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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)

POSITIVE PROFIT ALERT

This announcement is made by Yangtze Optical Fibre and Cable Joint Stock Limited Company* 長飛光纖光纜股份有限公司 (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) is pleased to announce that, based on the preliminary calculation by the finance department of the Company, the Company is expecting to record an increase in the net profit attributable to shareholders of the Company for the year ended December 31, 2022 in comparison with the corresponding period in the year of 2021.

Details of and the reasons for such estimated increase are set out below.

Important Notice:

1. The net profit attributable to shareholders of the Company was estimated to be in a range between RMB1,100 million and RMB1,200 million for the year ended December 31, 2022, representing an increase by a range between RMB391 million and RMB491 million, or 55% and 69% as year-over-year increase, compared with RMB709 million for the year ended December 31, 2021.
2. The net profit attributable to shareholders of the Company after deducting the non-recurring profit or loss was estimated to be in a range between RMB1,020 million and RMB1,120 million for the year ended December 31, 2022, representing an increase by a range between RMB709 million and RMB809 million, or 228% and 260% as year-over-year increase, compared with RMB311 million for the year ended December 31, 2021.

I. ESTIMATED RESULTS FOR THE CURRENT PERIOD

(1) Period to which the estimated results apply

January 1, 2022 to December 31, 2022.

(2) Estimated Results

Based on the preliminary calculation by the finance department of the Company, the net profit attributable to shareholders of the Company was estimated to be in a range between RMB1,100 million and RMB1,200 million for the year ended December 31, 2022, representing an increase by a range between RMB391 million and RMB491 million, or 55% and 69% as year-over-year increase, compared with RMB709 million for the year ended December 31, 2021.

The net profit attributable to shareholders of the Company after deducting the non-recurring profit or loss was estimated to be in a range between RMB1,020 million and RMB1,120 million for the year ended December 31, 2022, representing an increase by a range between RMB709 million and RMB809 million, or 228% and 260% as year-over-year increase, compared with RMB311 million for the year ended December 31, 2021.

- (3) The estimated operating results have not been audited by an accounting firm. The Company has preliminarily communicated with the Company's auditor about major issues in this announcement, and there was no substantial disagreement between the Company and the auditor.

II. RESULTS OF THE CORRESPONDING PERIOD IN THE YEAR OF 2021

Net profit attributable to the shareholders of the Company: RMB709 million. Net profit attributable to the shareholders of the Company after deducting the non-recurring profit or loss: RMB311 million.

Earnings per share: RMB0.94

III. MAIN REASONS FOR THE ESTIMATED GROWTH IN RESULTS FOR THE CURRENT PERIOD

- (1) In the year of 2022, benefited from the continual development of digital economy initiatives in domestic market including 5G deployment, gigabytes broadband and the Eastern Data, Western Computing project etc., as well as the widespread implementation of telecommunication network construction such as the Fibre-to-the-Home in both developed and developing countries, the demand for the Company's major products continued to increase, and the industry's supply and demand dynamics have remained steady.
- (2) The Company further implemented strategic measures such as diversification and internationalisation, in which its overseas business had a relatively high growth rate, and had a positive impact on the Company's profitability in 2022.
- (3) According to the Company's 2022 third quarterly report, as at the end of the third quarter of 2022, the Company recorded an increase of 55% in net profit attributable to shareholders of the Company as compare to the same period in 2021, and it has maintained solid business operation throughout the fourth quarter of 2022, the net profit attributable to shareholders of the Company is therefore expected to grow sequentially in the fourth quarter of 2022.

IV. RISK WARNING

There are no significant uncertainties pertaining to the Company identified as at the date of this announcement which may affect the accuracy of the estimated results.

V. OTHER INFORMATION

The Board would like to remind the investors that the above estimated results of the Company for the year ended December 31, 2022 were prepared based on preliminary accounting information only, which have not been audited by an accounting firm. Please refer to the announcement of the audited annual results for the year ended December 31, 2022 of the Company to be published subsequently for the finalized financial figures. Investors are advised to pay attention to any associated investment risks.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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, 29 January 2023

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

* *For identification purposes only*