
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Yangtze Optical Fibre and Cable Joint Stock Limited Company*, you should at once hand this circular together with the accompanying proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Smart Link Better Life.

Yangtze Optical Fibre and Cable Joint Stock Limited Company* **長飛光纖光纜股份有限公司**

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6869)

- (1) REPORT OF THE BOARD FOR THE YEAR 2020**
- (2) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2020**
- (3) 2020 ANNUAL REPORT**
- (4) FINAL FINANCIAL REPORT FOR THE YEAR 2020**
- (5) PROPOSED PROFIT DISTRIBUTION PLAN FOR THE YEAR 2020**
- (6) PROPOSED RE-APPOINTMENT OF INDEPENDENT AUDITORS OF THE COMPANY FOR THE YEAR 2021**
- (7) PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT**
- (8) PROPOSAL ON THE 2021 ANNUAL EXTERNAL GUARANTEE AMOUNT**
- AND**
- (9) NOTICE OF ANNUAL GENERAL MEETING**

Letter from the Board is set out on pages 3 to 10 in this circular.

A notice convening the AGM to be held at Multi-Media Meeting Room, 201# Building, No. 9 Guanggu Avenue, East Lake High-tech Development Zone, Wuhan, Hubei Province, PRC on Friday, June 18, 2021 at 1:30 p.m. is set out on pages 17 to 19 of this circular.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon. The proxy form should be returned by holder of H Shares to the Company's H Share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by hand or by post not less than 24 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting should you so wish, but in such event the instrument appointing a proxy shall be deemed to be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

* For identification purpose only

May 18, 2021

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Multi-Media Meeting Room, 201# Building, No. 9 Guanggu Avenue, East Lake High-tech Development Zone, Wuhan, Hubei Province, PRC on Friday, June 18, 2021 at 1:30 p.m., or any adjournment thereof
“A Share(s)”	ordinary share(s) of the Company, with a nominal value of RMB1.00 each, which are traded in Renminbi and listed on the SSE (stock code: 601869)
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“Company”	Yangtze Optical Fibre and Cable Joint Stock Limited Company* (長飛光纖光纜股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the A Shares and H Shares of which are listed on SSE and the Main Board of the Stock Exchange, respectively
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“H Shares”	overseas listed foreign shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange and traded in Hong Kong dollars (stock code: 6869)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

* For identification purpose only

DEFINITIONS

“PRC”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Shares and/or H Shares
“Shareholder(s)”	holders of Shares
“SSE”	The Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed thereto under the Listing Rules
“Supervisors”	the supervisors of the Company

LETTER FROM THE BOARD



Smart Link Better Life.

Yangtze Optical Fibre and Cable Joint Stock Limited Company* **長飛光纖光纜股份有限公司**

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6869)

Executive Directors:

Mr. Zhuang Dan

Non-executive Directors:

Mr. Ma Jie (*Chairman*)

Mr. Philippe Claude Vanhille

Mr. Guo Tao

Mr. Pier Francesco Facchini

Mr. Frank Franciscus Dorjee

Mr. Xiong Xiangfeng

Ms. Lai Zhimin

Registered Office:

No. 9 Guanggu Avenue

East Lake High-tech Development Zone

Wuhan, Hubei Province

PRC

Principal Place of Business in Hong Kong:

Level 54

Hopewell Centre

183 Queen's Road East

Hong Kong

Independent Non-executive Directors:

Mr. Bingsheng Teng

Mr. Liu Deming

Mr. Song Wei

Dr. Wong Tin Yau, Kelvin

May 18, 2021

To the Shareholders

Dear Sir or Madam,

- (1) REPORT OF THE BOARD FOR THE YEAR 2020**
- (2) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2020**
- (3) 2020 ANNUAL REPORT**
- (4) FINAL FINANCIAL REPORT FOR THE YEAR 2020**
- (5) PROPOSED PROFIT DISTRIBUTION PLAN FOR THE YEAR 2020**
- (6) PROPOSED RE-APPOINTMENT OF INDEPENDENT AUDITORS OF THE COMPANY FOR THE YEAR 2021**
- (7) PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT**
- (8) PROPOSAL ON THE 2021 ANNUAL EXTERNAL GUARANTEE AMOUNT**
- AND**
- (9) NOTICE OF ANNUAL GENERAL MEETING**

* For identification purpose only

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to give you notice of the AGM and information in respect of the resolutions to be proposed at the AGM including (i) the report of the Board for the year 2020; (ii) the report of the Board of Supervisors for the year 2020; (iii) the 2020 annual report of the Company; (iv) the final financial report for the year 2020; (v) the proposed profit distribution plan for the year 2020; (vi) the re-appointment of KPMG Huazhen LLP as the independent auditors of the Company for the year 2021; (vii) the purchase of liability insurance for the Directors, Supervisors and senior management; (viii) the 2021 annual external guarantee amount; and (ix) the notice of AGM.

2. REPORT OF THE BOARD FOR THE YEAR 2020

An ordinary resolution will be proposed at the AGM to consider and approve the report of the Board for the year 2020, the text of which has been set out in the 2020 annual report of the Company published on April 28, 2021.

3. REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2020

An ordinary resolution will be proposed at the AGM to consider and approve the report of the Board of Supervisors for the year 2020, the text of which has been set out in the 2020 annual report of the Company published on April 28, 2021.

4. 2020 ANNUAL REPORT

An ordinary resolution will be proposed at the AGM to consider and approve the 2020 annual report of the Company. The audited financial statements were prepared in accordance with China Accounting Standards for Business Enterprises and the full text of the independent auditors' report for the year 2020 has been set out in the 2020 annual report of the Company published on April 28, 2021.

5. FINAL FINANCIAL REPORT FOR THE YEAR 2020

According to the consolidated financial statements of the Company audited by KPMG Huazhen LLP, the key highlights of the final financial report for 2020 of the Company are as follows:

- (i) In 2020, the revenue of the Company was RMB8,221.5 million, the profit for the year attributable to equity shareholders of the Company was RMB543.7 million, and the earnings per share was RMB0.72.
- (ii) As at December 31, 2020, the total assets of the Company was RMB15,855.6 million, the total liabilities were RMB6,470.1 million, the total equity attributable to equity shareholders of the Company was RMB9,047.5 million, and the total liabilities were 40.8% of the total assets of the Company.

LETTER FROM THE BOARD

- (iii) For the year ended December 31, 2020, the net cash generated from operating activities was RMB140.9 million, the net cash used in investing activities was RMB1,550.7 million, and the net cash generated from financing activities was RMB719.5 million.

6. PROPOSED PROFIT DISTRIBUTION PLAN FOR THE YEAR 2020

Based on the total share capital of 757,905,108 Shares issued and listed as of December 31, 2020, the Board proposed to distribute a dividend of RMB2.16 per 10 Shares (inclusive of tax), with the total dividends amounting to approximately RMB163,707,503 (inclusive of tax). The expected payment date is on or before August 31, 2021. The proposed dividend is subject to approval by Shareholders at the AGM to be held on June 18, 2021 by the Company. Should the proposal be approved, the dividend for holders of A Shares, including holders of A Shares through the Northbound Trading Link of the Shanghai-Hong Kong Stock Connect (hereinafter referred to as the “**Northbound Shareholders**”) and holders of H Shares through the Southbound Trading Link (including Shanghai and Shenzhen markets, hereinafter referred to as the “**Southbound Shareholders**”) will be declared and paid in RMB. Dividends to holders of H Shares, except the Southbound Shareholders, are paid in Hong Kong dollars. The exchange rate will be calculated as per the average exchange rate for converting RMB into Hong Kong dollars published by the People’s Bank of China during the five business days prior to the AGM.

With respect to the Southbound Shareholders, according to the relevant requirements of China Securities Depository and Clearing Corporation Limited, China Securities Depository and Clearing Corporation Limited (“**CSDC**”) Shanghai Branch and Shenzhen Branch shall receive cash dividends distributed by the Company as the nominee of the Southbound Shareholders for Shanghai market and Shenzhen market, respectively and distribute such cash dividends to the relevant Southbound Shareholders through its depository and clearing system.

In accordance with the Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) and its implementation rules effective on January 1, 2008, where a PRC domestic enterprise distributes dividends for financial periods beginning from January 1, 2008 to non-resident enterprise shareholders, it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the final dividend as enterprise income tax, distribute the final dividend to non-resident enterprise shareholders, i.e. any shareholders who hold the Company’s shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H Shares registered in the name of other organizations and groups.

In accordance with the requirements of the Circular on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from

LETTER FROM THE BOARD

foreign-invested enterprises. As the Company is a foreign-invested enterprise, the Company will not withhold and pay the individual income tax on behalf of individual shareholders when the Company distributes the dividends for the year ended 31 December 2020 to overseas individual shareholders whose names appear on the register of members of H shares of the Company.

For Northbound Shareholders, with regard to the dividends obtained by the investors (including enterprises and individuals) from investment in the A Shares of the Company listed on Shanghai Stock Exchange through the Hong Kong Stock Exchange, the Company will withhold income tax at the rate of 10%, and file tax withholding returns with the competent tax authority. Where there is any tax resident of a foreign country out of the investors through the Northbound Trading Link and the rate of income tax on dividends is less than 10%, as provided for in the tax treaty between the country and the PRC, the enterprise or individual may personally, or entrust a withholding agent to, file an application for the tax treatment under the tax treaty with the competent tax authority of the Company. Upon review, the competent tax authority will refund tax based on the difference between the amount of tax having been collected and the amount of tax payable calculated at the tax rate as set out in the tax treaty.

For Southbound Shareholders, in accordance with the Notice of Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), effective from November 17, 2014, and the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《財政部、國家稅務總局、證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), effective from December 5, 2016, with regard to the dividends obtained by individual mainland investors from investment in the H Shares of the Company listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, the Company will withhold their individual income tax at the rate of 20% in accordance with the register of individual mainland investors provided by CSDC. As to the withholding tax having been paid abroad, an individual investor may file an application for tax credit with the competent tax authority of CSDC with an effective credit document. With respect to the dividends obtained by mainland securities investment funds from investment in the H Shares of the Company listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, the Company will withhold their income tax with reference to the provisions concerning the collection of tax on individual investors. The Company will not withhold income tax on dividends obtained by mainland enterprise investors, and mainland enterprise investors shall file their income tax returns and pay tax themselves instead.

LETTER FROM THE BOARD

Holders of H Shares are advised to consult their own tax advisers about the tax effect in China, Hong Kong and/or other countries (regions) in respect of owning and disposing of H Shares if they are in any doubt as to the above arrangements.

7. PROPOSED RE-APPOINTMENT OF INDEPENDENT AUDITORS OF THE COMPANY FOR THE YEAR 2021

An ordinary resolution will be proposed at the AGM to consider and approve the proposed re-appointment of KPMG Huazhen LLP as the independent auditors of the Company for the year 2021, which will hold office until the conclusion of the next annual general meeting of the Company.

8. PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Since November 2014, the Company has purchased relevant liability insurance for Directors, Supervisors and senior management of the Company. The term of the current insurance will expire on June 30, 2021. The Board has resolved to propose that the Company shall continue to purchase liability insurance for Directors, Supervisors and senior management of the Company. The main terms for the liability insurance are as follows:

- (i) Policyholder: Yangtze Optical Fibre and Cable Joint Stock Limited Company*
(長飛光纖光纜股份有限公司)
- (ii) Insured persons: Directors, Supervisors and senior management of the Company
- (iii) Amount insured: USD50,000,000
- (iv) Term: 1 year

The Board intends to propose at the AGM to authorize the chairman of the Company within the above authority to handle any matters in relation to the purchase of liability insurance for Directors, Supervisors and senior management (including but not limited to, determining the scope of the insured, the insurance company, the amount insured, the premium and other insurance terms; selecting and appointing an insurance brokerage company or other intermediary agencies; executing relevant legal documents and dealing with other insurance related issues, etc.) and renew the liability insurance contract or enter into a new liability insurance contract upon or before the expiration of such liability insurance for Directors, Supervisors and senior management of the Company.

LETTER FROM THE BOARD

9. PROPOSAL ON THE 2021 ANNUAL EXTERNAL GUARANTEE AMOUNT

To satisfy the daily operational needs of each subsidiary of the Group, the Company proposed that during year 2021, the Company would provide its subsidiaries and those subsidiaries would provide among each other guarantees not exceeding the amount of USD190 million, RMB109 million, ZAR60 million and MXN5 million (Mexican Peso), equivalent to approximately RMB1.365 billion. In addition, it is proposed that the Board or such person as authorized by the Board, be authorized to handle the specific matters in relation to the external guarantee, including adjusting specific guarantee amount and signing relevant legal documents in accordance with actual business needs within the limit of the 2021 annual external guarantee amount contemplated under this proposal.

Details of the 2021 annual external guarantee amount are set out in Appendix I to this circular.

This proposal has been approved by the Board, and shall be submitted to the AGM for consideration and approval by way of an ordinary resolution pursuant to Article 65 the Articles of Association

10. AGM

The Board proposed to convene the AGM, to consider and, if thought fit, approve (i) the report of the Board for the year 2020; (ii) the report of the Board of Supervisors for the year 2020; (iii) the 2020 annual report of the Company; (iv) the final financial report for the year 2020; (v) the proposed profit distribution plan for the year 2020; (vi) the re-appointment of KPMG Huazhen LLP as the independent auditors of the Company for the year 2021; (vii) the purchase of liability insurance for the Directors, Supervisors and senior management; and (viii) the 2021 annual external guarantee amount, at Multi-Media Meeting Room, 201# Building, No. 9 Guanggu Avenue, East Lake High-tech Development Zone, Wuhan, Hubei Province, PRC on Friday, June 18, 2021 at 1:30 p.m.. The Company has provided holders of H Shares with the notice of the AGM and form of proxy.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon. The proxy form should be returned by holder of H Shares to the Company's H Share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by hand or by post not less than 24 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting should you so wish, but in such event the instrument appointing a proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

11. CLOSURE OF REGISTER OF MEMBERS

In order to determine the holders of H Shares who are qualified to attend the AGM and entitled to the proposed dividend (subject to approval of the Shareholders), the Company will suspend registration of H Share transfer on the following dates:

so as to determine the holders of H Shares who are qualified to attend and vote at the AGM:

Latest time for lodging transfers of H Shares	4:30 p.m., Friday, June 11, 2021
Closure date of H Share register of members	from Tuesday, June 15, 2021 to Friday, June 18, 2021 (both days inclusive)
Record Date	Tuesday, June 15, 2021
Latest time for return of proxy form of the AGM	1:30 p.m., Thursday, June 17, 2021
Date of the AGM	Friday, June 18, 2021

so as to determine the holders of H Shares who are entitled to the proposed dividend:

Latest time for lodging transfers of H Shares	4:30 p.m., Wednesday, June 23, 2021
Closure date of H Share register of members	from Thursday, June 24, 2021 to Friday, July 2, 2021 (both days inclusive)
Dividend Entitlement Date	Friday, July 2, 2021

In order for the holders of H Shares to be qualified to attend and vote at the AGM and be entitled to the proposed dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's H Share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration before the aforesaid deadline for lodging the transfer documents (for holders of H Shares).

Holders of H Shares whose names appear on the register of members of the Company on Friday, July 2, 2021 (the "**Dividend Entitlement Date**") are entitled to the proposed dividend of the Company (subject to approval of the Shareholders).

Shareholders of the Company should read this paragraph carefully. Should there be anyone who intends to change his/her identity as a Shareholder, please seek advice on the relevant procedures from the nominees or trustees. The Company is neither obligated nor responsible for ascertaining the identities of the Shareholders. In addition, the Company will

LETTER FROM THE BOARD

withhold corporate income tax and individual income tax in strict compliance with the relevant laws or regulations and the registered information on the H Share register of members as at the Dividend Entitlement Date, and will not entertain or assume responsibility for any requests or claims in relation to any delay or inaccuracies in ascertaining the identities of the Shareholders or any disputes over the arrangements for withholding the corporate income tax and individual income tax.

12. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

13. RECOMMENDATIONS

The Board considers that the resolutions proposed for consideration and approval by Shareholders at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the resolutions to be proposed at the AGM.

14. FURTHER INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully

For and on behalf of the Board

Yangtze Optical Fibre and Cable Joint Stock Limited Company*

長飛光纖光纜股份有限公司

Ma Jie

Chairman

* *For identification purpose only*

To satisfy the daily operational needs of each subsidiary of the Group, the Company proposed that during year 2021, the Company would provide its subsidiaries and those subsidiaries would provide among each other guarantees not exceeding the amount of USD190 million, RMB109 million, ZAR60 million and MXN5 million (Mexican Peso), equivalent to approximately RMB1.365 billion. Details of the 2021 annual external guarantee amount are set out below:

No.	Subsidiary	Estimated amount of guarantee in 2021
1	Yangtze Optical Fibre and Cable Company (Hong Kong) Limited	USD110,000,000
2	PT Yangtze Optics Indonesia	USD10,000,000
3	Yangtze Optics Africa Holdings Proprietary Limited	ZAR60,000,000
4	PT Yangtze Optical Fibre Indonesia	USD5,000,000
5	YOFC International (Singapore) Pte. Ltd.	USD5,000,000
6	YOFC Peru S.A.C.	USD60,000,000
7	YOFC International (Thailand) Co., Ltd.	RMB8,500,000
8	YOFC International (Philippines) Corporation	RMB100,000,000
9	YOFC International Mexico S.A. de C.V.	MXN5,000,000

The actual financing amount of each of the Company's subsidiary shall not exceed the amount guaranteed, and the actual financing amount shall be reasonably determined according to the actual needs of such company. As of January 28, 2021, the Company's cumulative external guarantee extended to its subsidiaries between its subsidiaries amounted to approximately RMB1.854 billion.

BASIC INFORMATION ON THE GUARANTEED PARTIES**1. Yangtze Optical Fibre and Cable Company (Hong Kong) Limited**

Registered Address: FLAT/RM01, BLK02, 26/F, Lippo Centre, No.89 Queensway, Hong Kong

Registered Capital: HKD80,000

Scope of Business: Engaging in the import and export trade of optical fibres, optical fibre cables and relevant raw materials

Shareholding Structure: 100% owned by the Company

Key Financial Position: As of September 30, 2020, Yangtze Optical Fibre and Cable Company (Hong Kong) Limited had total assets of RMB507.3656 million, total liabilities of RMB366.5909 million, net assets of RMB140.7747 million, current liabilities of RMB366.5728 million, non-current liabilities of RMB0.0182 million; operating income of RMB303.7261 million and net profit of RMB8.0271 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

2. PT Yangtze Optics Indonesia

Registered Address: Surya Cipta City of Industry Jl. Surya Madya X Kav.1-65 E4, Karawang, WestJava, Indonesia

Registered Capital: USD14,000,000

Scope of Business: Engaging in the business activities of the optical fibre and optical fibre cable industry

Shareholding Structure: 90% owned by the Company, 10% owned by PT Fiber Optik Teknologi Indonesia

Key Financial Position: As of September 30, 2020, PT Yangtze Optics Indonesia had total assets of RMB244.3679 million, total liabilities of RMB159.6267 million, net assets of RMB84.7412 million, current liabilities of RMB159.6267 million, non-current liabilities of nil; operating income of RMB83.2285 million and net loss of RMB1.7006 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

3. Yangtze Optics Africa Holdings Proprietary Limited

Registered Address: 322 15th Road, Randjespark, Midrand, Gaueng, 1685

Registered Capital: USD10,000,000

Scope of Business: Investment and trading

Shareholding Structure: 51% owned by the Company, 23.9% owned by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited, 25.1% owned by Mustek Limited

Key Financial Position: As of September 30, 2020, Yangtze Optics Africa Holdings Proprietary Limited had total assets of RMB63.2547 million, total liabilities of RMB9.1398 million, net assets of RMB54.1149 million, current liabilities of RMB9.1398 million, non-current liabilities of nil; operating income of RMB8.1532 million and net loss of RMB0.0805 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

4. PT Yangtze Optical Fibre Indonesia

Registered Address: Jl. Surya Madya X Kav 1-65 E3, Surya Cipta City of Industry, Desa Mulyasari Kecamatan Ciampel, Kabupaten Karawang

Registered Capital: IDR126.79 billion

Scope of Business: Engaging in the manufacturing and sales of optical fibre and optical fibre cable

Shareholding Structure: 70% owned by the Company, 30% owned by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited

Key Financial Position: As of September 30, 2020, PT Yangtze Optical Fibre Indonesia had total assets of RMB240.4201 million, total liabilities of RMB113.8360 million, net assets of RMB126.5842 million, current liabilities of RMB113.8360 million, non-current liabilities of nil; operating income of RMB50.0618 million and net loss of RMB1.8187 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

5. YOFC International (Singapore) Pte. Ltd.

Registered Address: 12 Marina Boulevard#17-01fzl Marina Bay Financial Centre Singapore

Registered Capital: USD8,000,000

Scope of Business: General import and export wholesale trade (import and export of telecommunication equipment for trade purpose) and other uncategorised telecommunication related business activities

Shareholding Structure: 100% owned by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited

Key Financial Position: As of September 30, 2020, YOFC International (Singapore) Pte. Ltd. had total assets of RMB29.4168 million, total liabilities of RMB22.7311 million, net assets of RMB6.6856 million, current liabilities of RMB22.7311 million, non-current liabilities of nil; operating income of RMB22.5660 million and net loss of RMB0.1560 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

6. YOFC Peru S.A.C.

Registered Address: Av. Enrique Canaval Moreyra N^o 480, Oficina 1501, Lima 27

Registered Capital: PEN108,693,728

Scope of Business: Provision of public telecommunication services, especially internet access and intranet services to public institutions, private entities and individuals; planning, design, construction, financing, operation, maintenance and/or repair of telecommunication networks and/or telecommunication systems and provision of other goods required for general telecommunication services, especially the goods required for provision of internet access and intranet services to public institutions, private entities and individuals; all actions related to the above that help achieve goals of the company and comply with the law are included

Shareholding Structure: 75% owned by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited, 25% owned by Yachay Telecomunicaciones S.A.C.

Key Financial Position: As of September 30, 2020, YOFC Peru S.A.C. had total assets of RMB663.0533 million, total liabilities of RMB616.2044 million, net assets of RMB46.8489 million, current liabilities of RMB53.2103 million, non-current liabilities of RMB562.9941 million; operating income of nil and net loss of RMB1.5346 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

7. YOFC International (Thailand) Co., Ltd.

Registered Address: Olympia Thai Tower, 13th Floor, 444 Ratchadapisek Road, Samsennok, Huay Kwang, Bangkok, The Kingdom of Thailand

Registered Capital: 1,000,000 issued shares of THB10 each

Scope of Business: Import and export of optical fibres, optical fibre cables and telecommunication products, engineering design, telecommunication facility construction, import and export of insulation materials, aluminium strips and steel strips required for optical fibre and optical fibre cable and other protective products for circuits and cables.

Shareholding Structure: 100% controlled by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited

Key Financial Position: As of September 30, 2020, YOFC International (Thailand) Co., Ltd. had total assets of RMB41.7049 million, total liabilities of RMB40.1959 million, net assets of RMB1.5090 million, current liabilities of RMB40.1959 million, non-current liabilities of nil; operating income of RMB37.1689 million and net loss of RMB2.0002 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

8. YOFC International (Philippines) Corporation

Registered Address: 3rd Flr. 170 Salcedo St., Legaspi Village, Makati City, Republic of the Philippines.

Registered Capital: 10,200,000 issued shares of PHP1.00 each

Scope of Business: Sales of optical fibres and optical fibre cables and related packaged engineering services

Shareholding Structure: 100% controlled by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited

Key Financial Position: As of September 30, 2020, YOFC International (Philippines) Corporation had total assets of RMB322.4482 million, total liabilities of RMB298.7202 million, net assets of RMB23.7280 million, current liabilities of RMB298.3523 million, non-current liabilities of RMB0.3679 million; operating income of RMB166.7054 million and net profit of RMB19.1054 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

9. YOFC International Mexico S.A. de C.V.

Registered Address: Ave Insurgentes Sur 730, Piso 1, Del Valle Centro, Mexico, Ciudad De MEXICO

Registered Capital: MXN50,000

Scope of Business: Import, export, distribution, maintenance, storage, sales and manufacturing of optical fibres and optical fibre cables, and businesses relating to the system integration of optical fibres, optical fibre cables and other optical communication products

Shareholding Structure: 100% controlled by Yangtze Optical Fibre and Cable Company (Hong Kong) Limited.

Key Financial Position: As of September 30, 2020, YOFC INTERNATIONAL MEXICO S.A. DE C.V. had total assets of RMB163.3598 million, total liabilities of RMB175.7637 million, net assets of -RMB12.4039 million, current liabilities of RMB175.7637 million, non-current liabilities of nil; operating income of RMB120.8266 million and net loss of RMB20.8461 million for the nine month period ended September 30, 2020. (The above information has not been audited and was converted into RMB)

NOTICE OF THE ANNUAL GENERAL MEETING



Smart Link Better Life.

Yangtze Optical Fibre and Cable Joint Stock Limited Company*
長飛光纖光纜股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6869)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM” or the “Meeting”) of Yangtze Optical Fibre and Cable Joint Stock Limited Company* (the “Company”) will be held on Friday, June 18, 2021 at 1:30 p.m. at Multi-Media Meeting Room, 201# Building, No. 9 Guanggu Avenue, East Lake High-tech Development Zone, Wuhan, Hubei Province, PRC, for the purpose of considering and if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To approve the report of the Board for the year 2020;
2. To approve the report of the Board of Supervisors for the year 2020;
3. To approve the 2020 annual report of the Company;
4. To approve the final financial report for the year 2020;
5. To approve the proposed profit distribution plan for the year 2020;
6. To approve the re-appointment of KPMG Huazhen LLP as independent auditors of the Company for the year 2021;
7. To approve the purchase of liability insurance for the Directors, Supervisors and senior management; and
8. To approve the 2021 annual external guarantee amount as set out in Appendix I to the circular of the Company dated May 18, 2021, and that the Board or such person as authorized by the Board, be authorized to handle the specific matters in relation to the external guarantee, including adjusting specific guarantee amount and signing relevant legal documents in accordance with actual business needs within the limit of the 2021 annual external guarantee amount contemplated under this proposal.

By Order of the Board
Yangtze Optical Fibre and Cable Joint Stock Limited Company*
長飛光纖光纜股份有限公司

Ma Jie
Chairman

Wuhan, PRC, May 18, 2021

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

(1) **Circular**

Details of the above proposed resolutions to be considered at the AGM are set out in the circular of the Company dated May 18, 2021 (the “**Circular**”). Unless otherwise defined in this notice, capitalized terms used in this notice shall have the same meanings as those defined in the Circular.

(2) **Closure of register of members and eligibility for attending the AGM**

Holders of H shares of the Company (“**H Shares**”) are advised that the register of members will be closed from Tuesday, June 15, 2021 to Friday, June 18, 2021 (both days inclusive). Holders of H Shares whose names appear on the register of members of the Company maintained in Hong Kong at close of business on Tuesday, June 15, 2021 are entitled to attend the AGM. Holders of H Shares who wish to attend the AGM but have not registered the transfer documents are required to deposit the transfer document together with the relevant share certificates at the H Share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Friday, June 11, 2021.

(3) **Closure of register of members and entitlement to the proposed dividend**

To ascertain the entitlement to the proposed dividend, holders of H Shares are advised that the register of members will be closed from Thursday, June 24, 2021 to Friday, July 2, 2021 (both days inclusive). Holders of H Shares whose names appear on the register of members of the Company maintained in Hong Kong at close of business on Friday, July 2, 2021 are entitled to the proposed dividend of the Company (subject to approval of the Shareholders). In order to qualify for the proposed dividend, holders of H Shares who have not registered the transfer documents are required to deposit the transfer document together with the relevant share certificates at the H Share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, June 23, 2021.

(4) **Proxy**

Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a shareholder of the Company. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorized in writing. If the shareholder is a body corporate, the proxy form must be either executed under its common seal or under the hand of its director(s) or duly authorized attorney(s). If the proxy form is signed by an attorney of the shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarised. To be valid, the proxy form together with the power of attorney or other authorization document (if any) must be lodged at the H Share registrar of the Company by the holder of H Shares by hand or by post not less than 24 hours before the time fixed for holding the AGM (i.e. not later than 1:30 p.m. on Thursday, June 17, 2021) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude a shareholder from attending and voting in person at the AGM if he so wishes, but in such event the instrument appointing a proxy shall be deemed to be revoked. The H Share registrar of the Company is Tricor Investor Services Limited, whose address is at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

(5) **Joint holder of shares**

In the case of joint holders of any shares of the Company, any one of such joint holders may vote at the above Meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto. However, if more than one of such joint holders is present at the Meeting, either personally or by proxy, the vote of the joint holder whose name stands first in the register of members of the Company and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s).

(6) **Voting by poll**

On a poll, every member present in person or by proxy shall be entitled to one vote for each share of the Company registered in his name. The result of such poll shall be deemed to be the resolution of the Meeting at which the poll was so taken.

NOTICE OF THE ANNUAL GENERAL MEETING

(7) **Other issues**

The AGM is expected to last for half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation, catering and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identification documents.

The AGM starts at 1:30 p.m. Registration for admission to the AGM will take place from 12:30 p.m. to 1:30 p.m.

References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Board comprises Zhuang Dan as executive director; Ma Jie, Philippe Claude Vanhille, Guo Tao, Pier Francesco Facchini, Frank Franciscus Dorjee, Xiong Xiangfeng and Lai Zhimin, as non-executive directors; Bingsheng Teng, Liu Deming, Song Wei and Wong Tin Yau, Kelvin, as independent non-executive directors.

* *For identification purpose only*