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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)

2024 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 2024 Third Quarterly Report of the Group as of 30 September 2024 (the “**Third 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 Third Quarterly Report issued by China Securities Regulatory Commission and has not been audited, which has been approved by the board of directors of the Company (the “**Board**”).

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 the Third Quarterly Report without false representation, misleading statement or material omission, and they jointly and severally accept full responsibility.
- 1.2 All directors of the Company have attended the Board meeting to consider and approve the Third Quarterly Report.
- 1.3 Ma Jie, the legal representative of the Company, Zhuang Dan, the person in charge of the accounting affairs, and Jinpei Yang, the head of the accounting department (accounting director) warrant that the financial statements contained in the Third Quarterly Report are authentic, accurate and complete.
- 1.4 The Third Quarterly Report is unaudited.

* For identification purpose only

II. CORPORATE INFORMATION

2.1 Major financial data

(Expressed in Renminbi “RMB”)

Items	The reporting period (Unaudited)	Increase or decrease from the corresponding period of prior year (%)	The beginning of the year to the end of the reporting period (Unaudited)	Increase or decrease from the corresponding period of prior year (%)	Increase compared to the end of prior year (%)
Operating income	3,346,410,877	7.46	8,694,498,588	(13.31)	
Net profit for the period attributable to equity shareholders of the Company	195,188,365	(28.65)	572,937,218	(34.94)	
Net profit for the period attributable to equity shareholders of the Company excluding non-recurring items	188,053,360	28.48	307,935,722	(56.63)	
Net cash used in operating activities	Not applicable	Not applicable	743,933,346	10.97	
Basic earnings per share (RMB/per share)	0.26	(27.78)	0.76	(34.48)	
Diluted earnings per share (RMB/per share)	0.26	(27.78)	0.76	(34.48)	
Weighted average return on equity (%)	1.70	Decreased by 0.78 percentage points	5.01	Decreased by 3.35 percentage points	
Total assets					5.09
Total equity attributable to equity shareholders of the Company					2.46

Note: “The reporting period” refers to the three-month period from the beginning to the end of the quarter, the same below.

2.2 Non-recurring items and amount

✓ Applicable □ Not applicable

(Expressed in RMB)

Items	The reporting period (Unaudited)	The beginning of the year to the end of the reporting period (Unaudited)
Losses from disposal of non-current assets, including the offset portion of the provision for impairment of assets already made	(2,923,361)	(8,338,978)
Government grants accounted into current gains and losses, except for those closely related to the Company's normal operations, in conformity with policies and regulations of the State, enjoyed according to certain standards, and having a sustained impact on the Company's profit and loss	16,210,053	89,878,844
Changes in fair value of financial assets and liabilities held by non-financial enterprises, as well as gains and losses from disposal of financial assets and liabilities other than those held for effective hedging related to normal operations	1,566,772	11,002,807
The investment cost of the enterprise to obtain the Subsidiary is less than the income generated by the fair value of the identifiable net assets of the investee at the time of obtaining the investment	—	194,328,581
Other non-operating income and expenses other than the above items	(2,290,896)	(10,204,179)
Other profit and loss items that meet the definition of non-recurring gains and losses	—	3,141,086
Less: Impact of income tax expenses	2,176,696	13,877,017
Impact on non-controlling interests (after tax)	3,250,867	929,648
合計	7,135,005	265,001,496

2.3 Changes and reasons of main accounting data and financial indicators

Items	Change proportion (%)	Main reason
Net profit for the period attributable to equity shareholders of the Company – the beginning of the year to the end of the reporting period	(34.94)	Mainly due to the decrease in gross profit caused by the decrease in revenue
Net profit for the period attributable to equity shareholders of the Company excluding non-recurring items – the beginning of the year to the end of the reporting period	(56.63)	Mainly due to the decrease in gross profit caused by the decrease in revenue
Basic earnings per share (RMB/per share) – the beginning of the year to the end of the reporting period	(34.48)	Mainly due to the decrease in gross profit caused by the decrease in revenue by decrease in revenue
Diluted earnings per share (RMB/per share) – the beginning of the year to the end of the reporting period	(34.48)	Mainly due to the decrease in gross profit caused by the decrease in revenue by decrease in revenue

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 24,279

Name of shareholders (full name)	Nature of shareholders	Shareholding of top ten shareholders			Pledged, marked or locked-up	
		Number of shares held	Percentage of shareholding (%)	Number of restricted shareholding	Status	Number
China Huaxin Post and Telecom Technologies Co., Ltd	State-owned legal person	179,827,794	23.73	0	Nil	0
Draka Comteq B.V.	Overseas legal person	179,827,794	23.73	0	Nil	0
HKSCC Nominees Limited	Overseas legal person	171,589,349	22.64	0	Nil	0
Wuhan Yangtze Communications Industry Group Co., Ltd.	State-owned legal person	119,937,010	15.82	0	Nil	0
Ningbo Ruitu Business Management Consulting Partnership Enterprise	Others	7,253,055	0.96	0	Nil	0
Shanghai Zhentou Asset Management Co., Ltd – Zhentou Chuangxin No.45 private security investment fund	Others	5,789,051	0.76	0	Nil	0
China Resources Shenguo Trust Co., Ltd. – China Resources Trust • Shengli No. 5 Single Fund Trust	Others	5,269,176	0.70	0	Nil	0
Ningbo Ruiying Business Management Consulting Partnership Enterprise	Others	3,963,200	0.52	0	Nil	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	3,424,683	0.45	0	Nil	0
Ningbo Ruiqi Business Management Consulting Partnership Enterprise	Others	1,556,545	0.21	0	Nil	0

Shareholding of top ten unrestricted shareholders

Name of shareholders (full name)	Number of unrestricted tradable shares held	Class and number of shares	
		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	171,589,349	Overseas listed foreign shares	171,589,349
Wuhan Yangtze Communications Industry Group Co., Ltd.	119,937,010	RMB ordinary shares	119,937,010
Ningbo Ruitu Business Management Consulting Partnership Enterprise	7,253,055	RMB ordinary shares	7,253,055
Shanghai Zhentou Asset Management Co., Ltd – Zhentou Chuangxin No.45 private security investment fund	5,789,051	RMB ordinary shares	5,789,051
China Resources Shengtuotou Trust Co., Ltd. – China Resources Trust • Shengli No. 5 Single Fund Trust	5,269,176	RMB ordinary shares	5,269,176
Ningbo Ruiying Business Management Consulting Partnership Enterprise	3,963,200	RMB ordinary shares	3,963,200
Hong Kong Securities Clearing Company Limited	3,424,683	RMB ordinary shares	3,424,683
Ningbo Ruiqi Business Management Consulting Partnership Enterprise	1,556,545	RMB ordinary shares	1,556,545

Explanation of associations or actions in concert among the above shareholders

There are related relationship for common executive partners among Ningbo Ruitu Business Management Consulting Partnership Enterprise, Ningbo Ruiying Business Management Consulting Partnership Enterprise, Ningbo Ruiqi Business Management Consulting Partnership Enterprise. In addition, the Company does not know whether the other shareholders mentioned above are related to each other or are acting 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 needs to be brought to the attention of the shareholders of the Company

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 2024

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. Lars Frederick Persson, 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 purpose only

V. APPENDIX

5.1 Financial statements

Consolidated Balance Sheet As at 30 September 2024

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

Items	Expressed in RMB	
	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Current assets:		
Cash at bank and on hand	3,084,184,335	3,895,836,574
Financial assets held for trading	1,669,027,472	1,048,211,393
Bills receivable	695,919,420	726,336,662
Accounts receivable	5,339,855,693	5,197,048,639
Receivables under financing	266,619,924	141,157,180
Prepayments	185,633,338	125,173,815
Other receivables	167,704,929	163,517,268
Inventories	3,142,959,676	2,941,352,651
Other current assets	311,556,231	317,660,688
Total current assets	14,863,461,018	14,556,294,870
Non-current assets:		
Long-term equity investments	3,278,984,249	3,303,333,932
Investments in other equity instruments	51,715,204	70,065,449
Other non-current financial assets	176,408,637	51,655,870
Fixed assets	6,852,474,375	6,731,878,425
Construction in progress	1,444,058,142	965,535,668
Right-of-use assets	98,398,219	82,388,148
Intangible assets	1,514,557,557	1,610,640,981
Goodwill	896,910,942	896,910,942
Long-term deferred expenses	74,014,530	62,809,995
Deferred tax assets	409,562,942	344,103,613
Other non-current assets	963,978,813	466,726,000
Total non-current assets	15,761,063,609	14,586,049,023
Total assets	30,624,524,627	29,142,343,893

Items	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Current liabilities:		
Short-term loans	2,500,259,318	1,749,536,836
Bills payable	1,205,726,524	1,368,353,135
Accounts payable	1,923,508,140	1,787,840,959
Contract liabilities	498,136,886	498,602,106
Employee benefits payable	368,205,192	538,427,393
Taxes payable	98,866,614	187,029,917
Other payables	1,286,029,148	1,670,745,115
Non-current liabilities due within one year	1,490,826,985	1,262,096,142
Other current liabilities	23,462,015	19,406,181
Total current liabilities	9,395,020,822	9,082,037,784
Non-current liabilities:		
Long-term loans	5,391,283,988	4,855,183,468
Lease liabilities	122,151,888	60,730,739
Long-term employee benefits payable	104,329,723	–
Deferred income	473,582,340	430,985,306
Deferred tax liabilities	229,327,893	238,142,674
Other non-current liabilities	94,387,944	77,766,485
Total non-current liabilities	6,415,063,776	5,662,808,672
Total liabilities	15,810,084,598	14,744,846,456
Shareholders' equity:		
Share capital	757,905,108	757,905,108
Capital reserve	3,161,911,585	3,066,048,015
Other comprehensive income	70,786,293	72,226,032
Surplus reserve	733,422,825	711,564,222
Retained earnings	6,860,880,318	6,699,364,928
Total equity attributable to shareholders of the Company	11,584,906,129	11,307,108,305
Non-controlling interests	3,229,533,901	3,090,389,132
Total equity	14,814,440,030	14,397,497,437
Total liabilities and shareholders' equity	30,624,524,627	29,142,343,893

Legal representative
of the Company:

Ma Jie

Person in charge of
accounting affairs:

Zhuang Dan

Head of
the accounting department:

Jinpei Yang

Consolidated Income Statement
For the nine months ended 30 September 2024

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

Expressed in RMB

Items	For the nine months ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
I. Operating income	8,694,498,588	10,029,322,250
Including: operating income	8,694,498,588	10,029,322,250
II. Total operating costs	8,123,219,066	9,248,871,137
Including: Operating costs	6,276,388,801	7,423,871,437
Taxes and surcharges	66,467,628	79,010,828
Selling and distribution expenses	336,251,225	347,720,278
General and administrative expenses	763,345,233	738,377,605
Research and development expenses	559,041,862	558,709,760
Financial expenses	121,724,316	101,181,229
Including: Interest expenses	181,489,473	172,814,383
Interest revenue	69,636,258	79,962,116
Add: Other income	153,181,634	120,827,864
Investment (losses)/income	(180,177,990)	136,865,126
Including: (losses)/income from investment in associates and joint ventures	(196,242,772)	51,985,800
Gains from changes in fair value	4,272,847	5,899,473
Credit losses	(84,790,279)	(114,445,040)
Impairment losses	(81,691,081)	(40,407,154)
(Losses)/gains from asset disposals	(8,338,978)	2,418,670
III. Operating profit	373,735,675	891,610,052
Add: Non-operating income	202,188,628	7,269,969
Less: Non-operating expenses	18,064,226	6,449,570
IV. Profit before income tax	557,860,078	892,430,451
Less: Income tax expenses	38,134,061	67,159,696
V. Net profit for the period	519,726,017	825,270,755
1. Shareholders of the Company	572,937,218	880,590,578
2. Non-controlling interests	(53,211,201)	(55,319,823)

Items	For the nine months ended	
	30 September	
	2024	2023
	(Unaudited)	(Unaudited)
VI. Other comprehensive income, net of tax	3,775,152	80,994,400
1. Other comprehensive income (net of tax) attributable to shareholders of the Company	(1,439,739)	76,428,868
i Items that will not be reclassified to profit or loss	(17,142,202)	30,617,621
(1) Changes in fair value of investments in other equity instruments	(17,142,202)	30,617,621
ii Items that may be reclassified subsequently to profit or loss	15,702,463	45,811,247
(1) Translation differences arising from translation of foreign currency financial statements	15,702,463	45,811,247
2. Other comprehensive income (net of tax) attributable to non-controlling interests	5,214,891	4,565,532
VII. Total comprehensive income for the period	523,501,169	906,265,155
1. Total comprehensive income attributable to shareholders of the Company	571,497,480	957,019,446
2. Total comprehensive income attributable to non-controlling interests	(47,996,311)	(50,754,291)
VIII. Earnings per share:		
1. Basic earnings per share (RMB/per share)	0.76	1.16
2. Diluted earnings per share (RMB/per share)	0.76	1.16

Legal representative
of the Company:

Person in charge
of accounting affairs:

Head of
the accounting department:

Ma Jie

Zhuang Dan

Jinpei Yang

Consolidated statement of Cash Flow
For the nine months ended 30 September 2024

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

Expressed in RMB

Items	For the nine months ended	
	30 September	2023
	2024	2023
	(Unaudited)	(Unaudited)
I. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	9,065,815,479	10,744,056,883
Refund of taxes	179,456,874	214,640,960
Proceeds from other operating activities	292,796,191	142,983,706
Sub-total of cash inflows	9,538,068,544	11,101,681,549
Payment for goods and services	6,822,181,819	8,833,401,099
Payment to and for employees	1,374,221,141	1,255,261,189
Payment of various taxes	388,309,114	239,159,521
Payment for other operating activities	209,423,124	103,482,304
Sub-total of cash outflows	8,794,135,198	10,431,304,113
Net cash outflow from operating activities	743,933,346	670,377,436
II. Cash flows from investing activities:		
Proceeds from disposal of investments	2,766,496,533	1,028,509,200
Investments returns received	154,475,334	105,412,446
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	26,389,015	6,757,954
Net proceeds from acquiring subsidiaries	42,465,226	–
Sub-total of cash inflows	2,989,826,108	1,140,679,600
Payment for acquisition of fixed assets, intangible assets and other long-term assets	943,684,495	1,347,570,855
Payment for acquisition of investments	4,178,362,299	1,571,856,129
Net cash paid for acquiring subsidiaries and other business units	–	490,791,750
Sub-total of cash outflows	5,122,046,794	3,410,218,734
Net cash outflow from investing activities	(2,132,220,686)	(2,269,539,134)

Items	For the nine months ended	
	2024	2023
	(Unaudited)	(Unaudited)
III. Net cash outflow from investing activities		
Proceeds from investors	288,034,917	64,890,331
Including: Cash received by subsidiaries from absorbing minority shareholder investments	288,034,917	64,890,331
Proceeds from borrowings	4,296,850,247	4,344,203,915
Sub-total of cash inflows	4,584,885,164	4,409,094,246
Repayments of borrowings	2,802,293,000	2,344,531,807
Payment for dividends, profit distributions or interest	587,279,280	531,400,760
Including: dividends and profits paid by subsidiaries to minority shareholders	18,425,292	50,734,313
Payment for other financing activities	564,323,493	49,780,792
Sub-total of cash outflows	3,953,895,773	2,925,713,359
Net cash inflow from financing activities	630,989,392	1,483,380,887
IV. Effect of foreign exchange rate changes on cash and cash equivalents	1,490,628	29,980,669
V. Net increase in cash and cash equivalents	(755,807,320)	(85,800,142)
Add: Cash and cash equivalents at the beginning of the period	3,774,557,783	4,211,073,257
VI. Cash and cash equivalents at the end of the period	3,018,750,463	4,125,273,115

Legal representative
of the Company:

Person in charge
of accounting affairs:

Head of
the accounting department:

Ma Jie

Zhuang Dan

Jinpei Yang

5.2 Auditor's report

Applicable Not applicable