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## 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)

### 2023 THIRD QUARTERLY REPORT

This announcement is issued by Yangtze Optical Fibre and Cable Joint Stock Limited Company\* 長飛光纖光纜股份有限公司 (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The 2023 third quarterly report (unaudited, the “**Quarterly Report**”) contained in this announcement has been prepared in accordance with China Accounting Standards of Business Enterprises and the requirements on preparation and disclosure of quarterly report issued by China Securities Regulatory Commission, and has been approved by the board of directors (the “**Board**”) of the Company.

#### I. IMPORTANT NOTICE

- 1.1 The Board, board of supervisors, directors, supervisors and senior management officers of the Company undertake the authenticity, accuracy and completeness of the contents contained in this Quarterly Report without false representation, misleading statement or material omission, and they jointly and severally accept full responsibility.
- 1.2 Mr. Ma Jie, the legal representative of the Company, Mr. Zhuang Dan, the person in charge of the accounting affairs, and Mr. Jinpei Yang, the head of the accounting department (accounting director) warrant that the financial statements contained in this Quarterly Report are authentic, accurate and complete.
- 1.3 The Quarterly Report of the Company is unaudited.

\* For identification purpose only

## II. MAJOR FINANCIAL DATA

### 2.1 Major accounting data and financial indicators

Expressed in RMB

Item	The quarterly period (Note I) (Unaudited)	Increase/ decrease compared to the same quarter of last year (%)	Expressed in RMB	
			The reporting period (Note II) (Unaudited)	Increase/ decrease compared to the same period of last year (%)
Operating income	3,114,139,105	(19.14)	10,029,322,250	(2.08)
Net profit for the period attributable to shareholders of the Company	273,575,652	(21.84)	880,590,578	0.59
Net profit for the period attributable to shareholders of the Company excluding non-recurring items	146,366,413	(55.33)	710,021,393	(10.23)
Net cash generated in operating activities	Not applicable	Not applicable	670,377,436	(28.95)
Basic earnings per share (RMB/share)	0.36	(23.40)	1.16	–
Diluted earnings per share (RMB/share)	0.36	(23.40)	1.16	–
Weighted average return on equity (%)	2.48	Decrease by 1.14 percentage points	8.36	Decrease by 0.44 percentage points
		<b>30 September 2023</b> (Unaudited)	<b>31 December 2022</b> (Audited)	<b>Increase compared to the end of last year (%)</b>
Total assets		29,640,189,577	28,203,306,647	5.09
Total equity attributable to equity shareholders of the Company		11,403,795,776	10,144,245,884	12.42

Note I: The quarterly period refers to the three months from the beginning of the quarter to the end of the quarterly period.

Note II: The reporting period refers to the nine months from the beginning of the year to the end of the reporting period.

## 2.2 Non-recurring items and amount

Applicable  Not applicable

Items	Expressed in RMB	
	The quarterly period	The reporting period
Gains or losses from disposal of non-current assets	962,034	2,418,670
Government grants accounted into current gains or losses (other than government grants closely related to the businesses of the Company, and in a fixed or quantifiable amount in conformity with the common standards of the State)	55,158,033	117,457,364
Changes in fair value of financial assets and liabilities held for trading, derivative financial assets and liabilities, and investment income from disposal of financial assets and liabilities held for trading, derivative financial assets and liabilities, other investment on bonds, other than those held for effective hedging related to normal operations	2,092,098	21,809,144
Other non-operating income and expenses other than the above items	7,472,094	820,291
Other items accorded with the definition of non-recurring profit or loss	36,490,117	137,673,827
Income tax effect	(5,167,671)	(33,743,751)
Impact on non-controlling interests (after tax)	30,202,534	(75,866,360)
<b>Total</b>	<b><u>127,209,239</u></b>	<b><u>170,569,185</u></b>

## 2.3 Changes and reasons of major accounting data and financial indicators

Applicable  Not applicable

Item	Increase/ Decrease(%)	Main reason
Net profit for the period attributable to shareholders of the Company excluding non-recurring items – the quarterly period	(55.33)	Due to the decrease in operating revenue of the Company during the quarterly period as compared to the same period last year.

### III. INFORMATION OF SHAREHOLDERS

#### 3.1 Total number of shareholders, the shareholding of top ten shareholders and top ten tradable shareholders (or unrestricted shareholders) as at the end of the reporting period

Unit: share

Total number of shareholders

24,371

Name of shareholders (full name)	Shareholding of top ten shareholders					Nature of shareholders
	Shareholding as the end of the reporting period	Percentage (%)	Restricted shareholding	Pledged or locked-up Status	Number	
China Huaxin Post and Telecom Technologies Co., Ltd.	179,827,794	23.73	0	Nil	0	State-owned legal person
Draka Comteq B.V.	179,827,794	23.73	0	Nil	0	Overseas legal person
HKSCC Nominees Limited	171,613,849	22.64	0	Nil	0	Overseas legal person
Wuhan Yangtze Communications Industry Group Co., Ltd.	119,937,010	15.82	0	Nil	0	State-owned legal person
Ningbo Ruitu Business Management Consulting Partnership Enterprise	7,914,855	1.04	0	Nil	0	Others
China Resources Shengtuotou Trust Co., Ltd. – China Resources Trust • Shengli No. 5 Single Fund Trust	5,386,676	0.71	0	Nil	0	Others
Ningbo Ruiying Business Management Consulting Partnership Enterprise	4,572,500	0.60	0	Nil	0	Others
Hong Kong Securities Clearing Company Ltd	4,167,972	0.55	0	Nil	0	Overseas legal person
Shannxi International Trust Co., Ltd – Shannguotou • Fortune No. 59 Single Fund Trust.	2,496,466	0.33	0	Nil	0	Others
Shanghai Zhentou Capital Management Co., Ltd. – Zhentou Chuangxin No. 45 Private Securities Investment Fund	2,141,419	0.28	0	Nil	0	Others

## Shareholding of top ten unrestricted shareholders

Name of shareholders	Class and number of shares		
	Number of unrestricted tradable shares held	Class	Number
China Huaxin Post and Telecom Technologies Co., Ltd.	179,827,794	RMB ordinary shares	179,827,794
Draka Comteq B.V.	179,827,794	Overseas listed foreign shares	179,827,794
HKSCC Nominees Limited	171,613,849	Overseas listed foreign shares	171,613,849
Wuhan Yangtze Communications Industry Group Co., Ltd.	119,937,010	RMB ordinary shares	119,937,010
Ningbo Ruitu Business Management Consulting Partnership Enterprise	7,914,855	RMB ordinary shares	7,914,855
China Resources Shengtuotou Trust Co., Ltd. – China Resources Trust • Shengli No. 5 Single Fund Trust	5,386,676	RMB ordinary shares	5,386,676
Ningbo Ruiying Business Management Consulting Partnership Enterprise China	4,572,500	RMB ordinary shares	4,572,500
Hong Kong Securities Clearing Company Ltd	4,167,972	RMB ordinary shares	4,167,972
Shannxi International Trust Co., Ltd – Shannguotou • Fortune No. 59 Single Fund Trust	2,496,466	RMB ordinary shares	2,496,466
Shanghai Zhentou Capital Management Co., Ltd. – Zhentou Chuangxin No. 45 Private Securities Investment Fund	2,141,419	RMB ordinary shares	2,141,419

Explanation of associations or actions in concert among the above shareholders

There is a common general partner among Ningbo Ruitu Business Management Consulting Partnership Enterprise and Ningbo Ruiying Business Management Consulting Partnership Enterprise. In addition, the Company does not know whether the above other shareholders are related or act in concert.

Illustration of margin tradings and refinancing among top ten shareholders and top ten unrestricted shareholders (if any)

Not applicable

### 3.2 Total number of and top ten holders of preference shares and their unrestricted shareholdings as at the end of the reporting period

Applicable     Not applicable

#### IV. OTHER REMINDERS

Other important information about the Company's operation in the reporting period that investors should be reminded of

Applicable     Not applicable

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, 30 October 2023

*As at the date of this announcement, the Board comprises Mr. Zhuang Dan as executive Director; Mr. Ma Jie, Mr. Guo Tao, Mr. Philippe Claude Vanhille, Mr. Pier Francesco Facchini, Mr. Iuri Longhi, Mr. Xiong Xiangfeng and Mr. Mei Yong, as non-executive Directors; Mr. Bingsheng Teng, Mr. Song Wei, Dr. Wong Tin Yau, Kelvin and Ms. Li Chang'ai, as independent non-executive Directors.*

\* *For identification purposes only*

## V. APPENDIX

### 5.1 Financial statements

#### Consolidated Balance Sheet As at 30 September 2023

Prepared by: Yangtze Optical Fibre and Cable Joint Stock Limited Company

Expressed in RMB

Items	30 September 2023 (Unaudited)	31 December 2022 (Audited)
<b>Current assets:</b>		
Cash at bank and on hand	4,173,658,219	4,323,893,889
Financial assets held for trading	1,134,362,216	1,347,947,294
Bills receivable	666,243,682	698,622,284
Accounts receivable	5,361,050,737	5,035,236,390
Receivables under financing	119,233,033	133,861,169
Prepayments	207,141,590	188,716,783
Other receivables	240,335,240	182,451,824
Including: Interest receivable	–	–
Dividends receivable	–	57,980
Inventories	3,186,859,576	3,158,718,111
Other current assets	444,519,585	345,419,744
<b>Total current assets</b>	<b>15,533,403,878</b>	<b>15,414,867,488</b>
<b>Non current assets:</b>		
Long-term equity investments	3,350,581,237	1,828,164,430
Investments in other equity instruments	82,899,182	46,878,451
Other non-current financial assets	51,128,445	60,203,752
Fixed assets	6,069,537,613	5,749,362,064
Construction in progress	910,373,058	1,644,132,850
Right-of-use assets	73,795,771	55,116,615
Intangible assets	1,610,865,123	1,732,371,560
Goodwill	893,195,718	835,888,454
Long-term deferred expenses	82,495,678	26,924,819
Deferred tax assets	321,914,889	272,648,375
Other non-current assets	659,998,985	536,747,789
<b>Total non-current assets</b>	<b>14,106,785,699</b>	<b>12,788,439,159</b>
<b>Total assets</b>	<b>29,640,189,577</b>	<b>28,203,306,647</b>

Items	30 September 2023 (Unaudited)	31 December 2022 (Audited)
<b>Current liabilities:</b>		
Short-term loans	2,395,899,135	1,754,882,426
Bills payable	1,581,097,508	1,430,934,823
Accounts payable	1,671,153,986	2,031,652,081
Contract liabilities	928,678,275	816,649,511
Employee benefits payable	470,752,478	451,529,826
Taxes payable	196,922,660	154,138,414
Other payables	740,086,075	641,517,585
Including: Interest payable	–	–
Dividends payable	–	–
Non-current liabilities due within one year	1,239,169,261	732,895,951
Other current liabilities	20,377,225	61,057,878
<b>Total current liabilities</b>	<b>9,244,136,603</b>	<b>8,075,258,495</b>
<b>Non-current liabilities:</b>		
Long-term loans	4,807,714,062	3,950,988,482
Lease liabilities	57,011,706	40,204,695
Deferred income	430,818,407	412,445,638
Long-term payables	–	673,846,130
Deferred tax liabilities	255,093,814	257,758,846
Other non-current liabilities	71,337,813	255,743,147
<b>Total non-current liabilities</b>	<b>5,621,975,802</b>	<b>5,590,986,938</b>
<b>Total liabilities</b>	<b>14,866,112,405</b>	<b>13,666,245,433</b>
<b>Shareholders' equity:</b>		
Share capital	757,905,108	757,905,108
Capital reserve	3,557,626,085	2,938,596,940
Less: Treasury shares	–	33,653,461
Other comprehensive income	94,182,648	17,753,780
Surplus reserve	711,564,222	674,929,332
Retained earnings	6,282,517,713	5,788,714,185
Total equity attributable to equity shareholders of the Company	11,403,795,776	10,144,245,884
Non-controlling interests	3,370,281,396	4,392,815,330
<b>Total shareholders' equity</b>	<b>14,774,077,172</b>	<b>14,537,061,214</b>
<b>Total liabilities and shareholders' equity</b>	<b>29,640,189,577</b>	<b>28,203,306,647</b>

The head of  
the Company:

Ma Jie

The person in charge of  
accounting affairs:

Zhuang Dan

The head of  
the accounting department:

Jinpei Yang

**Consolidated Income Statement**  
**For the nine months ended 30 September 2023**

Prepared by: Yangtze Optical Fibre and Cable Joint Stock Limited Company

Expressed in RMB

Items	<b>For the nine months ended 30 September</b>	
	<b>2023</b> (Unaudited)	<b>2022</b> (Unaudited)
<b>I. Operating income</b>	10,029,322,250	10,242,432,745
Less: Operating costs	7,423,871,437	7,864,954,165
Taxes and surcharges	79,010,828	59,628,871
Selling and distribution expenses	347,720,278	271,887,697
General and administrative expenses	738,377,605	534,806,285
Research and development expenses	558,709,760	544,429,763
Financial expenses	101,181,229	60,358,156
Including: Interest expenses	172,814,383	133,870,048
Interest income	79,962,116	49,665,104
Add: Other income	120,827,864	66,839,162
Investment income	136,865,126	45,749,409
Including: Income from investment in associates and joint ventures	51,985,800	4,679,811
Gains/(losses) from changes in fair value	5,899,473	(787,055)
Credit losses	(114,445,040)	(64,236,517)
Impairment losses	(40,407,154)	(38,637,850)
Gains/(losses) from asset disposals	2,418,670	(1,443,106)
<b>II. Operating profit</b>	891,610,052	913,851,851
Add: Non-operating income	7,269,969	4,389,742
Less: Non-operating expenses	6,449,570	4,612,585
<b>III. Profit before income tax</b>	892,430,451	913,629,008
Less: Income tax expenses	67,159,696	49,801,814
<b>IV. Net profit for the period</b>	825,270,755	863,827,194
(1) Net profit classified by continuity of operations		
1. Net profit from continuing operations	825,270,755	863,827,194
2. Net profit from discontinued operations	–	–

Items	For the nine months ended	
	2023	2022
	(Unaudited)	(Unaudited)
(2) Net profit classified by ownership		
1. Shareholders of the Company	880,590,578	875,424,913
2. Non-controlling interests	(55,319,823)	(11,597,719)
<b>V. Other comprehensive income, net of tax</b>	80,994,400	24,639,470
Other comprehensive income (net of tax) attributable to shareholders of the Company	76,428,868	29,486,000
(1) Items that will not be reclassified to profit or loss	30,617,621	(6,783,545)
1. Changes in fair value of investments in other equity instruments	30,617,621	(6,783,545)
(2) Items that may be reclassified subsequently to profit or loss	45,811,247	36,269,545
1. Translation differences arising from translation of foreign currency financial statements	45,811,247	36,269,545
Other comprehensive income (net of tax) attributable to non-controlling interests	4,565,532	(4,846,530)
<b>VI. Total comprehensive income</b>	906,265,155	888,466,664
Total comprehensive income attributable to equity shareholders of the Company	957,019,446	904,910,913
Total comprehensive income attributable to non-controlling interests	(50,754,291)	(16,444,249)
<b>VII. Earnings per share:</b>		
(1) Basic earnings per share (RMB/share)	1.16	1.16
(2) Diluted earnings per share (RMB/share)	1.16	1.16

For the business combination under common control effected in the current period, the net profit recognized by the merged party before the combination was RMB0, and the net profit recognized by the merged party in the previous reporting period was RMB0.

The head of  
the Company:

Ma Jie

The person in charge of  
accounting affairs:

Zhuang Dan

The head of  
the accounting department:

Jinpei Yang

**Consolidated Statement of Cash Flow**  
**For the nine months ended 30 September 2023**

Prepared by: Yangtze Optical Fibre and Cable Joint Stock Limited Company

Expressed in RMB

Items	<b>For the nine months ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
	(Unaudited)	(Unaudited)
<b>I. Cash flows from operating activities:</b>		
Proceeds from sale of goods and rendering of services	10,744,056,883	9,061,429,375
Refund of taxes	214,640,960	217,347,930
Proceeds from other operating activities	142,983,706	185,238,133
<b>Sub-total of cash inflows</b>	<b>11,101,681,549</b>	<b>9,464,015,438</b>
Payment for goods and services	(8,833,401,099)	(7,194,248,311)
Payment to and for employees	(1,255,261,189)	(1,007,008,939)
Payment of various taxes	(239,159,521)	(153,918,483)
Payment for other operating activities	(103,482,304)	(165,339,472)
<b>Sub-total of cash outflows</b>	<b>(10,431,304,113)</b>	<b>(8,520,515,205)</b>
<b>Net cash inflow from operating activities</b>	<b>670,377,436</b>	<b>943,500,233</b>
<b>II. Cash flows from investing activities:</b>		
Proceeds from disposal of investments	1,028,509,200	2,208,361,626
Investments returns received	105,412,446	37,931,742
Net proceeds from disposal of fixed assets	6,757,954	25,425,914
Proceeds from other investing activities	–	44,429,785
<b>Sub-total of cash inflows</b>	<b>1,140,679,600</b>	<b>2,316,149,067</b>
Payment for acquisition of fixed assets, intangible assets and other long-term assets	(1,347,570,855)	(1,446,972,268)
Payment for acquisition of investments	(1,571,856,129)	(2,050,204,397)
Net cash paid to acquire subsidiaries and other business units	(490,791,750)	(355,687,052)
<b>Sub-total of cash outflows</b>	<b>(3,410,218,734)</b>	<b>(3,852,863,717)</b>
<b>Net cash outflow from investing activities</b>	<b>(2,269,539,134)</b>	<b>(1,536,714,650)</b>

Items	For the nine months ended 30 September	
	2023 (Unaudited)	2022 (Unaudited)
<b>III. Cash flows from financing activities:</b>		
Proceeds from investors	64,890,331	123,848,409
Including: proceeds from non-controlling shareholders of a subsidiary	64,890,331	123,848,409
Proceeds from borrowings	4,344,203,915	5,298,775,127
<b>Sub-total of cash inflows</b>	4,409,094,246	5,422,623,536
Repayments of borrowings	(2,344,531,807)	(2,971,667,942)
Payment for dividends, profit distributions or interest	(531,400,760)	(352,510,052)
Payment for other financing activities	(49,780,792)	(13,096,623)
<b>Sub-total of cash outflows</b>	(2,925,713,359)	(3,337,274,617)
<b>Net cash inflow from financing activities</b>	1,483,380,887	2,085,348,919
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	29,980,669	86,158,276
<b>V. Net (decrease)/increase in cash and cash equivalents</b>	(85,800,142)	1,578,292,778
Add: Cash and cash equivalents at the beginning of the period	4,211,073,257	2,750,079,562
<b>VI. Cash and cash equivalents at the end of the period</b>	4,125,273,115	4,328,372,340

The head of  
the Company:

Ma Jie

The person in charge of  
accounting affairs:

Zhuang Dan

The head of  
the accounting department:

Jinpei Yang