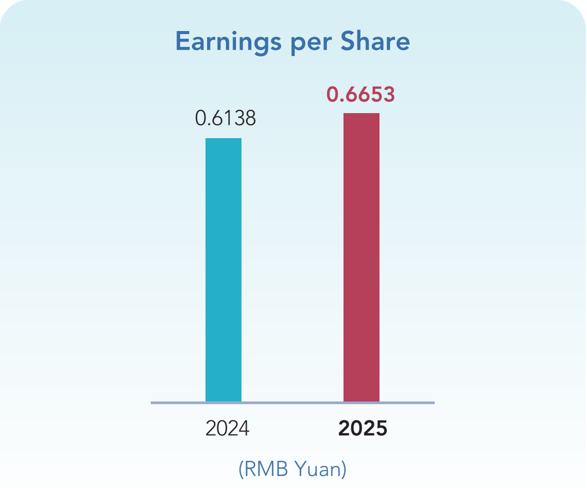
RMB million	2025	2024	Change
Operating revenue	**100,411**	97,772	2.7%
of which			
Tower business	**75,498**	75,689	-0.3%
DAS business	**9,227**	8,430	9.5%
Smart Tower business	**10,172**	8,911	14.2%
Energy business	**4,813**	4,477	7.5%
Operating profit	**17,360**	16,330	6.3%
EBITDA[1]	**65,814**	66,559	-1.1%
Profit attributable to owners of the Company	**11,630**	10,729	8.4%
Capital expenditures	**29,486**	31,941	-7.7%
Earnings per Share (RMB Yuan)	**0.6653**	0.6138	8.4%

Note 1: EBITDA is calculated by operating profit plus depreciation and amortization.









2,149 thousand

No. of tower sites

24.8 %

Revenue contribution from non-tower businesses

3,856 thousand

No. of tower tenants

1.79

Tower tenancy ratio

Key operational data

Indicator	Unit	As at the end of 2025	As at the end of 2024	Change (YoY)
Number of tower sites	'000	**2,149**	2,094	2.6%
Number of tower tenants	'000	**3,856**	3,791	1.7%
Tenancy ratio Note 2	Tenants/site	**1.79**	1.81	-1.1%
Number of TSP tenants	'000	**3,567**	3,544	0.6%
TSP tenancy ratio	Tenants/site	**1.70**	1.72	-1.2%
Average annual revenue per site Note 3	RMB Yuan/year	**40,382**	40,870	-1.2%
DAS coverage area in buildings	Million square meters	**15,150**	12,680	19.5%
DAS coverage length in subways	Kilometers	**14,288**	13,126	8.9%
DAS coverage length in railway tunnels	Kilometers	**19,373**	16,189	19.7%

Note 2: Tenancy ratio = (number of TSP tenants + number of Smart Tower tenants)/number of tower sites

Note 3: Average annual revenue per site = (revenue from Tower business + revenue from Smart Tower business)/[(number of tower sites at the beginning of the period + number of tower sites at the end of the period)/2]

Corporate Recognition

China Securities Golden Bauhinia Awards
"Excellent and High-quality Development Award for Listed Company"

Bloomberg Business week
"Listed Enterprises of the Year 2025"

2025 Hong Kong International ESG List Annual Awards
"Best ESG Practice Award",
"Best ESG Digitalisation Innovation Application Award"

ARC and Galaxy Award for China Tower's 2024 annual report on cover design and production

Corporate Culture

Core Values

Entrepreneurship and Innovation

Pragmatism and Efficiency

Customer Benefits

Employee Enablement

Our Vision

To become a world-class integrated digital infrastructure service provider and a highly competitive information and new energy applications provider

Our Mission

Sharing and joint-success, building an effective and efficient enterprise

Shareholding Structure

China Mobile 27.93%

China Unicom 20.65%

China Telecom 20.50%

China Reform 4.41%

Public Shareholders 26.51%

CHINA TOWER

Domestic Shares H Shares

5G+DAS

Revenue of DAS business increased by

9.5%

Chairman's Statement

Dear Shareholders,

In 2025, China Tower Corporation Limited (the "**Company**" or "**we**") continued to anchor its position as a "world-class integrated digital infrastructure service provider and a highly competitive information and new energy applications provider". We firmly seized the development opportunities brought about by the further advancement of the national strategies of "Cyberpower" and "Digital China" as well as the ongoing progress toward the "Dual Carbon" goals. Guided by the "One Core and Two Wings" strategy, we persistently strengthened our core competitiveness, enhanced the quality and efficiency of growth, and gained upward momentum, achieving solid progress in the Company's high-quality development.

Zhang Zhiyong
Chairman of the Board

Financial Performance

In 2025, the Company's operating revenue maintained stable growth and profitability remained strong. Operating revenue for the year reached RMB100,411 million, an increase of 2.7% year-on-year. EBITDA reached RMB65,814 million, a decrease of 1.1% year-on-year, with an EBITDA margin[1] of 65.5%. Profit attributable to the owners of the Company reached RMB11,630 million, an increase of 8.4% year-on-year, with a net profit margin of 11.6%.

The Company maintained a strong and stable cash flow. Net cash generated from operating activities for the year amounted to RMB56,116 million, an increase of RMB6,648 million year-on-year. Capital expenditures stood at RMB29,486 million while free cash flow[2] reached RMB26,630 million, up by RMB9,103 million year-on-year.

As at 31 December 2025, our total assets amounted to RMB336,579 million, with interest-bearing liabilities of RMB90,460 million and a gearing ratio[3] of 27.7%, representing a decrease of 3.3 percentage points from the end of 2024. Our financial position remains healthy and stable.

The Company has always attached great importance to shareholder returns. After considering our profitability, cash flow and future development needs, the board of directors of the Company (the "**Board**") has recommended a final dividend of RMB0.32539 per share (pre-tax) for the year ended 31 December 2025. Together with the interim dividend distributed, the total full-year dividend amounted to RMB0.45789 per share (pre-tax), equivalent to a payout ratio of 77% of our annual distributable net profit.

Note 1: EBITDA margin is calculated by dividing EBITDA by operating revenue, and multiplying the resulting value by 100%.
Note 2: Free cash flow is the net cash generated from operating activities minus the capital expenditures.
Note 3: Gearing ratio is calculated as net debts divided by the sum of total equity and net debt, then multiplying the result by 100%. Net debt is calculated as the amount of interest-bearing liabilities minus the amount of cash and cash equivalents.

Business Performance

In 2025, we remained focused on high-quality development, promoting stability through progress while improving quality and efficiency. As a result, throughout the year our business maintained healthy, steady growth and demonstrated a positive outlook.

Refined operations enabled steady progress in TSP business

We continued to play a leading role in new 5G infrastructure construction, further deployed the Dual-Gigabit network joint-entry implementation, and made solid progress in supporting special projects such as upgrading signal strength, extending broadband coverage to all border areas, forests and grasslands. Capturing the strategic opportunities arising from the wide-area 5G network coverage expansion and enhancement of in-depth coverage, we focused on enhancing intensive sharing of network resources and fully satisfying customers' demands for network construction. As a result, our TSP business maintained stable growth in 2025, recording revenue of RMB84,725 million, an increase of 0.7% year-on-year.

Tower business. The Company seized opportunities arising from customers' ongoing network expansion requirements and leveraged our competitiveness as a service provider by offering efficient delivery, superior maintenance and optimal cost structure, while minimizing management risks. We deepened the embedded service mechanism, precisely captured customers' network planning needs, and comprehensively secured construction demands in key scenarios and key regions. Leveraging our site resources and base station data, we proactively conducted coverage analysis to enhance network optimization capabilities. We also enhanced our collaborations with TSPs to provide customers with better services. By adhering to a customer-oriented philosophy, we continued to optimize end-to-end business processes and management standards to enhance service capabilities across the board. In 2025, revenue from our Tower business amounted to RMB75,498 million, a decrease of 0.3% year-on-year. As at the end of 2025, the Company managed a total of 2.149 million tower sites, an increase of 55,000 from the end of 2024. We have gained 23,000 new TSP tenants since the end of 2024, bringing the total number of TSP tenants to 3.567 million at the end of 2025. Our TSP tenancy ratio was 1.70.

DAS business. We continued to focus on high-value and livelihood-critical scenarios, systematically enhancing resource coordination and sharing, and collaborative construction capabilities, as well as accelerating 5G network upgrades on high-speed railways. At the same time, we deployed shared repeaters at scale in everyday scenarios such as elevators, underground parking lots, tunnels, and residential communities, helping TSPs achieve efficient and low-cost network coverage extension. We continued to optimize the integrated active and passive DAS sharing solutions and promoted the implementation of innovative solutions such as shared frequency shifting in existing DAS 5G upgrades. By doing so, we enhanced product and service competitiveness to efficiently meet customer needs. In 2025, our DAS business achieved relatively high growth, with revenue reaching RMB9,227 million, an increase of 9.5% year-on-year. By the end of 2025, we had covered buildings with a cumulative area of 15.15 billion square meters, up by 19.5% year-on-year, while the coverage in railway tunnels and subways reached a cumulative length of 33,661 kilometers, an increase of 14.8% year-on-year.

Vertical advancement supported strong growth in Two Wings business

In the Two Wings business, we seized market opportunities while continuing to strengthen product competitiveness and drive rapid growth of the business. In 2025, revenue of the Two Wings business reached RMB14,985 million and accounted for 14.9% of our overall operating revenue, an increase of 1.2 percentage points over the same period last year.

Smart Tower business. Focusing on spatial digital intelligence governance and leveraging our rich resources and capabilities, we continued to enhance our Smart Tower business, achieving revenue in excess of RMB10 billion. We continued to deepen our presence in key industries and scenarios, steadily increasing market share in key areas such as straw burning prohibition, farmland protection, and disaster alert. We advanced our nationwide distributed platform, optimizing algorithm service capabilities for mid-to-high point scenarios, with further improvements in platform response speed, algorithm accuracy, and application availability. We maintained our focus on implementing the "AI+" special project, promoting the application of large models for spatial digital intelligence governance, which were included in the first batch of strategic high-value AI scenarios for central state-owned enterprises. Customers are always at the center of everything we do. Therefore, we strengthened the development of product iterations, construction delivery, and operation and maintenance support, as well as expanding our integrated technical support teams, with an aim to respond actively and promptly to customers' needs.

In 2025, our Smart Tower business generated revenue of RMB10,172 million, up by 14.2% year-on-year, among which, revenue from our Tower Monitoring business reached RMB6,327 million, accounting for 62.2% of the Smart Tower business revenue.

Energy business. We focused on key business segments such as battery exchange and power backup. By improving refined operations and strengthening core capabilities and competitive advantages in products, services, and platforms, we continued to develop our specialty in the Energy business. For the battery exchange business, we continued to expand our share in the food delivery mass market while accelerating the expansion of our corporate customer base, resulting in stable user growth. As at 31 December 2025, we had approximately 1.477 million battery exchange users, an increase of 173,000 since the end of 2024, further solidifying our leading position in the low-speed electric vehicle battery exchange market. We accelerated the construction of a community-based low-speed electric vehicle charging facility network while optimizing operational efficiency, resulting in expanded service coverage and user scale. For the power backup business, we continued to focus on pivotal industries and our premium customer base, creating the China Tower "energy butler" integrated industry solutions and enhancing the value of our "energy butler" brand.

In 2025, our Energy business achieved revenue of RMB4,813 million, a year-on-year increase of 7.5%, of which the battery exchange business accounted for RMB3,029 million, an increase of 21.2% year-on-year, and with its contribution to the Energy business reaching 62.9%.

Innovation strategy resulted in remarkable technology empowerment

We made concrete progress in developing the "four lists" working mechanism of competencies and capabilities, task and project planning, resource allocation, and the commercialization of research outcomes. Focusing on the "One Core and Two Wings" businesses, we continued to intensify our efforts to address the challenges in key and core technologies, and accelerated the transformation of technological achievements to inject new momentum into high-quality business development. In 2025, our R&D investment and the number of R&D personnel increased by 82% and 22% respectively, compared to 2024. The number of patent applications and the cumulative number of patent authorizations increased by 77% and 54%, respectively, compared to the year before. We participated in the formulation of multiple international standards. A range of innovative products were commercialized and deployed at scale such as shared micro repeaters, monitoring platforms, and "one code for all". Our technological innovation system continued to strengthen, as shown in the high-quality construction and development of six regional technological innovation centers, the expansion and quality improvement of joint innovation platforms, and the steady enhancement of innovation efficiency and performance.

Corporate Governance and Social Responsibility

We uphold a high standard in practicing the principles of environmental, social and corporate governance (ESG), deeply integrating ESG into our operations to lay the foundation for sustainable development. We strictly complied with listing rules and regulations, continued to advance the implementation of legal and compliance management frameworks, strengthened our operational risk control, and maintained a high standard of corporate governance.

We fulfill our social responsibilities by enhancing people's livelihoods and well-being through communications and network information security services, digital empowerment, and green development. During emergency rescue and natural disaster relief missions such as bushfire prevention, typhoon response, and flood control, we ensured communications and network information security and supported the government's disaster relief command and deployment, ensuring smooth rescue operation and onsite command that are crucial for social safety. We continued to improve telecommunication infrastructure in rural and remote areas, and upgraded telecommunication towers into digital towers to support rural governance and industrial development, effectively contributing to the national rural revitalization strategy. We promoted energy conservation and emission reduction at base stations, and expanded the applications of green energy by deploying photovoltaic power generation and energy storage systems at base stations. Through these initiatives, we put green operations into practice.

Outlook

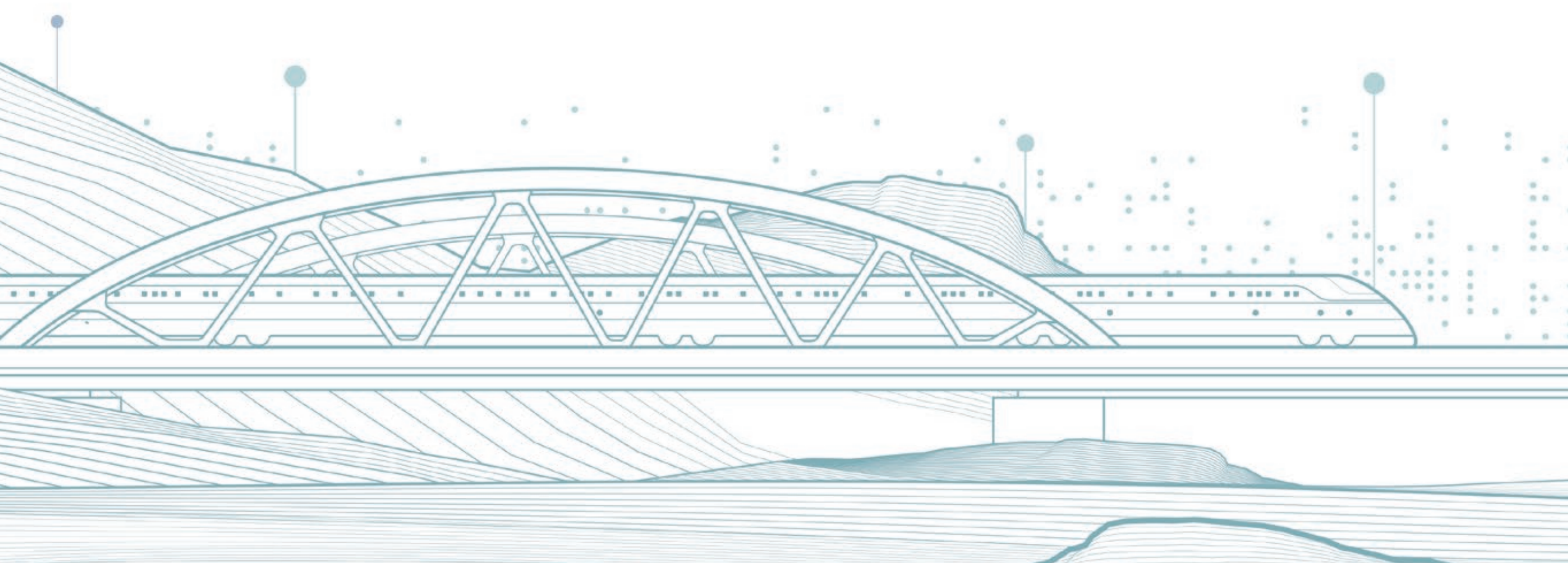
Looking ahead, we will continue to uphold the philosophy of resource sharing and adhere to the "One Core and Two Wings" strategy to further enhance our core competitiveness, promote high-quality development, and create value for shareholders, customers, and society.

TSP business: Looking ahead to the 15th Five-Year Plan period, with increased 5G network penetration, extended service scenarios, improved network coverage, and expanded 5G-A construction scale by TSPs, we will proactively capture the opportunities presented by the forward-looking development of new infrastructure, and actively address the digital intelligence needs of various sectors. We will reinforce our advantages in resource coordination, construction delivery, and service solutions innovation to solidify our competitiveness as a service provider offering efficient delivery, superior maintenance, and optimal cost structure, while minimizing management risks. This will ensure we fulfill customers' needs, create more opportunities for business development and achieve stable development in our TSP business.

Smart Tower business: By focusing on our core resources and capabilities in "location + computing + power + security", we will continue to strengthen our foundation, explore new opportunities, and enhance our capabilities in order to further refine our Smart Tower business. We will continue to increase our presence in advantageous segments, further explore key verticals, and reinforce our established competitive advantages in traditional scenarios. At the same time, we will actively expand into new industries and explore new application scenarios. We will develop innovative growth drivers by accelerating the low-altitude economy business, driving the scaled and orderly expansion of our edge computing business, proactively exploring the development of our "DAS+" business, and advancing our planning and entry into emerging industries. We will also forge our competencies by enhancing product offering, technological innovation, and "companion" service, thereby strengthening core functions and competitiveness to fully support the development of "Digital China".

Energy business: We will continue to optimize our battery exchange network, streamlining the operation and enhancing value to our VIP user base, comprehensively improving service quality to strengthen customer loyalty, and further cementing our market leadership in the segment. We will further explore the typical scenarios required by key customers in pivotal industries such as telecommunications and finance, enhance our platform and service capabilities, and step up promotion for our China Tower "energy butler" integrated industry solutions to drive the rapid development of the power backup business. We will also accelerate the development of the photovoltaic business and promote the site-specific implementation of energy storage business at base stations, supporting the scaled development of the Energy business.

Guided by technological innovation, we will focus on emerging industries such as next-generation mobile communications, AI, the low-altitude economy, and edge computing networks. We will proactively advance breakthroughs in new technologies and products. Through effective integration of innovation between technology and industry, we will nurture and grow new quality productive forces and provide strong support and empowerment for the Company's high-quality development.



On behalf of the Board, I would like to extend our sincere gratitude to Mr. Liu Guiqing who has resigned from the role of director of the Company. We thank Mr. Liu for his remarkable contribution to the Company's development during his tenure. We also take this opportunity to warmly welcome Mr. Luan Xiaowei to the Board.

The Company's achievements and progress over the past year would not have been possible without the hard work of our employees, the strong support of our customers, and the trust of our shareholders. Finally, on behalf of the Board, I would like to thank all our shareholders, customers, and the public for their support, and express my sincere gratitude to all our employees for their hard work and dedication.

Zhang Zhiyong
Chairman

Beijing, China, 18 March 2026

250,000
Digital Towers

Revenue of
Smart Tower
business increased by
14.2%

Management Discussion and Analysis
– Business Overview

Overview

In 2025, the Company remained focused on high-quality development and deepened the "One Core and Two Wings" strategy to establish an operating system that is professional, intensive, delicate, efficient, and digitalized. We built our business adhering to the principles of sharing, service, innovation, technology, and value creation, and achieved steady progress in business development while sustaining robust growth in overall performance.

Key operational data

Indicator	Unit	As at the end of 2025	As at the end of 2024	Change (YoY)
Number of tower sites	'000	**2,149**	2,094	2.6%
Number of tower tenants	'000	**3,856**	3,791	1.7%
Tenancy ratio[Note 1]	Tenants/site	**1.79**	1.81	-1.1%
Number of TSP tenants	'000	**3,567**	3,544	0.6%
TSP tenancy ratio	Tenants/site	**1.70**	1.72	-1.2%
Average annual revenue per site[Note 2]	RMB Yuan/year	**40,382**	40,870	-1.2%
DAS coverage area in buildings	Million square meters	**15,150**	12,680	19.5%
DAS coverage length in subways	Kilometers	**14,288**	13,126	8.9%
DAS coverage length in railway tunnels	Kilometers	**19,373**	16,189	19.7%

Note 1: Tenancy ratio = (number of TSP tenants + number of Smart Tower tenants)/number of tower sites

Note 2: Average annual revenue per site = (revenue from Tower business + revenue from Smart Tower business)/[(number of tower sites at the beginning of the period + number of tower sites at the end of the period)/2]

TSP Business

The Company fully leveraged its role as the leading force and nationwide consortium in digital infrastructure construction to actively coordinate and promote co-building and co-sharing, and seized development opportunities presented by special projects such as the Dual-Gigabit network joint-entry implementation, upgrading signal strength, extending broadband coverage to all border areas, forests, and grasslands, and the upgraded "Sailing" action plan for large-scale 5G applications. By capturing opportunities for expanded 5G network penetration and coverage, and collaborating with the Three TSPs to launch special projects, we have established and enhanced the normalized mechanisms for service collaboration. With these mechanisms in place, we were able to make concrete improvements in customer service and fully satisfy tower construction demands, while actively scaling up our DAS business. As a result, our TSP business achieved steady overall development. In 2025, our TSP business recorded revenue of RMB84,725 million, an increase of 0.7% year-on-year, of which the Tower Business achieved revenue of RMB75,498 million, a decrease of 0.3% year-on-year; the DAS Business achieved revenue of RMB9,227 million, an increase of 9.5% year-on-year.

Tower Business: We continued to leverage our core capabilities and advantages in resource coordination and sharing, and focused on high-traffic and high-value scenarios that are of keen interest to our customers, as well as other key scenarios such as high-speed railways, residential properties, and borders and rural areas. We conducted targeted and purposive scenario-based coverage analysis and site planning to support customers in building 5G premium networks in an intensive and effective manner. We continued to optimize the collaboration mechanisms with our customers, comprehensively, accurately, and timely grasping their needs, improving service responsiveness, and enhancing customer satisfaction and recognition of the value we offer. As at 31 December 2025, the number of TSP tenants reached 3.567 million, representing an increase of 23,000 since the end of 2024. During the year, we completed approximately 364,000 5G construction orders, with more than 95% of construction demand fulfilled by using existing site resources. Our TSP tenancy ratio reached 1.70.

Management Discussion and Analysis
– Business Overview

DAS business: We furthered the integrated and coordinated "resources + demands" approach, seizing the opportunities brought about by the implementation of the co-building and co-sharing policies introduced by the Ministry of Industry and Information Technology and 13 other departments and the "Technical Standard for Mobile Communication Infrastructure Engineering of Buildings", as well as by the launch of the special project to upgrade signal strength. We leveraged our advantages in coordinated site-entry to actively capture the high-value indoor coverage demand in key sectors such as transportation, cultural tourism, healthcare, and education. Focusing on indoor coverage segments and closely aligning with customers' network construction strategies, we specially targeted coverage for elevators, underground parking lots, high-speed railway 5G upgrades and other special projects to enhance our professional service offering. We promoted new solutions and products such as active and passive DAS integration, shared low-power repeaters, 5G spread spectrum leaky coaxial cables, cross-polarization leaky coaxial cables, and 5G shared frequency-shifting dual-path systems to strengthen our competitive advantages in cost, service quality, and green and low-carbon operations. We further tapped into growth segments and accelerated demand acquisition, as well as improved our service support in the DAS market. As at 31 December 2025, our DAS business covered buildings with a total area of 15.15 billion square meters, an increase of 19.5% year-on-year. We also covered 14,288 kilometers of subways and 19,373 kilometers of railway tunnels, up by 8.9% and 19.7%, respectively from the end of 2024. Our share of the new business in the DAS market reached 55.2%, an increase of 3.5 percentage points from the year before.

Looking ahead, the Company will seize the opportunities presented by the "Cyberpower" national strategy, adhere to innovation-driven development, persistently enhance our resource coordination and independent site selection and maintenance capabilities, and continue to build the China Tower brand for unrivalled advantages in optimal costs, efficient delivery and superior maintenance, while minimizing management risks. We will cement our leading position in the Tower

business and newly-built DAS segment, helping to build a new generation of high-speed, secure, and pervasive information infrastructure. In terms of our **Tower business**, we will closely align with the TSPs' network planning, leverage our advantages in effective resource coordination to satisfy customers' demands in a cost-effective and highly efficient manner through road testing, network data analysis, the "One Plane" system, and other methods. We will continue to deliver quality service to existing customers while comprehensively capturing new construction demands. By doing so, we will be able to strengthen the full-process management from initial demand to leasing. We will continue to optimize our customer service, enrich and improve the regional product innovation system and step up the promotion and application of regional products, in order to win customer recognition through innovative products and solutions. As for our **DAS business**, we will leverage our sharing advantages to strengthen the large-scale application of innovative DAS products and optimization of low-cost solutions, continuously enhancing DAS product competitiveness in the market. We will carry out more special projects targeting elevators and underground parking lots, campuses, and existing DAS renovation for customers while stepping up promotion and application of innovative products such as shared low-power repeaters and shared frequency shifting. These initiatives will help us expand our market in new DAS construction and existing DAS renovation. In addition, we will accelerate existing high-speed railway 5G upgrades to promote rapid DAS business development.

Smart Tower Business

We firmly seized the opportunities arising from the state strategy of "Digital China" by leveraging our rich resources and core advantages to deep dive into key sectors and strengthen product innovation and capabilities. By expanding our digital infrastructure from "sharing within the industry" to "sharing across society", we have upgraded over 252,000 telecommunication towers to digital towers. Our Smart Tower business achieved rapid growth with revenue crossing the RMB10 billion mark. In 2025, the Smart Tower business generated revenue of RMB10,172 million, up by 14.2% year-on-year. Of which, the contribution of Tower Monitoring revenue to our Smart Tower revenue reached 62.2%.

Management Discussion and Analysis
– Business Overview

In 2025, we strengthened our products as well as technological innovation while fostering new growth drivers and enhancing service efficiency. These initiatives provided strong backing for the rapid growth of our Smart Tower business. We built and operated a nationwide distributed Tower Monitoring platform and strengthened the fundamental capabilities of our national unified network. We continued to optimize our mid- to high-point algorithm services, enriching application scenarios for algorithm analytics. Drawing on the sample data of over 900 million unique mid- to high-point images, we further improved core algorithm accuracy. We developed spatial digital intelligence governance scenarios covering mountains, waters, forests, farmlands, lakes, grasslands, and beaches, which were included in the first batch of strategic high-value AI scenarios supplied by 40 central state-owned enterprises under the State-owned Assets Supervision and Administration Commission of the State Council (SASAC). Adhering to a customer-centric approach, we continued to enhance our "companion" service capabilities, strengthening full-process product quality control, accelerating product iteration and development, and continuously improving customer satisfaction.

In 2025, we continued to focus on cultivating key sectors and on spatial digital intelligence governance, further consolidating our leading position in these market segments. In the field of land administration, we supported natural resource management by providing comprehensive digital services including farmland protection, mine supervision, and geological disaster warnings. In the field of emergency response, we fully supported the construction of the national natural disaster early warning network and the national earthquake monitoring and early warning network to enhance ground-level disaster prevention, relief and mitigation. In the field of environmental protection, we provided real-time and accurate monitoring of straw burning in farmlands to conserve the environment and secure the outcomes of the state Action Plan for Blue Sky Defense Battle. In the field of water conservancy, our digital services for river and lake governance, dam monitoring, flood warning, and irrigation digitalization enabled the smooth operation of disaster prevention and relief. In the field of agriculture and rural governance, we leveraged digital intelligence tools to build security systems to ensure ecology, food, and water safety to support the development of a beautiful and

harmonious countryside that is desirable to live and work in. In the field of transportation, we provided expressways and national and provincial trunk road network monitoring services, and conducted effective surveillance of the external environment and construction safety along railway lines, empowering the building of a "Nation with Strong Transportation System".

Looking ahead, the Company will actively seize growth opportunities, fully participate in the development of "Digital China", and expand the coverage and applications of digital towers to build first-class platforms, algorithms, products, services and security in order to refine the Smart Tower business. Capturing market opportunities in spatial digital intelligence governance, we will continue to increase our presence in key verticals while reinforcing our established competitive advantages in traditional sectors and scenarios in order to increase our market share through high-quality delivery. At the same time, we will actively expand into new industries and explore new scenarios to deliver premium and benchmark projects to secure our business foundation. We will cultivate innovative growth drivers by accelerating the development of the low-altitude economy business. By closely aligning with state policies and fully integrating into the "15th Five-Year Plan", we will harness support for key project implementation. We will expand the scale of our edge computing business in an orderly manner and explore the development of "DAS+" business by launching pilot business and building benchmark use cases. We will also forge our competencies and competitiveness by further enhancing product offering, technological innovation, "companion" service, and operation support capabilities.

Energy Business

We seized the opportunities arising from China's "Dual Carbon" goals, and leveraged our reliable power backup capabilities, as well as professional operation and maintenance advantages, to provide customers with diverse smart energy services and solutions such as battery exchange and power backup, thereby supporting the transition to a green and low-carbon economy and society, and promoting the healthy development of our Energy business. In 2025, our Energy business achieved revenue of RMB4,813 million, representing a

year-on-year increase of 7.5%, of which, our battery exchange business generated revenue of RMB3,029 million, an increase of 21.2% year-on-year, and our power backup business generated revenue of RMB1,784 million, an increase of 7.7% year-on-year.

In 2025, our Energy business undertook shared and synergistic development. Across the board, improvement was made in product innovation, platform upgrade, refined operations, and services, leading to further business specialization and optimization.

To **solidify product advantages**, we integrated key components such as self-developed battery exchange cabinet control units and lithium battery BMS into our new generation of product applications, extending power life and improving discharge performance. At the same time, we conducted technological iterations and upgrades for functions such as temperature management, communication stability, and BMS two-tier control to achieve improved performance of the overall battery exchange system and further consolidate our competitive advantages in the market. We **upgraded platform support** by iterating the new energy mobility platform to support the VIP user management system and offer benefit services. We also optimized the application of a diverse range of sales and marketing tools. A full upgrade was introduced to the "energy butler" platform, covering core functions such as power backup monitoring, photovoltaic power generation, gasoline or diesel power generation, energy consumption management, and video surveillance. By enriching application scenarios for hospitals, schools, and more, we optimized our capabilities in providing comprehensive power backup solutions. Through **delicate operation and value uncovering**, we deepened the full life cycle management of assets, strengthened the dispatch of multi-capacity batteries, and optimized the battery exchange network in food delivery hotspots, implementing multiple measures to improve the asset utilization rate and battery exchange network capacity. We established a classification system for customer management to enhance the layered operation of products, services, benefits, and sales and marketing, thus strengthening the retention of existing battery exchange users. We

enhanced service capabilities by stepping up intelligent customer service and strengthening the management and training of customer service teams. We have built more centers for delivery riders to continuously improve the service experience for our customers in the mass market. We optimized the "companion" service system for corporate customers by focusing on customer satisfaction, actively identifying customer needs, defining service standards, and regulating after-sales service. The close-loop process helped to enhance customer satisfaction.

Looking ahead, the Company will adhere to green and low-carbon development, and focus on the two core business areas – battery exchange and power backup. By seizing growth opportunities in these segments to specialize and strengthen our capabilities, we will deepen our resource sharing philosophy to create synergy and explore the development of new businesses such as green energy, energy saving, and energy storage adapting to local market conditions. We strive to transform from a "carbon power" user to a "green power" provider, and sustain the high-quality development of our Energy business. For the **battery exchange business**, we will optimize product deployment and network strategy, build a diversified customer acquisition system, and improve core competitiveness to further increase our share in the consumer market. We will unleash more synergy of the "One Core and Two Wings" strategy by accelerating the growth of our corporate customer base, establishing dedicated service systems for corporate customers, and upgrading service quality across the board to continue the development of corporate battery exchange market. Leveraging favorable national policies, we will accelerate the construction of a community-based charging network, creating a safe and hassle-free infrastructure to continuously expand our charging service coverage and user base. For our **power backup business**, we will focus on pivotal industries such as telecommunications and finance, along with other customers' typical application scenarios. By strengthening the expansion of premium customer base, we will promote integrated industry solutions, elevate the "energy butler" brand influence, and accelerate the scaled development of our power backup business.

Management Discussion and Analysis
– Financial Overview

(Expressed in RMB unless otherwise indicated)

1. Summary

In 2025, the Company actively contributed to the implementation of the national strategies of building a Cyberpower, Digital China, and the "Dual Carbon" goals. We continued to deepen the "One Core and Two Wings" development strategy, steadily enhanced resource coordination and product innovation, and strengthened cost reduction management by referencing to benchmarks and lean operation of assets. We have maintained stable and healthy growth in full-year performance.

In 2025, the operating revenue of the Company amounted to RMB100,411 million (expressed in RMB in this financial overview unless otherwise indicated), up by 2.7% over last year; the operating profit amounted to RMB17,360 million, up by 6.3% over last year; profit attributable to owners of the Company amounted to RMB11,630 million, up by 8.4% over last year; the EBITDA was RMB65,814 million, down by 1.1% over last year; the operating cash flow amounted to RMB56,116 million, up by 13.4% over last year; and the capital expenditures were RMB29,486 million.

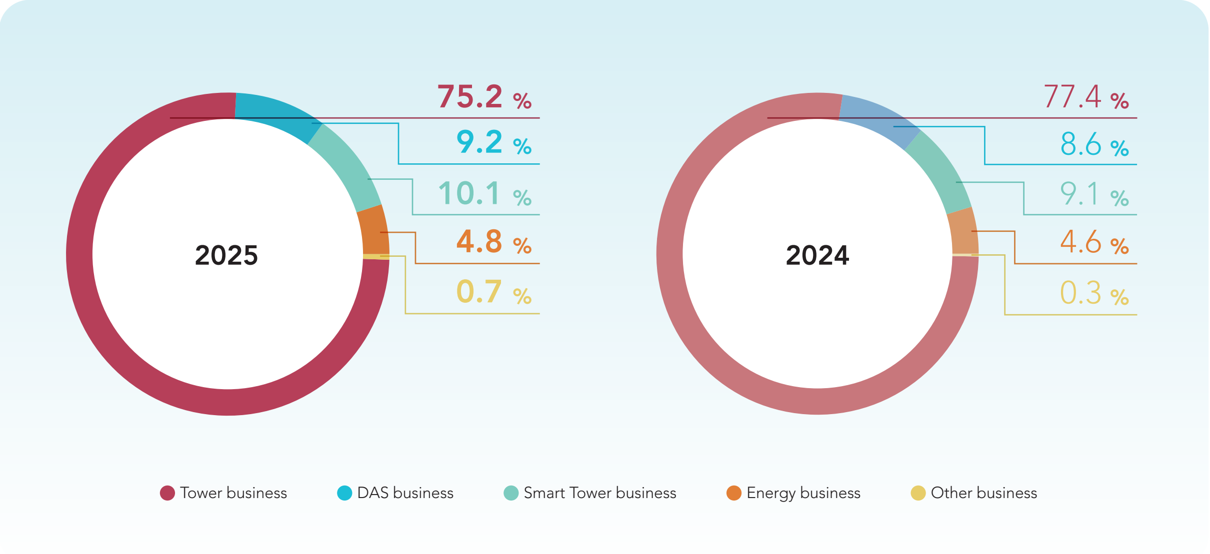
2. Operating Revenue

In 2025, the Company gave full play to the capabilities of resource coordination and sharing. We maintained a full-coverage approach to capturing market demand, further consolidated our leading position in the tower business, and scaled up the application of innovative DAS products, continuously improving market competitiveness of our DAS products. We maintained a steady growth in the revenue of our TSP business. The Company strived to excel and specialize in the Two Wings business by focusing on the key sectors, and enhanced its product innovation and service capacity, achieving continuous and positive growth in the revenue of the Two Wings business. Our operating revenue for the year reached RMB100,411 million, up by 2.7% over last year. Our revenue structure continued to improve, revenue from our non-tower businesses, including the DAS business and the Two Wings business, maintained a double-digit growth with the proportion in operating revenue increasing from 22.6% last year to 24.8%.

The table below summarises the changes in the composition of the Company's operating revenue for the years of 2025 and 2024:

	2025		2024	
(RMB million)	**Total amount**	**Proportion in operating revenue**	Total amount	Proportion in operating revenue
Operating revenue	**100,411**	**100.0%**	97,772	100.0%
Of which: Tower business	**75,498**	**75.2%**	75,689	77.4%
DAS business	**9,227**	**9.2%**	8,430	8.6%
Smart Tower business	**10,172**	**10.1%**	8,911	9.1%
Energy business	**4,813**	**4.8%**	4,477	4.6%
Other business	**701**	**0.7%**	265	0.3%

Operating revenue structure



Revenue from Tower business

In 2025, the Company's revenue from Tower business reached RMB75,498 million, down by 0.3% over last year, mainly due to the decrease in social costs such as site fees and power supply fees, as well as the increase in lease terminations resulting from the "Telecom-Unicom One Single Network". The Company maintained a full-coverage approach to capturing new demand and strengthened end-to-end management from demand identification to lease commencement, thereby enhancing the operation of existing Tower business. Leveraging its strong maintenance capabilities and extensive tower site resources, the Company actively provided integrated services including telecommunication infrastructure-related maintenance and network optimization to strengthen customer. As a result, the overall scale of revenue from Tower business remained stable.

Revenue from DAS business

In 2025, the Company fully leveraged our advantages in unified cooperation and coordinated site entry, actively captured the demand for indoor coverage in key sectors such as transportation, cultural tourism and healthcare, and implemented special campaigns for covering elevators and underground parking lots and 5G upgrades on high-speed railways. Revenue from DAS business for the year amounted to RMB9,227 million, up by 9.5% over last year.

Revenue from Smart Tower business

In 2025, the Company further deepened its presence in key industries and scenarios, and advanced the digital infrastructure from "industry-level sharing" to "society-wide sharing". By strengthening the building of its Smart Tower business platform and centralized algorithm research and development, the Company enhanced its capability of companion services. The Company consistently expanded its market share in key sectors including straw burning prohibition, cultivated land protection and disaster early warning. Revenue from the Smart Tower business for the year amounted to RMB10,172 million, up by 14.2% over last year.

Revenue from Energy business

In 2025, by leveraging our capabilities and advantages in power supply security services, the Company expedited the iteration of battery exchange products, and optimized the layout of battery exchange network in high-demand delivery areas. The Company focused on providing integrated "power backup +" industry solutions for key sectors including telecommunications, healthcare and finance, while stepping up efforts to expand high-quality customer base. Revenue from the Energy business for the year amounted to RMB4,813 million, up by 7.5% over last year.

Revenue from other business

In 2025, the Company provided other services such as agent construction for transmission facilities, achieving an operating revenue of RMB701 million.

3. Operating Expenses

In 2025, the Company carried out in-depth special campaigns to reduce costs and improve efficiency, implemented rigorous revenue-expenditure alignment management, giving priority to production-related expenditures directly supporting the development of the "One Core and Two Wings" business. The Company also reasonably extended the service life of aging assets, ensuring the continued sound operation of assets. In 2025, operating expenses were RMB83,051 million, up by 2.0% over last year. Operating expenses accounted for 82.7% of operating revenue, representing a decrease of 0.6 percentage point compared to that of last year.

The table below summarises the changes in the composition of the Company's operating expenses for the years of 2025 and 2024:

(RMB million)	**2025** Total amount	**2025** Proportion in operating revenue	2024 Total amount	2024 Proportion in operating revenue
Operating expenses	**83,051**	**82.7%**	81,442	83.3%
Of which: Depreciation and amortisation	**48,454**	**48.3%**	50,229	51.4%
Repairs and maintenance expenses	**7,103**	**7.1%**	6,992	7.2%
Employee benefits and expenses	**10,077**	**10.0%**	9,573	9.8%
Site operation and support expenses	**6,125**	**6.1%**	5,504	5.6%
Other operating expenses	**11,292**	**11.2%**	9,144	9.3%

Depreciation and amortisation

In 2025, depreciation and amortisation totaled RMB48,454 million, representing a year-on-year decrease of 3.5% or RMB1,775 million. Following a comprehensive assessment of the utilization of DAS assets, and to reflect their actual useful lives more objectively and fairly, the Company adjusted the estimated useful lives of DAS assets from 7 years to 10 years with effect from 1 July 2025. This change in accounting estimate reduced depreciation expenses for the year by RMB890 million. Meanwhile, the tower assets acquired by the Company in 2015 were fully depreciated by the end of October 2025, which further reduced depreciation expenses for the year by RMB1,710 million. As of the end of 2025, the original value of fixed assets fully depreciated but still in use amounted to approximately RMB105,600 million. Going forward, the Company will continue to extend the service life and reuse of the existing assets, so as to enhance their useful lives and operational performance of those assets and the continued use of these assets will have a positive impact on the Company's profitability.

Repairs and maintenance expenses

As the tower assets acquired by the Company are fully depreciated, the Company reasonably extended the service life of aged assets, strengthened the special rectification of potential asset hazards, and continuously promoted the development and application of intelligent operation and maintenance. With the growth of integrated service revenue related to telecommunication infrastructure maintenance, maintenance and repair expenses increased accordingly. In 2025, repairs and maintenance expenses were RMB7,103 million, up by 1.6% over last year.

Employee benefits and expenses

In 2025, employee benefits and expenses for the year amounted to RMB10,077 million, up by 5.3% over last year, which was primarily due to the Company's efforts in advancing R&D innovation and regional management reform, appropriately introducing middle and high-end scientific and technological talents as well as adding regional managerial personnel for business development, while simultaneously strengthening performance-linked incentives, thereby further boosting its development momentum.

Site operation and support expenses

In 2025, site operation and support expenses for the year amounted to RMB6,125 million, representing a year-on-year increase of 11.3% or RMB621 million. Among them, with the development of base station access transmission business, site operation expenses increased by RMB382 million over last year. The Company accelerated the advancement of site operation and digital capability building and related IT support expenses increased by RMB375 million over last year.

Other operating expenses

In 2025, the Company's other operating expenses totaled RMB11,292 million, representing a year-on-year increase of 23.5% or RMB2,148 million. Among these, business development costs rose by RMB1,076 million year-on-year, mainly due to efforts to support the development of the Two Wings business, advance the companion service system and platform operation and management capabilities, which led to an increase in integrated and technical support service fees, marketing expenses and other related expenses. Other costs increased by RMB1,072 million year-on-year. This was primarily due to a corresponding increase in bad debts provision of RMB546 million, which was made in line with the prudent principle following the growth in accounts receivable, and a year-on-year decrease of RMB258 million in net gains from asset disposals.

4. Finance Costs

As the Company enhanced centralized fund management and actively advanced the return of funds, the interest-bearing liabilities decreased by RMB2,082 million as compared to the beginning of the year. The Company stepped up its efforts in exploring low-cost financing channels, due to which finance costs remained at a relatively low level. The Company's net finance costs amounted to RMB2,410 million for the whole year, down by 6.4% over last year.

5. Profitability

Operating profit and EBITDA

In 2025, adhering to a profit-oriented approach, the Company intensified benchmarking of individual site costs and efforts to reduce costs and improve efficiency, maintaining steady profit growth. The Company's operating profit amounted to RMB17,360 million, up by 6.3% over last year. EBITDA was RMB65,814 million, down by 1.1% over last year, which accounted for 65.5% of the operating revenue, remaining at a high level.

Profit attributable to owners of the Company

In 2025, profit attributable to owners of the Company amounted to RMB11,630 million, up by 8.4% over last year. The Company's basic earnings per Share was RMB0.6653.

6. Capital Expenditures and Cash Flow

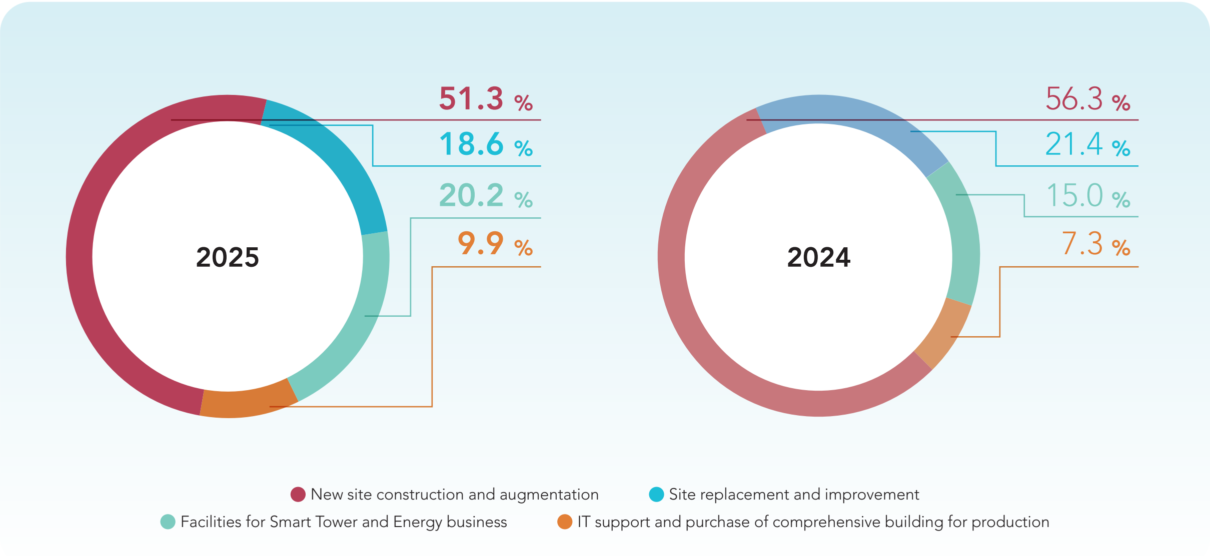
Capital expenditures

In 2025, the Company insisted on a "gross amount + project" lean investment management model, allocating the gross investment amount in alignment with the business development and capability building needs. The Company continued to refine the mechanism for pre-assessment and post-evaluation for projects. Capital expenditures for the year were RMB29,486 million, down by 7.7% over last year, among which, capital expenditures for new site construction and augmentation were RMB15,127 million, down by 15.8% over last year. This was mainly driven by changes in demand scale of TSPs, and the Company's continuous optimization of construction plans and application of innovative products, which effectively reduced investment. Building on the large-scale efforts in the early stage to enhance battery backup capacities for key scenarios, the Company steadily carried out safety hazard inspections, rectifications and equipment upgrades based on the operational status of physical assets. Capital expenditures for site replacement and improvement were RMB5,474 million, down by 19.9% over last year. Capital expenditure for the Two Wings business reached RMB5,970 million, up by 24.8% over last year. This mainly reflected the Company's response to the development needs of the Two Wings business: accelerating the development of Smart Tower business platforms and product iteration, enhancing core competitiveness, strengthening the construction of battery swap and charging infrastructure networks, and expanding service coverage. The Company continued to intensify research on key technologies and increase effective investments in IT and R&D. Capital expenditure for IT support and purchase of comprehensive building for production amounted to RMB2,915 million, representing a year-on-year increase of RMB567 million.

The table below summarises the major items of the Company's capital expenditures for the years of 2025 and 2024:

(RMB million)	**2025** Total amount	**2025** Proportion	2024 Total amount	2024 Proportion
Capital expenditures	**29,486**	**100.0%**	31,941	100.0%
Of which: New site construction and augmentation	**15,127**	**51.3%**	17,972	56.3%
Site replacement and improvement	**5,474**	**18.6%**	6,837	21.4%
Facilities for Smart Tower and Energy business	**5,970**	**20.2%**	4,784	15.0%
IT support and purchase of comprehensive building for production	**2,915**	**9.9%**	2,348	7.3%

Capital expenditures structure



Cash flow generated from operating activities and free cash flow

In 2025, the Company steadily promoted the regular payment collection across its "One Core and Two Wings" business and accelerated the recovery of funds. Net cash flow generated from operating activities for the year amounted to RMB56,116 million, up by RMB6,648 million over last year. Free cash flow amounted to RMB26,630 million, up by RMB9,103 million over last year.

7. Balance Sheet Status

As at the end of 2025, the Company's total assets were RMB336,579 million while the total liabilities were RMB132,671 million, of which net debts were RMB78,148 million. The liabilities to assets ratio was 39.4%, down by 0.5 percentage point as compared to the end of last year. The gearing ratio was 27.7%, down by 3.3 percentage points as compared to the end of last year.

1.47 million+

battery exchange users

Revenue of Energy business increased by

7.5%


换电站
China Tower Station
C-9
同行·焕新
洗车坊
MEITUAN

Profiles of Directors, Supervisors and Senior Management

Mr. Zhang Zhiyong 張志勇 | Director

Aged 60, has been an executive Director and chairman of the Board since September 2021. Mr. Zhang served as a non-executive Director from May 2018 to September 2021. He served as director of Qinhuangdao Telecommunications Bureau from November 1999 to July 2000, general manager of Qinhuangdao Branch of Hebei Telecom Company Limited from July 2000 to June 2002, deputy general manager of Beijing Telecom Company Limited from June 2002 to December 2002, and manager of the industry management department of CTC from December 2002 to June 2010. Mr. Zhang successively served in several positions with CCS, including deputy general manager from October 2006 to January 2008, executive director from August 2007 to June 2010, general manager from January 2008 to June 2010, and chairman of the board and executive director from March 2018 to September 2021. He successively served in several positions with China Telecom, including general manager of Xinjiang Branch from June 2010 to March 2014, general manager of Beijing Branch from March 2014 to November 2017, and executive vice president from July 2018 to September 2021. He was the vice president of CTC from November 2017 to September 2021 and the general counsel of CTC from April 2021 to September 2021.

Mr. Zhang graduated from Changchun Institute of Posts and Telecommunications (which was merged into Jilin University in 2000) in July 1986 with a bachelor's degree in wireless communications. He graduated from Yanshan University in Qinhuangdao, PRC in July 2002 with a master's degree of engineering. He also graduated from BI Norwegian Business School in August 2005 with a master's degree in management.

Mr. Chen Li 陳力 | Director

Aged 58, has been an executive Director since May 2024, and the general manager of the Company since April 2024. Mr. Chen served as a director and the deputy general manager of China Mobile Group Hubei Co., Ltd. from October 2000 to March 2010, a director and the deputy general manager of China Mobile Group Anhui Co., Ltd. from March 2010 to August 2012, the chairman and the general manager of China Mobile Group Qinghai Co., Ltd. from August 2012 to October 2014, the chairman and the general manager of China Mobile Group Liaoning Co., Ltd. from October 2014 to April 2016, and the chairman and the general manager of China Mobile Group Shanghai Co., Ltd. from April 2016 to April 2024.

Mr. Chen graduated from Chongqing Institute of Posts and Telecommunications in July 1988 with a bachelor's degree in engineering and majored in telecommunication engineering. He received a master's degree of management with a major in information communication management from BI Norwegian Business School-Fudan University in March 2002. Mr. Chen is a senior engineer.

Mr. Cheng Jianjun 程建軍 | Director

Aged 55, has been a non-executive Director since May 2025. Mr. Cheng served as a deputy director-general of the Radio Administration Bureau and a deputy director-general of the department of international cooperation of the Ministry of Industry and Information Technology of China ("**MIIT**"), the director-general of the Heilongjiang Communications Administration, the director-general of Fujian Communications Administration, the director of the State Radio Regulation of China (State Radio Spectrum Administration), and the director-general of the Radio Administration Bureau of the MIIT. He currently serves as a vice president of CMCC, a vice president of China Mobile, a director and vice president of China Mobile Company, a non-executive director of CCS.

Mr. Cheng graduated from the department of electronic engineering of Tianjin University with a major in radio technology and received a master's degree in radio technology from the department of electronic engineering of Tianjin University.

Mr. Miao Shouye 苗守野 | Director

Aged 48, has been a non-executive Director since July 2025. Mr. Miao previously served as a deputy general manager of Hubei Branch of China Unicom, a deputy director of 5G promotion office of China Unicom, a director of 5G co-build co-share working group of CUC, and the general manager of the network and information security department of CUC. Mr. Miao currently serves as a vice president of CUC, a senior vice president of China Unicom A Share Company, a director and a senior vice president of China Unicom Corporation and a senior vice president of China Unicom.

Mr. Miao graduated from the school of telecommunications engineering of Beijing University of Posts and Telecommunications with a major in wireless communications engineering and received a master's degree in electronics and communications engineering from Beijing University of Posts and Telecommunications. Mr. Miao is a senior engineer.

Profiles of Directors, Supervisors and Senior Management

Mr. Luan Xiaowei 欒曉維 | Director

Aged 53, has been a non-executive Director since December 2025. Mr. Luan currently serves as the vice president of CTC, the chairman of the board and an executive director of CCS. Mr. Luan previously served as the general manager of China Mobile Group Device Co., Ltd. and the general manager of China Mobile Group Fujian Co., Ltd.

Mr. Luan graduated from Beijing University of Posts and Telecommunications in 1995 with a bachelor's degree in wireless communications and obtained a master's degree in 2005 from Beijing University of Posts and Telecommunications in electronics and communications engineering. Mr. Luan is a senior communications engineer. Mr. Luan has extensive years of operation and management experience in the telecommunications industry.

Mr. Fang Xiaobing 房小兵 | Director

Aged 55, has been a non-executive Director since October 2022. Mr. Fang successively served in the finance department and the UAE Office of China Harbour Construction (Group) Company from July 1993 to October 2005. He served as the deputy general manager of the accounting department of China Communications Construction Group (Limited) from October 2005 to November 2006, the deputy general manager of the finance department of China Communications Construction Company Limited from November 2006 to April 2011, and the general manager of the finance and funds department of China Communications Construction Group (Limited) from April 2011 to December 2011. Mr. Fang successively served in several positions with the overseas business department and the international projects branch of China Communications Construction Group (Limited) from December 2011 to August 2014, including the chief accountant, the executive general manager, and the chief financial officer. He served as the general manager of the financial management department of China Communications Construction Group (Limited) from August 2014 to November 2019, a member of party committee and deputy general manager of China Reform since November 2019. Mr. Fang currently serves as the deputy secretary of the party committee for full-time external director for central enterprises and a supervisor of CNIC Corporation Limited, and a non-executive director of China Railway Group Limited (listed on both the Hong Kong Stock Exchange with the stock code: 390 and the Shanghai Stock Exchange with the stock code: 601390).

Mr. Fang graduated from the department of transportation management engineering of Changsha Institute of Transportation (which was merged into Changsha University of Science and Technology in 2003) with a major in finance (financial and accounting engineering) and obtained a bachelor's degree in engineering in July 1993. He graduated from Fordham University in the United States, majoring in international business administration and obtained a master's degree in January 2006. He also graduated from the school of economics and management of Beijing Jiaotong University with a major in accounting and obtained a doctorate degree in management in June 2016. Mr. Fang is qualified as a professor-level senior accountant.

Mr. Pei Zhenjiang 裴振江 | Director

Aged 61, has been an independent non-executive Director since July 2025. Mr. Pei previously served as a deputy general manager of Xi'an Electric Power Machinery Manufacturing Co., Ltd., the chairman of Xi'an High Voltage Apparatus Research Institute Co., Ltd., a director and a general manager of China XD Group Co., Ltd., a director and a general manager of China XD Electric Co., Ltd., and a director of China Electric Equipment Group Co., Ltd. Mr. Pei currently serves as an independent non-executive director of China Energy Engineering Corporation Limited (listed on both the Hong Kong Stock Exchange with stock code: 3996 and the Shanghai Stock Exchange with stock code: 601868).

Mr. Pei graduated from the department of electrical engineering of Huazhong Institute of Technology with a major in high voltage technology and equipment and received a doctoral degree of engineering in high voltage and insulation technology from Huazhong University of Science and Technology. Mr. Pei is a professor-level senior engineer.

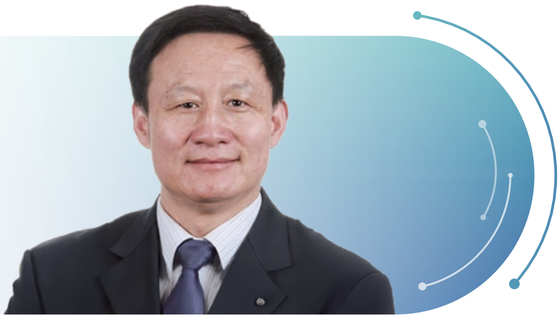
Mr. Hu Zhanghong 胡章宏 | Director

JP, aged 57, has been an independent non-executive Director since January 2022. Mr. Hu obtained his doctorate degree in economics from Zhongnan University of Economics and Law and is a Senior Economist in PRC. Mr. Hu has many years of experience serving at the senior level in financial institutions. Mr. Hu also holds various social positions, which include the co-chairman of the VC/PE Committee of the Investment Association of China, the permanent honorary chairman of Chinese Financial Association of Hong Kong, the chairman of China Mergers and Acquisitions Association (Hong Kong) and the executive director of the Hong Kong Chinese Enterprises Association. Mr. Hu currently serves as an external director of China Baowu Steel Group Corporation Limited. Mr. Hu had also held positions including the chairman and president of CCB International (Holdings) Limited, the chairman of CCBI Metdist Global Commodities (UK) Limited, the chairman-in-office of China Mergers & Acquisitions Association, a director of China Construction Bank (Asia) Corporation Limited, a member of the Process Review Panel for the Securities and Futures Commission of Hong Kong, a member of the Securities and Futures Appeals Tribunal of Hong Kong, a director of the Hong Kong Financial Services Development Council and a member of the Resolvability Review Tribunal of the Government of Hong Kong. Mr. Hu served as an independent non-executive director of Towngas Smart Energy Company Limited (listed on the Hong Kong Stock Exchange with the stock code: 1083, previously known as Towngas China Company Limited) from November 2021 to March 2022.

Ms. Zhang Wei 張薇 | Director

Aged 59, has been an independent non-executive Director since September 2024. Ms. Zhang successively served as the general manager assistant of the finance department of China Southern Airlines (Group) Company, the deputy general manager of the finance department of China Southern Airlines Company Limited, and the deputy director of the supervisory bureau and the director of the audit department of China Southern Air Holding Company from June 1999 to August 2006. Ms. Zhang successively served as the general manager of Southern Airlines Group Finance Company Limited from August 2006 to October 2007; the director of the audit department of China Southern Air Holding Company Limited, the director of the audit department of China Southern Airlines Group (Holdings) Company, and a supervisor of China Southern Airlines Company Limited from October 2007 to October 2019. She served as the deputy chief economist of China Southern Airlines Company Limited from October 2019 to September 2021. Ms. Zhang has served as an external director of Guangdong Provincial Communication Group Co., Ltd since January 2022.

Ms. Zhang graduated from the department of technical economics and system engineering of Tianjin University with a major in investment skills economics and obtained a master's degree in engineering in March 1993. She graduated from the school of economics and management of Tsinghua University and obtained an Executive Master of Business Administration degree in June 2010. Ms. Zhang is a senior accountant.



Mr. Wen Bugao 文步高 | Director

Aged 60, has been an independent non-executive Director since July 2025. Mr. Wen previously served as a director of the policy and regulation division of the Gansu Provincial Planning Commission, a director of the national economy comprehensive division of the Gansu Provincial Planning Commission, a director of the news office of the National Development and Reform Commission ("**NDRC**"), and a deputy director of policy research office and worked in the Party Committee of office directly under the NDRC. Mr. Wen has been a full-time external director for central enterprises since April 2024 and currently serves as a non-executive director of China Construction Technology Consulting Group.

Supervisors

Ms. Fan Xiaoqing 范曉青 | Supervisor

Aged 57, has been the chairman of the Supervisory Committee since January 2022, and a Supervisor since April 2021. Ms. Fan served as general manager of the Guizhou Branch of the Company from September 2014 to August 2016, party secretary and general manager of the Guizhou Branch of the Company from August 2016 to December 2017, party secretary and general manager of the Beijing Branch of the Company from December 2017 to November 2020, and director of the division of party and masses' affairs and secretary of the directly-affiliated Party Committee of the Company from November 2020 to December 2020. She has been vice chairman of the labor union, director of the division of party and masses' affairs, and secretary of the directly-affiliated Party Committee of the Company since December 2020. She successively served in several positions with Guizhou Mobile Communication Co., Ltd., including director of the planning and construction department from August 1999 to December 2000, and deputy general manager, member of the leading party members' group and director from December 2000 to August 2004. She served as director, deputy general manager, member of the leading party members' group of China Mobile Group Guizhou Co., Ltd. and general manager of Guizhou Communication Service Co., Ltd. from August 2004 to September 2014.

Ms. Fan graduated from Beijing Institute of Posts and Telecommunications (currently known as Beijing University of Posts and Telecommunications) in July 1989 with a bachelor's degree of wireless communications and received a master's degree of information communication management from BI Norwegian Business School-Fudan University in May 2004. Ms. Fan is qualified as a senior engineer.

Ms. Cao Yingchun 曹迎春 | Supervisor

Aged 56, has been a Supervisor since May 2024. Ms. Cao previously served as a project manager of finance division of Shanxi Posts and Telecommunications Administration, a project manager and the deputy general manager of finance department of Shanxi branch of CMCC, a deputy manager and a manager of accountability audit division in the internal audit department (concurrently served as the deputy manager of construction project audit division) and a deputy general manager of internal audit department of CMCC. Ms. Cao currently serves as the general manager of internal audit department of CMCC, a chairperson of the supervisory committee of China Mobile Group Finance Co., Ltd., a supervisor of China Mobile Equity Fund Management Co., Ltd., a supervisor of China Mobile Charity Foundation and a chairperson of the supervisory board of iFLYTEK Co., Ltd.

Ms. Cao graduated from Shanxi University of Finance and Economics majored in accounting. Ms. Cao is a senior accountant.

Mr. Li Zhangting 李張挺 | Supervisor

Aged 55, has been a Supervisor since October 2020. Mr. Li served as a director of the Company from July 2014 to May 2018. Mr. Li served in CUC from January 1999 to July 2020 successively as a deputy manager of operation and finance division, a manager of budget and management division and a deputy general manager of plan and finance department, a deputy general manager of finance department, the general manager of finance department and the general manager of remainder enterprise management department, and the general manager of Hubei Branch. He has been the general manager of auditing department of CUC since July 2020.

Mr. Li graduated from department of management engineering of Beijing Institute of Posts and Telecommunications (currently known as Beijing University of Posts and Telecommunications) and majored in postal communication management in July 1992. He graduated from department of management engineering of Beijing University of Posts and Telecommunications with a master's degree in economics and majored in transportation economics in May 1995 and received a master's degree in business administration from Tsinghua University in January 2006. Mr. Li is a senior accountant.

Ms. Han Fang 韓芳 | Supervisor

Aged 52, has been a Supervisor since January 2022. Ms. Han previously served as a supervisor and the chairlady of the supervisory committee of China Telecom, the chief financial officer of China Telecom Global Limited, the deputy managing director, the managing director of audit department of both CTC and China Telecom. Ms. Han served as a supervisor and the chairperson of the supervisory committee of CCS from December 2015 to December 2021. Ms. Han currently serves as the managing director of capital operation department of both CTC and China Telecom, the chairlady of the board of China Telecom Group Investment Co., Ltd. and the chairlady of the board of Tianyi Capital Holding Co., Ltd.

Ms. Han graduated from Beijing University of Posts and Telecommunications in 1995 with a bachelor's degree in engineering management, and received a master's degree in business administration from the BI Norwegian School of Management in 2007. Ms. Han is an international internal auditor, a member of the Chinese Institute of Certified Public Accountants and a senior accountant. She has extensive experience in operation management and financial management in the telecommunications industry.

Ms. Li Tienan 李鐵南 | Supervisor

Aged 56, has been a Supervisor since July 2019. Ms. Li served at the Pre-trial Division of Shenyang Public Security Bureau of Liaoning Province from August 1992 to December 1999. She served as a lawyer of Jinde Law Firm from December 1999 to December 2002, a director of the legal department of China National Coal Group Corp. from December 2002 to August 2003, a general legal counsel and a director of the legal department of China Coal & Coke Holdings Ltd. from August 2003 to April 2011, a deputy general manager of the legal department of China National Coal Group Corp. from April 2011 to June 2011, a deputy general manager of the legal department of China Reform from June 2011 to July 2014, during which she also served as a deputy general manager of the legal department of CNIC Corporation Limited from January 2013 to September 2014. Ms. Li served as a general manager of the legal department of CNIC Corporation Limited from September 2014 to March 2019, during which she also served as a general manager of the legal department of CNIC Consulting Corporation Limited from February 2017 to March 2019. She successively served in several positions with China Reform Asset Management Co., Ltd., including the deputy general manager from March 2019 to February 2020, the general manager from February 2020 to December 2021 and the general counsel from September 2020 to December 2021, the general manager of asset management of China Reform from April 2021 to December 2021, the vice supervisor of asset allocation department of China Reform from December 2021 to March 2022, a supervisor of China Railway Signal & Communication Corporation Limited from February 2020 to November 2025, Ms. Li served as a director of Zhongjin Gold Corp., Ltd. from March 2021 to June 2025.

Ms. Li graduated from Northwest University of Political Science and Law with a bachelor's degree in law in 1992 and obtained an MBA degree in Renmin University of China.

Mr. Wang Hongwei 王宏偉 | Supervisor

Aged 60, has been a Supervisor since May 2018. He served as senior director of the human resources department of the Company from November 2014 to April 2017, deputy general manager of the human resources department of the Company from April 2017 to June 2017, deputy general manager of the audit department of the Company from June 2017 to December 2019 and has been general manager of the audit department of the Company since December 2019. Mr. Wang successively served in several positions with China United Telecommunications Corporation (the predecessor of CUC), including deputy manager of the remuneration welfare division of the human resources department from August 2000 to May 2002, manager of the general division of human resources department from May 2002 to August 2003, director of the human resources department of Guangdong Branch from August 2003 to December 2005, manager of the labor capital division of the human resources department from January 2006 to November 2008. He served as manager of the remuneration welfare and long-term incentive division of the human resources department of CUC from December 2008 to November 2014.

Mr. Wang graduated from Renmin University of China in July 1989 and majored in labor economics. He was recognized as an intermediate economist in April 1994 by the Ministry of Personnel.

Other Senior Management

Mr. Hu Shaofeng 胡少峰 | Senior Management

Aged 58, has been the chief accountant of the Company since April 2022. Mr. Hu joined the Company in April 2022. He successively served several positions in the Fourth Survey and Design Institute of the Ministry of Railways from February 2002 to May 2007, including assistant to director, deputy director and director of finance department, as well as deputy chief accountant. He served as the chief accountant of China Railway Track Systems Group Co., Ltd. from May 2007 to November 2011, the deputy general manager, chief accountant and general counsel of China Railway Construction Heavy Industry Co., Ltd. from December 2011 to June 2012. Mr. Hu successively served several positions in China Railway Signal & Communication Corporation Limited, including deputy chief accountant from July 2012 to June 2016, the secretary to the board from May 2013 to October 2019 and from January 2022 to April 2022, and the chief accountant from July 2016 to April 2022. Mr. Hu also served as a member of the senior management of China Railway Signal and Communication (Group) Corporation Limited (previously known as China Railway Signal Communication Corporation) from June 2016 to April 2022.

Mr. Hu graduated from Zhongnan University of Economics and Law in July 1990 majored in industrial economy and obtained a bachelor's degree of economics, and from Wuhan University in June 2007 with a master's degree of software engineering (majored in financial informatization). Mr. Hu is a senior accountant.

Mr. Liu Guofeng 劉國鋒 | Senior Management

Aged 56, has been a deputy general manager of the Company since June 2019. Mr. Liu joined the Company in August 2014 and had served as general manager of Jiangxi Branch of the Company, general manager of maintenance department of the Company, general manager of Henan Branch of the Company and general manager of the operation and maintenance department (formerly known as maintenance department, renamed as operation and maintenance department in December 2018) of the Company. He served as general manager of market and operation department and general manager of the planning department of China Mobile Group Sichuan Company from December 2003 to February 2010. He served as director and deputy general manager of China Mobile Group Guizhou Company from February 2010 to August 2014.

Mr. Liu obtained a doctorate degree in railway traction electrification and automation from Southwest Jiaotong University and is qualified as a senior engineer.

Mr. Yin Wenkai 尹文凱 | Senior Management

Aged 57, has been a deputy general manager of the Company since November 2022. Mr. Yin joined the Company in November 2022. He served successively as the deputy general manager of Anhui Guoxin Paging Co., Ltd. (安徽國信尋呼有限責任公司) and the director of the supervision office of the Anhui Branch of China United Telecommunications Corporation from January 2000 to September 2002. He served successively as the senior business manager of the personnel department, the director of the general personnel division of the personnel department and the director of the remuneration and welfare division of the human resources department of CTC from September 2002 to June 2006, and served successively as the deputy general manager and general manager of the human resources department of CUC from June 2006 to September 2020. From September 2020 to November 2022, he served as the chairman of the board of directors of China Unicom Leasing Co., Ltd.

Mr. Yin graduated from Beijing Institute of Posts and Telecommunications (currently known as Beijing University of Posts and Telecommunications) and majored in postal communications management with a bachelor's degree in economics. Mr. Yin is qualified as a senior economist.

Mr. Zhao Jingbao 趙敬寶 | Senior Management

Aged 53, has been a deputy general manager of the Company since November 2022 and the general counsel and chief compliance officer of the Company since September 2024. Mr. Zhao joined the Company in September 2014. He served as the deputy general manager of the Anhui Branch and the general manager of the Heilongjiang Branch of the Company. From July 2021 to November 2022, he served as the general manager of the Guangdong Branch of the Company. From May 2003 to October 2006, he successively served as the deputy director of the human resources department and the deputy director of the development strategy department of China Mobile Group Anhui Co., Ltd., and the general manager of Huaibei Branch of China Mobile Group Anhui Co., Ltd. from October 2006 to February 2012. From February 2012 to September 2014, he successively served as the general manager of the development strategy department and the general manager of the human resources department of China Mobile Group Anhui Co., Ltd.

Mr. Zhao graduated from Hefei University of Technology and majored in circuits and systems with a master's degree in engineering.

Ms. Wang Xiaobai 王小白 | Senior Management

Aged 49, has been a member of the senior management of the Company since November 2023. Ms. Wang served successively as a director of the first division of the second office, a deputy head of the third office of discipline and supervision bureau under SASAC; the head of the eighth discipline inspection and supervision office, and the head, the first-level investigator, the second-level inspector and the second-level senior supervision officer of the seventh discipline inspection and supervision office under the Discipline Inspection and Supervision Office of the CPC Central Commission for Discipline Inspection and the State Supervision Commission at SASAC.

Ms. Wang graduated from Renmin University of China with a master's degree in law and is qualified as a certified public accountant in the PRC.

Mr. Xu Bo 徐波 | Senior Management

Aged 53, has been a deputy general manager of the Company since July 2024. Mr. Xu joined the Company in September 2014. He served as the deputy general manager and general manager of Jiangxi Branch, the general manager of Shanxi Branch and the general manager of Hebei Branch of the Company. From August 2023 to July 2024, he served as the general manager of the communications and development department of the Company. From November 2005 to September 2014, Mr. Xu successively served in several positions with CUC, including the general manager of operation and maintenance department of its Jiangxi Branch and the general manager of its Yichun Branch.

Mr. Xu graduated from the department of radio engineering of Beijing Institute of Posts and Telecommunications (currently known as Beijing University of Posts and Telecommunications) in July 1993 with a bachelor's degree in image transmission and processing, and received a master's degree in business administration from the School of Economics and Management of Beijing University of Posts and Telecommunications in November 2002. Mr. Xu is a senior engineer.

Ms. Liu Qingzhou 劉輕舟 | Senior Management

Aged 47, has been the secretary to the Board of the Company since May 2018 and the general manager of finance department of the Company since December 2019. Ms. Liu served as senior director of general affairs department and general manager of corporate development department since she joined the Company in November 2014. She successively served as a deputy manager of investment analysis division and a manager of general administration division of overseas investment management department of China Mobile Communications Corporation from September 2007 to November 2014.

Ms. Liu graduated from Renmin University of China with a doctorate degree in economics and is qualified as a senior economist.

Report of the Directors

The board of directors of China Tower Corporation Limited is pleased to present the Report of the Directors of the Company, together with the audited consolidated financial statements of the Group prepared in accordance with IFRS Accounting Standards for the year ended 31 December 2025.

Principal Businesses

The principal activities of the Group are the construction, maintenance and operation of telecommunications towers and auxiliary facilities, public network coverage for high-speed rail and subway, and large-scale indoor distributed antenna systems. In addition, relying on its unique resources, the Group also provides information application and energy application services including power exchange and back-up to the public. The Group's headquarters are located in Beijing, China with 31 provincial branches operating across mainland China.

Results

Results of the Group for the year ended 31 December 2025 and the financial position of the Group as at that date are set out in the audited consolidated financial statements on pages 115 to 186 of this annual report.

Annual General Meeting

The Company will hold the 2025 AGM on 15 May 2026. Please refer to the notice of the 2025 AGM to be published on the website of the Company (www.china-tower.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

Dividend

The Company has placed great importance on the returns to Shareholders and has adopted a dividend policy. The Company shall take into account the following factors when forming the proposals for dividend distribution:

(a) dividends declared and paid by global telecommunications tower infrastructure companies;

(b) the Company's results of operations, cash flows and financial condition;

(c) operating and capital expenditures requirements;

(d) the amount of distributable profits determined according to accounting principles generally accepted in the PRC or IFRS Accounting Standards, whichever is lower; and

(e) other factors that the Board may consider relevant.

After taking into account the aforesaid factors, 50% of the Company's annual distributable profit or more shall be used for dividend distribution; the Company shall declare and pay dividends in form of cash or shares, and the payment of dividends shall be made at the Board's discretion and subject to approval by the Shareholders.

Final Dividend

The Board proposes a final dividend of RMB0.32539 (pre-tax) per share for the year ended 31 December 2025. The dividend proposal will be proposed to the 2025 AGM for the Shareholders' consideration. The proposed final dividends, if approved, will be denominated and declared in Renminbi, which are expected to be paid on or around 30 June 2026 upon approval at the 2025 AGM.

Dividends will be paid in Renminbi for holders of Domestic Shares and the Southbound Shareholders, and dividends for H Share Shareholders other than the Southbound Shareholders will be paid in Hong Kong dollars. The relevant exchange rate will be the average of the mid-point rates of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the week prior to the date of approval of declaration of dividends by the 2025 AGM. The record date for entitlement to the Shareholders' rights and the relevant arrangements of dividend distribution for Southbound Shareholders are the same as those for the Company's H Share Shareholders.

Under the requirements of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法》), the Regulations for the Implementation of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》), the Company has the obligation to withhold and pay the enterprise income tax at a rate of 10% on dividends when it pays the proposed final dividend for 2025 to its H Share Shareholders who are overseas non-resident enterprises (including HKSCC Nominees Limited, other institutional nominees and trustees, or other organizations or groups) listed on the H Share register of members on 28 May 2026.

According to the requirement under Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation (國家稅務總局國稅函[2011]348號規定) and the relevant laws and regulations, for individual H Share Shareholders who are Hong Kong or Macau residents and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay the individual income tax at the rate of 10%. For individual H Share Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold and pay the individual income tax at a tax rate of 10% of dividend. For individual H Share Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold and pay the individual income tax at the effective tax rate under the relevant tax treaty. For individual H Share Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or a country which has not entered into any tax treaties with PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Share Shareholders.

The Company will determine the country of domicile of the individual H Share Shareholders based on the registered address as recorded in the H Share register of members of the Company on 28 May 2026. If the country of domicile of an individual H Share Shareholder is not the same as the registered address or if the individual H Share Shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual H Share Shareholder shall notify and provide relevant supporting documents to the Company on or before 21 May 2026. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and payment provisions and arrangements. Individual H Share Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the tax treaties notice if they do not provide the relevant supporting documents to the Company within the time period stated above.

For Southbound Investors (including enterprises and individuals), the Shanghai branch of China Securities Depository and Clearing Corporation Limited and the Shenzhen branch of China Securities Depository and Clearing Corporation Limited, as the nominees of the Shareholders of the Southbound Trading, will receive all dividends distributed by the Company and will distribute the dividends to the relevant Shareholders under the Southbound Trading through its depositary and clearing system. According to the relevant provisions under the "Notice on Taxation Policies for Shanghai-Hong Kong Stock Connect Pilot Programme (Cai Shui [2014] No. 81) 《關於滬港股票市場交易互聯互通機制試點有關税收政策的通知(財税[2014]81號)》" and "Notice on Taxation Policies for Shenzhen-Hong Kong Stock Connect Pilot Programme (Cai Shui [2016] No. 127) 《關於深港股票市場交易互聯互通機制試點有關税收政策的通知(財税[2016]127號)》", the Company shall withhold and pay individual income tax at the rate of 20% with respect to dividends received by the Mainland individual investors for investing in the H Shares of the Company listed on the Hong Kong Stock Exchange through the Southbound Trading. In respect of the dividends for the investment of Mainland securities investment funds in the H Shares of the Company listed on Hong Kong Stock Exchange through the Southbound Trading, the tax levied on dividends derived from such investment shall be ascertained by reference to the rules applicable to the treatment of individual income tax. The Company is not required to withhold and pay income tax on dividends derived by the Mainland enterprise investors under the Southbound Trading, and such enterprises shall report the income and make tax payment by themselves. The record date for entitlement to the Shareholders' rights and the relevant arrangements of dividend distribution for the Southbound Investors are the same as those for the Company's H Share Shareholders.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the H Share Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the H Share Shareholders or any disputes relating to the tax withholding and payment mechanism or arrangements.

Closure of Register of Members

For the purpose of ascertaining the H Share Shareholders' rights to attend and vote at the 2025 AGM (and any adjournment thereof), and H Share Shareholders' entitlement to the 2025 final dividend, the H Share's register of members of the Company will be closed. Details of such closures are set out below:

(1) For ascertaining the H Share Shareholders' rights to attend and vote at the 2025 AGM (and any adjournment thereof)

Latest time to lodge transfer documents for registration	4:30 p.m. on 11 May 2026
Closure of register of members (both days inclusive)	12 May 2026 to 15 May 2026
Record date	15 May 2026

(2) For ascertaining the H Share Shareholders' entitlement to the 2025 final dividend

Latest time to lodge transfer documents for registration	4:30 p.m. on 21 May 2026
Closure of register of members (both days inclusive)	22 May 2026 to 28 May 2026
Record date	28 May 2026

During the above closure periods, no transfer of H Shares of the Company will be registered. To be eligible to attend and vote at the 2025 AGM, and to qualify for the 2025 final dividend, all transfer documents, accompanied by the relevant certificates, must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by no later than the aforementioned latest times.

Directors of the Company

The following table sets out information concerning the Directors as at 31 December 2025:

Name	Position	Date of the first appointment as a Director
Zhang Zhiyong	Chairman of the Board and executive Director	3 May 2018
Chen Li	General manager and executive Director	20 May 2024
Cheng Jianjun	Non-executive Director	20 May 2025
Miao Shouye	Non-executive Director	23 July 2025
Luan Xiaowei	Non-executive Director	23 December 2025
Fang Xiaobing	Non-executive Director	10 October 2022
Pei Zhenjiang	Independent non-executive Director	23 July 2025
Hu Zhanghong	Independent non-executive Director	14 January 2022
Zhang Wei	Independent non-executive Director	13 September 2024
Wen Bugao	Independent non-executive Director	23 July 2025

On 20 May 2025, Mr. Cheng Jianjun was appointed as a non-executive Director at the 2024 AGM and his term of office took effect from 20 May 2025.

On 30 June 2025, Mr. Tang Yongbo has resigned from his position as a non-executive Director, due to change in work arrangement; Mr. Dong Chunbo has resigned from his position as an independent non-executive Director, due to reason of age; and Mr. Sin Hendrick has resigned from his position as an independent non-executive Director as he would like to devote more time and energy to his personal endeavours. Such resignations have become effective on 23 July 2025.

On 23 July 2025, Mr. Miao Shouye was appointed as a non-executive Director as well as Mr. Pei Zhenjiang and Mr. Wen Bugao were appointed as independent non-executive Directors at the 2025 First EGM and their terms of office took effect from 23 July 2025.

On 20 November 2025, Mr. Liu Guiqing has resigned from his position as a non-executive Director, due to adjustments in work responsibilities. Such resignation has become effective on 23 December 2025.

On 23 December 2025, Mr. Luan Xiaowei was appointed as a non-executive Director at the 2025 Second EGM and his term of office took effect from 23 December 2025.

The Company has received annual confirmations of independence from each of Mr. Pei Zhenjiang, Mr. Hu Zhanghong, Ms. Zhang Wei and Mr. Wen Bugao, being the independent non-executive Directors for the year ended 31 December 2025, pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors are independent.

Supervisors of the Company

The following table sets out information concerning the Supervisors as at 31 December 2025:

Name	Position	Date of the first appointment as a Supervisor
Fan Xiaoqing	Chairman of the Supervisory Committee and employee representative Supervisor	14 April 2021
Cao Yingchun	Shareholder representative Supervisor	20 May 2024
Li Zhangting	Shareholder representative Supervisor	13 October 2020
Han Fang	Shareholder representative Supervisor	14 January 2022
Li Tienan	Shareholder representative Supervisor	31 July 2019
Wang Hongwei	Employee representative Supervisor	3 May 2018

Profiles of the Directors and the Supervisors as at 31 December 2025 are set out in the "Profiles of Directors, Supervisors and Senior Management" section of this annual report.

Directors' and Supervisors' Service Contracts

Each of the Directors and the Supervisors has entered into a service contract with the Company, for a term of three years from the date of appointment until the end of the term of such session of the Board or the Supervisory Committee, and is eligible for re-election upon expiry of his/her term of office. The service agreements do not contain a term that the Company is required to pay the compensation (other than statutory compensation) if the Company terminates the contract within a year.

Share Capital

The Company was established by three communication service providers in China, i.e. China Mobile Company, China Unicom Corporation and China Telecom (the "**Three TSPs**") as a joint stock limited liability company under the Company Law of the PRC on 15 July 2014 in the PRC, with a total registered capital of RMB10,000 million. Upon its establishment, China Mobile Company, China Unicom Corporation and China Telecom subscribed for 4,000 million shares, 3,010 million shares and 2,990 million shares of the Company, respectively, in cash at a par value of RMB1.00 per Share, which accounted for 40%, 30.1% and 29.9% of equity interests in the Company respectively on the date of establishment.

In 2015, the Company issued new shares to the Three TSPs and China Reform. The share capital of the Company was increased to RMB129,344,615,024.

On 8 August 2018, the Company completed its H Shares global offering with an issuance and allotment of 43,114,800,000 new H Shares on the Main Board of the Hong Kong Stock Exchange in aggregate, and the offer price was HK$1.26 per Share. The joint representatives of the global offering exercised part of the Over-allotment Option on 30 August 2018, pursuant to which, the Company issued and allotted an addition of 3,549,056,000 new H Shares with an offer price of HK$1.26 per Share on 6 September 2018.

Share Consolidation and Capital Reduction

On 21 November 2024, the Board announced its proposal to implement the Share Consolidation and Capital Reduction on the basis that (i) every ten (10) Existing Shares with a par value of RMB1.00 each be consolidated into one (1) Consolidated and Reduced Share with a par value of RMB1.00 each; and (ii) the total issued share capital of the Company be reduced from RMB176,008,471,024 to RMB17,600,847,102.

On 23 December 2024, the resolutions in relation to the Share Consolidation and Capital Reduction was duly passed at the 2024 Second EGM, the Company's first class meeting of the H Share Shareholders of 2024 and the Company's first class meeting of the domestic Share Shareholders of 2024 by the Shareholders attending the respective Shareholders' meetings.

As all conditions of the Share Consolidation and Capital Reduction had been fulfilled, the Share Consolidation and Capital Reduction became effective on 20 February 2025.

For details of the Share Consolidation and Capital Reduction, please refer to the announcements of the Company dated 21 November 2024, 23 December 2024 and 20 February 2025, as well as the circular of the Company dated 6 December 2024.

As at 31 December 2025, the registered share capital of the Company is RMB17,600,847,102, divided into 17,600,847,102 Shares of par value RMB1.00 per Share. The share capital of the Company is as follows:

Shares	Number of Shares	Approximate percentage of the issued share capital
Domestic Shares (total number)	**12,934,461,502**	**73.49%**
China Mobile Company	4,915,095,371	27.93%
China Unicom Corporation	3,634,583,682	20.65%
China Telecom	3,608,714,759	20.50%
China Reform and its wholly-owned subsidiaries	776,067,690	4.41%
H Shares (total number)	**4,666,385,600**	**26.51%**
Total	**17,600,847,102**	**100.00%**

Purchase, Sale or Redemption of the Company's Listed Securities

For the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares within the meaning of the Listing Rules).

For the year ended 31 December 2025 and up to the date of this report, the Company did not hold any such treasury shares.

Material Interests and Short Positions in Shares and Underlying Shares of the Company

As at 31 December 2025, the interests or short position of persons who are entitled to exercise or control the exercise of 5% or more of the voting power at any of the Company's general meetings (excluding the Directors and Supervisors) in the shares or underlying shares of equity derivatives of the Company as recorded in the register required to be maintained under Section 336 of the provisions of Division 6 of Part XV of the SFO are as follows:

Name of shareholder	Nature of interest	Class of shares	Number of shares held[(1)(6)]	Percentage of shares in the relevant class of shares of the Company	Percentage of shares in the total shares in issue of the Company
CMCC[(2)]	Interest held by controlled corporations	Domestic Shares	4,915,095,371(L)	38.00%	27.93%
China Mobile (Hong Kong) Group Limited (中國移動(香港)集團有限公司)[(2)]	Interest held by controlled corporations	Domestic Shares	4,915,095,371(L)	38.00%	27.93%
China Mobile Hong Kong (BVI) Limited (中國移動香港(BVI)有限公司)[(2)]	Interest held by controlled corporations	Domestic Shares	4,915,095,371(L)	38.00%	27.93%
China Mobile[(2)]	Interest held by controlled corporations	Domestic Shares	4,915,095,371(L)	38.00%	27.93%
China Mobile Communication (BVI) Limited (中國移動通信(BVI)有限公司)[(2)]	Interest held by controlled corporations	Domestic Shares	4,915,095,371(L)	38.00%	27.93%
China Mobile Company[(2)]	Legal and beneficial owner	Domestic Shares	4,915,095,371(L)	38.00%	27.93%
CUC[(3)]	Interest held by controlled corporations	Domestic Shares	3,634,583,682(L)	28.10%	20.65%
China Unicom A Share Company[(3)]	Interest held by controlled corporations	Domestic Shares	3,634,583,682(L)	28.10%	20.65%
China Unicom Group Corporation (BVI) Limited (中國聯通集團(BVI)有限公司)[(3)]	Interest held by controlled corporations	Domestic Shares	3,634,583,682(L)	28.10%	20.65%
China Unicom (BVI) Limited (中國聯通(BVI)有限公司)[(3)]	Interest held by controlled corporations	Domestic Shares	3,634,583,682(L)	28.10%	20.65%
China Unicom[(3)]	Interest held by controlled corporations	Domestic Shares	3,634,583,682(L)	28.10%	20.65%
China Unicom Corporation[(3)]	Legal and beneficial owner	Domestic Shares	3,634,583,682(L)	28.10%	20.65%

Name of shareholder	Nature of interest	Class of shares	Number of shares held[(1)(6)]	Percentage of shares in the relevant class of shares of the Company	Percentage of shares in the total shares in issue of the Company
CTC[(4)]	Interest held by controlled corporations	Domestic Shares	3,608,714,759(L)	27.90%	20.50%
China Telecom[(4)]	Legal and beneficial owner	Domestic Shares	3,608,714,759(L)	27.90%	20.50%
China Reform[(5)]	Legal and beneficial owner/Interest held by controlled corporations	Domestic Shares	776,067,690(L)	6.00%	4.41%
GIC Private Limited	Investment manager	H Shares	279,683,830(L)	5.99%	1.59%
BlackRock, Inc.	Interest held by controlled corporations	H Shares	287,111,699(L) 10,203,000(S)	6.15% 0.22%	1.63% 0.06%
JPMorgan Chase & Co.	Legal and beneficial owner	H Shares	31,987,794(L) 37,346,953(S)	0.69% 0.80%	0.18% 0.21%
	Investment manager		62,260,900(L)	1.33%	0.35%
	Person having a security interest in shares		34,500(L)	0.00%	0.00%
	Approved lending agent		184,213,192(L)(P)	3.94%	1.05%

Notes:

(1) (L) – Long position; (S) – Short position; (P) – Interest in a lending pool.

(2) By virtue of the SFO, each of CMCC, China Mobile (Hong Kong) Group Limited, China Mobile Hong Kong (BVI) Limited, China Mobile Communication (BVI) Limited and China Mobile is deemed to have an interest in the Shares held by China Mobile Company.

(3) By virtue of the SFO, each of CUC, China Unicom A Share Company, China Unicom (BVI) Limited, China Unicom Group Corporation (BVI) Limited and China Unicom is deemed to have an interest in the Shares held by China Unicom Corporation.

(4) By virtue of the SFO, CTC is deemed to have an interest in the Shares held by China Telecom.

(5) China Reform indirectly holds 400,067,690 domestic Shares through China Reform Development Fund Management Co., Ltd. (國新發展投資管理有限公司) and 376,000,000 domestic Shares are held through its wholly-owned subsidiary, Davo Qihang.

(6) The above number of Shares held by relevant Shareholders were adjusted upon the effectiveness of the Share Consolidation and Capital Reduction.

Save as disclosed above, as at 31 December 2025, in the register required to be maintained under Section 336 of the SFO, no other persons were recorded to hold any interests or short positions in the shares or underlying shares of equity derivatives of the Company.

Restricted Share Incentive Scheme

Purposes

The Company adopted the Restricted Share Incentive Scheme on 18 April 2019, upon the approval at the 2018 AGM. The Restricted Share Incentive Scheme aims at (i) improving the corporate governance structure of the Company, establishing and enhancing the interests of employees and the Shareholders as well as the interests of investors and the Company as a whole, and forming a good and balanced value distribution system; (ii) establishing benefits and risk sharing mechanisms for Shareholders, the Company and employees, avoiding short-term behavior, and promoting the Company's performance improvement and long-term stable development; and (iii) effectively attracting, retaining and motivating core staff necessary for the development of the Company and reinforcing the long-term sustainable talent base for the Company.

Participants

Participants under the Restricted Share Incentive Scheme are Directors, senior management of the Company and core technical and management personnel contributing directly to the overall business performance and sustainable development of the Company.

Shares Available under the Restricted Share Incentive Scheme

The Restricted Share Incentive Scheme does not involve the grant of the Restricted Shares over new shares or other new securities that may be issued by the Company. The Trustee shall purchase from the secondary market certain number of H Shares to be granted as instructed by the Board.

The Company has not issued and will not issue any new shares or other new securities pursuant to the Restricted Share Incentive Scheme.

Maximum Grant

The maximum total number of Restricted Shares granted or to be granted under the Restricted Share Incentive Scheme shall not exceed 10% of the total issued share capital of the Company as at the date the Restricted Share Incentive Scheme approved by the Shareholders at the 2018 AGM, i.e. 176,008,471,024 Shares (with the relevant total issued share capital of the Company being adjusted to 17,600,847,102 to reflect the effects of the Share Consolidation and Capital Reduction).

Maximum Entitlement of Each Participant

Without special approval of any general meeting of Shareholders, the total number of Restricted Shares granted or to be granted to any Participant under the Restricted Share Incentive Scheme shall not exceed 1% of the total issued share capital of the Company as at the date the Restricted Share Incentive Scheme approved by the Shareholders at the 2018 AGM, i.e. 176,008,471,024 Shares (with the relevant total issued share capital of the Company being adjusted to 17,600,847,102 to reflect the effects of the Share Consolidation and Capital Reduction).

Unlocking Period

The Unlocking Period shall be 24 months to 60 months from granting of the Restricted Shares, including the Lock-up Period. If the conditions for unlocking as required by the Restricted Share Incentive Scheme are met during the Unlocking Period, the Restricted Shares granted shall be unlocked in three tranches as follows.

Unlocking Arrangement	Unlocking Time	Unlocking Percentage
First Unlocking Period	From the first trading day after 24 months from the Grant Date and ending on the day which is the last trading day within 36 months	40%
Second Unlocking Period	From the first trading day after 36 months from the Grant Date and ending on the day which is the last trading day within 48 months	30%
Third Unlocking Period	From the first trading day after 48 months from the Grant Date and ending on the day which is the last trading day within 60 months	30%

Grant Price, Basis for Determining the Grant Price and Payment Period

Pursuant to the Restricted Share Incentive Scheme, the Grant Price of the Restricted Shares shall be no less than 50% of the reference price and the pricing reference date of the Grant Price is the Grant Date. The reference price shall be the higher of:

(i) the closing price of the H Shares on the Hong Kong Stock Exchange on the Grant Date; and

(ii) the average closing price of the H Shares for the five trading days as quoted on the Hong Kong Stock Exchange immediately preceding the Grant Date.

Pursuant to the Restricted Share Incentive Scheme and the agreement for grant of Restricted Shares entered into between the Company and each of the Participants, the Participants shall pay the subscription funds for the Restricted Shares granted to the Company's designated account within the time period as prescribed by the Company. There is no additional amount payable on application or acceptance of the Restricted Shares awarded.

If matters such as converting capital reserve into new shares, issue of bonus share, share subdivisions, share consolidation or additional offering occur in the Company, prior to the unlocking of Restricted Shares, the Grant Price will be subject to adjustments in accordance with the relevant requirements of the Restricted Share Incentive Scheme.

Duration

The Restricted Share Incentive Scheme has a term of ten years commencing from 18 April 2019, unless early terminated by relevant requirements of the Restricted Share Incentive Scheme.

Details of the Restricted Shares Granted under the Restricted Share Incentive Scheme

On 18 April 2019, the Board approved the Initial Grant under the Restricted Share Incentive Scheme and approved the First Tranche of Grant and the Second Tranche of Grant on 18 April 2019 and 19 December 2019, respectively.

The Grant Price of the Restricted Shares granted under the Initial Grant (for both the First Tranche of Grant and Second Tranche of Grant)[Note] is RMB1.03 per Restricted Share (equivalent to approximately HK$1.20 per Restricted Share), which equals the higher of (i) the audited net assets per share as of 31 December 2018 (i.e. RMB1.03) and (ii) 50% of the reference price.

The reference price shall be the higher of:

(i) HK$2.20, being the closing price of the Company's H Shares on the Hong Kong Stock Exchange on 18 April 2019; and

(ii) HK$2.09, being the average closing price of Company's H Shares for the five trading days as quoted on the Hong Kong Stock Exchange immediately preceding 18 April 2019.

The Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant under the Initial Grant entered the first Unlocking Period in 2021. As the operating revenue of the Group for the year of 2020 did not reach the target set out in the conditions for unlocking the Restricted Shares, such conditions for unlocking were not fulfilled and therefore the relevant Restricted Shares could not be unlocked according to the terms and conditions of the Restricted Share Incentive Scheme. The interests of relevant Participants in such Restricted Shares have been bought out by the Trustee at the Grant Price in accordance with the terms of the Restricted Share Incentive Scheme and the laws and regulations, which represented 40% of interests in the Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant mentioned above.

The Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant under the Initial Grant entered the second Unlocking Period in 2022. As the operating revenue of the Group for the year of 2021 did not reach the target set out in the conditions for unlocking the Restricted Shares, such conditions for unlocking were not fulfilled and therefore the relevant Restricted Shares could not be unlocked according to the terms and conditions of the Restricted Share Incentive Scheme. The interests of relevant Participants in such Restricted Shares have been bought out by the Trustee at the Grant Price in accordance with the terms of the Restricted Share Incentive Scheme and the laws and regulations, which represent 30% of interests in the Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant mentioned above.

The Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant under the Initial Grant entered the third Unlocking Period in 2023. As the operating revenue of the Group for the year of 2022 did not reach the target set out in the conditions for unlocking the Restricted Shares, such conditions for unlocking were not fulfilled and therefore the relevant Restricted Shares could not be unlocked according to the terms and conditions of the Restricted Share Incentive Scheme. The interests of relevant Participants in such Restricted Shares have been bought out by the Trustee at the Grant Price in accordance with the terms of the Restricted Share Incentive Scheme and the laws and regulations, which represent 30% of interests in the Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant mentioned above.

Note: The information disclosed regarding the Grant Price of the Restricted Shares granted under the Initial Grant (for both the First Tranche of Grant and Second Tranche of Grant) above has not been adjusted for the Share Consolidation and Capital Reduction which became effective on 20 February 2025.

As disclosed above, the Restricted Shares granted under the Initial Grant (for both the First Tranche of Grant and Second Tranche of Grant) failed to be unlocked for the first Unlocking Period, the second Unlocking Period and the third Unlocking Period, respectively. As at 31 December 2023, the interests of relevant Participants in such Restricted Shares had been bought out by the Trustee at the Grant Price in accordance with the terms of the Restricted Share Incentive Scheme and laws and regulations, which represented 100% of the interests in aggregate in the Restricted Shares granted under the First Tranche of Grant and the Second Tranche of Grant. As at 31 December 2025, there were no outstanding Restricted Shares granted under the Initial Grant (for both the First Tranche of Grant and Second Tranche of Grant).

For the year ended 31 December 2025, no Restricted Shares had been granted to (i) the Directors, chief executive or any substantial Shareholders of the Company, or any associate of any of them; or (ii) Participants with awards granted and to be granted in excess of the 1% individual limit; or (iii) any employee participant, related entity participant or service provider.

Directors', Supervisors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 31 December 2025, none of the Directors, Supervisors and chief executive of the Company had any interests and/or short positions in the shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he or she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

As at 31 December 2025, the Company has not granted its Directors, Supervisors or chief executive of the Company, or their respective spouses or children below the age of 18 any rights to subscribe for the Shares or debentures of the Company or any of its associated corporations and none of them has ever exercised any such right to subscribe for the shares or debentures of the Company.

Directors' and Supervisors' Interests in Transactions, Arrangements or Contracts

Save for the transactions, arrangements or contracts set out in the sections titled "Management Discussion and Analysis", "Directors' and Supervisors' Service Contracts", "Major Customers and Suppliers", "Continuing Connected Transactions", "Restricted Share Incentive Scheme" and "Directors', Supervisors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" under "Report of the Directors" of this annual report and note 30 to the audited consolidated financial statements, no other transaction, arrangement or contract that is significant in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a person who was a Director or Supervisor of the Company or his or her connected entity had, directly or indirectly, a material interest subsisted at any time during the year ended 31 December 2025.

Remuneration of Directors and Supervisors

The remuneration of the Directors and Supervisors is determined with reference to the remuneration paid by relevant companies in the PRC telecommunications industry and the achievement of major operating indicators of the Company. Among which, the remuneration of the executive Directors shall be determined in accordance with the provisions of the remuneration administrative measures considered and approved by the 2022 Third EGM. The Directors and Supervisors who receive remuneration from the Company are paid in forms of salaries, allowances, social insurance, housing provident fund and corporate annuity.

Details of remuneration of all the Directors and Supervisors for 2025 are set out in note 7 to the audited consolidated financial statements for the year.

Permitted Indemnity

During the year ended 31 December 2025 and as at date of this report, the Company has arranged appropriate insurance cover in respect of potential legal actions against the directors of the Group. Except for such insurances, the Company has no valid permitted indemnity provisions (as defined in Companies (Directors' Report) Regulation of the Chapter 622D of Hong Kong Laws) during the reporting period and at the time of approval of this report.

Material Acquisitions or Disposals

For the year ended 31 December 2025, the Company has no material acquisitions and disposals.

Public Float

As at the date of this annual report, based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules and as approved by the Hong Kong Stock Exchange.

Summary of Financial Information

The summary of the operating results, assets and liabilities of the Group for each of the five years ended 31 December 2025 are set out on pages 187 to 189 of this annual report.

Bank Loans and Other Borrowings

Details of bank loans and other borrowings of the Group are set out in note 23 to the audited consolidated financial statements for the year.

Capitalized Interest

Details of capitalized interest of the Group for the year ended 31 December 2025 are set out in note 11 to the audited consolidated financial statements for the year.

Fixed Assets

Details of the movement in fixed assets of the Group for the year ended 31 December 2025 are set out in note 14 to the audited consolidated financial statements for the year.

Reserves

According to the Article 160 of the Articles of Association, in addition to the PRC accounting standards and regulations, the financial statements of the Company shall also be prepared in accordance with the international accounting standards or the accounting standards of the place outside the PRC where the shares of the Company are listed. Any material discrepancy between the financial statements prepared in accordance with two different accounting standards shall be explained in the notes to the financial statements. Distribution of profits after tax of the relevant financial year shall be based on the lower of the profits after tax shown in the two financial statements mentioned above.

Distributable reserves of the Company as at 31 December 2025, calculated on the above basis and including interim dividends declared for 2025 and the proposed final dividends for 2025, amounted to RMB10,468 million.

Details of the movement in reserves of the Company and the Group for the year ended 31 December 2025 are set out in note 29 and note 22 to the audited consolidated financial statements for the year, respectively.

Equity-linked Agreements

For the year ended 31 December 2025, the Company has not entered into any equity-linked agreements.

Donations

For the year ended 31 December 2025, the Group made charitable and other donations of a total amount of RMB36.7 million.

Subsidiaries and Associated Company

Details of subsidiaries of the Company and the associated company of the Group as at 31 December 2025 are set out in note 18 to the audited consolidated financial statements for the year.

Changes in Equity

Please refer to the consolidated statement of changes in equity contained in the audited consolidated financial statements for the year (page 118 of this annual report).

Retirement Benefits

Details of the retirement benefits provided by the Group are set out in note 7 to the audited consolidated financial statements for the year.

Pre-emptive Rights

There are no provisions for pre-emptive rights in the Articles of Association and the PRC laws requiring the Company to issue new shares to the existing Shareholders in proportion to their shareholdings.

Employees and Remuneration Policies

As at 31 December 2025, the Group had approximately 25,074 staff. Total staff costs for the year amounted to RMB10,077 million, which included wages, social insurance, housing provident fund, corporate supplemental insurance, expenses on benefits, working fund for labor union, education fund, and labor security expenses.

The Group persists in establishing and optimizing a value-oriented unified remuneration system based on a proactive and effective incentive mechanism, materializing optimization of resources allocation and maximization of corporate efficiency; adhering to the philosophy of market allocation based on value of position, contribution in terms of capability and performance difference; maintaining competitiveness of remuneration, attracting, motivating and retaining core staff. Staff remuneration is mainly comprised of wages of different positions, wages in terms of performance, allowances and grants, and social insurance.

The Company also adopted the Restricted Share Incentive Scheme pursuant to which the Company can grant H Shares to the Participants. Please see "Restricted Share Incentive Scheme" above for details.

Major Customers and Suppliers

For the year ended 31 December 2025, the revenue from providing services to the Group's five largest customers (including CMCC Group, CTC Group and CUC Group) accounted for 85.4% of total revenue of the Group for the full-year, while revenue from the largest customer accounted for 42.4% of total revenue of the Group for the full-year.

For the year ended 31 December 2025, procurements from the Group's five largest suppliers were less than 30% of total procurement expenditures and expenses of the Group for the year. Procurement expenditures and expenses represent (i) the addition of property, plant and equipment, land use right and software in our consolidated statements of financial position on accrual basis, and (ii) site operating lease charges, repairs and maintenance and other operating expenses, which are expensed as incurred and recorded in our consolidated statements of comprehensive income on accrual basis.

So far is known to the Board, except for CMCC, China Mobile (Hong Kong) Group Limited, China Mobile Hong Kong (BVI) Limited, China Mobile Communication (BVI) Limited, China Mobile, China Mobile Company, CUC, China Unicom A Share Company, China Unicom (BVI) Limited, China Unicom Group Corporation (BVI) Limited, China Unicom, China Unicom Corporation, CTC, China Telecom (all of which are interested in more than 5% of the issued share capital of the Company, details of which are set out in "Report of the Directors – Material Interests and Short Positions in Shares and Underlying Shares of the Company" of this annual report), Mr. Cheng Jianjun, Mr. Miao Shouye, Mr. Luan Xiaowei, Ms. Cao Yingchun, Mr. Li Zhangting and Ms. Han Fang (the positions of which are set out in "Profiles of Directors, Supervisors and Senior Management" of this annual report), neither the Directors and Supervisors, their respective close associates, nor any Shareholders who own more than 5% of our issued share capital, had any interest in any of the above customers or suppliers.

Continuing Connected Transactions

China Mobile Company, China Unicom Corporation, and China Telecom are our substantial Shareholders. Under the Hong Kong Listing Rules, China Mobile Company, China Unicom Corporation and China Telecom and their respective associates are connected persons of the Company.

The Company conducts certain transactions with the above connected persons in its ordinary course of business, and these transactions constitute our continuing connected transactions under the Hong Kong Listing Rules.

The details of the continuing connected transactions conducted by the Company during 2025 that are subject to reporting requirement are as follows:

A. Principal Services Provided to the Telecom Shareholders

During the reporting period, the Company provided relevant services of tower products, DAS products, transmission products and service products (the "**Relevant Products**") to each of the Telecom Shareholders and their respective branches or subsidiaries.

A.1.	Principal services provided to China Mobile Company and its subsidiaries (1) service in relation to tower products (2) service in relation to DAS products (3) service in relation to transmission products (4) service in relation to service products	Subject to announcement, Independent Shareholders' approval and annual caps requirements
A.2.	Principal services provided to China Unicom Corporation (1) service in relation to tower products (2) service in relation to DAS products (3) service in relation to transmission products (4) service in relation to service products	Subject to announcement, Independent Shareholders' approval and annual caps requirements
A.3.	Principal services provided to China Telecom (1) service in relation to tower products (2) service in relation to DAS products (3) service in relation to transmission products (4) service in relation to service products	Subject to announcement, Independent Shareholders' approval and annual caps requirements

Agreements related to the Principal Services Provided to the Telecom Shareholders

On the 2022 Third EGM held on 30 December 2022, the Company was approved to enter into two 2023-2027 Service Framework Agreements with each of the Telecom Shareholders (six agreements in total), comprising one 2023-2027 Commercial Pricing Agreement, and one 2023-2027 Service Agreement, the signing arrangement of which was completed on 18 January 2023.

Products and Services

Service in relation to tower products: the Company, to serve the needs for the space required for hosting telecommunications equipment of each of the Telecom Shareholders and their respective branches/subsidiaries, provides, constructs and maintains the tower products, including towers, shelters, and ancillary facilities, together with the provision of other services in connection with the above;

Service in relation to DAS products: the Company provides, constructs and maintains the DAS products together with the provision of other services in connection with the above, including the whole DAS, shelters and accessory facilities based on the needs of each of the Telecom Shareholders and their respective branches or subsidiaries for telecommunications signal feed-in and indoor extensive coverage, together with the provision of other services in connection with the above;

Service in relation to transmission products: the Company provides and constructs ducts, pole lines, optical fiber, public manholes in front of sites and exits and routes to sites together with other services in connection with the above for each of the Telecom Shareholders and their respective branches/subsidiaries; and

Service in relation to service products: the Company provides power supply and generation services to each of the Telecom Shareholders and their respective branches/subsidiaries in connection with the tower products and DAS products, which include power service, gasoline or diesel power generation service and extra battery assurance service.

Agreement Term and Service Period

The term of the 2023-2027 Service Framework Agreements is from 1 January 2023 to 31 December 2027. The service period of the Relevant Products and each service is five years. Prior to the expiry of the 2023-2027 Service Framework Agreements on 31 December 2027, the parties shall negotiate to determine matters in relation to the pricing.

Pricing Policy

The pricing policy is determined after arm's length negotiations by the relevant parties during the ordinary and usual course of business of the Company with reference to the construction cost, maintenance cost, site fee, management cost, operating cost, labor cost and appropriate profit margins, as applicable, of each of the relevant services.

For the details of the Principal Services provided to the Telecom Shareholders, including but not limited to the background of the 2023-2027 Service Framework Agreements and the respective pricing policy of the Relevant Products, please refer to the announcements of the Company dated 14 December 2022, 30 December 2022 and 18 January 2023 and the circular of the Company dated 15 December 2022.

Annual Caps and Transaction Amounts in 2025

During the reporting period, the annual caps and transaction amounts of the Principal Services Provided to the Telecom Shareholders and their respective branches or subsidiaries by the Company are as follows:

		Annual caps for 2025 (RMB in million)	Transaction amounts in 2025 (RMB in million)
A.1.	Transaction amount of the services provided to China Mobile Company and its subsidiaries		
	Revenue generated by the Group		
	(1) tower products	–	36,603
	(2) DAS products	–	3,950
	(3) transmission products	–	158
	(4) service products	–	931
	Total	**48,071**	**41,642**
	Maximum daily balance of the advances made by the Group in relation to services of paying electricity fee on behalf of customer	3,667	2,576
A.2.	Transaction amount of the services provided to China Unicom Corporation		
	Revenue generated by the Group		
	(1) tower products	–	17,903
	(2) DAS products	–	2,008
	(3) transmission products	–	79
	(4) service products	–	459
	Total	**22,532**	**20,449**
	Maximum daily balance of the advances made by the Group in relation to services of paying electricity fee on behalf of customer	1,667	752

	Annual caps for 2025 (RMB in million)	Transaction amounts in 2025 (RMB in million)
A.3. Transaction amount of the services provided to China Telecom		
Revenue generated by the Group		
(1) tower products	–	18,607
(2) DAS products	–	2,323
(3) transmission products	–	78
(4) service products	–	525
Total	**26,959**	**21,533**
Maximum daily balance of the advances made by the Group in relation to services of paying electricity fee on behalf of customer	1,667	786

As the highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) with respect to the annual caps for the revenue to be generated by the Company from the transactions contemplated under the 2023-2027 Service Framework Agreements with each of the Telecom Shareholders is more than 5%, such transactions with each of the Telecom Shareholders are subject to reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. In addition, as part of the services products under the 2023-2027 Service Framework Agreements, if the relevant Telecom Shareholders and/or their branches/subsidiaries elect so, the Company may pay electricity fees incurred by the Telecom Shareholders and/or their branches/subsidiaries to the relevant electricity providers and/or owners of the sites and afterwards be reimbursed by the relevant Telecom Shareholders and/or their branches/subsidiaries. Such payments of electricity fees by the Company constitute financial assistances provided by the Company to each of the Telecom Shareholders which are transactions subject to the requirements of both Chapter 14A and Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) with respect to the annual caps for the maximum daily balance of advances to be made by the Company to each of the Telecom Shareholders and their respective branches/subsidiaries under the respective 2023-2027 Service Framework Agreements is expected to be less than 5%, technically such transactions are subject to reporting, annual review and announcement requirements but exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules. However, given such transactions are connected to other transactions of revenue nature with each of the Telecom Shareholders under the same agreements which are subject to Shareholders' approval requirements as described above, the Company has voluntarily put such transactions as described above for the Independent Shareholders' consideration and approval at the extraordinary general meeting. The 2023-2027 Service Framework Agreements with each of the Telecom Shareholders together with the annual caps thereof were approved by the Company's Independent Shareholders at the 2022 Third EGM held on 30 December 2022.

B. Property Leasing from Each of CUC and CTC and/or Their Respective Associates

During the reporting period, the Company leased certain properties from each of CUC and CTC and/or their respective associates.

B.1.	Property leasing from CUC and/or its associates	Subject to announcement requirement
B.2.	Property leasing from CTC and/or its associates	Subject to announcement requirement

2024-2026 Property Lease Framework Agreements with each of CUC and CTC

On 27 November 2023, the Company and each of CUC and CTC have entered into the 2024-2026 Property Lease Framework Agreement with CUC and the 2024-2026 Property Lease Framework Agreement with CTC (collectively, the "**2024-2026 Property Lease Framework Agreements**"), respectively, to renew the 2021-2023 Property Lease Framework Agreement with CUC and the 2021-2023 Property Lease Framework Agreement with CTC. The terms and conditions of the 2024-2026 Property Lease Framework Agreements are substantially the same as the 2021-2023 Property Lease Framework Agreement with each of CUC and CTC, pursuant to which the Group may lease certain properties from each of CUC and CTC and/or their respective associates. For details of the 2024-2026 Property Lease Framework Agreements, please refer to the announcement of the Company dated 27 November 2023.

Services Provided

Pursuant to the 2024-2026 Property Lease Framework Agreements, the properties to be leased from each of CUC and CTC and/or their respective associates include buildings and land. Each of CUC and CTC and/or their respective associates also provide relevant property management services in relation to some of the properties leased to the Group.

Contract Period

The 2024-2026 Property Lease Framework Agreements with each of CUC and CTC has a term of three years taking effect on 1 January 2024 and expiring on 31 December 2026.

Pricing Policy

Under the 2024-2026 Property Lease Framework Agreements, the rents and management fees shall be determined and paid as follows:

- the rents of office buildings will be determined with reference to the market price at the time of signing individual agreements. If there is no market price or the market price cannot be determined, the rents and management fees will be determined by the parties with reference to reasonable costs, taxes payable and reasonable profits and in other applicable method (if any);

- the rents of buildings and land used for the Company's production and operation (sites) will be determined with reference to the market price at the time of signing individual agreements. If there is no market price or the market price cannot be determined, the rents and management fees will be determined by the parties with reference to reasonable costs, taxes payable and reasonable profits and in other reasonable method (if any);

- during the leasing term of individual leased property, the management fees, including but not limited to, property fees, water fees, electricity fees, cleaning fees, air-conditioning fees, heating fees, parking fees and other fees related to the use of the leased property, will be determined by the parties with reference to the market price of similar property management service at the time of signing individual agreements; and

- the relevant standard for the rents will be regularly reviewed and adjusted according to individual agreements.

Annual Caps and Transaction Amounts in 2025

During the reporting period, the following continuing connected transactions of the Company has not exceeded their respective annual caps:

B.1. For properties leased from CUC and/or its associates

		Annual caps for 2025 (RMB in million)	Transaction amounts in 2025 (RMB in million)
Office buildings	Rents	N/A	7
	Management fees	N/A	2
	Subtotal	**40**	**9**
Sites	Rents	110	29
	Subtotal	**110**	**29**
Total		**150**	**38**

B.2. For properties leased from CTC and/or its associates

		Annual caps for 2025 (RMB in million)	Transaction amounts in 2025 (RMB in million)
Office buildings	Rents	N/A	10
	Management fees	N/A	48
	Subtotal	**60**	**58**
Sites	Rents	120	106
	Subtotal	**120**	**106**
Total		**180**	**164**

The Company has adopted the IFRS 16 "Lease" on 1 January 2019. Under IFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. However, as allowed under IFRS 16, the Company has elected not to recognise right-of-use assets and lease liabilities for lease that at the commencement date have a lease term of 12 months or less and thus recognises the lease payments associated with such leases as an expense on a straightline basis over the lease term. As the terms of substantially all leases under the 2024-2026 Property Lease Framework Agreements are 12 months or less, such leases and the property management services to be received by the Company under such agreements will be continuing connected transactions of the Company and the transaction amounts and annual caps for such transactions represent the amount of rents and management fees to be paid by the Company under the relevant agreements on an annual basis. Where the terms of any leases under the 2024-2026 Property Lease Framework Agreements are longer than 12 months, the Company will recognise right-of-use assets and lease liabilities for such leases.

C. Non-Telecommunications Services Provided by Each of CUC and CTC and/or Their Respective Associates

During the reporting period, the Company procured the relevant non-telecommunications services from each of CUC and CTC and/or their respective associates.

C.1.	Construction, design, supervision, outsourcing maintenance, intermediary, supply chain, training and/or other services provided by CUC and/or its associates	Subject to announcement requirement
C.2.	Construction, design, supervision, outsourcing maintenance, intermediary, supply chain, training and/or other services provided by CTC and/or its associates	Subject to announcement and independent Shareholders' approval requirements

2024-2026 Service Supply Framework Agreements with each of CUC and CTC

On 27 November 2023, the Company and each of CUC and CTC have entered into the 2024-2026 Service Supply Framework Agreement with CUC and the 2024-2026 Service Supply Framework Agreement with CTC (collectively, the "**2024-2026 Service Supply Framework Agreements**"), respectively, to renew the 2021-2023 Service Supply Framework Agreement with CUC and the 2021-2023 Service Supply Framework Agreement with CTC, pursuant to which the associates of each of CUC and CTC will provide construction, design, supervision, outsourcing maintenance, intermediary, supply chain, training and/or other services to the Group. Save for the adding of "other services", other terms and conditions of the 2024-2026 Service Supply Framework Agreements remain the same as the 2021-2023 Service Supply Framework Agreement with each of CUC and CTC. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the annual caps of the transactions contemplated under the 2024-2026 Service Supply Framework Agreement with CTC exceeds 5%, the transactions contemplated under the 2024-2026 Service Supply Framework Agreement with CTC are subject to the reporting, annual review, announcement and independent Shareholders' approval requirements under the Listing Rules. The 2024-2026 Service Supply Framework Agreement with CTC together with the relevant annual caps were approved by the Company's independent Shareholders at the 2023 Second EGM held on 22 December 2023. For details of the 2024-2026 Service Supply Framework Agreements, please refer to the announcements of the Company dated 27 November 2023 and 22 December 2023 and the circular of the Company dated 4 December 2023.

Due to the Company's increasing demand for non-telecommunications services (such as construction, design, supervision, outsourcing maintenance, intermediary, supply chain, training and/or other services) under the 2024-2026 Service Supply Framework Agreement with CUC arising from the Company's business expansion, the Company revised the existing annual caps for the two years ending 31 December 2026 under the 2024-2026 Service Supply Framework Agreement with CUC on 16 October 2025. Saved for the revised annual caps thereunder, the other terms and conditions of the 2024-2026 Service Supply Framework Agreement with CUC shall remain unchanged and valid. For details of the revision of the annual caps for the 2024-2026 Service Supply Framework Agreements with CUC, please refer to the Company's announcement dated 16 October 2025.

Services Provided

The services provided by each of CUC and CTC and/or their respective associates under the 2024-2026 Service Supply Framework Agreements include: construction service, design service, supervision service, outsourcing maintenance service, intermediary service, supply chain service, training service and/or other services.

Contract Period

The 2024-2026 Service Supply Framework Agreements with each of CUC and CTC has a term of three years taking effect on 1 January 2024 and expiring on 31 December 2026.

Pricing Policy

Transaction terms, such as services fees, payment method and miscellaneous expenses will be determined in accordance with relevant market price. The market price refers to the prevailing price charged by the Independent Third Parties in the ordinary course of business for the provision of the same or similar services, which is obtained by way of open bidding method. Since the market in which the relevant services are provided is a fully competitive market, open bidding procedures can ensure that the Company obtains relatively transparent prices to the extent possible, and the Company would determine the market price by comparing the quotations proposed by the service providers participating in bidding, which is in line with the market practice.

If there is no market price, in order to make sure the prices of services offered are fair and reasonable, the parties shall (i) refer to historical prices related to the services, or (ii) collect the industry market price of similar services with reference to the highest acceptable bidding price for similar services purchased by other companies, which is publicly disclosed on the open bidding and procurement websites.

If there is no market price, historical price or industry market price of similar services, the price shall be determined based on average profit margin plus the actual costs before agreeing on the pricing. Such costs include costs of raw materials, accessories, depreciation, labor, energy, management cost, financial fees and payable taxes and fees. When determining the "average profit margin" for any transaction under the 2024-2026 Service Supply Framework Agreements, to the extent practicable, the management of the Group shall take into account the average profit margin for the last three years of at least two Independent Third Parties who provide similar and comparable transactions, with reference to the relevant industry profit margin published by the Ministry of Industry and Information Technology of the PRC.

Annual Caps and Transaction Amounts in 2025

During the reporting period, the following continuing connected transactions of the Company has not exceeded their respective annual caps:

		Annual caps for 2025 (RMB in million)	Transaction amounts in 2025 (RMB in million)
C.1.	Construction, design, supervision, outsourcing maintenance, intermediary, supply chain, training and/or other services provided by CUC and/or its associates	730	479
C.2.	Construction, design, supervision, outsourcing maintenance, intermediary, supply chain, training and/or other services provided by CTC and/or its associates	6,600	6,191

D. Value-added Service Provided to Each of the Telecom Group Companies and/or Their Respective Associates

D.1.	Provision of value-added services to CMCC and/or its associates	Subject to announcement requirement
D.2.	Provision of value-added services to CUC and/or its associates	Subject to announcement requirement
D.3.	Provision of value-added services to CTC and/or its associates	Subject to announcement requirement

The Value-added Service Framework Agreements with Each of the Telecom Group Companies

In light of the increasing transaction amount of value-added services provided by the Group to CMCC and/or its associates, based on the internal review on the continuing connected transactions in 2023, on 27 November 2023, the Company and CMCC have entered into the 2024-2026 Value-added Service Framework Agreement with CMCC, pursuant to which the Group will provide value-added services to CMCC and/or its associates. The value-added services provided by the Group to CMCC and/or its associates under the 2024-2026 Value-added Service Framework Agreement with CMCC include the site resource services under the 2021-2023 Site Resource Service Framework Agreement with CMCC, which had expired on 31 December 2023, and other relevant integrated services. For details of the 2024-2026 Value-added Service Framework Agreement with CMCC, please refer to the announcement of the Company dated 27 November 2023.

In light of the potential value-added service transactions between the Company and CUC and/or its associates, based on the internal review of the continuing connected transactions in 2023, on 27 November 2023, the Company and CUC have entered into the 2024-2025 Value-added Service Framework Agreement with CUC, pursuant to which the Group will provide value-added services to CUC and/or its associates. For details of the 2024-2025 Value-added Service Framework Agreement with CUC, please refer to the announcement of the Company dated 27 November 2023.

On 27 November 2023, the Company and CTC have entered into the 2024-2026 Value-added Service Framework Agreement with CTC, to renew the 2021-2023 Value-added Service Framework Agreement with CTC on substantially the same terms and conditions as the 2021-2023 Value-added Service Framework Agreement with CTC, pursuant to which the Group will provide value-added services to CTC and/or its associates. For details of the 2024-2026 Value-added Service Framework Agreement with CTC, please refer to the announcement of the Company dated 27 November 2023.

As the Company is proactively expanding its services such as maintenance of TSPs' equipment, the Board expects that the annual transaction amount in respect of the value-added services provided by the Group to the Telecom Group Companies will increase, the Company revised the respective existing annual cap(s) for (i) the two years ending 31 December 2026 under the 2024-2026 Value-added Service Framework Agreement with CMCC; (ii) the year ended 31 December 2025 under the 2024-2025 Value-added Service Framework Agreement with CUC; and (iii) the two years ending 31 December 2026 under the 2024-2026 Value-added Service Framework Agreement with CTC on 16 October 2025. Save for the respective revised annual caps under each of the Value-added Service Framework Agreements with each of the Telecom Group Companies, the other terms and conditions of the respective Value-added Service Framework Agreements with each of the Telecom Group Companies shall remain unchanged and valid. For details of the revision of the annual caps for the Value-added Service Framework Agreements with each of the Telecom Group Companies, please refer to the Company's announcement dated 16 October 2025.

Services Provided

The services provided by the Group to each of the Telecom Group Companies and/or their respective associates under the 2024-2026 Value-added Service Framework Agreements with each of CMCC and CTC and the 2024-2025 Value-added Service Framework Agreement with CUC (each, a "**Value-added Service Framework Agreement**") include: site resources service, data information service, energy service and integrated and comprehensive outsourcing maintenance service.

Contract Period

Each of the 2024-2026 Value-added Service Framework Agreement with CMCC and the 2024-2026 Value-added Service Framework Agreement with CTC has a term of three years taking effect on 1 January 2024 and expiring on 31 December 2026.

The 2024-2025 Value-added Service Framework Agreement with CUC took effect on 27 November 2023 and had expired on 31 December 2025.

Pricing Policy

The prices for the value-added services shall be determined by the contracting parties in accordance with the requirements of applicable laws and regulations of the PRC and the relevant administrative rules of the Group.

Transaction terms, such as service fees, payment schedule and method as well as miscellaneous expenses shall be determined in accordance with relevant market price. If there is no market price, the parties shall refer to historical prices related to the services or, collect the information on market prices of such services in the industry through channels such as from other providers of similar services and consider at least two comparable transactions entered into between the Company and the Independent Third Party holding the same qualifications and conditions as those of each of the Telecom Group Companies and/or their respective associates during the same period where practical. When neither historical prices nor comparable market transaction prices are available, in order to make sure such prices offered are fair and reasonable, the parties shall determine the price based on average profit margin in the market or financial cost margin. The average profit margin in the market and financial cost margin for similar services are analysed based on the information of prices of similar services in the industry through channels such as from other providers. Such costs include costs of raw materials, accessories, depreciation, labor, energy, management cost, financial fees and payable taxes and fees, which shall be determined by the parties through arm's length negotiation with reference to the actual situation of the industry in which such business is conducted.

If a governmental agency issues a governmental price for the proposed transactions under the agreements during the term of the agreements, the price shall be adjusted with reference to the governmental price.

To provide services under the Value-added Service Framework Agreement with each of the Telecom Group Companies, the Company has established decision-making groups within the industry expansion departments and energy operation departments at the headquarters and provincial branches. The decision-making groups will review the proposed projects of the Company, including those transactions contemplated under the Value-added Service Framework Agreement with each of the Telecom Group Companies. In order to ensure the fairness and reasonableness of the service fees, the decision-making groups shall review, among others, the model of economic benefit assessment. The model includes several indicators such as revenue, cost, investment amount, funds under occupation and expenditure in cash. Where the calculation based on such factors shows that the gross profit margin for providing the service could not reach certain level as prescribed by the Group's internal management measures from time to time, such service would not be provided.

Annual Cap and Transaction Amount in 2025

During the reporting period, the following continuing connected transactions of the Company has not exceeded their respective annual caps:

		Annual cap for 2025 (RMB in million)	Transaction amount in 2025 (RMB in million)
D.1.	Revenue of the Company generated from provision of value-added services to CMCC and/or its associates	1,400	899
D.2.	Revenue of the Company generated from provision of value-added services to CUC and/or its associates	815	378
D.3.	Revenue of the Company generated from provision of value-added services to CTC and/or its associates	820	604

On 16 October 2025, the Company and CUC have entered into the 2026-2028 Value-added Service Framework Agreement with CUC, for a term of three years taking effect from 1 January 2026 and expiring on 31 December 2028 to renew the 2024-2025 Value-added Service Framework Agreement with CUC, pursuant to which, the Group will provide value-added services (site resources service, data information service, energy service and maintenance and network optimization services) to CUC and/or its associates. As the highest applicable percentage ratios under Rule 14.07 of the Listing Rules for the transactions contemplated under the 2026-2028 Value-added Service Framework Agreement with CUC exceed 0.1% but are less than 5%, the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but are exempt from the independent Shareholders' approval requirement under the Listing Rules. For details of the 2026-2028 Value-added Service Framework Agreement with CUC, please refer to the Company's announcement dated 16 October 2025.

E. Comprehensive Service from CMCC and/or its Associates

2024-2026 Comprehensive Service Framework Agreement with CMCC

On 27 November 2023, the Company and CMCC have entered into the 2024-2026 Comprehensive Service Framework Agreement with CMCC, to renew the 2021-2023 Service Supply Framework Agreement with CMCC, the 2021-2023 Property Lease Framework Agreement with CMCC, the 2022-2023 Materials Procurement Framework Agreement with CMCC and the 2022-2023 Transmission Resource and Cloud Resource Lease Framework Agreement with CMCC, pursuant to which, the Group will procure comprehensive services from CMCC and/or its associates. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the annual caps of the transactions contemplated under the 2024-2026 Comprehensive Service Framework Agreement with CMCC exceeds 0.1% but is less than 5%, the transactions thereunder are subject to the reporting, annual review and announcement requirements under the Listing Rules. For details of the 2024-2026 Comprehensive Service Framework Agreement with CMCC, please refer to the announcement of the Company dated 27 November 2023.

Due to the Company's increasing demand for procurement of materials and non-telecommunications services under the 2024-2026 Comprehensive Service Framework Agreement with CMCC arising from the Company's business expansion, the Company revised the existing annual caps in relation to the materials procurement service and non-telecommunications services for the two years ending 31 December 2026 under the 2024-2026 Comprehensive Service Framework Agreement with CMCC on 16 October 2025. Saved for the revised annual caps thereunder, the other terms and conditions of the 2024-2026 Comprehensive Service Framework Agreement with CMCC shall remain unchanged and valid. For details of the revision of the annual caps for the 2024-2026 Comprehensive Service Framework Agreement with CMCC, please refer to the Company's announcement dated 16 October 2025.

Services Provided

The services provided by CMCC and/or its associates under the 2024-2026 Comprehensive Service Framework Agreement with CMCC include: property lease and relevant services, materials procurement service, transmission resource and cloud resource lease service and non-telecommunications services (such as construction service, design service, supervision service, outsourcing maintenance service, intermediary service, supply chain service, training service and/or other services).

Contract Period

The 2024-2026 Comprehensive Service Framework Agreement with CMCC has a term of three years taking effect on 1 January 2024 and expiring on 31 December 2026.

Pricing Policy

(1) *Property lease and relevant services*

Under the 2024-2026 Comprehensive Service Framework Agreement with CMCC, the rents and management fees shall be determined and paid as follows:

(a) the rents of office buildings will be determined with reference to the market price at the time of signing individual agreements. If there is no market price or the market price cannot be determined, the rents and management fees will be determined by the parties with reference to reasonable costs, taxes payable and reasonable profits and in other applicable method (if any);

(b) the rents of buildings and land used for the Company's production and operation (sites) will be determined with reference to the market price at the time of signing individual agreements. If there is no market price or the market price cannot be determined, the rents and management fees will be determined by the parties with reference to reasonable costs, taxes payable and reasonable profits and in other reasonable method (if any);

(c) during the leasing term of individual leased property, the management fees, including but not limited to, property fees, water fees, electricity fees, cleaning fees, air-conditioning fees, heating fees, parking fees and other fees related to the use of the leased property, will be determined by the parties with reference to the market price of similar property management service at the time of signing individual agreements; and

(d) the relevant standard for the rents will be regularly reviewed and adjusted according to individual agreements.

(2) *Materials procurement, transmission resource and cloud resource lease service and non-telecommunication services*

Under the 2024-2026 Comprehensive Service Framework Agreement with CMCC, the fees under materials procurement, transmission resource and cloud resource lease service and non-telecommunication services shall be determined and paid as follows:

Transaction terms, such as services fees, payment method and miscellaneous expenses will be determined in accordance with relevant market price. If there is no market price, in order to make sure the prices of services offered are fair and reasonable, the parties shall refer to historical prices related to the services and, after collecting the information of market prices of such services in the industry through channels such as bids from other providers of similar services, determine the price based on average profit margin in the market or financial cost margin before agreeing on the pricing. Such costs include costs of raw materials, accessories, depreciation, labor, energy, management cost, financial fees and payable taxes and fees, which shall be determined by the parties in consultation with reference to the actual situation of the industry in which such business is conducted.

If, according to the Company's management policies, the relevant business to be procured shall be determined through bidding or other processes, CMCC and/or their respective associates which participate in the bidding shall have the qualifications and conditions not inferior to those of the Independent Third Parties, and shall participate in the bidding or other procurement processes on equal terms with the Independent Third Parties. In such case, the pricing shall be determined in accordance with the final prices agreed in the bidding or other procurement processes.

If a governmental agency issues a governmental price for the proposed transactions under the agreements during the term of the agreements, the price shall be adjusted with reference to the governmental price.

Annual Cap and Transaction Amount in 2025

During the reporting period, the following continuing connected transactions of the Company has not exceeded their respective annual caps:

	Annual cap for 2025 (RMB in million)	Transaction amount in 2025 (RMB in million)
Property lease and relevant services (Total)	300	114
– Office buildings (Rents and management fees)	15	2
– Sites (Rents)	285	112
Materials procurement service	350	235
Transmission resource and cloud resource leasing service	240	217
Non-telecommunication services	1,450	1,119

F. Procurement of Materials from CTC and/or its Associates

2024-2026 Materials Procurement Framework Agreement with CTC

On 27 November 2023, the Company and CTC have entered into the 2024-2026 Materials Procurement Framework Agreement with CTC, to renew the 2022-2023 Materials Procurement Framework Agreement with CTC on substantially the same terms and conditions as the 2022-2023 Materials Procurement Framework Agreement with CTC, pursuant to which the Group will purchase products from CTC and/or its associates. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the annual caps of the transactions contemplated under the 2024-2026 Materials Procurement Framework Agreement with CTC exceeds 0.1% but is less than 5%, the transactions thereunder are subject to the reporting, annual review and announcement requirements under the Listing Rules. For details of the 2024-2026 Materials Procurement Framework Agreement with CTC, please refer to the announcement of the Company dated 27 November 2023.

Due to the Company's increasing demand for procurement of materials under the 2024-2026 Materials Procurement Framework Agreement with CTC arising from the Company's business expansion, the Company revised the existing annual caps for the two years ending 31 December 2026 under the 2024-2026 Materials Procurement Framework Agreement with CTC on 16 October 2025. Saved for the revised annual caps thereunder, the other terms and conditions of the 2024-2026 Materials Procurement Framework Agreement with CTC shall remain unchanged and valid. For details of the revision of the annual caps for the 2024-2026 Materials Procurement Framework Agreement with CTC, please refer to the Company's announcement dated 16 October 2025.

Contract Period

The 2024-2026 Materials Procurement Framework Agreement with CTC has a term of three years taking effect on 1 January 2024 and expiring on 31 December 2026.

Pricing Policy

The prices for the purchase of the materials shall be determined by the contracting parties in accordance with the requirements of relevant laws and regulations of the PRC and the relevant management rules of the Group.

Transaction terms, such as service fees, payment method and miscellaneous expenses will be determined in accordance with relevant market price. If there is no market price, the parties shall refer to historical prices related to the materials or, collect the information of market prices of such services in the industry through channels such as bids from other providers of similar services and at least consider two comparable transactions entered into with the Independent Third Parties holding the same qualifications and conditions as those of the Telecom Group Companies and/or their associates during the same period where practical. When neither historical prices nor comparable market transaction prices are available, in order to make sure the prices of services offered are fair and reasonable, the parties shall determine the price based on average profit margin in the market or financial cost margin. Such costs include costs of raw materials, accessories, depreciation, labor, energy, management cost, financial fees and payable taxes and fees.

The Group shall determine the specific type for materials to be procured through bidding or other processes. CTC and/or its associates which participate in the bidding shall have the qualifications and conditions not inferior to those of the Independent Third Parties, and shall participate in the bidding or other procurement processes on equal terms with the Independent Third Parties. In such case, the pricing shall be determined in accordance with the final prices agreed in the bidding or other procurement processes.

If a governmental agency issues a governmental price for the materials to be traded under the agreement during the term of the agreement, the price shall be adjusted with reference to the governmental price.

Annual Cap and Transaction Amount in 2025

During the reporting period, the aggregate amount of materials procured from CTC and/or its associates by the Company has not exceeded the cap:

	Annual cap for 2025 (RMB in million)	Transaction amount in 2025 (RMB in million)
The aggregate amount of materials procured from CTC and/or its associates by the Company	470	400

G. Transmission Resource and Cloud Resource Leasing Services Provided by CUC Group

CUC Framework Agreement

In light of the increasing transaction amount and business scale of the transmission resource and cloud resource leasing services provided by the CUC Group to the Group, based on the internal review of the continuing connected transactions of the Company in 2024, on 7 August 2024, the Company entered into the CUC Framework Agreement with CUC, pursuant to which, the Group will lease transmission resource and cloud resource from the CUC Group, including but not limited to leasing of telecommunications electricity cables, telecommunications equipment, cloud private line and cloud equipment etc. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the annual caps of the transactions contemplated under the CUC Framework Agreement exceeds 0.1% but is less than 5%, the transactions thereunder are subject to the reporting, annual review and announcement requirements but are exempt from the circular and independent Shareholders' approval requirements under the Listing Rules. For details of the CUC Framework Agreement, please refer to the Company's announcement dated 7 August 2024.

Contract Period

The CUC Framework Agreement took effect on 7 August 2024 and will expire on 31 December 2026.

Pricing Policy

The transaction terms (such as service fees, payment schedule, payment method and miscellaneous expenses) shall be determined in accordance with relevant market price. Where there is no market price, the parties shall refer to the historical prices related to the service and collect information on market prices of such relevant service in the industry through channels such as other providers of similar leasing service. The parties shall determine the price based on average profit margin in the market or a financial cost margin, to ensure that such prices offered are fair and reasonable. Average profit margin in the market and financial cost margin are analysed based on pricing information for similar service in the industry, through sources such as other providers. Such costs include costs of raw materials, accessories, depreciation, labor, energy, management cost, finance costs and payable taxes and fees, etc. The Company shall consider at least two comparable transactions entered into with Independent Third Parties holding the same qualifications and conditions as those of the CUC Group during the same period where practical.

Annual Cap and Transaction Amount in 2025

During the reporting period, the aggregate amount of transmission resource and cloud resource leasing service provided by the CUC Group has not exceeded the cap:

	Annual cap for 2025 (RMB in million)	Transaction amount in 2025 (RMB in million)
The aggregate amount of transmission resource and cloud resource leasing service provided by the CUC Group	150	89

H. Transmission Resource and Cloud Resource Leasing Services Provided by CTC Group

CTC Framework Agreement

In light of the increasing transaction amount and business scale of the transmission resource and cloud resource leasing services provided by the CTC Group to the Group, based on the internal review of the continuing connected transactions of the Company in 2024, on 7 August 2024, the Company entered into the CTC Framework Agreement with CTC, pursuant to which, the Group will lease transmission resource and cloud resource from the CTC Group, including but not limited to leasing of telecommunications electricity cables, telecommunications equipment, cloud private line and cloud equipment etc. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the annual caps of the transactions contemplated under the CTC Framework Agreement exceeds 0.1% but is less than 5%, the transactions thereunder are subject to the reporting, annual review and announcement requirements but are exempt from the circular and independent Shareholders' approval requirements under the Listing Rules. For details of the CTC Framework Agreement, please refer to the announcement of the Company dated 7 August 2024.

Contract Period

The CTC Framework Agreement took effect on 7 August 2024 and will expire on 31 December 2026.

Pricing Policy

The transaction terms (such as service fees, payment schedule, payment method and miscellaneous expenses) shall be determined in accordance with relevant market price. Where there is no market price, the parties shall refer to the historical prices related to the service, or collect information on market prices of such services in the industry through channels such as bids from other providers of similar services. The Company shall at least consider two comparable transactions entered into with Independent Third Parties holding the same qualifications and conditions as those of the CTC Group during the same period where practical. When neither historical prices nor comparable market transaction prices are available, the parties shall determine the price based on average profit margin in the market or a financial cost margin, to ensure that such prices offered are fair and reasonable. Such costs include costs of raw materials, accessories, depreciation, labor, energy, management cost, finance costs and payable taxes and fees, etc.

Annual Cap and Transaction Amount in 2025

During the reporting period, the aggregate amount of transmission resource and cloud resource leasing service provided by the CTC Group has not exceeded the cap:

	Annual cap for 2025 (RMB in million)	Transaction amount in 2025 (RMB in million)
The aggregate amount of transmission resource and cloud resource leasing service provided by the CTC Group	190	90

Further details of the above continuing connected transactions are set out in the note 30 to the audited consolidated financial statements.

The aforesaid continuing connected transactions had been reviewed by the independent non-executive Directors. The independent non-executive Directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or better or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from independent third parties; and (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole. During the year ended 31 December 2025, the Company has followed the pricing policies and guidelines for the aforesaid continuing connected transactions as disclosed when determining the price and terms of the transactions conducted.

The Company's independent auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised)"Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The independent auditor has issued the letter containing his findings and conclusions in respect of the continuing connected transactions of the Company disclosed in this annual report in accordance with Rule 14A.56 of the Listing Rules.

The independent auditors' letter has confirmed that nothing has come to their attention that cause them to believe that the aforesaid continuing connected transactions:

(1) have not been approved by the Board;

(2) as for the transactions involving the provision of goods or services by the Group, were not, in all material respects, in accordance with the pricing policies of the Group;

(3) were not entered into, in all material respects, in accordance with the relevant agreements governing the continuing connected transactions; and

(4) with respect to the aggregate amount of each of the aforesaid continuing connected transactions have exceeded their respective annual caps for the year ended 31 December 2025 set by the Company.

Save as disclosed above, none of other related-party transactions set out in the note 30 to the audited consolidated financial statements constitute connected transactions or continuing connected transactions that are required to be disclosed under the Listing Rules. Save as disclosed in this report, the Company has no connected transactions which are required to be disclosed under Chapter 14A of the Listing Rules for the year ended 31 December 2025. The Company confirms that it has complied with the requirements of Chapter 14A of the Listing Rules in relation to all connected transactions and continuing connected transactions to which the Company was a party during 2025.

Corporate Social Responsibility

The Company has proactively fulfilled its social responsibilities and has taken practical and concrete actions that contribute positively to the society. The Group has adhered to its core principle in resource sharing for the benefit of all through driving the co-development of social and industrial assets, optimizing investments and reducing wastage, to achieve a higher efficiency in resource utilization across society. The Group is able to fulfill its obligations to support emergency communications and completed the communications support at various major events and emergency communications support for natural disasters with high quality. By leveraging our resource advantages, we have upgraded "telecommunication towers" to "digital towers" to support the ecological monitoring of mountains, waters, forests, farmlands, lakes, grasslands, and deserts, which provides support for comprehensive management of the ecological environment and biodiversity protection. The Group is a keen advocate of energy saving and emissions reduction, and of exploring the practical uses for new sources of energy. It has also launched innovative services in areas such as environmental and pollution monitoring and have adopted eco-friendly and low carbon development practices. The Group strives to improve customer service and has built a comprehensive customer service process, diverse customer service channels and effective assessment mechanism for customer service. To create a corporate culture to emphasize integrity, the Group has built the three supervision systems, namely business supervision, audit supervision and discipline supervision, which provide a strong safeguard for the healthy development of the Group. Meanwhile, the Group improved mechanism of supplier inspection, access, supervision and evaluation and established a transparent procurement system. Protecting the basic interests of our employees is our priority. The Group has a solid training and development system, and strives to optimize an innovative incentive mechanism for its employees. In addition, the Group has undertaken multiple targeted projects to support rural revitalization and enhance information supply by continuously boosting efforts in building communications infrastructure in rural and remote areas, in order to narrow the digital divide.

The Group strictly complies with relevant laws and regulations, such as the *Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Energy Conservation, the Work Safety Law of the People's Republic of China, the Measures for Supervision and Administration over Job-related consumption by Persons in Charge at State-owned Enterprises, the Anti-Unfair Competition Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Advertising Law of the People's Republic of China and the Labor Law of the People's Republic of China.* The Group has been consistently improving its governance structure and putting in place sound mechanisms and procedures to strengthen internal control and risk management system. The Group has put particular focus on the monitoring and management of key items and areas to mitigate operational risks. We have continued to enhance our governance and management to promote the Group's long-term, sustainable and healthy development.

For more details of the Group's environmental, social and governance performance, please refer to the "Corporate Governance Report" of this annual report and the "2025 Environmental, Social and Governance Report of China Tower" to be published separately.

Business Review

Relating to the details of the material developments of the Group in 2025, a fair review of the business and a discussion and analysis of the Group's performance during the year and the material factors underlying its results and financial position are provided in the "Chairman's Statement" on pages 8 to 15 and "Management Discussion and Analysis" on pages 18 to 31 of this annual report. Description of the principal risks and uncertainties faced by the Group can be found throughout this annual report. Particulars of important events affecting the Group that have occurred after 31 December 2025 can also be found in the notes to the Consolidated Financial Statements. The outlook of the Group's business is discussed throughout this annual report including in the "Chairman's Statement".

Description of the Group's key relationships with its employees, customers, suppliers and others that have a significant impact on the Group and on which the Group's success depends, the environmental policies of the Group, as well as compliance with relevant laws and regulations which have a significant impact on the Group can be found throughout this annual report. In addition, more details regarding the Group's performance including the financial key performance indicators, etc. are provided in the "Chairman's Statement" and "Management Discussion and Analysis" of this annual report. Each of the above-mentioned relevant contents form an integral part of this Report of the Directors.

Compliance with the Corporate Governance Code

Details of the Company's compliance with the Corporate Governance Code are set out in the "Corporate Governance Report" on pages 87 to 108 of this annual report.

Material Legal Proceedings

For the year ended 31 December 2025, the Company was not involved in any material litigation or arbitration, and as far as the Company is aware, no material litigation or claims were pending or threatened or made against the Company.

Auditors

KPMG and KPMG Huazhen LLP were appointed as the international and domestic auditors of the Company, respectively, for the year ended 31 December 2025. KPMG has audited the attached consolidated financial statements, which have been prepared in accordance with IFRS Accounting Standards. The relevant re-appointment of KPMG and KPMG Huazhen LLP as the Company's international and domestic auditors, respectively, for the year ending 31 December 2026 will be proposed to the 2025 AGM.

By Order of the Board
Chairman
Zhang Zhiyong

Beijing, China
18 March 2026

Report of the Supervisory Committee

In 2025, all members of the Supervisory Committee of the Company, in strict compliance with the relevant laws and regulations including the Company Law, and the Articles of Association and the Rules of Procedure for the Supervisory Committee, have been honest and trustworthy, and devoted and responsible in discharging their duties. Upholding the principle of safeguarding the interests of the Company and the Shareholders, they have verified the decision-making procedure and compliance of each significant matter of the Company, reviewed the financial position and the preparation of the financial reports of the Company, and supervised the performance of duties and responsibilities of the Directors, managers and other senior management by being present at and attending the Board meetings and the general meetings of the Company, giving full play to the functions of the Supervisory Committee and playing a proactive role in safeguarding the rights and interests of the Shareholders and promoting the standardized operation of the Company in accordance with the laws.

I. Resolutions of the Supervisory Committee

During the reporting period, the Supervisory Committee conscientiously discharged its duties and prudently exercised the functions conferred by the Articles of Association and the general meetings. In light of the actual situation of the Company, it convened 4 meetings in total, reviewed and approved 8 resolutions including annual results announcement, interim results announcement and quarterly results announcement, the final financial accounts, and the proposal on profit distribution. All Supervisors attended such meetings in person without being absent. All Supervisors raised no objection against the resolutions submitted to the Supervisory Committee for review and approval. The convening and voting procedures of the Supervisory Committee meetings were in compliance with the requirements of the Company Law and the Articles of Association.

II. Work of the Supervisory Committee

(I) Composition of the Supervisory Committee

The Company establishes the Supervisory Committee, comprising 6 Supervisors (including 2 employee representative Supervisors). The Supervisory Committee includes one chairman of the Supervisory Committee. The terms of the third session of the Supervisory Committee commenced in January 2022, and expired on 14 January 2025. As the nomination procedures for Supervisors have not been completed, the Company has published an announcement regarding the postponed election of the new session of the Supervisory Committee on 10 January 2025. All the members of the third session of the Supervisory Committee of the Company will continue to fulfill their respective obligations and responsibilities in accordance with the relevant laws and regulations and the Articles of Association of the Company until the completion of the election of the new session of the Supervisory Committee.

(II) Performance of duties by the Supervisors

During the reporting period, the Supervisory Committee earnestly performed the supervisory duties in accordance with the Company Law and the Articles of Association. All members of the Supervisory Committee attended all meetings of the Supervisory Committee, considered all resolutions, attended the general meetings and accepted the enquiries from the Shareholders and the Shareholders' representatives. Some members of the Supervisory Committee attended the Board meetings and examined the matters to be resolved by the Board, conducted verifications on the significant matters of the Company, and supervised the operation and management, financial position of the Company and performance of duties by the Directors and senior management and other matters, so as to promote the standardized operation of the Company and safeguard the rights and interests of the Company and all Shareholders.

III. Independent Opinions on Relevant Matters of the Company during the Reporting Period

(I) Opinions of the Supervisory Committee on legal compliance of the Company's operation

During the reporting period, the Supervisors of the Company attended the Board meetings and the general meetings held by the Company, and supervised the procedures for convening the Board meetings and the general meetings, the resolutions thereof, the decision-making procedures, the execution of the resolutions of the general meetings by the Board, the performance of duties by the Directors and senior management of the Company and the internal control system of the Company, etc. in accordance with the relevant laws and regulations.

The Supervisory Committee is of the view that the Board is able to operate in a standardized manner in accordance with the laws and regulations such as the Company Law and the Articles of Association and the requirements of the Company's internal control system, make reasonable decisions, faithfully perform duties and earnestly execute various resolutions of the general meetings. The Directors and senior management of the Company have not committed any violations of laws, regulations or the Articles of Association, nor prejudiced the interests of the Company and its shareholders in the performance of their duties.

(II) Opinions of the Supervisory Committee on the financial performance of the Company

During the reporting period, the Supervisory Committee supervised, inspected and reviewed the financial position and financial management of the Company in an earnest, meticulous and effective manner. The Supervisory Committee is of the view that the financial report of the Company gives a true view of the Company's financial position and operating results, and the audit opinions on the Company's 2025 financial report issued by KPMG are objective, fair, true and reasonable, which is conducive to the Shareholders' correct understanding of the financial position and operating conditions of the Company. The 2025 annual report prepared by the Board reflects the circumstances pertaining to the Company in a truthful, legal and complete manner without any false and misleading statement or material omission.

IV. Work Plan for 2026

In 2026, the Supervisory Committee of the Company will, in accordance with the relevant provisions of the Company Law, the Articles of Association and the Rules of Procedure for the Supervisory Committee, fulfill its duties, supervise the implementation of resolutions of the Board and the general meetings and continuously strengthen the supervision of the strict implementation of cash dividend policy and shareholder return plan by Directors. The Supervisory Committee will strictly comply with the principle of good faith, take responsibility for maintaining and protecting the interests of the Company and shareholders, especially minority shareholders, from infringement and diligently fulfill its oversight duties.

Corporate Governance Report

The Company is committed to maintaining high standards of corporate governance, adhering to the concepts of good, robust and effective corporate governance, continuously enhancing the standard of governance, regulating corporate operations, improving internal control system, and implementing sound measures on governance and disclosure, so as to ensure that business operations are in line with the long-term interests of the Company and Shareholders, and that the interests of Shareholders are effectively safeguarded. The Company's general meeting, the Board and the Supervisory Committee have maintained effective operation in accordance with operational standards, and the Company has continuously optimized its internal control and comprehensive risk management to effectively ensure its stable operation.

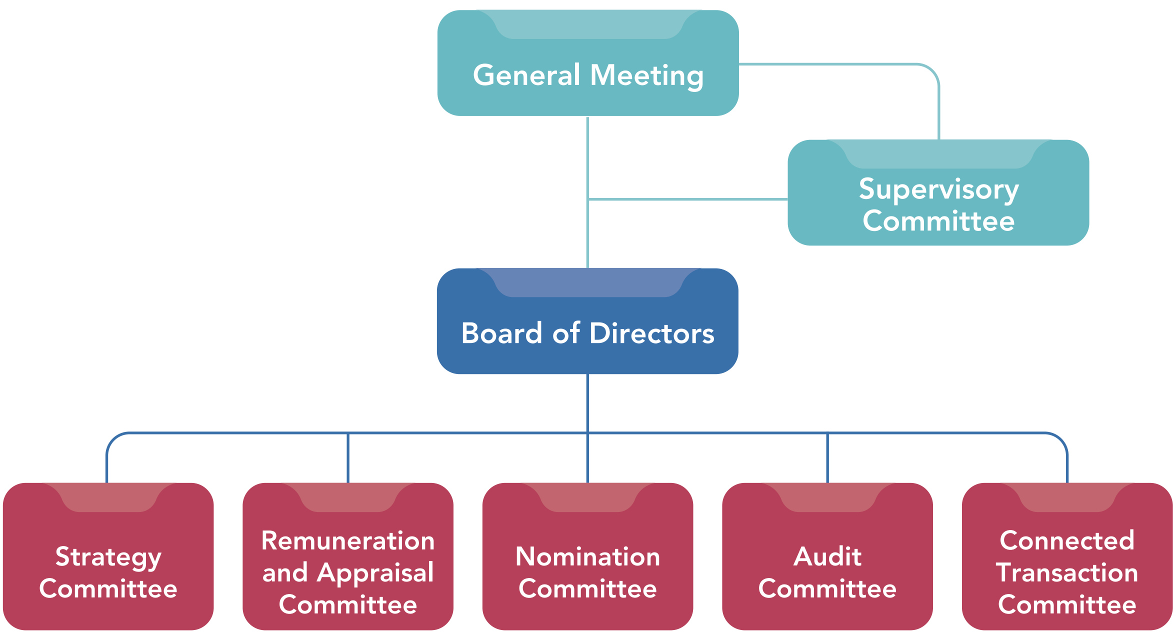
Corporate Governance Practices

On 8 August 2018, the Company completed global offering of new H Shares on the Main Board of the Hong Kong Stock Exchange, and since then it has continued to improve its basic corporate governance system. As a company incorporated in the PRC and listed on the Hong Kong Stock Exchange, the Company has complied with the relevant requirements of the Listing Rules and has abided by the Company Law and other applicable laws, regulations and regulatory requirements of Hong Kong and the PRC as fundamental guidelines for the Company's corporate governance. With strict compliance with relevant laws and regulations, the Group has continuously deepened the development of the internal control and risk management systems to improve the Company's governance standard and transparency.

For the year ended 31 December 2025, the Company has complied with the code provisions set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (where applicable).

Corporate Governance Structure

The overall governance structure of the Company is as follows: under the general meeting are the Board and the Supervisory Committee. The Strategy Committee, the Remuneration and Appraisal Committee, the Nomination Committee, the Audit Committee and the Connected Transaction Committee were set up under the Board. The Board, as the decision-making body of the Company, is responsible for and has general authority for corporate management and operations. The Supervisory Committee is mainly responsible for supervision of the performance of duties of the Board and senior management, and the Board and the Supervisory Committee are accountable to the general meeting independently.



General Meeting

The general meeting of the Company comprises of all Shareholders of the Company, which represents the interests of the Shareholders of the Company. The general meeting of the Company is the organ of authority of the Company and shall exercise its powers in accordance with the laws, administrative regulations and the Articles of Association. The general meetings shall include annual general meetings and extraordinary general meetings. The annual general meeting is convened once a year and shall be held within 6 months after the end of the accounting year. In accordance with the Articles of Association, notice of the general meeting shall be given to all Shareholders no later than 20 days (annual general meeting) or 15 days (extraordinary general meetings) before the date of the meeting, and where the laws and regulations (including the Listing Rules) contain any other stricter provisions in respect of the aforementioned matters, such provisions shall prevail. In accordance with the Articles of Association and as required by the Listing Rules, resolutions submitted to the general meeting of the Company shall be voted by poll, and the results of voting will be published on the Company's website and the Hong Kong Stock Exchange's website.

In 2025, the Company convened three general meetings, including the 2024 AGM, the 2025 First EGM and the 2025 Second EGM.

At the 2024 AGM held on 20 May 2025, resolutions including but not limited to the Company's consolidated financial statements for 2024, profit distribution and final dividend declaration proposal, authorization on interim profit distribution plan, re-appointment of auditors, issuance of debt financing instruments, appointment of a non-executive Director, and general mandate to the Board to allot, issue and deal with additional shares in the Company not exceeding 20% of each of the existing Domestic Shares and H Shares in issue were reviewed and approved.

At the 2025 First EGM held on 23 July 2025, resolutions on the appointments of a non-executive Director and independent non-executive Directors were reviewed and approved.

At the 2025 Second EGM held on 23 December 2025, resolutions on the appointment of non-executive Director and the Plan for Remuneration for the Year 2024 and 2022-2024 Tenure Incentive Payments for the Executive Directors of the Company were reviewed and approved.

The above resolutions at the general meetings were approved and passed by Shareholders, and details of the relevant poll results were published on the Company's website and the Hong Kong Stock Exchange's website.

The 2025 AGM will be held in May 2026. The annual general meeting provides Shareholders with an opportunity to communicate directly with the Directors and Shareholders are encouraged to attend the meeting. Members of the Board and the chairman of each of the Strategy Committee, the Remuneration and Appraisal Committee, the Nomination Committee, the Audit Committee and the Connected Transaction Committee (or any member authorized by the Committees), the chairman of the Independent Board Committee (if any) and members of the senior management usually attend the annual general meeting of the Company to answer enquiries in relation to the business of the Group.

Communications with Shareholders

The Board has established a Shareholder communication policy that regulates various regular and irregular channels for the Company's daily communication with Shareholders (including general meetings, roadshows and daily meetings), enabling Shareholders and investors to keep abreast of the Company's latest operating conditions and growth prospects, while allowing various opinions from the market to be conveyed effectively and timely to the Company. Details of communications with Shareholders are set out in the section headed "Investor Relations" of this report and posted on the Company's website.

The Company adheres to the basic principles of fair disclosure of information to and open communication with Shareholders. The Board has established a Shareholder communication policy to communicate information to Shareholders and investors through various channels to ensure continuous communication with Shareholders. Corporate communications to the Shareholders are also available on the Company's website and the Hong Kong Stock Exchange's website for Shareholders' reference. Please also refer to the section headed "Shareholder Information" in this annual report.

Accordingly, the Board has reviewed and considers that the Shareholders' communication policy has been properly implemented and effective during the year.

Shareholders' Right to Convene General Meeting and Make Recommendations

Pursuant to Article 59 of the Articles of Association, Shareholders who request an extraordinary general meeting or a general meeting of a class of Shareholders shall comply with the following procedures:

(i) two or more Shareholders who together hold 10% or more of the shares carrying the right to vote in the meeting contemplated to be held can request the board of Directors to convene an extraordinary general meeting or a class meeting by signing one or several copies of written request(s) in the same form and content, and stating the motions and resolutions proposed. The Board shall convene the extraordinary general meeting or the class meeting as specified in the request as soon as possible. The shareholdings referred to above shall be calculated as at the date of request made.

(ii) if no notice of convening a general meeting was issued within 30 days after the Board receiving the above-mentioned written request(s), the Shareholders making the request(s) can convene a meeting by themselves within 4 months after the Board receiving the above-mentioned written request(s), and the procedures for convening such meeting shall follow the procedures of the general meeting convened by the Board as much as possible.

Procedures for Shareholders to Make Proposal in General Meeting

Pursuant to Article 61 of the Articles of Association, as a general meeting is convened, the Board, the Supervisory Committee, and any Shareholders individually or jointly holding 3% or more of the Company's shares with voting rights in aggregate may propose any written resolution to the Company. Such Shareholders may submit an interim proposal in writing to the convener at least 15 business days prior to the date of general meeting. The convener shall then send a supplemental notice to the Shareholders to announce the interim proposal, within 3 business days upon receipt of such proposal.

Nomination of Directors

Pursuant to Article 96 of the Articles of Association, the Company shall set aside a period of time before convening the meeting in respect of candidates nominated by Shareholders taking up the role of directors. Within this period, Shareholders may issue a written notice to the Company in respect of nominating a candidate to be a director, and such candidate may issue the written notice regarding the indication of his/her intention to accept the nomination to the Company. The aforementioned period shall be at least 7 days and shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

Shareholders' Enquiry

Shareholders of the Company who wish to make an enquiry to the Board or request to convene a general meeting or make any recommendation pursuant to the Articles of Association may contact the investor relations officers of the Company via Shareholders' hotline at ((852) 2811 4566) or by email at ir@chinatowercom.cn.

Board of Directors

The Board is the decision-making body for business operation of the Company, responsible for formulating strategies, making decisions and preventing risks. The Board is accountable to the general meeting and shall perform the following main duties: to implement resolutions adopted at the general meetings, to make decisions on the Company's business plans and investment proposals, to determine the establishment of internal management departments and the establishment of branches and to appoint senior management personnel, etc.

The Board has granted powers and duties to the management to perform the management of daily production and operation, to organize and implement the resolutions of the Board and the annual operation plan and investment proposal, to propose the establishment proposal of the internal management departments, to formulate the basic management system of the Company and to formulate the basic rules of the Company. The Articles of Association clearly stipulates the above-mentioned scope of duties of the Board and management respectively. In order to maintain the Company's effective operation and flexibility and efficiency in decision making, the Board also delegates its management and administrative management powers to the management when necessary, and provides clear guidance on its authorization to avoid impeding or weakening the power of the Board as a whole to discharge their duties.

Composition of the Board

As at 31 December 2025, the third session of the Board of the Company comprised ten Directors including:

Executive Directors

- Zhang Zhiyong (Chairman)
- Chen Li (General Manager)

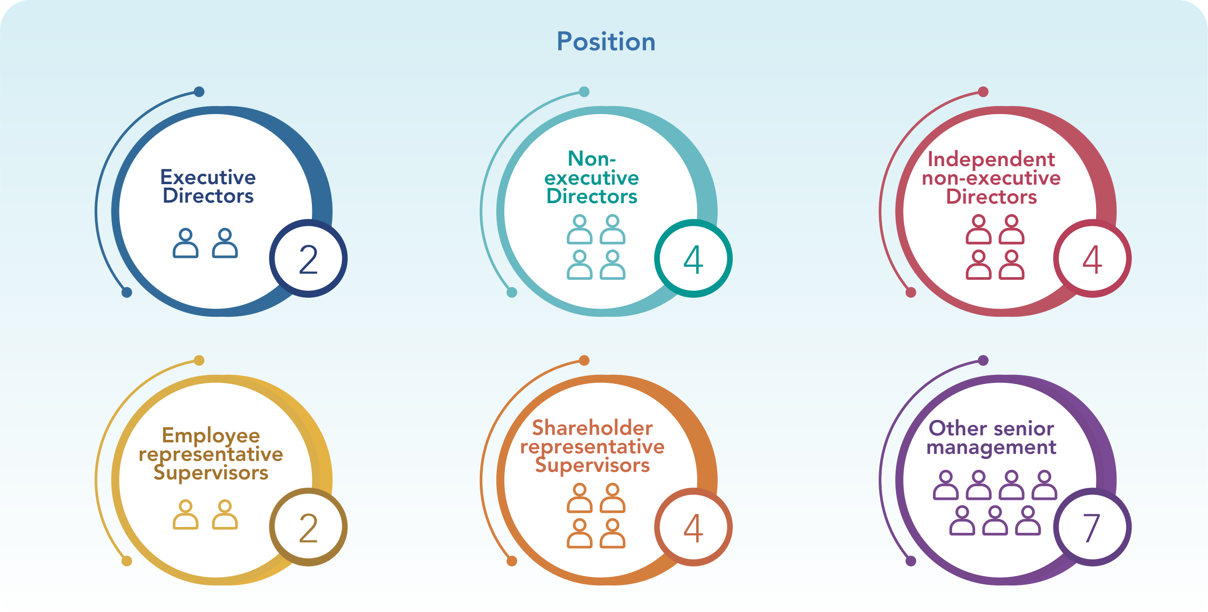
Non-executive Directors

- Cheng Jianjun
- Miao Shouye
- Luan Xiaowei
- Fang Xiaobing

Independent non-executive Directors

- Pei Zhenjiang
- Hu Zhanghong
- Zhang Wei
- Wen Bugao

The Directors are typically appointed for a term of three years and eligible for re-election upon expiry of their term of office. The third session of the Board has a term of three years beginning in January 2022.

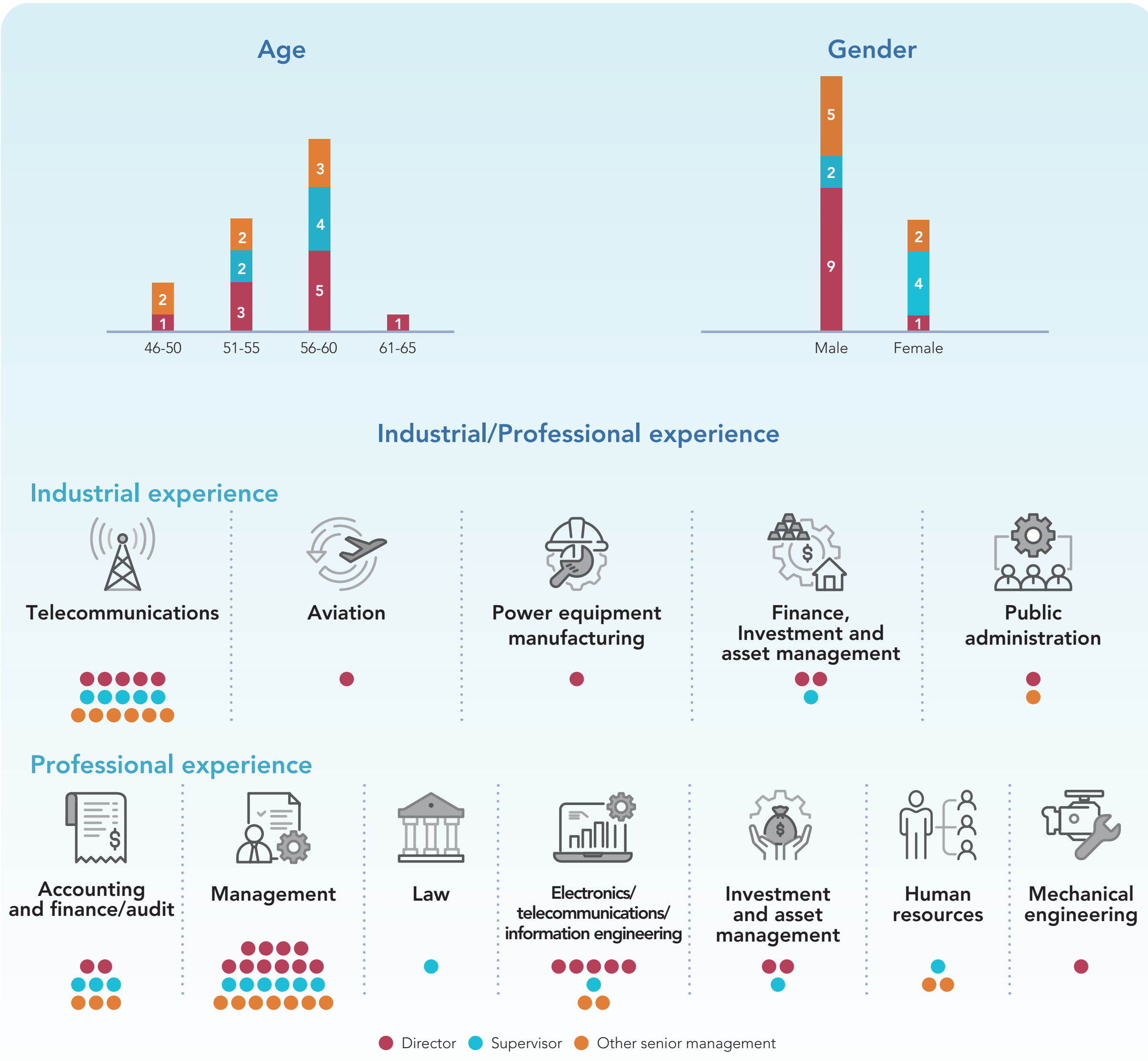


Postponed Election of New Session of the Board and Supervisory Committee

The original terms of the third session of the Board and the Supervisory Committee expired on 14 January 2025. As the nomination process of candidates for Directors and Supervisors of the new session of the Board and the Supervisory Committee has not been completed, in order to ensure the continuity of the work of the Board and the Supervisory Committee, the election of the new session of the Board and the Supervisory Committee has been postponed. Meanwhile, the terms of the committees of the third session of the Board have been extended accordingly. All the members of the third session of the Board and the Supervisory Committee will continue to fulfill their respective obligations and responsibilities in accordance with the relevant laws and regulations and the Articles of Association until the completion of the election of the new session of the Board and the Supervisory Committee. The postponed election of the new session of the Board and the Supervisory Committee does not affect the normal operation of the Company. For details, please refer to the announcement of the Company dated 10 January 2025.

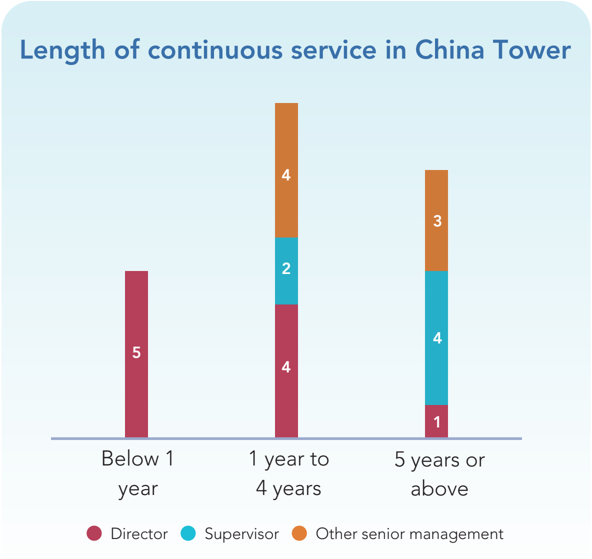
Board Diversity Policy

In achieving sustainable and balanced development, the Company recognizes the importance of board diversity to its strategic goals and sustainability. The Company has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Pursuant to the board diversity policy, the Board considers factors regarding board diversity in various ways, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and/or length of service. The Company will also consider its business model and specific needs from time to time, as well as a balanced composition of executive and non-executive directors. The Nomination Committee of the Board is mainly responsible for identifying qualified individuals for Directors and shall take into full consideration the board diversity policy in the selection process. The appointment of Board members is based on the strengths of each candidate and objective criteria, with due regard to the benefits of board diversity.



In accordance with the Articles of Association and the terms of reference of the Nomination Committee, when nominating and appointing new directors, the Nomination Committee will look for suitable candidates widely and make recommendations to the Board after considering the Company's needs for new directors. The Nomination Committee considers the strengths of candidates based on objective criteria and takes full consideration of the benefits of diversity of board members. A board meeting (including independent non-executive Directors and non-executive Directors) will be held to consider the relevant nominations after obtaining the nominee's consent to the nomination.

The Board reviews the implementation and effectiveness of the board diversity policy annually. As at 31 December 2025, the Board comprised nine males and one female and the other senior management of the Group comprised five males and two females, and has generally achieved its target for gender diversity for the reporting period. The Board is of the view that the nomination policy of the Company can ensure that there will be a pipeline of potential successors to the Board which continues the existing gender diversity in the Board. The Company aims to maintain at least the current level of female representation and will continue to work towards enhancing the gender diversity of the Board and the senior management of the Group.



Currently, among approximately 25,000 employees of the Group, the male to female ratio in the workforce of the Group is 2.57:1, which is in line with the industry-specific characteristics. The Company has also taken, and continues to take steps to promote gender diversity at all levels of its workforce. Opportunities for recruitment, promotion, training and career development are equally opened to all eligible employees without discrimination.

Every newly appointed Director shall receive comprehensive, formal and tailored induction guidelines on the first occasion of his/her appointment, after which he/she shall be provided with necessary briefings and opportunities for professional development, so as to ensure that he/she has a proper understanding of the operations and business of the Company and that he/she is fully aware of his/her responsibilities under statutes, the Listing Rules, applicable laws and regulatory requirements, and the business and governance policies of the Company. In addition, the Company will prepare a formal letter of appointment containing the principal terms and conditions for appointment of Director.

The Board of the Company comprises renowned experts in the areas of telecommunications industry, engineering, finance and accounting, management, finance, investment asset management and aviation, etc. The Nomination Committee under the Board reviews the Board structure at least once a year. As at 31 December 2025, there were four independent non-executive Directors in the Board, among which one of them was qualified as an accountant or has accounting or related financial management expertise and satisfies the requirements under Rules 3.10 and 3.10A of the Listing Rules. The biographical details of the Directors are set out in the section headed "Profiles of Directors, Supervisors and Senior Management" in this annual report.

During the year, the Board, through its Nomination Committee, had reviewed and considered that the Company had in place mechanisms which remain effective in ensuring that independent views and input are available to the Board by taking into account the following channels or mechanisms:

- The independent non-executive Directors being able to devote adequate time contribution to the Company;

- Independent non-executive Directors will be appointed to Board Committees as required under the Listing Rules and as far as practicable to ensure independent views are available;

- The Company has policy and procedures in place to avoid any potential conflict of interests and not to weaken the objectivity and integrity of the Board for decision-making. A Director (including independent non-executive Director) who has a material interest in a contract, transaction or arrangement shall not vote or be counted in the quorum on any Board resolution approving the same;

- Site visits are arranged for independent non-executive Directors from time to time to enhance their understanding of the Company's projects;

- Annual meeting between the Chairman and all independent non-executive Directors without presence of other Directors providing an effective platform for the Chairman to listen independent views on various issues concerning the Company;

- The Nomination Committee will assess the independence of a candidate who is nominated to be a new independent non-executive Director before appointment and the continued independence of the current independent non-executive Directors on an annual basis;

- No equity-based remuneration with performance-related elements will be granted to independent non-executive Directors;

- External independent professional advice is available to all Directors, including independent non-executive Directors, upon reasonable request to assist them to perform their duties to the Company; and

- All Directors are encouraged to express freely their independent views during the Board/Board Committees meetings.

To the best knowledge of the Directors, as at the date of this report, there is no financial, business, family or other material connection between the members of the Board, and all of them are free to make independent judgments.

The Company has received annual confirmations of independence from each of the independent non-executive Directors for the year ended 31 December 2025, pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors are independent.

The Company determines the remunerations of each of the Directors with reference to their duties, responsibilities, experiences and prevailing market conditions.

For the year ended 31 December 2025, the Company has conscientiously regulated the workflows of the Board and each of its special committees in accordance with the Corporate Governance Code under the Listing Rules, and has ensured the standardization of the process of Board meetings in terms of structure, system and personnel. The Board supervises preparation of accounts for each accounting period in a responsible and conscientious manner, so that the accounts can truly and fairly reflect the financial status, operating results and cash flow of the Company during such period. In preparing the accounts as at 31 December 2025, the Directors have chosen to apply appropriate accounting policies, make prudent, fair and reasonable judgments and estimates, and prepare accounts on a going concern basis.

All Directors devoted sufficient time and efforts to the business of the Company. The Company also requires the Directors to disclose the number of positions they hold in public companies or organizations and provide the Company with the time they devoted to the relevant positions.

The Company has also arranged appropriate insurance cover in respect of possible legal actions against its Directors, Supervisors and senior management.

Chairman of the Board and General Manager

Mr. Zhang Zhiyong is the chairman of the Board, mainly responsible for the operation of the Board and overseeing the implementation of board decisions. Mr. Chen Li is the general manager of the Company, mainly responsible for the Company's daily operation and management of business.

Board Meeting

Pursuant to the Articles of Association and the Listing Rules, the Board shall convene at least four meetings a year. At the beginning of each year, all Directors/committee members are notified of the timetable for the Board/committee meeting to be held during the year. In addition, notices will be given to all Directors at least 14 days prior to the date on which the Board meeting is held. The agenda and related documents of the Board meeting will be delivered to all Directors at least three days prior to the date of the meeting. The Board and each of the Directors may contact the senior management independently if necessary and obtain additional information from the Company so that the Directors can make informed decisions with relevant information.

The Company Secretary is responsible to ensure that Board meetings comply with the relevant procedures and rules and regulations. All Directors may make enquiries with the Company Secretary to ensure that they receive sufficient information on the matters included in the agenda.

All Board meeting minutes record the details of the matters considered and decisions made, and are kept properly and open for inspection by the Directors. A Director shall abstain from voting on any Board resolution approving any proposal in which he or she or any of his or her associates has a material interest, nor shall he or she have right to vote. In 2025, the Board held four meetings and passed five written resolutions. In 2025, in addition to the general matters such as review and approval of the annual and interim financial statements, quarterly financial results, final dividend distribution, corporate governance report, Environmental, Social and Governance report and financial budget, the Board also considered the resolutions including appointments of non-executive Directors and independent non-executive Directors, interim profit distribution, continuing connected transactions, change in accounting estimates, change in the composition of Board committees, and the Plan for Remuneration for the Year 2024 and 2022-2024 Tenure Incentive Payments for the Senior Management as well as the adoption of workforce diversity policy, etc. For the resolutions for considering and approving the continuing connected transactions, the Director(s) with material interest in such transactions has/have abstained from voting.

In 2025, the chairman of the Board had held one private meeting with all of the independent non-executive Directors to ensure that their opinions could be fully expressed, which fostered the exchange of ideas among the Board.

The Board is responsible for developing and reviewing the Company's policies and practices on corporate governance; reviewing and monitoring the training and continuous professional development of Directors and senior management as well as the Company's policies and practices in compliance with legal and regulatory requirements; developing, reviewing and monitoring the code of conduct applicable to employees; and reviewing the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

In 2025, the attendance record of the then Directors in the Company's Board meetings, Board committee meetings and general meetings were as follows:

	Board	Strategy Committee	Remuneration and Appraisal Committee	Nomination Committee	Audit Committee	Connected Transaction Committee	General Meetings
Executive Directors:							
Zhang Zhiyong (Chairman)	4/4	1/1	–	2/2	–	–	3/3
Chen Li (General Manager)	4/4	1/1	–	–	–	4/4	3/3
Non-executive Directors:							
Cheng Jianjun[1]	3/3	1/1	–	1/1	–	–	1/2
Miao Shouye[2]	3/3	1/1	3/3	–	–	–	0/1
Luan Xiaowei[3]	0/0	0/0	–	–	1/1	–	0/0
Fang Xiaobing	4/4	1/1	–	–	–	4/4	1/3
Tang Yongbo[4]	1/1	0/0	1/1	–	–	–	0/2
Liu Guiqing[5]	4/4	1/1	–	–	4/4	–	0/3
Independent non-executive Directors:							
Pei Zhenjiang[6]	3/3	–	3/3	1/1	4/4	3/3	1/1
Hu Zhanghong[7]	4/4	–	4/4	2/2	5/5	4/4	3/3
Zhang Wei	4/4	–	4/4	2/2	5/5	4/4	3/3
Wen Bugao[8]	3/3	–	3/3	1/1	4/4	3/3	1/1
Dong Chunbo[9]	1/1	–	1/1	1/1	1/1	1/1	1/2
Sin Hendrick[10]	1/1	–	1/1	1/1	1/1	1/1	1/2

Notes:

1. Mr. Cheng Jianjun was appointed as a non-executive Director, a member of each of the Strategy Committee and the Nomination Committee on 20 May 2025. Mr. Cheng Jianjun appointed in writing other Director(s)/member(s) to attend three meetings of the Board, one meeting of the Strategy Committee and one meeting of the Nomination Committee.

2. Mr. Miao Shouye was appointed as a non-executive Director, a member of each of the Strategy Committee and the Remuneration and Appraisal Committee on 23 July 2025. Mr. Miao Shouye appointed in writing other Director(s)/member(s) to attend three meetings of the Board, one meeting of the Strategy Committee and three meetings of the Remuneration and Appraisal Committee.

3. Mr. Luan Xiaowei was appointed as a non-executive Director, a member of each of the Strategy Committee and the Audit Committee on 23 December 2025. Mr. Luan Xiaowei appointed in writing other member to attend one meeting of the Audit Committee.

4. Mr. Tang Yongbo appointed in writing other Director/member to attend one meeting of the Board and one meeting of the Remuneration and Appraisal Committee. Mr. Tang Yongbo no longer served as a non-executive Director on 23 July 2025.

5. Mr. Liu Guiqing appointed in writing other Director(s)/member(s) to attend four meetings of the Board, one meeting of the Strategy Committee and four meetings of the Audit Committee. Mr. Liu Guiqing no longer served as a non-executive Director on 23 December 2025.

6. Mr. Pei Zhenjiang was appointed as an independent non-executive Director, the chairman of the Remuneration and Appraisal Committee, a member of each of the Audit Committee, the Nomination Committee and the Connected Transaction Committee on 23 July 2025.

7. Mr. Hu Zhanghong appointed in writing another member(s) to attend one meeting of the Audit Committee and one meeting of the Nomination Committee.

8. Mr. Wen Bugao was appointed as an independent non-executive Director, a member of each of the Remuneration and Appraisal Committee, the Audit Committee, the Nomination Committee and the Connected Transaction Committee on 23 July 2025.

9. Mr. Dong Chunbo no longer served as an independent non-executive Director on 23 July 2025.

10. Mr. Sin Hendrick no longer served as an independent non-executive Director on 23 July 2025.

11. Certain Directors (including non-executive Directors and independent non-executive Directors) could not attend some of the general meetings due to other important business commitments.

Director's Training

Newly appointed Directors will receive trainings provided by the Company upon their appointment, so as to ensure that they have adequate understanding of the Company's business and they are fully aware of their duties as Directors under the laws, regulations and the Articles of Association. The Company also engaged external lawyers to provide trainings on topics including directors' duties and the Listing Rules to the Directors appointed during the reporting period, including Mr. Cheng Jianjun, Mr. Miao Shouye, Mr. Luan Xiaowei, Mr. Pei Zhenjiang and Mr. Wen Bugao. Mr. Cheng Jianjun who was elected as a Director on 20 May 2025, has obtained the legal advice referred to Rule 3.09D of the Listing Rules on 19 May 2025; and Mr. Miao Shouye, Mr. Pei Zhenjiang and Mr. Wen Bugao who were elected as a Director on 23 July 2025, have obtained the legal advice referred to Rule 3.09D of the Listing Rules on 18 July 2025; Mr. Luan Xiaowei who was elected as a Director on 23 December 2025, have obtained the legal advice referred to Rule 3.09D of the Listing Rules on 20 November 2025. All the newly appointed Directors confirmed that they understood their obligations as Directors of the Company.

The Company distributes operation report to Directors each month, setting out updates on major business and financial position of the Company to facilitate the Directors to discharge their duties. In addition, the Company also issues latest information regarding corporate governance and directors' responsibilities under the Listing Rules and other applicable laws and regulations to the Directors, ensuring their awareness of their responsibilities under the laws and regulations. All the Directors are also encouraged to participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contributions to the Board remain informed and relevant.

Training records for 2025 of the then Directors were summarized in the table below:

	Attended training(s) and/or seminar(s)/ on-site research relevant to the Company's industry and business, director's duties and/or corporate governance	Gave a speech at the meeting relevant to the Company's industry and business, director's duties and/or corporate governance	Read information relevant to the Company's industry and business, director's duties and/or corporate governance; and/or read regular updates issued by the Company
Executive Directors:			
Zhang Zhiyong (Chairman)	✓	✓	✓
Chen Li (General Manager)	✓	✓	✓
Non-executive Directors:			
Cheng Jianjun[1]	✓	✓	✓
Miao Shouye[2]	✓	✓	✓
Luan Xiaowei[3]	✓	✓	✓
Fang Xiaobing	✓	✓	✓
Tang Yongbo[4]	✓	✓	✓
Liu Guiqing[5]	✓	✓	✓
Independent non-executive Directors:			
Pei Zhenjiang[6]	✓	✓	✓
Hu Zhanghong	✓	✓	✓
Zhang Wei	✓	✓	✓
Wen Bugao[7]	✓	✓	✓
Dong Chunbo[8]	✓	✓	✓
Sin Hendrick[9]	✓	✓	✓

Notes:

1. Mr. Cheng Jianjun was appointed as a non-executive Director on 20 May 2025.

2. Mr. Miao Shouye was appointed as a non-executive Director on 23 July 2025.

3. Mr. Luan Xiaowei was appointed as a non-executive Director on 23 December 2025.

4. Mr. Tang Yongbo no longer served as a non-executive Director on 23 July 2025.

5. Mr. Liu Guiqing no longer served as a non-executive Director on 23 December 2025.

6. Mr. Pei Zhenjiang was appointed as an independent non-executive Director on 23 July 2025.

7. Mr. Wen Bugao was appointed as an independent non-executive Director on 23 July 2025.

8. Mr. Dong Chunbo no longer served as an independent non-executive Director on 23 July 2025.

9. Mr. Sin Hendrick no longer served as an independent non-executive Director on 23 July 2025.

Model Code for Securities Transactions by Directors and Supervisors

The Company has compiled its own Corporate Code by adopting the Model Code as the blueprint, with provisions no less exacting than that of the Model Code.

The Company has made specific enquiries to all Directors and Supervisors, and all Directors and Supervisors have confirmed that they have complied with the Corporate Code and the Model Code during the year ended 31 December 2025.

Board Committees

As an important part of a sound corporate governance practice, the Board has set up five special Board committees: the Strategy Committee, the Remuneration and Appraisal Committee, the Nomination Committee, the Audit Committee and the Connected Transaction Committee, and all of which were responsible for the supervision of the overall affairs of the Company in various areas and assistance of discharging its responsibilities. All the five Board committees have formulated their own terms of reference with clear power and responsibilities. The list of members of each committee was published on the websites of the Company and the Hong Kong Stock Exchange. In accordance with the requirements under the Listing Rules, the Company establishes independent board committee from time to time to advise and provide voting recommendations to Shareholders on specific transaction.

Strategy Committee

As at 31 December 2025, the Strategy Committee comprised six Directors, namely Mr. Zhang Zhiyong and Mr. Chen Li, being executive Directors, and Mr. Cheng Jianjun, Mr. Miao Shouye, Mr. Luan Xiaowei and Mr. Fang Xiaobing, all being non-executive Directors. Mr. Zhang Zhiyong currently serves as the chairman of the committee.

The main responsibilities of the Strategy Committee include:

(i) studying and making recommendations on the mid-to-long-term development strategy plan, operating objectives and development guidelines of the Company;

(ii) studying and making recommendations on the operating strategies of the Company, including but not limited to product strategy, marketing strategy, sales strategy, research and development strategy and talent strategy;

(iii) studying and making recommendations on material strategic investments and financing proposals of the Company; and

(iv) other matters authorized by the Board or required under the relevant laws and regulations.

In 2025, one meeting was held by the Strategy Committee of the Board, during which the development plan management measures for the Company and the evaluation report of the 14th Five-Year Plan of the Company were considered.

Remuneration and Appraisal Committee

As at 31 December 2025, the Remuneration and Appraisal Committee comprised five Directors, namely, Mr. Pei Zhenjiang, being an independent non-executive Director, Mr. Miao Shouye, being a non-executive Director and Mr. Hu Zhanghong, Ms. Zhang Wei and Mr. Wen Bugao, all being independent non-executive Directors. Mr. Pei Zhenjiang currently serves as the chairman of the committee.

The main responsibilities of the Remuneration and Appraisal Committee include:

(i) making recommendations to the Board on the formulation procedure of the remuneration policy;

(ii) formulating remuneration proposal, plan or structure, and making recommendations to the Board;

(iii) examining the performance of the Directors and senior management members of the Company and performing annual performance appraisals over them;

(iv) reviewing and supervising the implementation of the remuneration system of the Company and approving the remuneration recommendation of the management;

(v) determining the remuneration packages of all the executive Directors and senior management members;

(vi) making recommendations to the Board on the remuneration of the non-executive Directors (including independent non-executive Directors);

(vii) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Hong Kong Listing Rules; and

(viii) other matters authorized by the Board or required under the relevant laws and regulations.

In 2025, four meetings were held and one written resolution was approved by the Remuneration and Appraisal Committee of the Board, during which report of remuneration of senior management of the Company for the year 2024, proposal for total payroll budget for the year 2025, and the remuneration plan for the year 2024 and 2022-2024 tenure incentive payments for senior management of the Company were considered.

Nomination Committee

As at 31 December 2025, the Nomination Committee comprised six Directors, namely, Mr. Zhang Zhiyong, being an executive Director, Mr. Cheng Jianjun, being a non-executive Director and Mr. Pei Zhenjiang, Mr. Hu Zhanghong, Ms. Zhang Wei and Mr. Wen Bugao, all being independent non-executive Directors. Mr. Zhang Zhiyong currently serves as the chairman of the committee.

The main responsibilities of the Nomination Committee include:

(i) reviewing the scale, structure, size and composition of the Board (including skill, knowledge and experience);

(ii) studying the selection criteria and procedure of the Directors and senior management members, and making recommendations to the Board;

(iii) comprehensively identifying qualified candidates for the Directors and senior management members, and selecting and nominating the relevant person to become the Director or making recommendations to the Board;

(iv) examining other senior management members who shall be proposed to the Board for appointment, and making recommendations to the Board; and

(v) other matters authorized by the Board or required under the relevant laws and regulations.

In 2025, two meetings were held and two written resolutions were approved by the Nomination Committee of the Board, during which matters on reviewing the structure and composition of the Board, evaluation on the independence of independent non-executive Directors, appointments of non-executive Directors and independent non-executive Directors, change in the composition of Board committees and amendments to terms of reference of the Nomination Committee of the Board were considered.

Audit Committee

As at 31 December 2025, the Audit Committee comprised five Directors, namely, Ms. Zhang Wei, being an independent non-executive Director, Mr. Luan Xiaowei, being a non-executive Director, and Mr. Pei Zhenjiang, Mr. Hu Zhanghong and Mr. Wen Bugao, all being independent non-executive Directors. Ms. Zhang Wei currently serves as the chairman of the committee.

The main responsibilities of the Audit Committee include:

(i) proposing engagement or replacement of the external audit firm;

(ii) reviewing the financial information of the Company;

(iii) monitoring the financial reporting system, risk management and internal control system of the Company; and

(iv) other matters authorized by the Board or required under the relevant laws and regulations.

In 2025, five meetings were held and one written resolution was approved by the Audit Committee of the Board, during which matters such as the audited financial report for 2024, the unaudited financial statements for the first quarter of 2025, the interim financial report for 2025, the unaudited financial statements for the first three quarters of 2025, report on the effectiveness of internal control and risk management for 2024, internal audit work plan for 2025, re-appointment of external auditors and change in accounting estimates were considered. In addition, the Audit Committee discussed and received the audit plan from external auditor.

Connected Transaction Committee

As at 31 December 2025, the Connected Transaction Committee comprised six Directors, namely, Mr. Hu Zhanghong, being an independent non-executive Director, Mr. Chen Li, being an executive Director, Mr. Fang Xiaobing, being a non-executive Director, and Mr. Pei Zhenjiang, Ms. Zhang Wei and Mr. Wen Bugao, all being independent non-executive Directors. Mr. Hu Zhanghong currently serves as the chairman of the committee.

The main responsibilities of the Connected Transaction Committee include:

(i) collecting and administrating the information of the connected persons;

(ii) managing and reviewing the connected transactions, and controlling the risks associated with connected transactions;

(iii) organizing the annual review of the connected transactions;

(iv) reviewing the information and disclosures of connected persons and connected transactions;

(v) formulating the regulations and management regulations in relation to the connected transactions of the Company;

(vi) proposing to the Board for approval after deliberation of the connected transactions; and

(vii) other matters authorized by the Board or required under the relevant laws and regulations.

In 2025, four meetings were held by the Connected Transaction Committee of the Board, during which reports on the execution of connected transactions of the Company, and the revision of annual caps for and renewal of certain continuing connected transactions were considered.

Supervisory Committee

The Company established a Supervisory Committee pursuant to the Company Law. As at 31 December 2025, the third session of the Supervisory Committee consists of six Supervisors which included four Shareholder representative Supervisors (Ms. Cao Yingchun, Mr. Li Zhangting, Ms. Han Fang and Ms. Li Tienan) and two employee representative Supervisors (Ms. Fan Xiaoqing and Mr. Wang Hongwei). Ms. Fan Xiaoqing currently serves as the chairman of the Supervisory Committee.

The Supervisors are typically appointed for a term of three years and are eligible for re-election upon expiry of their term of office. The third session of the Supervisory Committee is appointed for a term of three years commencing from January 2022 and expired on 14 January 2025. For details of the postponed election of new session of the Supervisory Committee, please refer to the announcement of the Company dated 10 January 2025.

The Supervisory Committee is a standing supervisory institution of the Company and is accountable and reports to the general meetings. The Supervisory Committee normally meets at least twice a year.

The primary duties of the Supervisory Committee are to supervise the performance of duties of the Directors and other senior management; to review the financial condition of the Company; to review the financial information, such as financial report, operation report and proposals of profit allocation, to be submitted to the general meetings, as well as other powers conferred by laws, administrative rules and the Articles of Association. Details of the work of the Supervisory Committee in 2025 is set out in the "Report of the Supervisory Committee" of this annual report.

Company Secretary

The Company Secretary is an employee of the Company who has appropriate understanding of the Company's business. The Company Secretary is responsible for supporting the daily operation of the Board and ensuring the compliance with the policies and procedures of the Board. All of the Directors can access to opinions and use the service of the Company Secretary to ensure that the procedures of the Board and the applicable laws, rules and regulations are being complied with. The Company Secretary met the requirement on professional training under the Rule 3.29 of the Listing Rules in 2025.

Amendments to the Articles of Association

In order to reflect the Company's new capital structure upon the Share Consolidation and Capital Reduction becoming effective, corresponding amendments to the Articles of Association came into effect on 20 February 2025. For more details, please refer to the Company's announcements dated 21 November 2024, 23 December 2024 and 20 February 2025 and the circular of the Company dated 6 December 2024.

Save as disclosed above, there was no change in the Articles of Association of the Company for the year ended 31 December 2025.

External Auditors

According to the relevant regulations issued by the Ministry of Finance of the PRC and the SASAC, there are certain limits in respect of the number of years of financial auditing work that an accounting firm can continuously provide to the Company, PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian LLP retired as the international auditor and domestic auditor of the Company effective upon the conclusion of the 2022 AGM. Pursuant to the open selection process and as recommended by the Audit Committee, the Board resolved to propose to the Shareholders at the 2022 AGM to approve the appointment of KPMG and KPMG Huazhen LLP as the Company's international auditor and domestic auditor, respectively, for the year ended 31 December 2023, and such proposal was approved by the Shareholders at the 2022 AGM. The re-appointments of KPMG and KPMG Huazhen LLP as the international and domestic auditors of the Company, respectively, for the years ended 31 December 2024 and 2025 were approved at the 2023 AGM and the 2024 AGM, respectively.

For the year ended 31 December 2025, the fees paid/payable to the external auditors for audit and audit related services is RMB8.9 million and for ESG report advisory services is RMB0.3 million, respectively.

The Audit Committee and the Board have agreed with the re-appointment of KPMG and KPMG Huazhen LLP as the international auditor and the domestic auditor of the Company, respectively, for the year ending 31 December 2026 and will propose such re-appointment for consideration at the 2025 AGM.

Directors' Responsibility for Financial Statements

The Directors are responsible for the preparation of financial statements. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, and therefore the Directors continue to adopt the going concern approach in preparing financial statements.

The responsibility statement of KPMG, our external auditor, regarding its "Independent Auditor's Report" on the financial statements of the Group is set out on pages 110 to 114 of this annual report.

Risk Factors

The following section lists out the principal risks and uncertainties faced by the Company. There may be other risks and uncertainties further to the key risk areas outlined below. Please also refer to the "Risk Factors" set out in the listing document of the Company as it is a non-exhaustive list.

The sustainable growth of the Company's business and our success depend on the growth of the telecommunications tower infrastructure industry in general and the overall demand for telecommunications tower infrastructure services. If the demand for telecommunications tower infrastructure services do not achieve the expected growth or even decrease, the Company's business and results of operations could be materially and adversely affected.

The Company's business relies on a limited number of customers, and substantially all of our operating revenue are generated from the Three TSPs. Despite our long-term relationship, the Company has limited influence over our customers' business operations and the demand of the customers may fall short of our estimation due to, among others, change of budget, change of business model or strategy, update/change of technology or wireless communications systems, or change in the general economic conditions and urbanization development.

The Company's ability to select, acquire and maintain suitable sites is crucial to our success. The Company typically selects new sites that can best address the customers' needs and meet their network coverage objectives. The Company cannot assure that it could be successful in identifying and consummating suitable site acquisitions, or maintaining, effectively operating and utilizing our sites or that we will be able to obtain, in a timely fashion, the ownership or the rights to use or lease the land or premises. Our ability to acquire, construct and maintain sites is subject to various factors.

The Company considers cost, market condition and other factors when pricing our services. The pricing for our macro cell business is generally based on a standard construction cost, which is estimated in accordance with past experience, market condition and the specific circumstances in a certain location and may vary from the actual costs. In addition, if there is any increase in the costs that cannot be passed on to the customers, or that the Company charges its customers on a lump sum basis, such as labor costs and some administrative expenses, the Company's profitability could suffer.

Technological changes or innovation related to telecommunications will materially affect our business, especially those affecting the demand for telecommunications tower infrastructure or resulting in the obsolescence, potential decommissioning or conversion of certain existing wireless communications networks. 5G wireless communications technology standards may render TSP customers the need for substantial amount of high-density small cells to deploy their 5G networks, which may cause us to incur excessive capital expenditures and materially affect our sites, revenue mix, operating profit margin and operating results of the Company.

Risk Management and Internal Control

In 2018, the Company conducted its initial public offering (IPO) and was listed on the Main Board of the Hong Kong Stock Exchange. Through a series of governance measures with strict standards, the Company has formed a governance structure that meets the listing regulatory requirements and relevant regulatory provisions.

The internal control system of the Company includes clear organizational structure and management responsibilities, an effective system of approval of delegation of authority and accountability, unequivocal objectives, policies and procedures, comprehensive risk assessment and management and continuous analysis of operation performance and audit supervision, which play an important role in safeguarding the overall operation of the Company. The Company insisted in continuing to improve the policies relevant to internal control in accordance with the changes in internal and external operation environment and needs of business development, while utilized our centralized IT information system to enhance the efficiency and effectiveness of the internal control. The timeliness, completeness and reliability of the data information are also ensured. We continue to improve each professional management system and promote the standardization and efficiency of the management process for continuing to improve the management level of the Company.

The Company regards comprehensive risk management as an important task in its daily operation and has taken into account the regulatory requirements as well. By considering the practice of risk management, the Company has conducted timely risk assessment which focused on in-depth analysis on the key risks and has actively carried out the risk response and risk management assessment. In order to prevent risks, enhance internal control, and promote compliance, the Company administered integrally the risk management, internal control and compliance supervision systems, and developed an interconnected organizational system with clear accountability and effective check and balance. Focusing on two core elements of system development and execution capability enhancement, the Company highlighted key risks that have significant impact, strengthened supervision and evaluation, and gave full play to the internal control system in order to secure the risk prevention and control as well as high-quality development of the Company. The major risks and their prevention and control measures are as follows:

Strategic risks: our existing telecommunications infrastructure business of towers and DAS relies on a limited number of customers, thus limiting our future revenue growth and scale expansion. The Company has been actively safeguarding against inherent operational risks. While continue to deepen industry sharing, we have exerted our advantage in resources to explore various diversified business development models and achieve the diversified development of our businesses.

Market risks: the selection of suitable sites and the construction of 5G network will bring about new needs for network, which are particularly important to the future development of the Company. The Company has fulfilled customers' needs for low-cost and diversified telecommunications network coverages effectively by developing integrated solutions for mobile network coverage through combination of macro and small cells as well as indoor and outdoor network infrastructure. The Company adheres to innovation-driven development by keeping abreast of the development of 5G technology, and promoting and leading the sharing of 5G DAS. We have been consistently enhancing technological innovation and the promoting standardizing. In this way, we are able to build an innovative system of China Tower style, which in turn helps to promote the development of society informatization.

Business operation risks: while all indicators in the operation of the Company reflected improvement as well as effective cost control, issues such as non-standardized and inadequate operation and management still exist among our branches. The Company ensures the risks are effectively controlled and promotes the standardized operation and sustainable and healthy development of all level of units by improvement of system, establishment of the risk management and control plan, execution of daily supervision and continuing to track on high risk areas.

The Board of the Company has placed great emphasis on the establishment and improvement of the risk management and internal control systems and is responsible for assessing and determining the nature and extent of risks that are acceptable to the Company in achieving strategic objectives, to ensure that the Company establishes and maintains appropriate and effective risk management and internal control systems and is responsible for the systems and the review of effectiveness of such systems.

The internal audit department of the Company plays an important role in supporting the Board, the management, and the risk management and internal control systems. Independent from business operations, the Company's internal audit system gives full play to its independent supervision role. According to the Company's development needs, the internal audit system centred on standardizing the business operating procedures and enhancing the standards of risk and internal control management. It focuses on key risks and significant risks, leverages on the advantages of the audit system to gradually form the systematic and standardized audit model and procedures, and continuously improves the audit quality and enhances the efficiency of rectification to the audit issues identified. The internal audit department at the Company's headquarters, leading internal audit departments, is responsible for the evaluation of risk and internal control, and provides objective assurance to the Audit Committee and the Board for ensuring that the management maintains stable operation, controllable risks and effective internet control under the established procedures and standards.

The internal audit department of the Company actively conducts various internal control and risk management audits, which reports the internal audit results to the Audit Committee and the Board regularly. Each functional department executes daily supervision of its managed areas of risk, keeps highly sensitive to high risk areas and evaluates constantly, as well as continues to track on the conditions of important risks and the execution of its management and control plan. For important risk management issue, the internal audit department shall study on the rectification measures and strictly monitor the implementation results of rectification measures jointly with business and other relevant departments, in order to ensure that the rectification measures can be effectively and thoroughly implemented.

The Board continued to monitor and supervise the risk management and internal control systems of the Company, including the financial, operational and compliance controls, and conducted an annual review on the risk management and internal control systems of the Company and its subsidiaries for the year ended 31 December 2025 through the Audit Committee. After receiving the report from the audit department and the relevant confirmation from the management to the Board as to the effectiveness of the relevant systems, the Board considered that the risk management and internal control systems of the Company were stable, healthy, proper, effective and adequate, and has satisfied the requirements under the part D.2 of the Corporate Governance Code regarding risk management and internal control.

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing their effectiveness and such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company has also established anti-corruption policies. The Company deepened the investigation and rectification of specific related persons, continued to implement the system of the List of Companies Prohibited from Trading of the Company, revised and improved the Regulations on Prohibiting Business Transactions with Enterprises Run by Specific Related Parties of Leaders and Employees in Key Positions of the Company to promote compliance operations of the Company and prevent and control corruption risks. At the same time, the Company analyzed to find the key areas and positions with high prevalence of problems in combination with the special rectification and disciplinary review to constantly promote integrity construction and anti-corruption work.

The Company continued to improve the embedded integrity risk prevention and control system. On the basis of the three lines of defense, i.e., business supervision, audit supervision and disciplinary supervision, the Company has established a supervision committee composed of discipline inspection commission, auditing department, inspection department and other departments to further promote the sharing and coordination of supervision work. At the same time, in order to enhance efficient supervision, the Company has built and launched a "supervision platform" to make the entire process of supervision work visible, manageable and controllable. Through continuous exploration and practice, the supervision effect of the Company's supervision committee has been gradually demonstrated, and the sense of supervision responsibility of business departments has been continuously enhanced to substantially promote the clean and healthy operation and development of the Company.

The Company has also established a complaint and reporting mechanism. The Company continued to strengthen the disciplinary inspection-related petitions and accepted reporting by such channels as letters, e-mails, telephone calls, and visits. Following the principle of "division of responsibilities by level, and centralized management", the Company dealt with different situations using four types of approaches, i.e., "interview and letter inquiry", "preliminary investigation", "temporary filing for investigation" and "case settlement", on various kinds of petitions. At the same time, the Company strictly managed the disposal process, requiring that disposal opinions and plans should be issued within one month from the date of receipt of the reported clues and the approval procedures should be fulfilled. The Audit Committee is responsible for the oversight and review of the complaint and reporting mechanism.

Information Disclosure

The Company has formulated a management system concerning information disclosure to regulate the disclosure of information for protecting the investors' legitimate interests, ensuring the true, accurate, complete and timely disclosure of information and maintaining open and effective communication with the investors, media and analysts. In disclosing information, the Company shall give a true and objective view of the operating results, financial condition and other status of the Company pursuant to the laws, regulations, governing rules of the listing place of the Company's securities and the requirements of relevant regulatory authorities of securities and other regulatory authorities. The Company places strong emphasis on handling inside information with the information disclosure management system in place regulating both the management and disclosure of the Company's inside information, for which any individual who has access to inside information shall keep confidential and which shall not be used illegally and irregularly.

Investor Relations

To ensure that the investors have a comprehensive and thorough understanding of the Group, with the establishment of timely and effective two-way communications, the management and investor relations team of the Group participate in different international investment conferences and arrange local and overseas non-deal roadshows on a regular basis to elaborate the Group's business development and market movement to investors in different locations.

In 2025, the senior management of the Group attended the conferences for annual results and interim results in person or by way of telephone conference, providing important information to the capital market and media by ways of various activities such as analysts' meetings, press conferences and global investor telephone conferences, responding to the most concerned issues of the investors for the time being and promoting the understanding of the Company's business and overall development of the telecommunications industry.

Moreover, the Group's senior management and investor relations team maintain regular communication with Shareholders, institutional investors and analysts, as well as active participation in international investors' activities and investment forums hosted by various organisations, so that the Group's business, development strategy and investment value would gain exposure to a larger number of investors through expanding the scope of engagement with its stakeholders. During the reporting period, the Company attended more than 30 investors and investment forums in Singapore, Malaysia, Thailand, Hong Kong, Beijing, Shanghai and Shenzhen, communicated with over 700 investors in various forms.

In October 2025, the Company organized a reverse roadshow to introduce various businesses in Chengdu. By gathering investors feedback, it helped us to obtain a better understanding of the capital market's knowledge of and expectation on the Company, which is conducive to a more effective investor relations function in the future.

The Group has been enjoying longstanding market recognition for its outstanding performance in investor relations. During the year under review, the Group reaped 20 domestic and international awards for investor relations, corporate governance and annual report in recognition of the Group's effort and dedication in investor relations and corporate governance from the capital market, providing a fine testimony to the Group's principle of maintaining high standards in investor relations.

The Company's investor relations website (ir.china-tower.com) not only serves as an important channel for the Company to disseminate press release and corporate information to investors, media and the capital market, but also plays a significant role in the Company's valuation and our compliance with regulatory requirements for information disclosure.

Shareholder Information

2026 Calendar

Announcement of 2025 annual results	18 March 2026
2025 AGM	15 May 2026
Last day to register for 2025 final dividend	21 May 2026
Closure of register of members for 2025 final dividend	22 May to 28 May 2026
Expected payment date of 2025 final dividend	On or around 30 June 2026

Stock Code

H Share

Hong Kong Stock Exchange	0788
Reuters	0788.HK
Bloomberg	788 HK Equity

Shareholder Services

Any matters relating to your shareholding, such as transfer of shares, change of name or address, and loss of share certificates should be addressed in writing to the Registrar:

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Tel : (852) 2862 8555
Fax : (852) 2865 0990
Email : hkinfo@computershare.com.hk

The Company's investor relations website (ir.china-tower.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk) sets out details of the Company's arrangement for the dissemination of corporate communications.

Shareholder Enquiries

Shareholders are, at any time, welcome to raise enquiries to or request information (to the extent the information is publicly available) from the Board and management by writing to:

The Company Secretary
China Tower Corporation Limited
Room 3401, 34/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong

Investor Relations

For enquiries from investors and securities analysts, please contact:

Investor Relations Team
Tel : (852) 2811 4566
Email : ir@chinatowercom.cn

Independent Auditor's Report

Independent auditor's report
To the shareholders of China Tower Corporation Limited
(incorporated in the People's Republic of China with limited liability)

Opinion

We have audited the consolidated financial statements of China Tower Corporation Limited ("the Company") and its subsidiaries ("the Group") set out on pages 115 to 186, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as issued by the International Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the *International Code of Ethics for Professional Accountants* ("the Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter (Continued)

Revenue recognition

Refer to note 6 to the consolidated financial statements and the accounting policies on pages 133 to 135.

The Key Audit Matter	How the matter was addressed in our audit
The Group entered into Commercial Pricing Agreements and Service Agreements including provincial service agreements with three telecommunications service providers and their respective branches/subsidiaries, pursuant to which the Group provides relevant services, including provision of telecommunications tower site space, provision of maintenance services and power services ("Tower business") and provision of services in relation to indoor distributed antenna systems ("DAS business"). Revenue from Tower business and DAS business are automatically calculated in IT system based on the inputted information of individual site order, and corresponding price and applicable discount rate as stipulated in the Commercial Pricing Agreements and Service Agreements including provincial service agreements, which involves large volume of data processing. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group and involves complex IT system which give rise to an inherent risk that revenue transactions may be incorrectly recorded.	Our audit procedures to assess the recognition of revenue included the following: • assessing, with the assistance of our IT specialists, the design, implementation and operating effectiveness of management's key internal controls over revenue recognition; • assessing the appropriateness of the accounting policies adopted in revenue recognition by inspecting the key terms in the Commercial Pricing Agreements and Service Agreements including provincial service agreements; • recalculating, with the use of computer assisted audit techniques, revenue from Tower business and DAS business recognised during the year, using data extracted from the IT system and reconciling the results to the Group's financial records; • comparing, on a sample basis, the inputted information related to revenue from Tower business and DAS business recognised during the year with the Commercial Pricing Agreements, Service Agreements including provincial service agreements, and order confirmation forms of individual sites; • confirming, on a sample basis, directly with branches/subsidiaries of the three telecommunications service providers on revenue recognised during the year, and, performing alternative procedures for unreturned confirmations; and • inspecting journal entries relating to revenue which met specific risk-based criteria and comparing details of these journal entries with relevant underlying documentation.

Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the disclosed continuing connected transactions that form part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ho Ying Man Simon.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

18 March 2026

Consolidated Statement of Comprehensive Income

	Note	Year ended 31 December 2025 RMB million	2024 RMB million
Operating revenue	6	**100,411**	97,772
Operating expenses			
Depreciation and amortisation		**(48,454)**	(50,229)
Repairs and maintenance		**(7,103)**	(6,992)
Employee benefits and expenses	7	**(10,077)**	(9,573)
Site operation and support expenses	8	**(6,125)**	(5,504)
Other operating expenses	9	**(11,292)**	(9,144)
		(83,051)	(81,442)
Operating profit		**17,360**	16,330
Other gains, net	10	**415**	365
Interest income		**36**	63
Finance costs	11	**(2,446)**	(2,639)
Profit before income taxation		**15,365**	14,119
Income tax expense	12	**(3,734)**	(3,389)
Profit for the year		**11,631**	10,730
Profit attributable to:			
Owners of the Company		**11,630**	10,729
Non-controlling interests		**1**	1
Other comprehensive income for the year, net of tax			
Item that will not be reclassified to profit or loss			
Remeasurements of post-retirement benefit obligations		**(2)**	(3)
Other comprehensive income for the year		**(2)**	(3)
Total comprehensive income for the year		**11,629**	10,727
Total comprehensive income for the year attributable to:			
Owners of the Company		**11,628**	10,726
Non-controlling interests		**1**	1
		11,629	10,727
Basic and diluted earnings per share (in RMB Yuan)			
Basic/diluted	13	**0.6653**	0.6138

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

		As at 31 December	
		2025	2024
	Note	**RMB million**	RMB million
Assets			
Non-current assets			
Property, plant and equipment	14	**184,099**	192,770
Construction in progress	15	**11,676**	12,718
Right-of-use assets	16	**31,873**	32,247
Deferred income tax assets	17	**3,052**	2,618
Other non-current assets		**1,810**	1,121
		232,510	241,474
Current assets			
Trade and other receivables	19	**88,510**	85,907
Prepayments and other current assets	20	**3,247**	2,855
Cash and cash equivalents	21	**12,312**	2,598
		104,069	91,360
Total assets		**336,579**	332,834
Equity attributable to owners of the Company			
Share capital	22	**17,601**	176,008
Reserves	22	**186,305**	23,970
Total equity attributable to owners of the Company		**203,906**	199,978
Non-controlling interests		**2**	1
Total equity		**203,908**	199,979

	Note	As at 31 December 2025 RMB million	 2024 RMB million
Liabilities			
Non-current liabilities			
Borrowings	23(a)	**36,025**	41,084
Lease liabilities	16	**15,650**	15,555
Deferred government grants	24	**395**	380
Employee benefit obligations		**36**	37
		52,106	57,056
Current liabilities			
Borrowings	23(a)	**31,409**	28,525
Lease liabilities	16	**7,376**	7,378
Accounts payable	25	**34,545**	33,269
Accrued expenses and other payables	26	**6,818**	6,280
Current income tax payable		**417**	347
		80,565	75,799
Total liabilities		**132,671**	132,855
Total equity and liabilities		**336,579**	332,834

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

The consolidated financial statements on pages 115 to 186 were approved by the Board of Directors on 18 March 2026 and were signed on its behalf:

ZHANG Zhiyong	**CHEN Li**
Director	Director

Consolidated Statement of Changes in Equity

		Attributable to owners of the Company								
	Note	Share capital RMB million	Share premium RMB million	Shares held under restricted share incentive scheme RMB million	Statutory reserves RMB million	Other reserves RMB million	Retained earnings RMB million	Total RMB million	Non-controlling interests RMB million	Total equity RMB million
Balance at 31 December 2024		176,008	3,694	(1,954)	4,782	(4)	17,452	199,978	1	199,979
Profit for the year		–	–	–	–	–	11,630	11,630	1	11,631
Other comprehensive income		–	–	–	–	(2)	–	(2)	–	(2)
Total comprehensive income for the year		–	–	–	–	(2)	11,630	11,628	1	11,629
Dividends paid	22(c)	–	–	–	–	–	(7,700)	(7,700)	–	(7,700)
Share Consolidation and Capital Reduction	22(a)	(158,407)	158,407	–	–	–	–	–	–	–
Transfer to statutory reserves		–	–	–	1,162	–	(1,162)	–	–	–
Balance at 31 December 2025		17,601	162,101	(1,954)	5,944	(6)	20,220	203,906	2	203,908

		Attributable to owners of the Company								
	Note	Share capital RMB million	Share premium RMB million	Shares held under restricted share incentive scheme RMB million	Statutory reserves RMB million	Other reserves RMB million	Retained earnings RMB million	Total RMB million	Non-controlling interests RMB million	Total equity RMB million
Balance at 31 December 2023		176,008	3,694	(1,954)	3,712	(1)	16,235	197,694	–	197,694
Profit for the year		–	–	–	–	–	10,729	10,729	1	10,730
Other comprehensive income		–	–	–	–	(3)	–	(3)	–	(3)
Total comprehensive income for the year		–	–	–	–	(3)	10,729	10,726	1	10,727
Dividends paid	22(c)	–	–	–	–	–	(8,442)	(8,442)	–	(8,442)
Transfer to statutory reserves		–	–	–	1,070	–	(1,070)	–	–	–
Balance at 31 December 2024		176,008	3,694	(1,954)	4,782	(4)	17,452	199,978	1	199,979

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Note	Year ended 31 December 2025 RMB million	2024 RMB million
Cash flows from operating activities			
Cash generated from operations	27(a)	**60,178**	53,011
Income tax paid		**(4,098)**	(3,606)
Interest received		**36**	63
Net cash inflow from operating activities		**56,116**	49,468
Cash flows from investing activities			
Payments for property, plant and equipment and construction in progress		**(30,510)**	(29,783)
Payments for land use right		**(9)**	(6)
Proceeds from disposal of property, plant and equipment	27(b)	**1,212**	1,810
Net cash outflow from investing activities		**(29,307)**	(27,979)
Cash flows from financing activities	27(c)		
Proceeds from borrowings		**27,377**	20,736
Repayments of borrowings		**(24,816)**	(22,641)
Dividends paid to the owners of Company		**(7,700)**	(8,442)
Interest paid for borrowings		**(1,445)**	(1,602)
Payments of lease liabilities (including principal and interest)		**(10,506)**	(10,896)
Net cash outflow from financing activities		**(17,090)**	(22,845)
Net increase/(decrease) in cash and cash equivalents		**9,719**	(1,356)
Cash and cash equivalents at the beginning of the financial year		**2,598**	3,955
Effect of exchange rate changes on cash and cash equivalents		**(5)**	(1)
Cash and cash equivalents at the end of year	21	**12,312**	2,598

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

1 General information

China Tower Corporation Limited (中國鐵塔股份有限公司, the "**Company**") was established by China Mobile Communication Company Limited ("**China Mobile Company**"), China United Network Communications Corporation Limited ("**China Unicom Corporation**") and China Telecom Corporation Limited ("**China Telecom**") (collectively hereinafter referred to as the "**Telecom Shareholders**") on 15 July 2014, as a limited liability company in the People's Republic of China (the "**PRC**"), with a total registered capital of RMB10,000 million.

The ultimate controlling shareholders of each of the Telecom Shareholders, namely China Mobile Communications Group Co., Ltd. ("**CMCC**"), China United Network Communications Group Company Limited ("**CUC**") and China Telecommunications Corporation ("**CTC**"), are state-owned enterprises ultimately controlled by the PRC government. CMCC together with China Mobile Company and all their subsidiaries are hereinafter referred to as "**CMCC Group**"; CUC together with China Unicom Corporation and all their subsidiaries are hereinafter referred to as "**CUC Group**"; CTC together with China Telecom and all their subsidiaries are hereinafter referred to as "**CTC Group**" (the three telecommunications service providers in China collectively hereinafter referred to as the "**Three TSPs**").

In 2015, the share capital of the Company was increased to RMB129,345 million, after an acquisition of certain telecommunications towers and related assets (the "**Tower Assets**") from the Telecom Shareholders and new shares issuance to a new investor, China Reform Holdings Corporation Ltd. ("**China Reform**"). On 8 August 2018, the Company completed the global offering of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited.

On 23 December 2024, the resolutions in relation to the share consolidation and capital reduction on the basis that (i) every ten (10) shares with a par value of RMB1.00 each of the Company be consolidated into one (1) share with a par value of RMB1.00 each of the Company; and (ii) the total issued share capital of the Company be reduced from RMB176,008,471,024 to RMB17,600,847,102 (the "**Share Consolidation and Capital Reduction**") was duly passed at the extraordinary general meeting, the class meeting of the holders of H shares and the class meeting of the holders of domestic shares, respectively. The Share Consolidation and Capital Reduction became effective on 20 February 2025.

The Company and its subsidiaries (together, the "**Group**") are principally engaged in constructing and operating telecommunications towers, provision of telecommunications tower site space (the "**provision of Site Space**"); provision of maintenance services ("**Maintenance services**") and power services ("**Power services**"); provision of services in relation to indoor distributed antenna systems ("**DAS**"), other trans-sector site application and information services ("**Smart Tower business**") and energy business ("**Energy business**"). The provision of Site Space, the Maintenance services and the Power services for tower sites are collectively referred to as the "**Tower business**". The Company's headquarter is in Beijing, the PRC, with 31 provincial branches operating across mainland China.

The consolidated financial statements are presented in RMB, unless otherwise stated.

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable IFRS Accounting Standards issued by International Accounting Standards Board ("**IASB**"). IFRS Accounting Standards comprise International Financial Reporting Standards ("**IFRS**"), International Accounting Standards ("**IAS**"), and Interpretations. The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements of the Group have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where estimates are significant to the financial statements are disclosed in Note 4.

(a) New and amended standards adopted by the Group

The following new and amended IFRS Accounting Standards is mandatory for the first time for the Group's financial year beginning on 1 January 2025 and are applicable for the Group:

- Amendments to IAS 21, *The effects of changes in foreign exchange rates: Lack of exchangeability*

The adoption of the above new and amended IFRS Accounting Standards effective for the financial year beginning on 1 January 2025 does not have a material impact on the Group.

(Expressed in RMB unless otherwise indicated)

2 Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) Standards and Interpretations issued but not yet effective and not been early adopted

In addition, the IASB also published a number of new standards and amendments to standards which are effective for the Group's financial year beginning on or after 1 January 2026 and have not been early adopted by the Group. Management is assessing the impact of such standards and will adopt the relevant standards in the subsequent periods as required.

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, *Financial instruments and IFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, *Presentation and disclosure in financial statements*	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group is still in the process of assessing the impact of the adoption.

2 Summary of material accounting policies (Continued)

2.2 Principles of consolidation and equity accounting

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations not involving enterprises under common control by the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(b) Separate financial statements

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(c) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Equity method of accounting is applied for its investments in associates. Under the equity method of accounting, the investments are initially recognised at costs and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investees in the profit or loss, and the Group's share of movements in other comprehensive income of the investees in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amounts of the investments.

2 Summary of material accounting policies (Continued)

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's executive directors and senior management.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates ("**the functional currency**"). The consolidated financial statements of the Group are presented in RMB, which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets and liabilities such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting periods;

- income and expenses for the statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

2 Summary of material accounting policies (Continued)

2.5 Property, plant and equipment

The Group's property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (Note 2.7). Historical cost comprises the purchase price and any directly attributable costs of bringing the asset to its working location and condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit and loss during the financial period in which they are incurred.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

	Estimated residual value (%)	Estimated useful life
Buildings	3%	30 years
Towers and DAS	0 – 3%	10 – 20 years
Shelters and ancillary facilities	0 – 3%	10 – 25 years
Equipment	0 – 3%	5 – 8 years
Office facilities, furniture, transportation and others	3%	5 – 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing the net sales proceeds with the carrying amount and are recognised within "Other operating expenses" in the consolidated statement of comprehensive income.

2 Summary of material accounting policies (Continued)

2.6 Construction-in-progress

The Group's construction-in-progress ("**CIP**") represents buildings and equipment under construction and pending installation, and is stated at cost less accumulated impairment losses (Note 2.7). Costs include construction and acquisition costs, and interest charges arising from borrowings used to finance the assets during the construction period. No provision for depreciation is made on CIP until such time as the assets are completed and ready for its intended use. When the asset being constructed becomes available for use, the CIP is transferred to the appropriate category of property, plant and equipment.

2.7 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("**CGU**"s). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 Summary of material accounting policies (Continued)

2.8 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

For the years ended 31 December 2025 and 2024, the Group only has debt instruments measured at amortised cost.

Debt instruments measured at amortised cost are assets held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method, foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade and other receivables due from the Three TSPs arising from payment on behalf of the Three TSPs, the Group measures loss allowance at an amount equal to lifetime expected loss allowance to be recognised from initial recognition of the receivables. The expected credit losses are based on current conditions as well as reasonable forecasts of future economic conditions from time to time. See Note 3.1(b) for further details.

2 Summary of material accounting policies (Continued)

2.9 Trade receivables

Trade receivables are amounts due from customers arising from the ordinary courses of business. They are generally due for settlement within 1 year from the date of billing (or in normal operating cycle of the business if longer) and therefore classified as current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies are provided in Note 2.8(d) above.

2.10 Cash and cash equivalents

The Group's cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

2.11 Share capital

The Company's ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.12 Accounts payable and other payables

Accounts payable and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the granted credit period. Accounts payable and other payables are initially recognised at fair value. Subsequent to initial recognition, accounts payable and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

2 Summary of material accounting policies (Continued)

2.13 Borrowings

The Group's borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

2 Summary of material accounting policies (Continued)

2.15 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the PRC where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and consider whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an assets or liability in a transaction other than business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 Summary of material accounting policies (Continued)

2.16 Employee benefits

(a) *Short-term employee benefits*

Salaries and welfare

Liabilities for salaries and allowance, annual bonuses and paid annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are included in accrued expenses and other payables in the consolidated statement of financial position.

Medical insurance

The Group's contributions to basic and supplementary medical insurances for its employees are expensed as incurred. The Group has no further payment obligations once the contributions have been paid.

Housing fund benefits

The Group's contributions to the housing fund managed by the local government authorities whereby the Group is required to contribute to housing fund for its employees at fixed rates of the employees' salary costs. The contributions to housing fund are expensed as incurred. The Group has no further payment obligations once the contributions have been paid.

(b) *Post-employment benefit*

Defined contribution obligations

The employees of the Group in mainland China participate in the defined contribution pension schemes managed by the local government authorities whereby the Group is required to contribute to the schemes at fixed rates of the employees' salary costs on a mandatory basis.

In addition to the local governmental defined contribution pension schemes, the employees of the Group also participate in a supplementary pension scheme launched by the Group that is managed by an independent insurance company, whereby the Group is required to make contributions to the supplementary pension schemes at fixed rates of the employees' salary or in accordance with the terms of the plan, on a contractual and voluntary basis.

The Group's contributions to these plans mentioned above are charged to profit or loss when incurred. The Group has no further payment obligations once the contributions have been paid.

2 Summary of material accounting policies (Continued)

2.16 Employee benefits (Continued)

(b) Post-employment benefit (Continued)

Defined benefit obligations

The Group also provides post-retirement benefits to its employees based in mainland China who have retired before the end of 2023. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement.

The liability recognised in the statement of financial position is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of PRC government bonds with terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. For the years ended 31 December 2025 and 2024, the Group did not have material termination benefits.

(d) Share-based payment

The Group provides share-based compensation benefits to employees via its restricted share incentive scheme, which is managed under a Trust. Information relating to the scheme is set out in Note 22(d).

The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date.

2 Summary of material accounting policies (Continued)

2.17 Provisions

Provisions for legal claims and other obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.18 Revenue

The Group's operating revenue primarily arises from the Tower business, the DAS business, the Smart Tower business and the Energy business. During the years ended 31 December 2025 and 2024, the major customers and tenants of the Group are the Three TSPs in mainland China. Other customers include other telecommunication service providers, wireless data providers, government agencies and other users in mainland China. Further details of the Group's revenue recognition policies are as follows:

- ***Tower business***

  The Group's Tower business includes macro cell business and small cell business.

  (i) Provision of Site Space

  The Group provides tower site space to the Three TSPs for carrying their telecommunications equipment. Rental income from operating leases is set out in Note 2.18(a).

  (ii) Maintenance services

  The maintenance services include providing shared shelters or cabinets, and ancillary equipment capacity to the Three TSPs to facilitate the operating of their telecommunications equipment, monitoring equipment operations, routine inspection, device breakdown handling, property upkeep, working environment protection and operation analysis. Through the maintenance services, the Group assists its customers to maintain continuous functioning of their equipment.

2 Summary of material accounting policies (Continued)

2.18 Revenue (Continued)

- ***Tower business (Continued)***

  (iii) Power services

  The Group provides power connection services, backup power services to the customers' telecommunications equipment. Generally, the customer's equipment is connected to the public power grid to obtain power to run its equipment. If no connection, the Group provides electricity connection services to connect the public power grid to the customers. In the event of a disruption in utility electricity, the Group provides backup power using batteries, gasoline or diesel generators.

- ***DAS business***

  The Group provides services in relation to DAS system to the Three TSPs for connecting their telecommunication equipment, helping them receive and send indoor mobile telecommunication network signals to enable mobile telecommunication network signals covering buildings, large venues and tunnels (i.e. subway, high-speed railways and highways).

- ***Smart Tower business***

  The Group provides various services to customers from various industries based on its site resources as well as power supply, maintenance platform, data transmission network, apart from mounting various types of equipment for customers and maintaining their normal operations, to satisfy customers' requirements of collecting, transmission or application of data information.

- ***Energy business***

  The Group's backup power services is to provide standby emergency power supply to corporate customers when there is expected normal power interruption/unexpected power outage. Contract with customers are usually with fixed price and entered into on annual/quarter basis. Besides, the Group also sells batteries to its customers.

  The Group's battery exchange services is to provide replaceable batteries to individual customers when their electric vehicles are in low power status. Contract with customers are usually with fixed price and entered into on month basis.

  The Group also provides battery recharge services to corporate and individual customers on ad hoc basis when their batteries are exhausted and the fee is charged on fixed price per usage basis.

2 Summary of material accounting policies (Continued)

2.18 Revenue (Continued)

(a) Rental income from operating leases

The Group, as a lessor, accounts for the provision of Site Space as operating lease under IFRS 16, and recognises revenue on a straight-line basis over the term of lease. Variable lease payment not based on index or rate should be recognised as revenue as incurred.

(b) Revenue from contracts with customers

The Group accounts for other businesses mentioned above under IFRS 15, recognises service revenue over time when these services are rendered and recognises revenue from sales of product at a point in time when the control over the product has been transferred to the customers. If the payments exceed the services rendered, a contract liability is recognised.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent). In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

The Group generally provides credit terms to customers within 1-6 months. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component as the period of financing is 12 months or less.

2.19 Interest income

Interest income is recognised using the effective interest method in the consolidated statement of comprehensive income.

2 Summary of material accounting policies (Continued)

2.20 Leases

The Group as lessee

As a lessee, the Group leases certain office premises, telecommunication tower site properties (the "**Site Properties**") and equipment for its operations.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and

- makes adjustments specific to the lease, e.g. term, country, currency and security.

2 Summary of material accounting policies (Continued)

2.20 Leases (Continued)

The Group as lessee (Continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of tower sites, equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture and equipment.

The Group as lessor – operating lease

Lease revenue from operating leases, such as the revenue from the provision of Site Space (Note 2.18), where the Group is a lessor, is recognised in the consolidated statement of comprehensive income on a straight-line basis over the lease term. Contingent rents are recognised as incurred. The respective leased assets are included in the consolidated statement of financial position based on their nature.

2.21 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of comprehensive income on a straight-line basis over the expected useful lives of the related assets.

2 Summary of material accounting policies (Continued)

2.22 Related parties

According to International Accounting Standard 24 "Related Party Disclosures", the definition of a related party includes the following persons and entities:

(a) A person (or a close member of that person's family) is related to the Group if the person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group, or of a parent of the Group.

(b) An entity (B) is related to the Group (A) if:

(i) A and B are members of the same group (that is all entities within a group are related to each other);

(ii) A is an associate or joint venture of B. In this case A is related to all members of the Group that B belongs to;

(iii) A and B are joint ventures of the same third party, C;

(iv) A is a joint venture of C and B is an associate of C (or vice versa);

(v) B is a post-employment benefit plan for the benefit of employees of A or an entity related to A. If A is itself a post-employment benefit plan, any sponsoring employers are also related to A;

(vi) B is controlled or jointly controlled by a person identified in (a) above;

(vii) a person who has control or joint control over A has significant influence over B or is a member of the key management personnel of B; or

(viii) B (or any member of the Group of which B is a part) provides key management personnel services to A or A's parent.

In this definition, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

2 Summary of material accounting policies (Continued)

2.23 Dividend

Dividend to the Company's shareholders is recognised as a liability in the Company's consolidated financial statements in the period in which the dividends are approved by the annual general meeting.

2.24 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares dividing the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding the unvested shares held under restricted shares incentive scheme.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account of the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (such as cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Group's headquarter financial department ("**Finance Department**") under the policies approved by the board of directors. The Finance Department identifies and evaluates financial risks in close co-operation with the Group's operating branches or units.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk for its cash and bank deposits denominated in Hong Kong dollars and Lao Kip other than the functional currency of the respective group entities, which are RMB and USD. As at 31 December 2025, the Group's cash and bank deposits denominated in Hong Kong dollars and Lao Kip represented 1.8% (2024: 7.2%) of the total cash and bank deposits thus, the Group does not expect the appreciation or depreciation of the RMB against foreign currencies will materially affect the Group's financial position and result of operations.

(ii) Interest rate risk

The Group's interest rate risk mainly arises from interest-bearing liabilities. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk, which is partially offset by cash at banks held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, and alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift applicable to the Group. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Based on the prevailing market conditions, the Group would determine an appropriate level of exposure arising from cash flow interest rate risk and fair value interest rate risk. Then the Group adjusts the levels of borrowings at variable rates and fixed rates, depending on the assessment of the interest exposure. As at 31 December 2025, the Group's borrowings at variable rates amounted to RMB57,501 million (2024: RMB47,818 million). Based on the simulations performed, assuming interest rates increase/decrease by 100 basis points, the Group's profit after tax for the year ended 31 December 2025 will decrease/increase by RMB433 million (2024: RMB360 million) for borrowings at variable rates.

During the years ended 31 December 2025 and 2024, the Group has no position in interest rate swap.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk is managed by sources, including cash at banks, deposits with banks and other financial institutions, as well as credit exposures to customers and other debtors, including outstanding receivables.

Since bank deposits are mainly placed with state-owned banks or other large-scale listed financial institutions, the Group considers that there is no material credit risk regarding the deposits with banks and other financial institutions.

As for trade and other receivables, the Group has credit policy to monitor the level of credit risk. In general, the credit period for each customer or debtor are regularly assessed, based on the customer's or debtor's financial condition, their capacity to obtain guarantee from third parties, their credit records and other factors such as current market condition. The Group is sensitive to changes in the creditworthiness and financial strength of its main customers due to the importance of these key customers to the overall revenue.

i) The Group has two types of assets that are subject to expected credit loss model:

- Trade and bills receivables
- Other receivables

Trade and bills receivables

Given the nature of the Group's business, it has significant concentrations risk since there are significant trade and bills receivables due from the Three TSPs (the trade and bills receivable balances due from the Three TSPs accounted for 83.29% of the Group's total trade and bills receivable balances at 31 December 2025 (2024: 86.01%).

To mitigate this risk, the Group timely monitors its receivable balances and all bills should be paid within one to three months as agreed with the Three TSPs. Due to the relatively high credit rating and business reputation, the credit risks of the Three TSPs are assessed as low. The Group uses probability of default (PD), exposure at default (EAD) and loss given default (LGD) to measure the credit risk from the Three TSPs. Additional credit loss allowance would be immediately recognised in profit or loss when the management has assessed there is additional risk arose.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Trade and bills receivables (Continued)

Other customers include local government authorities, public institutions, state-owned companies and other customer groups. The Group regularly monitors their credit records and takes necessary actions to reduce and control the overall credit risk, such as sending written notice for payment, getting payment guarantee (such as requiring deposits) and shortening or cancelling credit period, which normally ranged from 1 to 6 months. The expected loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group identifies the most relevant factors to be Gross Domestic Product (GDP), Consumer Price Index (CPI) and Total Retail Sales of Consumer Goods, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Other receivables

The Group considers the probability of default upon initial recognition of other receivables which subsequently measured at amortised cost and whether there has been a significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the other receivables as at the end of the reporting periods with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are considered:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;

- Actual or expected significant changes in the operating results of debtors;

- Significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors and historical credit loss experience.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Other receivables (Continued)

For other receivables due from the Three TSPs, they are mainly payments made on behalf of the Three TSPs, which resulted from the contract with customers while acting as an agent. As it has similar nature with trade and bills receivables, management applies the same methodology to assess the expected credit losses for these other receivables from the Three TSPs.

For the other receivables other than those from the Three TSPs, mainly deposit to suppliers and customers, as it has quick turnover, no historical of default, the Group is of the view that the credit risk is immaterial.

ii) Based on similar credit risk characteristics, trade and other receivables have been grouped into two portfolios:

- the Three TSPs;
- other customers.

On that basis, the loss allowance as at 31 December 2025 and 2024 was determined as follows for trade and other receivables:

- the Three TSPs

  As at 31 December 2025, the expected loss rate for trade and bills receivables from the Three TSPs group was 1.84% (2024: 1.39%) and relevant loss allowance was RMB1,347 million (2024: RMB998 million). As at 31 December 2025, the relevant loss allowance for other receivables from the Three TSPs group was not material.

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Other receivables (Continued)

- other customers

The following table provides information about the Group's exposure to credit risk and expected loss rate for trade and bills receivables from other customers:

	Within 180 days	181 days to 1 year	1 year to 2 years	2 years to 3 years	Over 3 years
As at 31 December 2025					
Expected loss rate	**8.99%**	**21.84%**	**38.13%**	**83.23%**	**100.00%**
Gross carrying amount – trade and bills receivables	**6,059**	**2,981**	**3,362**	**1,503**	**746**
Loss allowance	**545**	**651**	**1,282**	**1,251**	**746**
As at 31 December 2024					
Expected loss rate	9.84%	16.55%	34.02%	82.27%	100.00%
Gross carrying amount – trade and bills receivables	5,110	2,466	2,631	863	620
Loss allowance	503	408	895	710	620

iii) The loss allowance for trade and other receivables as at 31 December reconcile to the opening loss allowance as follows:

	Other receivables		Trade and bills receivables	
	2025 RMB million	2024 RMB million	**2025 RMB million**	2024 RMB million
Opening loss allowance at 1 January	**1**	1	**4,134**	2,706
Provision of expected credit losses during the year	**–**	1	**1,991**	1,445
Receivables written off during the year as uncollectible	**–**	(1)	**(303)**	(16)
Collection of receivables written off in previous year	**–**	–	**–**	(1)
Closing loss allowance at 31 December	**1**	1	**5,822**	4,134

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) *Credit risk (Continued)*

Other receivables (Continued)

Trade and other receivables are write-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failures of a debtor to engage in a repayment with the Group.

Impairment losses on trade and other receivables is presented as credit loss allowance within other operating expenses (Note 9). Subsequent recoveries of amounts previously written off are credited against the same line item.

Net impairment losses on financial assets recognised in profit or loss

During the year, the following losses were recognised in profit or loss in relation to impaired financial assets:

	2025 RMB million	2024 RMB million
Movement in loss allowance for trade and other receivables	1,991	1,446
Recovery of receivables written off in previous year	–	(1)
Impairment losses on financial assets at amortised cost	1,991	1,445

(c) *Liquidity risk*

Prudent liquidity risk management includes maintaining sufficient cash and ensuring the availability of funds. Given the nature of the Group's businesses, the policy of the Group's finance department is to maintain flexibility in funding through having adequate amount of cash and cash equivalents, utilising different sources of financing, and maintaining the availability of committed, unrestricted and unutilised revolving bank credit facilities at its headquarter.

The Group invests surplus cash in short-term time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom. As at 31 December 2025, the Group holds cash and cash equivalents of RMB12,312 million (2024: RMB2,598 million) to manage liquidity risk.

In addition, the Group considers that it has adequate liquidity and access to medium and long-term financings that enable the Group to meet working capital requirements and commitments for future capital expenditures.

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash and cash equivalents to meet operational needs and capital expenditures requirements, while maintaining sufficient headroom on its undrawn committed, unrestricted and revolving committed bank credit facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance (where applicable) and the economic environment.

The following table sets out the remaining contractual maturities of the Group's financial liabilities at the end of the reporting periods, which are based on the undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on prevailing rates at the end of the reporting periods) and the earliest date the Group would be required to repay:

	Carrying amount RMB million	Total contractual undiscounted cash flow RMB million	Within 1 year or on demand RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million
As at 31 December 2024						
Borrowings	69,609	71,513	29,720	31,593	10,200	–
Accounts payable and other payables excluding other non-financial liabilities	34,688	34,688	34,688	–	–	–
Lease liabilities	22,933	25,058	7,465	5,835	7,375	4,383
	127,230	131,259	71,873	37,428	17,575	4,383
As at 31 December 2025						
Borrowings	67,434	69,559	32,370	13,880	23,309	–
Accounts payable and other payables excluding other non-financial liabilities	35,947	35,947	35,947	–	–	–
Lease liabilities	23,026	24,905	7,511	5,907	6,980	4,507
	126,407	130,411	75,828	19,787	30,289	4,507

3 Financial risk management (Continued)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as interest-bearing liabilities (including borrowings, lease liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

	As at 31 December	
	2025	2024
	RMB million	RMB million
Interest-bearing liabilities (Note 16 and Note 23)	**90,460**	92,542
Less: cash and cash equivalents (Note 21)	**(12,312)**	(2,598)
Net debt[(1)] (Note 27 (c))	**78,148**	89,944
Total equity	**203,908**	199,979
Total capital[(2)]	**282,056**	289,923
Gearing ratio[(1)/(2)]	**27.7%**	31.0%

3.3 Fair value estimation

As at 31 December 2025 and 2024, the Group has no financial assets and financial liabilities measured at fair value. The financial assets and financial liabilities that are not carrying at fair values mainly include cash and cash equivalent, trade and other receivables, accounts payable, other payables and borrowings. The Group measures these financial assets and financial liabilities at amortised cost. As at 31 December 2025 and 2024, the Group considers that their carrying values approximate fair value due to the short maturity of the instruments and/or they are bearing interest at market rates.

4 Accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Estimated useful lives and residual values of property, plant and equipment

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives. The Group reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives and residual values are determined based on the Group's historical experience with similar assets, taking into account the change of construction standards and methodology, the assessment of future technological requirements of telecommunications networks, and the issuance of favourable government regulations that would affect their estimated useful lives. The depreciation expense for future periods would be adjusted if there are significant changes from previous estimates.

(b) Impairment of property, plant and equipment

The Group's property, plant and equipment comprise a significant portion of the Group's total assets. Changes in technology, business or industry conditions may cause the estimated period of use or the value of these assets to change. Property, plant and equipment are reviewed at least annually to determine whether there is any indication of impairment.

The recoverable amount is estimated whenever events or changes in circumstances have indicated that their carrying amounts may not be recoverable. An impairment loss is recognised when the asset's carrying value exceeds its recoverable amount. The recoverable amount is determined based on the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Group uses all readily available information in determining a reasonable estimation of the recoverable amount, based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the recoverable amounts of the assets and could result in further impairment charge in future periods.

(c) Allowance for expected credit losses

Management estimates expected credit losses allowance on trade and other receivables based on assumptions about risk of default and expected loss rates. The Group assesses these assumptions and selects the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at each end of the reporting periods. For the Group's detailed assessment of credit risk, please refer to Note 3.1(b).

5 Segment information

The executive directors and senior management of the Company, as a decision-making group has been identified as the Group's chief operating decision-maker ("**CODM**"). The Group has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance. The CODM reviews the revenue from revenue stream perspective including Tower business, DAS business, Smart Tower business and Energy business. However, the CODM does not make the decision related to resource allocation or performance evaluation solely based on the revenue generated from the different businesses. Rather, the CODM reviews the Group's performance and budget as a whole. Therefore, the CODM concludes that the Group has one operating segment.

Substantially all the Group's long-lived assets are located in the mainland China and all the Group's revenue and operating profit are derived from the mainland China during the year.

The Group's revenue is primarily generated from the Three TSPs.

The major customers that contribute more than 10% of the total revenue of the Group are listed as below:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
CMCC Group	**42,541**	42,460
CTC Group	**22,137**	21,369
CUC Group	**20,827**	20,928
	85,505	84,757

For the year ended 31 December 2025, the revenue generated from the Three TSPs accounted for 85.15% (2024: 86.69%) of the total revenue.

6 Operating revenue

The table below summarises the Group's operating revenue by business types:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Tower business (Note (ii))	**75,498**	75,689
DAS business	**9,227**	8,430
Smart Tower business	**10,172**	8,911
Energy business	**4,813**	4,477
Others	**701**	265
	100,411	97,772

6 Operating revenue (Continued)

Note:

(i) Disaggregation of operating revenue:

	Year ended 31 December 2025 RMB million	2024 RMB million
Operating revenue		
Rental income under IFRS 16	**63,740**	64,103
Revenue from contract with customers under IFRS 15	**36,671**	33,669
Including: revenue recognised over time	**35,807**	32,896
revenue recognised at a point in time	**864**	773
	100,411	97,772

(ii) The table below summarises the Group's Tower business revenue by nature of services:

	Year ended 31 December 2025 RMB million	2024 RMB million
Revenue from provision of Site Space	**63,740**	64,103
Revenue from Maintenance services and Power services	**11,758**	11,586
	75,498	75,689

7 Employee benefits and expenses

	Year ended 31 December 2025 RMB million	2024 RMB million
Salaries and welfare	**7,469**	7,100
Post-employment benefits	**1,300**	1,222
Contributions to medical insurance	**667**	636
Contributions to housing fund	**641**	615
	10,077	9,573

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7 Employee benefits and expenses (Continued)

(a) Directors' and supervisors' remuneration

Directors' and supervisors' remuneration during 2025 is as follows:

	Directors/ supervisors' fee RMB thousand	Salaries, allowances and bonuses RMB thousand	Contributions relating to social insurance, housing fund and retirement scheme RMB thousand	Total RMB thousand
Executive directors				
ZHANG Zhiyong	–	500	242	742
CHEN Li	–	500	246	746
	–	1,000	488	1,488
Non-executive directors (Note (i))				
TANG Yongbo (Note (ii))	–	–	–	–
LIU Guiqing (Note (iii))	–	–	–	–
CHENG Jianjun (Note (iv))	–	–	–	–
MIAO Shouye (Note (v))	–	–	–	–
LUAN Xiaowei (Note (vi))	–	–	–	–
FANG Xiaobing	–	–	–	–
	–	–	–	–
Independent non-executive directors				
DONG Chunbo (Note (vii))	–	–	–	–
SIN Hendrick (Note (viii))	89	–	–	89
PEI Zhenjiang (Note (ix))	30	–	–	30
HU Zhanghong	167	–	–	167
ZHANG Wei	67	–	–	67
WEN Bugao (Note (x))	–	–	–	–
	353	–	–	353
Supervisors				
FAN Xiaoqing	–	698	263	961
LI Zhangting (Note (i))	–	–	–	–
HAN Fang (Note (i))	–	–	–	–
LI Tienan (Note (i))	–	–	–	–
WANG Hongwei	–	698	261	959
CAO Yingchun (Note (i))	–	–	–	–
	–	1,396	524	1,920

7 Employee benefits and expenses (Continued)

(a) Directors' and supervisors' remuneration (Continued)

Note:

(i) These non-executive directors and supervisors of the Company received emoluments for their services from the related parties. No apportionment has been made as these directors and supervisors of the Company consider it is impractical to apportion their emoluments between the Group and the related parties according to their services provided.

(ii) Mr. TANG Yongbo resigned from position as non-executive director of the Company with effect from 23 July 2025.

(iii) Mr. LIU Guiqing resigned from position as non-executive director of the Company with effect from 23 December 2025.

(iv) Mr. CHENG Jianjun was appointed as non-executive director of the Company on 20 May 2025.

(v) Mr. MIAO Shouye was appointed as non-executive director of the Company on 23 July 2025.

(vi) Mr. LUAN Xiaowei was appointed as non-executive director of the Company on 23 December 2025.

(vii) Mr. DONG Chunbo resigned from position as independent non-executive director of the Company with effect from 23 July 2025.

(viii) Mr. SIN Hendrick resigned from position as independent non-executive director of the Company with effect from 23 July 2025.

(ix) Mr. PEI Zhenjiang was appointed as independent non-executive director of the Company on 23 July 2025.

(x) Mr. WEN Bugao was appointed as independent non-executive director of the Company on 23 July 2025.

(xi) During 2025, in addition to the directors' remuneration in the table, as approved by the board of directors and shareholders' meeting, the Company paid the performance-based bonus for 2024 amounted to RMB490 thousand for Mr. ZHANG Zhiyong and RMB327 thousand for Mr. CHEN Li, respectively.

(xii) During 2025, in addition to the directors' remuneration in the table, as approved by the board of directors and shareholders' meeting, the additional bonuses related to their term of service amounted to RMB838 thousand and RMB189 thousand was paid to Mr. ZHANG Zhiyong and Mr. CHEN Li, respectively by the Company based on their performance upon the completion of three-year evaluation period from 2022 to 2024.

(xiii) During 2025, in addition to the supervisors' remuneration in the table, the Company paid the performance-based bonus for 2024 amounted to RMB503 thousand for Ms. FAN Xiaoqing and RMB442 thousand for Mr. WANG Hongwei, respectively.

(xiv) The remuneration of all directors and supervisors was calculated based on their respective actual terms of office within this year.

7 Employee benefits and expenses (Continued)

(a) Directors' and supervisors' remuneration (Continued)

Directors' and supervisors' remuneration during 2024 is as follows:

	Directors/ supervisors' fee RMB thousand	Salaries, allowances and bonuses RMB thousand	Contributions relating to social insurance, housing fund and retirement scheme RMB thousand	Total RMB thousand
Executive directors				
ZHANG Zhiyong	–	490	247	737
CHEN Li (Note (ii))	–	327	166	493
GAO Chunlei (Note (iii))	–	400	219	619
	–	1,217	632	1,849
Non-executive directors (Note (i))				
GAO Tongqing (Note (iv))	–	–	–	–
TANG Yongbo	–	–	–	–
LIU Guiqing	–	–	–	–
FANG Xiaobing	–	–	–	–
	–	–	–	–
Independent non-executive directors				
ZHANG Guohou (Note (v))	–	–	–	–
DONG Chunbo	–	–	–	–
HU Zhanghong	172	–	–	172
SIN Hendrick	151	–	–	151
ZHANG Wei (Note (vi))	20	–	–	20
	343	–	–	343
Supervisors				
FAN Xiaoqing	–	725	260	985
LIU Wei (Note (i and vii))	–	–	–	–
LI Zhangting (Note (i))	–	–	–	–
HAN Fang (Note (i))	–	–	–	–
LI Tienan (Note (i))	–	–	–	–
WANG Hongwei	–	725	259	984
CAO Yingchun (Note (i and viii))	–	–	–	–
	–	1,450	519	1,969

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7 Employee benefits and expenses (Continued)

(a) Directors' and supervisors' remuneration (Continued)

Note:

(i) These non-executive directors and supervisors of the Company received emoluments for their services from the related parties. No apportionment has been made as these directors and supervisors of the Company consider it is impractical to apportion their emoluments between the Group and the related parties according to their services provided.

(ii) Mr. CHEN Li was appointed as executive director of the Company on 20 May 2024.

(iii) Mr. GAO Chunlei resigned from position as executive director of the Company with effect from 18 November 2024.

(iv) Mr. GAO Tongqing resigned from position as non-executive director of the Company with effect from 23 December 2024.

(v) Mr. ZHANG Guohou resigned from position as independent non-executive director of the Company with effect from 13 March 2024.

(vi) Ms. ZHANG Wei was appointed as independent non-executive director of the Company on 13 September 2024.

(vii) Mr. LIU Wei resigned from position as supervisor of the Company with effect from 12 April 2024.

(viii) Ms. CAO Yingchun was appointed as supervisor of the Company on 20 May 2024.

(ix) During 2024, in addition to the directors' remuneration in the table, as approved by the board of directors and shareholders' meeting, the Company paid the performance-based bonus for 2023 amounted to RMB480 thousand for Mr. ZHANG Zhiyong and RMB437 thousand for Mr. GAO Chunlei, respectively.

(x) During 2024, in addition to the supervisors' remuneration in the table, the Company paid the performance-based bonus for 2023 amounted to RMB467 thousand for Ms. FAN Xiaoqing and RMB459 thousand for Mr. WANG Hongwei, respectively.

(xi) The remuneration of all directors and supervisors was calculated based on their respective actual terms of office within this year.

(b) Senior management's remuneration

The senior management of the Group had seven members. For the year ended 31 December 2025, one of them was director whose remuneration is disclosed in Note 7(a).

The emoluments fell within the following bands:

	Year ended 31 December	
	2025	2024
Emolument bands (in RMB)	**Numbers**	Numbers
RMB 1,000,001 to RMB1,500,000	**6**	5
RMB Nil to RMB1,000,000	**1**	4

7 Employee benefits and expenses (Continued)

(b) Senior management's remuneration (Continued)

During 2025, in addition to the senior management's remuneration in the table, the additional bonuses related to their term of service paid by the Company based on their performance upon the completion of three-year evaluation period from 2022 to 2024 was within the range between RMB105 thousand to RMB752 thousand, excluding the additional bonuses of executive directors which disclosed in Note 7(a).

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group in 2025 include Nil (2024: Nil) director. The emoluments payable to the remaining 5 highest paid (2024: 5) individuals in 2025 are as follows:

	Year ended 31 December	
	2025	2024
	RMB thousand	RMB thousand
Salaries, allowances	**3,974**	4,288
Bonuses	**3,424**	3,105
Contribution to pension scheme	**829**	832
Social insurance, housing fund	**441**	399
	8,668	8,624

The emoluments fell within the following bands:

	Year ended 31 December	
	2025	2024
Emolument bands (in RMB)	**Numbers**	Numbers
RMB2,000,001 to RMB2,500,000	**–**	–
RMB1,500,001 to RMB2,000,000	**5**	5

During 2025, in addition to five highest paid individuals in the table, the additional bonuses related to their term of service paid by the Company based on their performance upon the completion of three-year evaluation period from 2022 to 2024 was within the range between RMB244 thousand to RMB334 thousand.

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8 Site operation and support expenses

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Site usage expenses	**1,758**	1,376
IT service charge	**2,340**	1,965
Costs of site power supply using diesel oil generation	**1,080**	1,284
Others	**947**	879
	6,125	5,504

9 Other operating expenses

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Technical support charges (Note (i))	**4,903**	3,915
Gains on write-off/disposal of property and equipment	**(283)**	(541)
Utilities in other business operation (Note (ii))	**522**	754
Credit loss allowance	**1,991**	1,445
Marketing expenses	**845**	782
Property management expenses and utilities	**597**	537
Cost of equipment lease and sold	**1,050**	792
Other taxes and surcharges	**451**	392
Impairment of assets	**110**	15
Auditors' remuneration	**8**	8
Others	**1,098**	1,045
	11,292	9,144

Note:

(i) Technical support charges mainly are payments made to third-party service providers for building platforms for customers in Smart Tower business and Energy business, in which the Group was a primary obligator.

(ii) Utilities in other business operation incurred are mainly for providing battery exchange services and battery charging services in Energy business.

10 Other gains, net

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Additional deduction of input VAT	**10**	168
Exchange loss	**(3)**	(36)
Others	**408**	233
	415	365

11 Finance costs

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Interest expense on borrowings	**1,446**	1,559
Interest expense on lease liabilities (Note 16)	**1,061**	1,169
Less: Amounts capitalised in CIP	**(61)**	(89)
	2,446	2,639

12 Income tax expenses

The Company and its subsidiaries file the PRC enterprise income tax on a consolidated basis with their provincial branches. The provision for the PRC enterprise income tax is based on the applicable tax rate on the estimated taxable profits determined in accordance with the relevant enterprise income tax rules and regulations of the PRC.

Taxation in the consolidated statement of comprehensive income represents:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Current tax		
Current tax on estimated taxable profits for the year	**4,168**	3,799
Deferred tax (Note 17)		
Origination of temporary differences	**(434)**	(410)
Income tax expenses	**3,734**	3,389

12 Income tax expenses (Continued)

Reconciliation between tax expenses and accounting profit at applicable tax rates:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Profit before taxation	**15,365**	14,119
Tax at PRC statutory tax rate of 25%	**3,841**	3,530
Tax effect of preferential tax rate (Note)	**(226)**	(208)
Tax effect of non-deductible expenses	**150**	97
Others	**(31)**	(30)
Income tax expenses	**3,734**	3,389

Note:

The Group's PRC statutory income tax rate is 25%.

According to the circular of "Continuing to Implement Preferential Corporate Income Tax Policies for Western Development" (Ministry of Finance announcement [2020] No. 23) issued by the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission and relevant PRC enterprise income tax regulations, branches that are qualified and located in certain western provinces of mainland China are entitled to a preferential income tax rate of 15%. Certain provincial branches of the Group obtained the approval were entitled to this preferential income tax rate of 15% until the end of 2030.

According to the notice of "Concerning Preferential Enterprise Income Tax Policies of Hainan Free Trade Port" (Caishui [2020] No. 31) and "Concerning Continued Preferential Enterprise Income Tax Policies of Hainan Free Trade Port" (Caishui [2025] No. 3) issued by the Ministry of Finance and the State Administration of Taxation, Hainan Province branch is entitled to a preferential income tax rate of 15% after obtaining the approval until the end of 2027.

According to the circular of "Implementation of Preferential Enterprise Income Tax Policies for High-tech Enterprises" (The State Administration of Taxation [2017] No. 24) issued by the State Administration of Taxation and relevant PRC enterprise income tax regulations, the Company's subsidiary Smart Tower Corporation Limited is qualified and entitled to a preferential tax rate of 15% for high-tech enterprises. Smart Tower Corporation Limited obtained the certificate of high-tech enterprises which is valid until 31 December 2027.

13 Basic and diluted earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years, excluding the shares held for the restricted share incentive scheme.

In addition, the weighted average number of ordinary shares in issue throughout the reporting periods presented has been adjusted retrospectively for the impact of the Share Consolidation and Capital Reduction (Note 1 and Note 22(a)).

	Year ended 31 December	
	2025	2024
Profit attributable to owners of the Company (RMB million)	**11,630**	10,729
Weighted average number of ordinary shares in issue, after adjusting for the Share Consolidation and Capital Reduction (million)	**17,481**	17,481
Basic earnings per share (in RMB Yuan)	**0.6653**	0.6138

(b) Diluted

Diluted earnings per share for the years ended 31 December 2025 and 2024 were computed by dividing the profit attributable to owners of the Company by the above weighted average number of ordinary shares outstanding during the years, after adjusting for the effects of the dilutive potential ordinary shares. There were no dilutive potential ordinary shares for the years ended 31 December 2025 and 2024 as all restricted shares granted before were forfeited in 2022. Therefore, the diluted earnings per share was the same as basic earnings per share.

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14 Property, plant and equipment

	Buildings RMB million	Towers and DAS RMB million	Shelters and ancillary facilities RMB million	Equipment RMB million	Office facilities, furniture, transportation and others RMB million	Total RMB million
Year ended 31 December 2024						
Cost:						
Opening balance	12,449	235,252	121,581	86,735	2,687	458,704
Transfer from CIP	–	11,737	6,016	11,003	418	29,174
Additions	731	25	62	702	287	1,807
Disposals	–	(1,078)	(1,532)	(5,468)	(35)	(8,113)
Closing balance	13,180	245,936	126,127	92,972	3,357	481,572
Accumulated depreciation and impairment:						
Opening balance	(1,213)	(132,035)	(64,428)	(58,003)	(1,483)	(257,162)
Charge for the year	(424)	(20,156)	(8,700)	(8,856)	(401)	(38,537)
Disposals	–	867	1,124	4,872	34	6,897
Closing balance	(1,637)	(151,324)	(72,004)	(61,987)	(1,850)	(288,802)
Closing net book amount	11,543	94,612	54,123	30,985	1,507	192,770

14 Property, plant and equipment (Continued)

	Buildings RMB million	Towers and DAS RMB million	Shelters and ancillary facilities RMB million	Equipment RMB million	Office facilities, furniture, transportation and others RMB million	Total RMB million
Year ended 31 December 2025						
Cost:						
Opening balance	13,180	245,936	126,127	92,972	3,357	481,572
Transfer from CIP	–	10,335	5,246	10,480	471	26,532
Additions	2,226	8	6	223	262	2,725
Disposals	(1)	(1,156)	(1,511)	(5,380)	(65)	(8,113)
Closing balance	15,405	255,123	129,868	98,295	4,025	502,716
Accumulated depreciation and impairment:						
Opening balance	(1,637)	(151,324)	(72,004)	(61,987)	(1,850)	(288,802)
Charge for the year	(481)	(18,147)	(8,708)	(9,181)	(482)	(36,999)
Disposals	–	936	1,206	4,979	63	7,184
Closing balance	(2,118)	(168,535)	(79,506)	(66,189)	(2,269)	(318,617)
Closing net book amount	13,287	86,588	50,362	32,106	1,756	184,099

As at 31 December 2025, the cost of towers and DAS fully depreciated but still in use amounted to RMB113,718 million (2024: RMB4,610 million).

On 16 October 2025, the Board of Directors of the Company approved to adjust the estimated useful lives of DAS assets. Based on detailed assessment with respect to the technology and asset utilisation, as well as TSPs' practices, the Company changed the estimated useful lives of DAS Assets from 7 years to 10 years with effect from 1 July 2025. The change in accounting estimates is accounted for prospectively without retrospective adjustment. This change in accounting estimate reduced depreciation expenses for the year by RMB890 million (2024: NA).

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15 Construction in progress

As at 31 December 2025, construction in progress mainly include towers and DAS projects under construction and installation.

	Year ended 31 December 2025 RMB million	2024 RMB million
Balance at 1 January	**12,718**	12,313
Additions	**25,490**	29,579
Transferred to property, plant and equipment	**(26,532)**	(29,174)
Balance at 31 December	**11,676**	12,718

16 Lease

(a) The consolidated statement of financial position shows the following amounts relating to leases where the Group is a lessee:

	Sites RMB million	Buildings RMB million	Land use rights RMB million	Total RMB million
Right-of-use assets:				
As at 1 January 2024	92,644	1,316	1,363	95,323
Additions	13,032	322	5	13,359
Termination of lease contracts	(3,935)	(334)	(4)	(4,273)
As at 31 December 2024	101,741	1,304	1,364	104,409
Accumulated depreciation:				
As at 1 January 2024	(63,305)	(632)	(303)	(64,240)
Charge for the year	(11,076)	(263)	(48)	(11,387)
Write-off upon termination of lease contracts	3,171	292	2	3,465
As at 31 December 2024	(71,210)	(603)	(349)	(72,162)
Closing net book amount:				
As at 31 December 2024	30,531	701	1,015	32,247

16 Lease (Continued)

(a) The consolidated statement of financial position shows the following amounts relating to leases where the Group is a lessee: (Continued)

	Sites RMB million	Buildings RMB million	Land use rights RMB million	Total RMB million
Right-of-use assets:				
As at 1 January 2025	101,741	1,304	1,364	104,409
Additions	11,301	180	7	11,488
Termination of lease contracts	(3,920)	(334)	–	(4,254)
As at 31 December 2025	109,122	1,150	1,371	111,643
Accumulated depreciation:				
As at 1 January 2025	(71,210)	(603)	(349)	(72,162)
Charge for the year	(10,747)	(171)	(47)	(10,965)
Write-off upon termination of lease contracts	3,086	271	–	3,357
As at 31 December 2025	(78,871)	(503)	(396)	(79,770)
Closing net book amount:				
As at 31 December 2025	30,251	647	975	31,873

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Lease Liabilities		
– Current	7,376	7,378
– Non-current	15,650	15,555
	23,026	22,933

16 Lease (Continued)

(b) The consolidated statement of comprehensive income shows the following amounts relating to leases where the Group is a lessee:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Depreciation charge of right-of-use assets	**10,965**	11,387
Interest expense	**1,061**	1,169
Expense relating to short-term leases and low-value leases	**1,160**	1,074

(c) The total cash payment of principal and interest of lease liabilities for the year ended 31 December 2025 was RMB10,506 million (2024: RMB10,896 million).

(d) The Group's leasing activities:

The Group mainly leases buildings and site properties for its telecommunication towers (as lessee). Lease contracts of buildings and site properties are typically made for periods of 3 to 10 years, and generally do not have extension and termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Substantially all of the lease contracts held by the Group are with fixed lease payment.

17 Deferred income tax assets

The analysis of deferred tax assets is as follows:

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Deferred tax assets:		
– Deferred tax asset to be recovered after more than 12 months	**935**	929
– Deferred tax asset to be recovered within 12 months	**2,117**	1,689
	3,052	2,618

17 Deferred income tax assets (Continued)

The movement in deferred income tax assets before elimination with deferred income tax liabilities during the years ended 31 December 2025 and 2024 are as follows:

	Accrued expenses RMB million	Deferred government grants RMB million	Credit loss allowance and impairment of asset RMB million	Right-of-use assets RMB million	Lease liabilities RMB million	Employee defined benefit obligations RMB million	Total RMB million
Deferred tax arising from:							
At 1 January 2024	886	56	616	(7,506)	8,146	10	2,208
Credited to profit or loss	47	(5)	348	(302)	322	–	410
At 31 December 2024	933	51	964	(7,808)	8,468	10	2,618
Credited to profit or loss	55	4	415	83	(122)	(1)	434
At 31 December 2025	988	55	1,379	(7,725)	8,346	9	3,052

For the years ended 31 December 2025 and 2024, there were no unrecognised deferred tax assets in respect of the deductible temporary differences and unused tax losses.

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

18 Subsidiaries

As at 31 December 2025, the details of the Company's main subsidiaries are:

Name of company	Place of incorporation and kind of legal entity	Particulars of issued and paid-up capital	Ownership interests held by the Company	Principal activity and place of operation
Southeast Asia Tower Company Limited (Note)	The Lao People's Democratic Republic; Limited liability company	USD1.50 million	70%	Telecommunication tower infrastructure business in Laos
Smart Tower Corporation Limited	The People's Republic of China; Limited liability company	RMB519.60 million	100%	Integrated information services in China
Energy Tower Corporation Limited	The People's Republic of China; Limited liability company	RMB5,000.00 million	100%	Power generation and energy storage services in China
Beijing Keta Enterprise Management Corporation Limited	The People's Republic of China; Limited liability company	RMB1,037.90 million	100%	Enterprise management consulting and property management in China

Note:

As at and for the year ended 31 December 2025, the non-controlling interests in Southeast Asia Tower Company Limited was not material.

19 Trade and other receivables

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Bills receivables (Note (a))	**13,549**	35,536
Trade receivables (Note (b))	**74,113**	48,034
Allowance for expected credit losses	**(5,822)**	(4,134)
Trade and bills receivables – net	**81,840**	79,436
Deposits (Note (c)(ii))	**2,535**	1,872
Payments on behalf of customers (Note (c)(i))	**4,136**	4,600
Allowance for expected credit losses	**(1)**	(1)
Other receivables – net	**6,670**	6,471
Trade and other receivables	**88,510**	85,907

(a) Bills receivables

As at 31 December 2025, acceptance notes issued by banks and other finance companies, and commercial acceptance bills amounted to RMB2,238 million and RMB11,311 million, respectively (2024: RMB6,119 million and RMB29,417 million, respectively).

(b) Trade receivables

Aging analysis of the Group's gross trade receivables based on the billing date, as at the end of the reporting period, are as follows:

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
1 to 3 months	**25,084**	10,190
3 to 6 months	**14,466**	15,196
6 months to 1 year	**15,452**	11,580
1 year to 2 years	**15,179**	8,251
2 years to 3 years	**2,121**	1,485
Over 3 years	**1,811**	1,332
	74,113	48,034

19 Trade and other receivables (Continued)

(b) Trade receivables (Continued)

Trade receivables are analysed by customers:

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
CMCC Group	**35,687**	20,115
CUC Group	**12,901**	9,654
CTC Group	**10,964**	6,756
Others	**14,561**	11,509
	74,113	48,034

(c) Other receivables

(i) Payments on behalf of customers mainly represent payments made by the Group on behalf of the Three TSPs to their suppliers for certain sites electric power charges when the Group provides the services of power access to its customers and acts as an agent. Such customers usually make payment to the Group within 1-3 months.

(ii) Deposits primarily include deposits for site ground lease, office premises lease, and equipment purchase.

20 Prepayments and other current assets

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Advance prepayments (Note)	**2,173**	1,912
Input VAT recoverable	**1,072**	939
Others	**2**	4
	3,247	2,855

Note:

As at 31 December 2025, advance payments mainly represents prepaid rentals to the lessor for short-term leases and low-value leases under IFRS 16, and prepayment of electric powers charges of certain tower sites.

21 Cash and cash equivalents

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Cash at bank and on hand		
– RMB	**12,087**	2,410
– HKD	**224**	185
– USD	**–**	2
– LAK	**1**	1
	12,312	2,598

22 Capital, reserves and dividends

(a) Share capital

Registered, issued and fully paid:

	Year ended 31 December			
	2025		2024	
	Number of ordinary shares (million)	Share capital (RMB million)	Number of ordinary shares (million)	Share capital (RMB million)
At the beginning of the year	**176,008**	**176,008**	176,008	176,008
Share Consolidation and Capital Reduction (Note)	**(158,407)**	**(158,407)**	–	–
At the end of the year (RMB1.00, par value)	**17,601**	**17,601**	176,008	176,008

Note:

After adjusting for the Share Consolidation and Capital Reduction which became effective on 20 February 2025 (Note 1), the total shares issued by the Company have changed from 176,008,471,024 shares to 17,600,847,102 shares, and the total issued share capital of the Company has been reduced from RMB176,008,471,024 to RMB17,600,847,102. The reduction in the total issued share capital has been credited into the share premium of the Company.

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

22 Capital, reserves and dividends (Continued)

(b) Movements in reserves

	Note	Share premium RMB million	Statutory reserves RMB million (Note)	Shares held under restricted share incentive scheme RMB million	Other reserves RMB million	Retained earnings RMB million	Total RMB million
As at 1 January 2024		3,694	3,712	(1,954)	(1)	16,235	21,686
Total comprehensive income for the year		–	–	–	(3)	10,729	10,726
Dividends paid	22(c)	–	–	–	–	(8,442)	(8,442)
Transfer to statutory reserves		–	1,070	–	–	(1,070)	–
As at 31 December 2024		3,694	4,782	(1,954)	(4)	17,452	23,970
Total comprehensive income for the year		–	–	–	(2)	11,630	11,628
Dividends paid	22(c)	–	–	–	–	(7,700)	(7,700)
Share Consolidation and Capital Reduction	22(a)	158,407	–	–	–	–	158,407
Transfer to statutory reserves		–	1,162	–	–	(1,162)	–
As at 31 December 2025		162,101	5,944	(1,954)	(6)	20,220	186,305

Note:

Pursuant to Company's Articles of Association and the Company Law of the PRC, the Company and its subsidiaries are required to appropriate 10% of each year's net profit (after offsetting previous years' losses) to statutory reserves, until such reserve balance reaches 50% of the registered capital of the Company and its subsidiaries.

The statutory reserves can be used to cover previous years' losses, if any, and may be converted into paid-up capital, provided that the reserves after such conversion is not less than 25% of the registered capital of the Company and its subsidiaries.

22 Capital, reserves and dividends (Continued)

(c) Dividends

(i) Dividends declared

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Ordinary shares:		
Final dividend declared for the year ended 31 December 2024 of RMB0.30796 (2023: RMB0.37390, after adjusting for the Share Consolidation and Capital Reduction) per ordinary share and interim dividend declared for the six months ended 30 June 2025 of RMB0.13250 (2024: RMB0.10900, after adjusting for the Share Consolidation and Capital Reduction) per ordinary share	**7,700**	8,442

Total dividends are calculated by deducting shares held under the restricted share incentive scheme as disclosed in Note 22(d) from the total share capital of the Company.

(ii) Dividends proposed and not recognised as liabilities at the end of reporting period

On 18 March 2026, the Board of Directors of the Company proposed to the shareholders of the Company a final dividend of RMB0.32539 per ordinary share for the year ended 31 December 2025, approximately RMB5,688 million in total. As the final dividend is declared after the end of the reporting period, such dividend is not recognised as liability as at 31 December 2025.

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Dividends not recognised at the end of reporting period:		
Proposed final dividend after the end of the reporting periods:		
RMB0.32539 (2024: RMB0.30796) per ordinary share	**5,688**	5,384

22 Capital, reserves and dividends (Continued)

(d) Shares held under restricted share incentive scheme

At the Company's annual general meeting held on 18 April 2019, the Company's shareholders approved the adoption of a restricted share incentive scheme (the "**Scheme**") with a duration of 10 years. As instructed by the Board, a trust entity (the "**Trustee**") was appointed to acquire certain numbers of H share from the secondary market for the Scheme.

Pursuant to the Scheme, the Company granted certain restricted shares to the qualified participants ("**Scheme Participants**") during the year of 2019 as initial grant, which were subject to fulfilment of performance and service conditions. As at 31 December 2025 and 2024 all of the restricted shares granted under initial grant were forfeited and no active restricted share incentive scheme was implemented.

Shares held under restricted share incentive scheme are shown below:

	As at 31 December 2025		As at 31 December 2024	
	Number of shares (million)	**Shares held under restricted share incentive scheme (RMB million)**	Number of shares (million)	Shares held under restricted share incentive scheme (RMB million)
At the beginning of the year	**1,196**	**1,954**	1,196	1,954
Share Consolidation and Capital Reduction (Note)	**(1,076)**	**–**	–	–
At the end of the year	**120**	**1,954**	1,196	1,954

Note:

After adjusting for the Share Consolidation and Capital Reduction which became effective on 20 February 2025 (Note 1), the total shares held under restricted share incentive scheme have changed from 1,196,475,000 shares to 119,647,500 shares.

23 Borrowings

(a) Borrowings

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Borrowings:		
Long-term borrowings		
– General borrowings (Note (i))	67,432	61,644
– Preferential Borrowings	–	225
Sub-total	67,432	61,869
Less: Current portion	(31,407)	(20,785)
Balance presented in non-current liabilities:	36,025	41,084
Short-term borrowings:		
Short-term loans (Note (ii))	2	3,001
Long-term borrowings – Current portion	31,407	20,785
Discounted notes (Note (iii))	–	4,739
Balance presented in current liabilities:	31,409	28,525

Note:

(i) General borrowings are unsecured long-term borrowings obtained from commercial banks.

For the year ended 31 December 2025, the effective interest rates of all long-term borrowings were 1.25% to 2.44% per annum (2024: 1.35% to 4.41% per annum).

(ii) For the year ended 31 December 2025, all short-term loans are unsecured and bear interest rate at 12% per annum (2024: 2.27% per annum). As at 31 December 2025, all of the balances of short-term loans are borrowings of Southeast Asia Tower Company Limited.

(iii) The discounted notes arose from the bills receivables discounted but not yet matured, which did not result in derecognition but were recognised as borrowings when the consideration received.

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

23 Borrowings (Continued)

(b) The repayment schedule of the borrowings

As at 31 December 2025 and 2024, borrowings are repayable as follows:

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Within 1 year	**31,409**	28,525
Between 1 and 2 years	**13,147**	31,058
Between 2 and 5 years	**22,878**	10,026
	67,434	69,609

24 Deferred government grants

	As at 31 December 2024	Addition	Recognised in consolidated statement of comprehensive income	**As at 31 December 2025**
Preferential Borrowings	3	–	(3)	**–**
Other government grants	377	122	(104)	**395**
Total	380	122	(107)	**395**

25 Accounts payable

Accounts payable primarily include payables for construction expenditures, repairs and maintenance and other operation expenditures. Accounts payable are unsecured, non-interest bearing and are repayable in accordance with contractual terms.

The aging analysis of accounts payable is based on the invoice date as follows:

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Within 6 months	**24,286**	24,418
6 months to 1 year	**4,377**	4,095
Over 1 year	**5,882**	4,756
	34,545	33,269

26 Accrued expenses and other payables

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Contract liabilities (Note)	**4,392**	3,987
Deposits from vendors	**831**	974
Accrued expenses	**571**	445
Salary and welfare payables	**548**	467
Other tax payables	**476**	407
	6,818	6,280

Note:

Contract liabilities primarily relate to the considerations received from customers before the Group satisfying performance obligations from Smart Tower business and Energy business. It would be recognised as revenue upon the rendering of services. Most of the contract liability balance as at 31 December 2024 was recognised as revenue for the year ended 31 December 2025.

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

27 Cash generated from operating activities and financing activities

(a) Reconciliation of profit before income taxation to net cash generated from operations:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Profit before taxation	**15,365**	14,119
Adjustments for:		
– Expected credit impairment losses (Note 9)	**1,991**	1,445
– Impairment of asset (Note 9)	**110**	15
– Depreciation and amortisation (Note 14 and Note 16)	**48,454**	50,229
– Net gain on disposal and write-off of property, plant and equipment (Note 9)	**(283)**	(541)
– Interest income	**(36)**	(63)
– Finance costs (Note 11)	**2,446**	2,639
– Net exchange loss	**5**	1
– Others	**–**	(2)
Operating cash flow before changes in working capital	**68,052**	67,842
– Increase in trade and other receivable	**(9,371)**	(17,377)
– Increase in prepayments and other current assets	**(392)**	(412)
– Increase in accounts payable	**1,615**	1,721
– Increase in accrued expenses and other payables	**274**	1,237
Cash generated from operations	**60,178**	53,011

27 Cash generated from operating activities and financing activities (Continued)

(b) In the consolidated statement of cash flows, proceeds from sale of property and equipment comprise:

	Year ended 31 December	
	2025	2024
	RMB million	RMB million
Net book amount	**929**	1,269
Gains on write-off/disposal of property and equipment (Note 9)	**283**	541
Proceeds from disposal of property and equipment	**1,212**	1,810

(c) Net debt reconciliation for liabilities arising from financing activities:

Net Debt	**As at 31 December 2025 RMB million**	As at 31 December 2024 RMB million
Cash and cash equivalents	**12,312**	2,598
Borrowings – repayable within one year	**(31,409)**	(28,525)
Borrowings – repayable after one year	**(36,025)**	(41,084)
Lease liabilities	**(23,026)**	(22,933)
	(78,148)	(89,944)

Net Debt	**As at 31 December 2025 RMB million**	As at 31 December 2024 RMB million
Cash and cash equivalents	**12,312**	2,598
Gross debt – fixed interest rates	**(32,959)**	(44,724)
Gross debt – variable interest rates	**(57,501)**	(47,818)
	(78,148)	(89,944)

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

27 Cash generated from operating activities and financing activities (Continued)

(c) Net debt reconciliation for liabilities arising from financing activities: (Continued)

	Liabilities from financing activities		
	Borrowing RMB million	Lease liabilities RMB million	Total RMB million
Net debt as at 1 January 2024	(73,115)	(21,511)	(94,626)
Cash flows, net	1,905	10,896	12,801
Non-cash movement:			
– Lease liabilities (Note)	–	(12,152)	(12,152)
– Interest expense	5	(1,169)	(1,164)
– Early termination of lease contract	–	1,003	1,003
– Matured commercial acceptance bills which were discounted but not derecognised last year	1,596	–	1,596
Net debt as at 31 December 2024	(69,609)	(22,933)	(92,542)
Cash flows, net	**(2,561)**	**10,506**	**7,945**
Non-cash movement:			
– Lease liabilities (Note)	**–**	**(10,677)**	**(10,677)**
– Interest expense	**(3)**	**(1,061)**	**(1,064)**
– Early termination of lease contract	**–**	**1,139**	**1,139**
– Matured commercial acceptance bills which were discounted but not derecognised last year	**4,739**	**–**	**4,739**
Net debt as at 31 December 2025	**(67,434)**	**(23,026)**	**(90,460)**

Note:

The Group recorded an addition of right-of-use assets with the corresponding of lease liabilities amounting to approximately RMB10,677 million for the year ended 31 December 2025 (2024: RMB12,152 million).

28 Commitments

(a) Capital commitments

As at 31 December 2025 and 2024, the Group had capital commitments for construction expenditures and acquisition of properties as follows:

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Authorised and contracted for:		
Within 1 year	**2,003**	2,245

(b) Non-cancellable leases payment related to short-term lease and low-value lease

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
No later than 1 year	**524**	448

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

29 Statement of financial position and reserve movement of the Company

Statement of financial position of the Company

	Note	As at 31 December 2025 RMB million	2024 RMB million
Assets			
Non-current assets			
Property, plant and equipment		**177,512**	187,147
Construction in progress		**10,753**	11,896
Right-of-use assets		**31,796**	32,262
Deferred income tax assets		**2,830**	2,469
Other non-current assets		**1,653**	1,067
Investment in subsidiaries and an associate		**7,029**	6,829
		231,573	241,670
Current assets			
Trade and other receivables		**91,646**	87,498
Prepayments and other current assets		**2,715**	2,425
Cash and cash equivalents		**11,586**	2,105
		105,947	92,028
Total assets		**337,520**	333,698

29 Statement of financial position and reserve movement of the Company (Continued)

	Note	As at 31 December 2025 RMB million	2024 RMB million
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital	22(a)	**17,601**	176,008
Reserves	29(a)	**186,353**	24,024
Total equity		**203,954**	200,032
Liabilities			
Non-current liabilities			
Borrowings		**36,025**	41,077
Lease liabilities		**15,625**	15,618
Deferred government grants		**383**	377
Employee benefit obligations		**36**	37
		52,069	57,109
Current liabilities			
Borrowings		**31,406**	28,522
Lease liabilities		**7,387**	7,400
Accounts payable		**34,272**	32,627
Accrued expenses and other payables		**8,084**	7,696
Current income tax payable		**348**	312
		81,497	76,557
Total liabilities		**133,566**	133,666
Total equity and liabilities		**337,520**	333,698

The Statement of financial position of the Company was approved by the Board of Directors on 18 March 2026 and was signed by the following directors on its behalf:

ZHANG Zhiyong	**CHEN Li**
Director	Director

Notes to the Consolidated Financial Statements
(Expressed in RMB unless otherwise indicated)

29 Statement of financial position and reserve movement of the Company (Continued)

(a) Reserve movement of the Company

	Note	Share premium RMB million	Statutory reserves RMB million	Shares held under restricted share incentive scheme RMB million	Other reserves RMB million	Retained earnings RMB million	Total RMB million
At 1 January 2024		3,694	3,709	(1,954)	(1)	16,294	21,742
Profit for the year		–	–	–	–	10,727	10,727
Other comprehensive income		–	–	–	(3)	–	(3)
Dividends	22(c)	–	–	–	–	(8,442)	(8,442)
Transfer to statutory reserves		–	1,073	–	–	(1,073)	–
At 31 December 2024		3,694	4,782	(1,954)	(4)	17,506	24,024
Profit for the year		–	–	–	–	11,624	11,624
Other comprehensive income		–	–	–	(2)	–	(2)
Dividends	22(c)	–	–	–	–	(7,700)	(7,700)
Share Consolidation and Capital Reduction	22(a)	158,407	–	–	–	–	158,407
Transfer to statutory reserves		–	1,162	–	–	(1,162)	–
At 31 December 2025		162,101	5,944	(1,954)	(6)	20,268	186,353

30 Related party transactions

CMCC Group, CUC Group and CTC Group are considered as the Group's related parties.

(a) Significant transactions with related parties

	Note	Year ended 31 December 2025 RMB million	2024 RMB million
Provision of Tower business, DAS and other services	(i)	**85,505**	84,757
Purchases of various goods and services	(ii)	**9,485**	8,648
Rental charges for property and site ground lease	(iii)	**316**	388
Payments on behalf of related parties	(iv)	**30,594**	32,135
Proceeds from payments on behalf of related parties	(iv)	**31,067**	33,101

Note:

(i) Provision of Tower business, DAS and other services

The provision of the Tower business and DAS is based on the agreed terms in the Commercial Pricing Agreements and supplemental agreements signed by the Company and the Telecom Shareholders and set out in the provincial service agreements between the provincial branches of the Company and the provincial subsidiaries/branches of the Telecom Shareholders.

The Company completed the signing arrangement of the 2023-2027 Service Framework Agreements including provincial service agreements for a term of five years from 1 January 2023 to 31 December 2027 with each of the Telecom Shareholders and their respective ranches/subsidiaries during 2023.

Besides, the Group also provides Smart Tower business, Energy business and other services to CMCC Group, CUC Group and CTC Group, respectively.

(ii) Purchases of various goods and services

The Group purchases certain equipment, engineering design services, construction and supervision services, maintenance services, communications and IT services from CMCC Group, CUC Group and CTC Group. The transaction prices are mainly determined through mutual negotiation which are fair and reasonable.

(iii) Rental charges for property and site ground lease

The Group leases certain properties, site ground and warehouses from CMCC Group, CUC Group and CTC Group. On the adoption of IFRS 16, the Group recognises right-of-use assets and lease liabilities for leases in the statement of financial position, except for short-term leases and low-value leases.

For the year ended 31 December 2025, rental charges for property and site ground lease include short-term leases and low-value leases charges for use of property and site ground, the depreciation of the right-of-use assets, and the finance cost associated with the lease liabilities in relation to the aforementioned leasing arrangements with CMCC Group, CUC Group and CTC Group.

(iv) Payments on behalf of related parties

As mentioned in Note 19(b)(i), the Group paid certain sites electric power charges to electricity power companies or third parties, on behalf of the Three TSPs.

30 Related party transactions (Continued)

(b) Key management compensation

The remuneration of key management personnel is as follows:

	Year ended 31 December	
	2025	2024
	RMB thousand	RMB thousand
Salaries, allowances and bonuses	**3,670**	3,578
Contributions relating to social insurance and housing fund	**775**	755
Retirement benefits	**1,134**	1,185
	5,579	5,518

The key management of the Group had 8 members for the year ended 31 December 2025 (2024: 10 members).

During 2025, in addition to the remuneration of key management personnel in the table, the performance-based bonus paid by the Company for 2024 for them was within the range between RMB179 thousand to RMB440 thousand, excluding the additional bonuses of executive directors which disclosed in Note 7(a).

During 2025, in addition to the remuneration of key management personnel in the table, as approved by the board of directors and shareholders' meeting, the additional bonuses related to their term of service paid by the Company based on their performance upon the completion of three-year evaluation period from 2022 to 2024 was within the range between RMB105 thousand to RMB752 thousand, excluding the additional bonuses of executive directors which disclosed in Note 7(a).

During 2024, in addition to the remuneration of key management personnel in the table, the performance-based bonus paid by the Company for 2023 for them was within the range between RMB421 thousand to RMB431 thousand, excluding the additional bonuses of executive directors which disclosed in Note 7(a).

The remuneration of all key management were calculated based on their respective actual terms of office within this year.

30 Related party transactions (Continued)

(c) Balances with related parties

(i) Amount due from related parties

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Trade and other receivables	**77,283**	76,639
Prepayments and other current assets	**74**	171
Right-of-use assets	**324**	409

(ii) Amount due to related parties

	As at 31 December 2025 RMB million	As at 31 December 2024 RMB million
Accounts Payable	**6,066**	5,549
Accrued expense and other payable	**638**	501
Lease liabilities	**290**	367

Except for lease liabilities, the balances of amount due from/to related parties are unsecured, non-interest bearing and repayable on demand.

(d) Transactions with other state-owned entities in the PRC

The Group is a government-related enterprise and operates in an economic regime currently dominated by entities directly or indirectly controlled by the PRC government through government authorities, agencies, affiliations and other organization (collectively referred to as "**government-related entities**"). Apart from transactions with CMCC Group, CUC Group and CTC Group (Note 30(a)), the Group has collectively, but not individually, significant transactions with other government-related entities, which include but not limited to the following:

- provisioning of Smart Tower services and Energy business;
- rendering or receiving other services, such as construction services, logistics, transportation and maintenance services, etc.;
- purchasing of goods and services, including use of public utilities;
- placing of bank deposits, obtaining bank borrowings;
- leasing office premises or tower sites.

30 Related party transactions (Continued)

(d) Transactions with other state-owned entities in the PRC (Continued)

These transactions are conducted in the ordinary course of the Group's business based on terms comparable with the terms of transactions with other entities that are not government-related. The Group prices its services and products with the counterparties based on commercial negotiations. The Group has also established its procurement policies and approval processes for purchases of products and services, which do not depend on whether the counterparties are government-related entities or not.

31 Events after the reporting period

On 18 March 2026, the Board of Directors proposed a final dividend for the year ended 31 December 2025. Further details are disclosed in Note 22(c).

Financial Summary

(Expressed in RMB unless otherwise indicated)

RESULTS

	2025 RMB million	2024 RMB million	2023 RMB million	2022 RMB million	2021 RMB million
Operating revenue	**100,411**	97,772	94,009	92,170	86,585
Operating expenses					
Depreciation and amortisation	**(48,454)**	(50,229)	(49,049)	(49,532)	(49,982)
Repairs and maintenance	**(7,103)**	(6,992)	(7,408)	(7,593)	(5,796)
Employee benefits and expenses	**(10,077)**	(9,573)	(8,844)	(7,940)	(6,875)
Other operating expenses	**(17,417)**	(14,648)	(14,206)	(13,793)	(10,897)
	(83,051)	(81,442)	(79,507)	(78,858)	(73,550)
Operating profit	**17,360**	16,330	14,502	13,312	13,035
Other gains, net	**415**	365	1,114	1,095	303
Interest income	**36**	63	43	124	22
Finance costs	**(2,446)**	(2,639)	(2,827)	(3,003)	(3,745)
Profit before income taxation	**15,365**	14,119	12,832	11,528	9,615
Income tax expense	**(3,734)**	(3,389)	(3,082)	(2,741)	(2,287)
Profit for the year	**11,631**	10,730	9,750	8,787	7,382
Profit attributable to:					
Owners of the Company	**11,630**	10,729	9,750	8,787	7,329
Non-controlling interests	**1**	1	–	–	(1)
Other comprehensive income for the year, net of tax	**(2)**	(3)	6	–	(1)
Total comprehensive income for the year	**11,629**	10,727	9,756	8,787	7,327
Total comprehensive income for the year attributable to:					
Owners of the Company	**11,628**	10,726	9,756	8,787	7,328
Non-controlling interests	**1**	1	–	–	(1)
	11,629	10,727	9,756	8,787	7,327

The Company has adopted the IFRS 16 "Lease" on 1 January 2019. The Group recognized right-of-use assets and lease liabilities for almost all leases, except for short-term leases and low-value leases in the balance sheet, recorded depreciation & amortisation and finance cost accordingly.

Financial Summary
(Expressed in RMB unless otherwise indicated)

ASSETS AND LIABILITIES

	31 December 2025 RMB million	31 December 2024 RMB million	31 December 2023 RMB million	31 December 2022 RMB million	31 December 2021 RMB million
Assets					
Non-current assets					
Property, plant and equipment	**184,099**	192,770	201,542	209,377	221,419
Right-of-use assets	**31,873**	32,247	31,083	31,578	32,877
Construction in progress	**11,676**	12,718	12,313	12,339	14,709
Deferred income tax assets	**3,052**	2,618	2,208	1,930	1,892
Other non-current assets	**1,810**	1,121	778	630	4,018
	232,510	241,474	247,924	255,854	274,915
Current assets					
Trade and other receivables	**88,510**	85,907	71,685	42,260	34,194
Prepayments and other current assets	**3,247**	2,855	2,443	2,329	7,679
Cash and cash equivalents	**12,312**	2,598	3,955	5,117	6,471
	104,069	91,360	78,083	49,706	48,344
Total assets	**336,579**	332,834	326,007	305,560	323,259
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital	**17,601**	176,008	176,008	176,008	176,008
Reserves	**186,305**	23,970	21,686	17,583	13,346
Total equity attributable to owners of the Company	**203,906**	199,978	197,694	193,591	189,354
Non-controlling interests	**2**	1	–	–	–
Total equity	**203,908**	199,979	197,694	193,591	189,354

Financial Summary
(Expressed in RMB unless otherwise indicated)

	31 December 2025 RMB million	31 December 2024 RMB million	31 December 2023 RMB million	31 December 2022 RMB million	31 December 2021 RMB million
Liabilities					
Non-current liabilities					
Borrowings	**36,025**	41,084	49,329	31,448	41,572
Lease liabilities	**15,650**	15,555	14,647	14,947	15,677
Deferred government grants	**395**	380	368	376	436
Employee benefit obligations	**36**	37	35	40	38
	52,106	57,056	64,379	46,811	57,723
Current liabilities					
Borrowings	**31,409**	28,525	23,786	25,597	37,142
Lease liabilities	**7,376**	7,378	6,864	7,127	6,913
Accounts payable	**34,545**	33,269	28,286	26,646	25,264
Accrued expenses and other payables	**6,818**	6,280	4,825	5,510	6,342
Current income tax payable	**417**	347	173	278	521
	80,565	75,799	63,934	65,158	76,182
Total liabilities	**132,671**	132,855	128,313	111,969	133,905
Total equity and liabilities	**336,579**	332,834	326,007	305,560	323,259

Corporate Information

Company Name

China Tower Corporation Limited

Stock Code

Hong Kong Stock Exchange: 0788

Registered Office, Headquarters and Principal Place of Business in the PRC

Room 101, LG1 to 3/F
Building 14, North District
Yard No. 9, Dongran North Street
Haidian District, Beijing, PRC

Principal Place of Business in Hong Kong

Room 3401, 34/F, China Resources Building
26 Harbour Road
Wanchai, Hong Kong
Tel: (852) 2811 4566
Fax: (852) 2897 1266

Company's Website

www.china-tower.com

Board of Directors

Mr. Zhang Zhiyong *(Executive Director and Chairman of the Board)*
Mr. Chen Li *(Executive Director and General Manager)*
Mr. Cheng Jianjun *(Non-executive Director)*
Mr. Miao Shouye *(Non-executive Director)*
Mr. Luan Xiaowei *(Non-executive Director)*
Mr. Fang Xiaobing *(Non-executive Director)*
Mr. Pei Zhenjiang *(Independent Non-executive Director)*
Mr. Hu Zhanghong *(Independent Non-executive Director)*
Ms. Zhang Wei *(Independent Non-executive Director)*
Mr. Wen Bugao *(Independent Non-executive Director)*

Strategy Committee

Mr. Zhang Zhiyong *(Chairman)*
Mr. Chen Li
Mr. Cheng Jianjun
Mr. Miao Shouye
Mr. Luan Xiaowei
Mr. Fang Xiaobing

Remuneration and Appraisal Committee

Mr. Pei Zhenjiang *(Chairman)*
Mr. Miao Shouye
Mr. Hu Zhanghong
Ms. Zhang Wei
Mr. Wen Bugao

Nomination Committee

Mr. Zhang Zhiyong *(Chairman)*
Mr. Cheng Jianjun
Mr. Pei Zhenjiang
Mr. Hu Zhanghong
Ms. Zhang Wei
Mr. Wen Bugao

Audit Committee

Ms. Zhang Wei *(Chairman)*
Mr. Luan Xiaowei
Mr. Pei Zhenjiang
Mr. Hu Zhanghong
Mr. Wen Bugao

Connected Transaction Committee

Mr. Hu Zhanghong *(Chairman)*
Mr. Chen Li
Mr. Fang Xiaobing
Mr. Pei Zhenjiang
Ms. Zhang Wei
Mr. Wen Bugao

Supervisory Committee

Ms. Fan Xiaoqing *(Chairman of the Supervisory Committee and Employee Representative Supervisor)*
Ms. Cao Yingchun *(Shareholder Representative Supervisor)*
Mr. Li Zhangting *(Shareholder Representative Supervisor)*
Ms. Han Fang *(Shareholder Representative Supervisor)*
Ms. Li Tienan *(Shareholder Representative Supervisor)*
Mr. Wang Hongwei *(Employee Representative Supervisor)*

Secretary of the Board

Ms. Liu Qingzhou

Authorized Representatives

Mr. Zhang Zhiyong
Ms. Leung Suet Wing

Auditor

KPMG
Registered Public Interest Entity Auditor

H Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990
Email: hkinfo@computershare.com.hk

Definitions

In this annual report, unless the context otherwise requires, the following terms and expressions have the meanings set forth below.

"2018 AGM"	the annual general meeting of the Company held on 18 April 2019
"2022 AGM"	the annual general meeting of the Company held on 11 May 2023
"2022 Third EGM"	the extraordinary general meeting of the Company held on 30 December 2022
"2023 AGM"	the annual general meeting of the Company held on 20 May 2024
"2023 Second EGM"	the extraordinary general meeting of the Company held on 22 December 2023
"2024 AGM"	the annual general meeting of the Company held on 20 May 2025
"2025 AGM"	the annual general meeting of the Company to be held on 15 May 2026
"2024 Second EGM"	the extraordinary general meeting of the Company held on 23 December 2024
"2025 First EGM"	the extraordinary general meeting of the Company held on 23 July 2025
"2025 Second EGM"	the extraordinary general meeting of the Company held on 23 December 2025
"2021-2023 Property Lease Framework Agreement with CMCC"	the property lease framework agreement dated 19 October 2020 (with revision of annual caps on 19 October 2021) between the Company and CMCC
"2021-2023 Property Lease Framework Agreement with CTC"	the property lease framework agreement dated 19 October 2020 between the Company and CTC
"2021-2023 Property Lease Framework Agreement with CUC"	the property lease framework agreement dated 19 October 2020 between the Company and CUC

"2021-2023 Site Resource Service Framework Agreement with CMCC"	the agreement dated 19 October 2020 entered into between the Company and CMCC in relation to the provision of site resource service by the Company to CMCC and its associates
"2021-2023 Service Supply Framework Agreement with CMCC"	the service supply framework agreement dated 19 October 2020 between the Company and CMCC
"2021-2023 Service Supply Framework Agreement with CTC"	the service supply framework agreement dated 19 October 2020 between the Company and CTC
"2021-2023 Service Supply Framework Agreement with CUC"	the service supply framework agreement dated 19 October 2020 between the Company and CUC
"2021-2023 Value-added Service Framework Agreement with CTC"	the value-added service framework agreement dated 19 October 2021 between the Company and CTC
"2022-2023 Materials Procurement Framework Agreement with CMCC"	the materials procurement framework agreement dated 24 December 2022 between the Company and CMCC
"2022-2023 Materials Procurement Framework Agreement with CTC"	the materials procurement framework agreement dated 19 October 2021 between the Company and CTC
"2022-2023 Transmission Resource and Cloud Resource Lease Framework Agreement with CMCC"	the transmission resource and cloud resource lease framework agreement dated 24 December 2022 between the Company and CMCC
"2023-2027 Commercial Pricing Agreement(s)"	three in total, one commercial pricing agreement entered into by the Company with each of the Telecom Shareholders, which set out the updated pricing of the products and the services provided by the Company to the Telecom Shareholders and their branches/subsidiaries
"2023-2027 Service Agreement(s)"	the agreement(s) between the Company and each of the Telecom Shareholders, in relation to providing relevant services of tower products, DAS products, transmission products and service products to the Telecom Shareholders and their branches/subsidiaries
"2023-2027 Service Framework Agreements"	six in total, including the 2023-2027 Commercial Pricing Agreements and the 2023-2027 Service Agreements between the Company and each of the Telecom Shareholders

"2024-2025 Value-added Service Framework Agreement with CUC"	the agreement dated 27 November 2023 (with revision of annual cap on 16 October 2025) between the Company and CUC in relation to the provision of value-added services by the Company to CUC and/or its associates
"2024-2026 Comprehensive Service Framework Agreement with CMCC"	the agreement dated 27 November 2023 (with revision of annual caps on 16 October 2025) between the Company and CMCC in relation to the provision of comprehensive services by CMCC and/or its associates to the Group
"2024-2026 Materials Procurement Framework Agreement with CTC"	the materials procurement framework agreement dated 27 November 2023 (with revision of annual caps on 16 October 2025) between the Company and CTC
"2024-2026 Property Lease Framework Agreement with CTC"	the property lease framework agreement dated 27 November 2023 between the Company and CTC
"2024-2026 Property Lease Framework Agreement with CUC"	the property lease framework agreement dated 27 November 2023 between the Company and CUC
"2024-2026 Service Supply Framework Agreement with CTC"	the service supply framework agreement dated 27 November 2023 between the Company and CTC
"2024-2026 Service Supply Framework Agreement with CUC"	the service supply framework agreement dated 27 November 2023 (with revision of annual caps on 16 October 2025) between the Company and CUC
"2024-2026 Value-added Service Framework Agreement with CMCC"	the agreement dated 27 November 2023 (with revision of annual caps on 16 October 2025) between the Company and CMCC in relation to the provision of value-added services by the Company to CMCC and/or its associates
"2024-2026 Value-added Service Framework Agreement with CTC"	the agreement dated 27 November 2023 (with revision of annual caps on 16 October 2025) between the Company and CTC in relation to the provision of value-added services by the Company to CTC and/or its associates
"2026-2028 Value-added Service Framework Agreement with CUC"	the agreement dated 16 October 2025 between the Company and CUC in relation to the provision of value-added services by the Company to CUC and/or its associates
"Articles of Association" or "Articles"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors of the Company
"CCS"	China Communications Services Corporation Limited (中國通信服務股份有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 552) and a non-wholly owned subsidiary of CTC as of the Financial Year End Date

Definitions

"China" or "PRC"	the People's Republic of China, excluding, for the purpose of this report, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"China Mobile"	(i) China Mobile Limited (中國移動有限公司), a company listed on both the Hong Kong Stock Exchange (stock code: 941) and Shanghai Stock Exchange (stock code: 600941), which held the entire equity interest in China Mobile Company as of the Financial Year End Date, or (ii) one of the major telecommunications services providers in China, as the context may require
"China Mobile Company"	China Mobile Communication Company Limited (中國移動通信有限公司), a company which held 27.93% equity interest in the Company and was the single largest Shareholder as of the Financial Year End Date
"China Reform"	China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司), a company which indirectly held 4.41% equity interest in the Company as of the Financial Year End Date
"China Telecom"	(i) China Telecom Corporation Limited (中國電信股份有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 728) and Shanghai Stock Exchange (stock code: 601728), which held 20.50% equity interest in the Company as of the Financial Year End Date, or (ii) one of the major telecommunications services providers in China, as the context may require
"China Unicom"	(i) China Unicom (Hong Kong) Limited (中國聯合網絡通信(香港)股份有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 762), which held the entire equity interest in China Unicom Corporation as of the Financial Year End Date, or (ii) one of the major telecommunications services providers in China, as the context may require
"China Unicom Corporation"	China United Network Communications Corporation Limited (中國聯合網絡通信有限公司), a company which held 20.65% equity interest in the Company as of the Financial Year End Date
"China Unicom A Share Company"	China United Network Communications Limited (中國聯合網絡通信股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600050), in which CUC held 35.8% equity interest as of the Financial Year End Date

"CMCC"	China Mobile Communications Group Co., Ltd. (中國移動通信集團有限公司), which was a substantial Shareholder as of the Financial Year End Date
"CMCC Group"	CMCC and its subsidiaries (or CMCC and any one or more of its subsidiaries, as the context may require)
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "China Tower", "we" or "us"	China Tower Corporation Limited (中國鐵塔股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC on 15 July 2014
"Company Law" or "PRC Company Law"	Company Law of the People's Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
"Consolidated and Reduced Share(s)"	the share(s) with par value of RMB1.00 each in the share capital of the Company of RMB17,600,847,102 immediately after the Share Consolidation and Capital Reduction becoming effective, divided into 12,934,461,502 Domestic Shares and 4,666,385,600 H Shares
"Corporate Code"	the code for securities transactions by Directors, Supervisors and relevant employees of China Tower Corporation Limited adopted by the Company
"CTC"	China Telecommunications Corporation (中國電信集團有限公司), which was a substantial Shareholder as of the Financial Year End Date
"CTC Framework Agreement"	the transmission resource and cloud resource lease framework agreement dated 7 August 2024 entered into between the Company and CTC
"CTC Group"	CTC and its subsidiaries (or CTC and any one or more of its subsidiaries, as the context may require)
"CUC"	China United Network Communications Group Company Limited (中國聯合網絡通信集團有限公司), which was a substantial Shareholder as of the Financial Year End Date

Definitions

"CUC Framework Agreement"	the transmission resource and cloud resource lease framework agreement dated 7 August 2024 entered into between the Company and CUC
"CUC Group"	CUC and its subsidiaries (or CUC and any one or more of its subsidiaries, as the context may require)
"DAS"	indoor distributed antenna system, which is a system comprising of facilities for reception, emission and transmission of wireless communications signal for covering buildings, tunnels or other specific areas
"Davo Qihang"	Beijing Davo Qihang Management Consulting Services Co., Ltd. (北京達沃啟航管理諮詢服務有限公司), a wholly-owned subsidiary of China Reform and a company which held 2.14% equity interest in the Company as of the Financial Year End Date
"Director(s)"	director(s) of the Company
"Domestic Share(s)"	ordinary Shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
"EBITDA"	earnings before interest, tax, depreciation and amortization
"Existing Share(s)"	the share(s) with par value of RMB1.00 each in the share capital of the Company of RMB176,008,471,024 prior to the Share Consolidation and Capital Reduction becoming effective, divided into 129,344,615,024 Domestic Shares and 46,663,856,000 H Shares
"Financial Year End Date"	31 December 2025
"First Tranche of Grant"	the first tranche of Initial Grant under Restricted Share Incentive Scheme
"Group"	the Company and its subsidiaries
"Grant Date"	the date the Restricted Shares are formally granted to the Participants by the Board pursuant to the Restricted Share Incentive Scheme, which must be a trading day
"Grant Price"	the price per H Share for the grant of the Restricted Shares under the Restricted Share Incentive Scheme
"H Share Shareholder(s)"	holder(s) of H Shares

"H Share(s)"	overseas listed foreign Shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"HK$" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules" or "Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"IFRS(s)"	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board
"Independent Shareholders"	for the 2023-2027 Service Framework Agreements with a Telecom Shareholder, Shareholders who do not have any material interest in the 2023-2027 Service Framework Agreements with such Telecom Shareholder
"Independent Third Party(ies)"	an entity which is independent of and not connected to the Company or its connected persons, and which is not a connected person of the Company
"Initial Grant"	the initial grant of the Restricted Shares under the Restricted Share Incentive Scheme to the Participants
"Listing"	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
"Lock-up Period"	the period during which transfer of the Restricted Shares granted to the Participants under the Restricted Share Incentive Scheme is prohibited
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange

Definitions

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Over-allotment Option"	option granted by the Company to the international underwriters, exercisable by the joint representatives (on behalf of the international underwriters) pursuant to the international underwriting agreement, pursuant to which the Company may be required to allot and issue up to an aggregate of 6,467,220,000 additional H Shares at the offer price to, among other things, cover over-allocations in the international offering, if any, in relation to the global offering
"Participant(s)"	Directors, senior management and employees of the Company who are eligible for participation under the Restricted Share Incentive Scheme
"Principal Services Provided to the Telecom Shareholders"	relevant services of tower products, DAS products, transmission products and service products provided to the Telecom Shareholders and their respective subsidiaries by the Company, as further described in "Report of the Directors – Continuing Connected Transactions" in this annual report
"Relevant Products"	has the meaning as defined in "Report of the Directors – Continuing Connected Transactions – Principal Services Provided to the Telecom Shareholders" in this annual report
"Restricted Share(s)"	the incentive instrument of the Restricted Share Incentive Scheme, which would, subject to the fulfilment of the conditions as required by Restricted Share Incentive Scheme, entitle the Participants to be granted or subscribe for the restricted shares of the Company and the related shares newly issued as a result of the bonus issue or conversion shares of the Company
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Restricted Share Incentive Scheme"	the "China Tower Corporation Limited First Phase Restricted Share Incentive Scheme" adopted by the Company at the 2018 AGM, pursuant to which the Company can grant H Shares to the Participants
"SASAC"	the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會)

"Second Tranche of Grant"	the second tranche of Initial Grant under Restricted Share Incentive Scheme
"Securities and Futures Ordinance" or "SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each
"Share Consolidation and Capital Reduction"	the share consolidation and capital reduction on the basis that (i) every ten (10) Existing Shares with a par value of RMB1.00 each be consolidated into one (1) Consolidated and Reduced Share with a par value of RMB1.00 each; and (ii) the total issued share capital of the Company be reduced from RMB176,008,471,024 to RMB17,600,847,102
"Shareholder(s)"	holder(s) of the Shares
"Smart Tower business"	our trans-sector site application and information business
"Southbound Trading"	trading of H Shares of the Company listed on the Hong Kong Stock Exchange through the Shanghai Stock Exchange or Shenzhen Stock Exchange
"Southbound Shareholders"	holders of H Shares (including enterprises and individuals) who invest in the H Shares of the Company listed on the Hong Kong Stock Exchange through the Southbound Trading
"subsidiary(ies)"	has the meaning ascribed to it in Schedule 1 of the Companies Ordinance
"Supervisor(s)"	member(s) of Supervisory Committee
"Supervisory Committee"	supervisory committee of the Company
"Telecom Group Companies"	the ultimate controlling shareholders of each of the Telecom Shareholders, namely CMCC, CUC and CTC
"Telecom Shareholders"	the three telecommunications service providers as our Shareholders, namely China Mobile Company, China Unicom Corporation and China Telecom

"Three TSPs"	the three largest telecommunications services providers in China, namely China Mobile, China Unicom and China Telecom, which conduct business operations by themselves or through their respective subsidiaries
"Trustee"	the trustee to be determined by the Company for the administration of the Restricted Share Incentive Scheme, which will hold the Restricted Shares for the benefit of the Participants, subject to the terms and conditions of the trust deed
"TSPs"	telecommunications service providers that engaged in fixed communications, wireless communications and Internet access services
"Unlocking Period"	the period during which the Restricted Shares granted to the Participants under the Restricted Share Incentive Scheme may be conditionally transferred
"Value-added Service Framework Agreements"	the 2024-2026 Value-added Service Framework Agreement with CMCC, the 2024-2025 Value-added Service Framework Agreement with CUC and the 2024-2026 Value-added Service Framework Agreement with CTC

In this annual report, the terms "associate", "connected person", "connected transaction", "controlling shareholder" and "substantial shareholder" have the meanings given to such terms in the Hong Kong Listing Rules, unless the context otherwise requires.

Forward Looking Statements

The performance and the results of the operations of the Company contained in this 2025 annual report are historical in nature, and past performance is no guarantee of the future results of the Company. Any forward-looking statements and opinions contained within this 2025 annual report are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Company, the Directors and the employees of the Company assume (a) no obligation to correct or update the forward-looking statements or opinions contained in the 2025 annual report; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

CHINA TOWER CORPORATION LIMITED
中國鐵塔股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock Code : 0788

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