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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Total revenue was approximately RMB9,809.0 million, increased by approximately RMB3,424.5 million, representing an approximately 53.6% increase as compared to the same period of last year.
- Gross profit was approximately RMB5,234.2 million, increased by approximately RMB3,427.6 million, representing an approximately 189.7% increase as compared to the same period of last year.
- Profit attributable to equity shareholders of the Company was approximately RMB2,924.5 million, increased by approximately RMB2,628.8 million, representing an approximately 889.0% increase as compared to the same period of last year.
- The Group's revenue from domestic customers increased by approximately 53.6%, as compared with the same period of last year. The Group's revenue from overseas customers increased by approximately 53.6%, as compared with the same period of last year.
- The Board recommended the payment of an interim dividend of RMB1.06 per share (before tax) for the period ended 30 June 2026 (for the six months ended 30 June 2025: nil).

The board of directors (the "**Board**") of Yangtze Optical Fibre and Cable Joint Stock Limited Company* 長飛光纖光纜股份有限公司 (the "**Company**" or "**YOFC**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Period**"), together with the comparative figures of the same period of last year as follows:

* *For identification purposes only*

Consolidated Income Statement
For the six months ended 30 June 2026
*(Expressed in Renminbi "**RMB**")*

		Notes	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
I.	**Operating income**	*4*	**9,808,962,180**	6,384,474,727
II.	**Less: Operating costs**	*4*	**4,574,781,566**	4,577,897,997
	Taxes and surcharges		**71,715,962**	50,990,325
	Selling and distribution expenses		**368,307,287**	240,711,173
	General and administrative expenses		**701,969,685**	538,892,315
	Research and development expenses		**501,248,942**	385,828,877
	Financial expenses	*5*	**190,556,686**	77,998,848
	Including: Interest expenses		**129,076,724**	123,899,619
	Interest revenue		**56,459,350**	24,916,372
	Add: Other income	*6*	**183,420,695**	97,111,504
	Investment gains/(losses)		**123,974,416**	(93,695,050)
	Including: Gains/(losses) from investment in associates and joint ventures		**107,994,179**	(136,542,425)
	Gains/(losses) from changes in fair value		**293,539,097**	(4,205,846)
	Credit losses		**(112,181,525)**	(140,587,749)
	Impairment losses		**(81,987,012)**	(58,513,900)
	Gains from disposal of assets		**2,620,135**	623,122
III.	**Operating profit**		**3,809,767,858**	312,887,273
	Add: Non-operating income		**9,238,915**	78,205,731
	Less: Non-operating expenses		**15,243,577**	4,772,623
IV.	**Profit before income tax**		**3,803,763,196**	386,320,381
	Less: Income tax expenses	*7*	**617,341,690**	39,907,206
V.	**Net profit for the period**		**3,186,421,506**	346,413,175
	Net profit for the period attributable to equity		**2,924,540,887**	295,743,225
	Non-controlling interests		**261,880,619**	50,669,950

	Notes	For the six months ended 30 June **2026** **(Unaudited)**	2025 (Unaudited)
VI. Other comprehensive income, net of tax		**(207,931,384)**	11,735,035
Other comprehensive income (net of tax) attributable to shareholders of the Company		**(194,197,122)**	1,429,028
(1) Items that cannot be reclassified subsequently to profit or loss		**(134,322,954)**	11,421,733
1. Changes in fair value of investments in other equity instruments		**(134,322,954)**	11,421,733
(2) Items that may be reclassified subsequently to profit or loss		**(59,874,168)**	(9,992,705)
1. Other comprehensive income recognised under the equity method which can be transferred to profit or loss		**(2,288,248)**	(408,070)
2. Cash flow hedge reserve		**(6,213,459)**	284,475
3. Translation differences arising from translation of foreign currency financial statements		**(51,372,461)**	(9,869,110)
Other comprehensive income (net of tax) attributable to non-controlling interests		**(13,734,262)**	10,306,007
VII. Total comprehensive income for the period		**2,978,490,122**	358,148,210
Total comprehensive income attributable to equity shareholders of the Company		**2,730,343,765**	297,172,253
Total comprehensive income attributable to non-controlling interests		**248,146,357**	60,975,957
VIII. Earnings per share:			
(1) Basic earnings per share	*8*	**3.56**	0.39
(2) Diluted earnings per share	*8*	**3.55**	0.39

Consolidated Balance Sheet

At 30 June 2026
*(Expressed in Renminbi "**RMB**")*

	Notes	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
ASSETS:			
Current assets:			
Cash at bank and on hand		**4,940,348,285**	5,763,700,058
Financial assets held for trading		**2,742,613,055**	1,683,204,456
Bills receivable	*10*	**626,305,410**	547,790,805
Accounts receivable	*11*	**7,269,994,943**	5,950,495,217
Receivables under financing	*12*	**240,581,170**	196,678,311
Prepayments		**121,473,594**	170,489,434
Other receivables		**159,211,230**	133,620,936
Inventories		**4,469,976,016**	3,153,427,347
Other current assets		**728,939,666**	597,727,612
Total current assets		**21,299,443,369**	18,197,134,176
Non-current assets:			
Long-term receivables		**1,434,867**	1,215,044
Long-term equity investments		**2,577,351,738**	2,256,227,332
Investments in other equity instruments		**409,725,262**	570,600,660
Other non-current financial assets		**23,384,386**	22,979,135
Fixed assets		**9,971,997,754**	9,801,445,413
Construction in progress		**756,104,294**	1,557,227,040
Right-of-use assets		**188,310,466**	191,110,628
Intangible assets		**1,680,822,427**	1,766,626,937
Goodwill		**952,021,634**	952,021,634
Long-term deferred expenses		**88,278,992**	78,637,765
Deferred tax assets		**771,586,515**	620,056,849
Other non-current assets		**433,431,056**	347,572,074
Total non-current assets		**17,854,449,391**	18,165,720,511
Total assets		**39,153,892,760**	36,362,854,687

	Notes	30 June 2026 (Unaudited)	31 December 2025 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term loans	*13*	**1,717,179,960**	2,282,456,991
Bills payable	*14*	**1,464,412,472**	1,468,364,462
Accounts payable	*15*	**2,755,556,468**	2,300,960,437
Contract liabilities		**740,929,509**	631,591,920
Employee benefits payable		**665,099,902**	389,633,420
Taxes payable		**669,514,822**	393,412,788
Other payables		**1,398,560,026**	1,168,353,005
Non-current liabilities due within one year		**2,093,678,799**	1,950,565,438
Other current liabilities		**54,691,175**	43,352,344
Total current liabilities		**11,559,623,133**	10,628,690,805
Non-current liabilities:			
Long-term loans	*16*	**3,988,409,501**	4,218,750,282
Debenture payables		**499,629,446**	499,544,479
Lease liabilities		**226,007,567**	222,527,789
Long-term payables		**1,000,410,564**	974,882,195
Provisions		**27,086,824**	22,690,138
Deferred income		**847,396,441**	763,269,129
Deferred tax liabilities		**291,997,370**	294,053,362
Other non-current liabilities		**333,205,608**	965,454,062
Total non-current liabilities		**7,214,143,321**	7,961,171,436
Total liabilities		**18,773,766,454**	18,589,862,241
SHAREHOLDERS' EQUITY:			
Share capital		**827,905,108**	827,905,108
Capital reserve		**4,961,956,125**	4,889,907,202
Less: Treasury stock		**195,773,914**	195,773,914
Other comprehensive income		**(219,465,564)**	(25,268,442)
Special reserve		**1,566,820**	1,006,780
Surplus reserve		**768,331,572**	768,331,572
Retained earnings		**10,219,840,728**	7,539,531,848
Total equity attributable to shareholders of the Company		**16,364,360,875**	13,805,640,154
Non-controlling interests		**4,015,765,431**	3,967,352,292
Total shareholders' equity		**20,380,126,306**	17,772,992,446
Total liabilities and shareholders' equity		**39,153,892,760**	36,362,854,687

Notes:

1. CORPORATE INFORMATION

Yangtze Optical Fibre and Cable Company Ltd. 長飛光纖光纜有限公司 was established in the People's Republic of China (the "**PRC**" or "**China**") on 31 May 1988 as a sino-foreign equity joint venture. On 27 December 2013, it was renamed as Yangtze Optical Fibre and Cable Joint Stock Limited Company* 長飛光纖光纜股份有限公司 and was converted into a foreign invested joint stock limited liability company in the PRC. On the same date, the Company's equity was converted into 479,592,598 ordinary shares with a par value of RMB1.00 each.

The Company's H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") on 10 December 2014. On the same date, the Company issued a total number of 159,870,000 H shares with a par value of RMB1.00 each at a price of HK$7.39 per H share by way of public offering of the Company's H shares to Hong Kong and overseas investors.

On 18 December 2015, the Company completed the issuance of domestic shares and H shares to certain directors and selected employees and the private placement of H shares to four independent professional institutional investors. A total number of 42,652,000 shares (including H shares and domestic shares) with a par value of RMB1.00 each were issued at a subscription price of HK$7.15 per share.

The China Securities Regulatory Commission has approved the initial public offering of A shares by the Company and the A shares of the Company were listed on the Shanghai Stock Exchange on 20 July 2018. The Company issued 75,790,510 A shares to the public at the issue price of RMB26.71 per A share and 330,547,804 domestic shares were converted into A shares. Upon the issue of A shares, the total number of issued shares of the Company became 757,905,108 shares (comprising 351,566,794 H shares and 406,338,314 A shares). The total proceeds from the issue of the A shares amounted to RMB2,024,364,522 and the net proceeds (after deducting issue expenses) amounted to RMB1,894,337,174.

On December 17, 2025, the Company issued 70,000,000 additional H Shares at a placing price of HK$32.26 per share as authorized by the general meeting of the Company, and such shares were listed on the same date. The gross proceeds from the placing amounted to approximately HK$2,258.20 million and net proceeds from the placing amounted to approximately HK$2,229.46 million (after deduction of the fees, commissions and expenses).

The Company is a global leading supplier of optical fibre preforms, optical fibres, optical fibre cables and other relevant products in telecommunication industry. The Company primarily manufactures and sells optical fibre preforms, optical fibres, optical fibre cables, optical components and modules and other relevant products with various standard specifications that are widely used in the telecommunications industry. The Company also designs and produces specialty optical fibres and cables, integration systems, engineering design and service that are customised to customers' specifications. The Company has comprehensive product portfolios and provides a wide range of products and relevant solutions for the global telecommunications industry and other sectors, including utilities, transportation, petrochemical and healthcare. The Company provides high-quality products and services in more than 100 countries and regions.

2. PREPARATION BASIS OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standards issued by the Ministry of Finance of the People's Republic of China and the specific accounting standards and application guidelines, interpretations and other relevant regulations promulgated and subsequently promulgated by the Ministry of Finance of the People's Republic of China and "Regulation on the Preparation of Information Disclosures by Companies Issuing Securities, No. 15: General Requirements for Financial Reports" as revised by the China Securities Regulatory Commission. The Company prepares the financial statements based on the going-concern basis.

3. REVENUE

The Group is principally engaged in the manufacturing and sales of optical fibre preforms, optical fibres, optical fibre cables, optical components and modules and other related products and services. Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

4. OPERATING INCOME AND COSTS

Items	For the six months ended 30 June 2026 (Unaudited) Income	Cost	2025 (Unaudited) Income	Cost
Principal activities	**9,636,001,206**	**4,445,522,090**	6,298,158,567	4,495,972,142
Other operating activities	**172,960,974**	**129,259,476**	86,316,160	81,925,855
Total	**9,808,962,180**	**4,574,781,566**	6,384,474,727	4,577,897,997
Including: Operating income generated from contract	**9,808,962,180**	**4,574,781,566**	6,384,474,727	4,577,897,997

5. FINANCIAL EXPENSES

Items	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Interest expenses on loans and payables	**129,844,017**	128,634,330
Interest on lease liabilities	**5,741,897**	1,464,737
Less: Borrowing costs capitalised*	**(6,509,189)**	(6,199,448)
Interest income from deposits	**(56,459,350)**	(24,916,372)
Net exchange losses/(gains)	**112,472,759**	(32,752,234)
Other financial expenses	**5,466,552**	11,767,835
Total	**190,556,686**	77,998,848

* The interest rate per annum, at which the borrowing costs were capitalized for the period by the Group was 0.228% (the first half of 2025: 0.13%).

6. OTHER INCOME

Item	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Government grants related to assets	**52,615,580**	23,888,271
Government grants related to income	**130,805,115**	73,223,233
Total	**183,420,695**	97,111,504

7. INCOME TAX EXPENSES

	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Income tax expenses for the period based on tax laws and regulations	**723,261,600**	116,749,012
Changes in deferred income tax	**(123,333,822)**	(72,151,212)
Tax filling differences	**17,413,912**	(4,690,594)
Total	**617,341,690**	39,907,206

(1) The analysis of changes in deferred income tax is as follows:

Item	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Originations and reversals of temporary differences	**(123,333,822)**	(72,151,212)

(2) Reconciliation between income tax and accounting profit is as follows:

Item	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Profit before income tax	**3,803,763,196**	386,320,381
Income tax expenses calculated at tax rate of 25%	**950,940,799**	96,580,095
Effect of tax rate differences	**(462,246,770)**	(55,343,784)
Effect of tax filling difference	**17,413,912**	(4,690,594)
Effect of non-taxable income	**79,803,828**	52,989,368
Effect of non-deductible cost, expense and loss	**71,526,223**	4,835,033
Effect of temporary differences from using the former unrecognised deferred tax assets unrecognised deferred tax assets	**(33,158,448)**	(19,911,497)
Additional qualified tax deduction relating to research and development costs	**(102,868,601)**	(79,195,720)
Effect of deductible temporary differences or deductible tax losses for which no deferred tax asset was recognized this period	**95,930,747**	44,644,305
Income tax expenses for the Period	**617,341,690**	39,907,206

The Company and its subsidiaries in the PRC are subject to PRC enterprise income tax at the statutory tax rate of 25%.

According to the High-tech Enterprise Certificate No. GR202342002827 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration, the Company was entitled to High Tech Enterprise qualification and enjoyed a preferential tax rate of 15% from 14 November 2023 to 14 November 2026.

According to the High-tech Enterprise Certificate No. GR202442005848 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration, EverPro Technologies Company Limited, a subsidiary of the Company, was entitled to High Tech Enterprise qualification and enjoyed a preferential tax rate of 15% from 24 December 2024 to 24 December 2027.

According to the High-tech Enterprise Certificate No. GR202342002604 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration, Yangtze Optical Fibre (Qianjiang) Company Limited, a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed a preferential tax rate of 15% with preferential tax treatments in deductions from research and development costs from 26 October 2023 to 26 October 2026.

According to the High-tech Enterprise Certificate No. GR202342000569 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration, Hubei Flying Optical Fibre Material Co., Ltd., a subsidiary of the Company, was entitled to High Tech Enterprise qualification and enjoyed a preferential tax rate of 15% with preferential tax treatments in deductions from research and development costs from 16 October 2023 to 16 October 2026.

According to the High-tech Enterprise Certificate No. GR202442000265 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration, Yangtze Gas Qianjiang Company Limited., a subsidiary of the Company, was entitled to High Tech Enterprise qualification and enjoyed a preferential tax rate of 15% from 27 November 2024 to 27 November 2027.

According to the High-tech Enterprise Certificate No. GR202542001512 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration, Polytech Qianjiang Company Limited., a subsidiary of the Company, was entitled to High Tech Enterprise qualification and enjoyed a preferential tax rate of 15% from 19 December 2025 to 19 December 2028.

According to the High-tech Enterprise Certificate No. GR202433000263 issued by Zhejiang Science and Technology Department, Zhejiang Provincial Department of Finance, Zhejiang Provincial Tax Service and State Taxation Administration, Zhejiang Ally First Optical Fibre and Cable Company Limited, a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed the preferential tax rate of 15% from 6 December 2024 to 6 December 2027.

According to the High-tech Enterprise Certificate No. GR202351001128 issued by Sichuan Science and Technology Department, Sichuan Provincial Department of Finance, Sichuan Provincial Tax Service, State Taxation Administration, Sunstar Communication Technology Company Limited, a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed a preferential tax rate of 15% with preferential tax treatments in deductions from research and development costs from 16 October 2023 to 16 October 2026.

According to the High-tech Enterprise Certificate No. GR202551002069 issued by Sichuan Science and Technology Department, Sichuan Provincial Department of Finance, Sichuan Provincial Tax Service, State Taxation Administration, a subsidiary of the Company, Finetop Science & Technology Company Limited, was entitled to High Tech Enterprise qualification, and enjoyed the preferential tax rate of 15% from 8 December 2025 to 8 December 2028.

According to the High-tech Enterprise Certificate No. GR202542001734 issued by the Hubei Provincial Department of Science and Technology, the Hubei Provincial Department of Finance and the Hubei Provincial Tax Service, State Taxation Administration, Yangtze (Wuhan) Optical Systems Corporation, a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed the preferential tax rate of 15% from 19 December 2025 to 19 December 2028.

According to the High-tech Enterprise Certificate No. GR202412003276 issued by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau and the Tianjin Municipal Tax Service, State Taxation Administration, Yangtze Optical Fibre and Cable (Tianjin) Company Limited, a subsidiary of the Company, enjoys the qualification of high-tech enterprise and enjoys a preferential tax of 15% from 3 December 2024 to 3 December 2027.

According to the High-tech Enterprise Certificate No. GR202332001816 issued by Jiangsu Municipal Science and Technology Bureau, Jiangsu Finance Bureau and the Jiangsu Municipal Tax Service, State Taxation Administration, Yangtze Optical Cable (Suzhou) Company Limited, a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed a preferential tax rate of 15% from 6 November 2023 to 6 November 2026.

According to the High-tech Enterprise Certificate No. GR202532011912 issued by Jiangsu Municipal Science and Technology Bureau, Jiangsu Finance Bureau and the Jiangsu Municipal Tax Service, State Taxation Administration, Yangtze (Jiangsu) Marine Technology Company Limited, a subsidiary of the Company, enjoys the qualification of high-tech enterprise and enjoyed a preferential tax of 15% from 19 December 2025 to 19 December 2028.

According to the High-tech Enterprise Certificate No. GR 202442001324 issued by the Hubei Provincial Department of Science and Technology, the Hubei Provincial Department of Finance and the Hubei Provincial Tax Service, State Taxation Administration, the Company's subsidiary, YOFC Quartz Technology (Wuhan) Company Limited., enjoyed the qualification of high-tech enterprise and enjoyed a preferential tax rate of 15% from 27 November 2024 to 27 November 2027.

According to the High-tech Enterprise Certificate No. GR202333009634 issued by Zhejiang Municipal Science and Technology Bureau, Zhejiang Finance Bureau and the Zhejiang Province Tax Service, State Taxation Administration, EverProX Technologies Co., Ltd., a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed a preferential tax rate of 15% from 8 December 2023 to 8 December 2026.

According to the High-tech Enterprise Certificate No. GR202342008441 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, Hubei Provincial Tax Service, State Taxation Administration, Everfoton Technologies Corporation Limited, a subsidiary of the Company, enjoyed the qualification of high-tech enterprise and enjoys a preferential tax of 15% from 8 December 2023 to 8 December 2026.

According to the High-tech Enterprise Certificate No. GR202533010572 issued by Zhejiang Municipal Science and Technology Bureau, Zhejiang Finance Bureau and the Zhejiang Province Tax Service, State Taxation Administration, Penta Laser (Zhejiang) Co., Ltd., a subsidiary of the Company, was entitled to High Tech Enterprise qualification, and enjoyed a preferential tax rate of 15% from 19 December 2025 to 19 December 2028.

According to the High-tech Enterprise Certificate No. GR202437001839 issued by Shandong Provincial Department of Science and Technology, Shandong Provincial Department of Finance, Shandong Provincial Tax Service, State Taxation Administration, Penta Laser Technology (Shandong) Co., Ltd., a subsidiary of the Company, enjoys the qualification of high-tech enterprise and enjoys a preferential tax of 15% from 7 December 2024 to 7 December 2027.

According to the High-tech Enterprise Certificate No. GR202442009235 issued by Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, Hubei Provincial Tax Service, State Taxation Administration, Penta Laser (Wuhan) Co., Ltd., a subsidiary of the Company, enjoys the qualification of high-tech enterprise and enjoys a preferential tax of 15% from 24 December 2024 to 24 December 2027.

According to Issues Concerning Tax Policies on Further Implementing the Strategy of Western Development issued by the Ministry of Finance, General Administration of Customs and State Administration of Taxation Cai Shui (2011) No. 58, EverProX Technologies Chengdu Company Limited, a subsidiary of the Company, is an enterprise under the preferred industry set up in the western region, which was entitled to preferential tax rate of 15% for the year.

According to the Announcement of the Hainan Provincial Tax Service, State Taxation Administration, on Continuing to Implement the Corporate Income Tax Preferential Policies for Hainan Free Trade Port, Hainan EverProX Technologies Co., Ltd. and Changzhi Embodied AI (Hainan) Tech Co. Ltd., the subsidiaries of the Company, is encouraged industrial enterprises registered in Hainan Free Trade Port (hereinafter referred to as the 'Free Trade Port') with substantial operations. It is eligible for a reduced corporate income tax rate of 15%.

Taxes on overseas subsidiaries were calculated according to the prevailing appropriate tax rates in the relevant countries and regions.

8. EARNINGS PER SHARE

(1) Basic earnings per share

Basic earnings per share is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding:

Item	For the six months ended 30 June **2026** **(Unaudited)**	 2025 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the Company	**2,924,540,887**	295,743,225
Less: Forfeitable cash dividends declared to restricted shareholders in employee share ownership plan this period whose shares are expected to unlock in the future	**1,770,000**	–
Adjusted consolidated net profit attributable to ordinary shareholders of the Company	**2,922,770,887**	295,743,225
Weighted average number of ordinary shares outstanding	**821,905,108**	755,905,108
Basic earnings per share (RMB/share)	**3.56**	0.39

Weighted average number of ordinary shares is calculated as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Issued ordinary shares at the end of the period	**827,905,108**	757,905,108
Effect from restricted shares in employee share ownership plan	**(6,000,000)**	(2,000,000)
Weighted average number of ordinary shares at the end of the period	**821,905,108**	755,905,108

(2) Diluted earnings per share

Diluted earnings per share is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company (diluted) by the weighted average number of ordinary shares outstanding (diluted):

		For the six months ended	
Item	*Note*	**2026**	2025
		(Unaudited)	(Unaudited)
Consolidated net profit attributable to ordinary shareholders of the Company (diluted)	*(a)*	**2,924,540,887**	295,743,225
Weighted average number of ordinary shares outstanding (diluted)	*(b)*	**824,616,041**	755,905,108
Diluted earnings per share (RMB/share)		**3.55**	0.39

(a) Consolidated net profit attributable to ordinary shareholders of the Company (diluted) is calculated as follows:

Item	**2026**	2025
	(Unaudited)	(Unaudited)
Adjusted consolidated net profit attributable to ordinary shareholders (Basic earnings per share)	**2,922,770,887**	295,743,225
Diluted adjustments:		
Forfeitable cash dividends declared to restricted H shareholders in employee share ownership plan this period whose shares are expected to unlock in the future *(note)*	**1,770,000**	–
Consolidated net profit attributable to ordinary shareholders (diluted)	**2,924,540,887**	295,743,225

Note: When calculating diluted earnings per share during the lock-in period of restricted shares, consolidated net profit attributable to ordinary shareholders of the Company (diluted) shall add the cash dividends (with dilution) distributed to the shareholders of the expected unlocking restricted shares in the future that have been deducted when calculating the consolidated net profit (dilution) attributable to ordinary shareholders of the Company.

(b) Weighted average number of the Company's ordinary shares (diluted) is calculated as follows:

Item	For the six months ended 2026 (Unaudited)	2025 (Unaudited)
Weighted average number of ordinary shares at the end of the period	**821,905,108**	757,905,108
Diluted adjustments:		
Effect from restricted shares in employee share ownership plan	**2,710,933**	(2,000,000)
Weighted average number of ordinary shares (diluted) at the end of the period	**824,616,041**	755,905,108

9. SEGMENT REPORTING

The Group determines the two reporting segments, optical communication products segments and transmission components segment, based on the internal organizational structure, management requirements and internal reporting system. Each reporting segment is a separate business segment that provides different products. The management of the Group will regularly review the financial information of different segments to determine the allocation of resources and to evaluate their sales performance.

– Optical communication products-mainly including optical fibre preforms, optical fibres, optical cables and leaky cables, RF cables and other wires and cables related products and services used in the telecom and datacom industries.

– Optical transmission components-mainly including optical components and modules, active optical cables, passive preassembled jumper cables, high-speed copper datacom cables and other components related products and services used in the telecom and datacom industries.

(1) Information of profit or loss and assets of reporting segments

In order to evaluate the performance of each segment and allocate resources, the management of the Group will regularly review the assets, income, expenses and operating results attributable to each segment. The preparation of such information is based on the followings:

Segment assets include all tangible assets, intangible assets, other long-term assets and accounts receivables attributable to each segment.

Segment operating results refer to the revenue from external customers generated by each segment, less the operating costs incurred by each segment. The Group did not allocate other expenses such as selling and management expenses and financial expenses to each segment.

The information disclosed in each of the following reporting segments of the Group is that the management of the Group used the following data in measuring profit/(loss) and assets of the reporting segments, or did not use the following data but provided it regularly to the management of the Group:

	For the six months ended 30 June 2026 (Unaudited)					
Items	**Optical communication products segment**	**Optical transmission components segment**	**Others**	**Offset between segments**	**Unallocated Amounts**	**Total**
Operating income from external transactions	**6,125,485,258**	**2,238,455,552**	**1,445,021,370**	**–**	**–**	**9,808,962,180**
Inter-segment revenue	**376,973,188**	**8,168,082**	**325,730,561**	**(710,871,831)**	**–**	**–**
Segment profit	**4,065,698,166**	**1,098,261,404**	**402,455,440**	**(332,234,395)**	**–**	**5,234,180,615**
Including: Depreciation and amortisation expenses	**(282,818,856)**	**(123,338,494)**	**(192,595,483)**	**–**	**–**	**(598,752,833)**
Taxes and surcharges	**–**	**–**	**–**	**–**	**71,715,962**	**71,715,962**
Selling and distribution expenses	**–**	**–**	**–**	**–**	**368,307,287**	**368,307,287**
General and administration expenses	**–**	**–**	**–**	**–**	**701,969,685**	**701,969,685**
Research and development expenses	**–**	**–**	**–**	**–**	**501,248,942**	**501,248,942**
Financial expenses	**–**	**–**	**–**	**–**	**190,556,686**	**190,556,686**
Impairment losses	**–**	**–**	**–**	**–**	**(81,987,012)**	**(81,987,012)**
Credit losses	**–**	**–**	**–**	**–**	**(112,181,525)**	**(112,181,525)**
Gains from changes in fair value	**–**	**–**	**–**	**–**	**293,539,097**	**293,539,097**
Investment gains	**–**	**–**	**–**	**–**	**123,974,416**	**123,974,416**
Including: Gains from investment in associates and joint ventures	**–**	**–**	**–**	**–**	**107,994,179**	**107,994,179**
Gains from asset disposals	**–**	**–**	**–**	**–**	**2,620,135**	**2,620,135**
Other income	**–**	**–**	**–**	**–**	**183,420,695**	**183,420,695**
Operating profit/(loss)	**4,065,698,166**	**1,098,261,404**	**402,455,440**	**(332,234,395)**	**(1,424,412,757)**	**3,809,767,858**
Non-operating income	**–**	**–**	**–**	**–**	**9,238,915**	**9,238,915**
Non-operating expenses	**–**	**–**	**–**	**–**	**15,243,577**	**15,243,577**
Profit/(loss) before income tax	**4,065,698,166**	**1,098,261,404**	**402,455,440**	**(332,234,395)**	**(1,430,417,419)**	**3,803,763,196**
Income tax expenses	**–**	**–**	**–**	**–**	**617,341,690**	**617,341,690**
Net profit/(loss) for the period	**4,065,698,166**	**1,098,261,404**	**402,455,440**	**(332,234,395)**	**(2,047,759,109)**	**3,186,421,506**

Items	Optical communication products segment	Optical transmission components segment	Others	Offset between segments	Unallocated Amounts	Total
	For the six months ended 30 June 2025 (Unaudited)					
Operating income from external transactions	3,846,811,829	1,443,809,240	1,093,853,658	–	–	6,384,474,727
Inter-segment revenue	179,235,981	17,575,654	216,103,647	(412,915,282)	–	–
Segment profit	1,220,824,622	589,380,567	142,707,880	(146,336,339)	–	1,806,576,730
Including: Depreciation and amortisation expenses	(320,144,704)	(105,178,545)	(157,682,973)	–	–	(583,006,222)
Taxes and surcharges	–	–	–	–	50,990,325	50,990,325
Selling and distribution expenses	–	–	–	–	240,711,173	240,711,173
General and administration expenses	–	–	–	–	538,892,315	538,892,315
Research and development expenses	–	–	–	–	385,828,877	385,828,877
Financial expenses	–	–	–	–	77,998,848	77,998,848
Impairment losses	–	–	–	–	(58,513,900)	(58,513,900)
Credit losses	–	–	–	–	(140,587,749)	(140,587,749)
Gains from changes in fair value	–	–	–	–	(4,205,846)	(4,205,846)
Investment losses	–	–	–	–	(93,695,050)	(93,695,050)
Including: losses from investment in associates and joint ventures	–	–	–	–	(136,542,428)	(136,542,428)
Gains from asset disposals	–	–	–	–	623,122	623,122
Other income	–	–	–	–	97,111,504	97,111,504
Operating profit/(loss)	1,220,824,622	589,380,567	142,707,880	(146,336,339)	(1,493,689,457)	312,887,273
Non-operating income	–	–	–	–	78,205,731	78,205,731
Non-operating expenses	–	–	–	–	4,772,623	4,772,623
Profit/(loss) before income tax	1,220,824,622	589,380,567	142,707,880	(146,336,339)	(1,420,256,349)	386,320,381
Income tax expenses	–	–	–	–	39,907,206	39,907,206
Net profit/(loss) for the period	1,220,824,622	589,380,567	142,707,880	(146,336,339)	(1,460,163,555)	346,413,175

Items	Optical communication products segment	Optical transmission components segment	Others	Offset between segments	Unallocated Amounts	Total
			30 June 2026 (Unaudited)			
Total assets	**19,774,649,818**	**4,403,536,790**	**22,373,294,374**	**(7,397,588,221)**	**–**	**39,153,892,760**
Other items:						
– Long-term equity investment in associates and joint ventures	**593,444,062**	**–**	**1,983,907,676**	**–**	**–**	**2,577,351,738.00**

Items	Optical communication products segment	Optical transmission components segment	Others	Offset between segments	Unallocated Amounts	Total
			31 December 2025 (Audited)			
Total assets	14,925,892,778	3,339,085,528	21,662,658,654	(3,564,782,273)	–	36,362,854,687
Other items:						
– Long-term equity investment in associates and joint ventures	629,379,522	–	1,626,847,810	–	–	2,256,227,332

10. BILLS RECEIVABLE

(1) Bills receivable by category

Type	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Bank acceptance bills	**478,154,045**	372,716,944
Commercial acceptance bills	**148,151,365**	175,073,861
Total	**626,305,410**	547,790,805

As at 30 June 2026, the aforementioned bills receivable were due within one year.

(2) Bills receivable pledged at the end of the period

As at 30 June 2026, the Group’s bills receivables pledged was nil (31 December 2025: RMB4,253,537).

(3) Bills receivable endorsed or discounted at the end of the period and undue at the balance sheet date:

Type	**Amount derecognized at the end of the period (Unaudited)**	Amount not derecognized at the end of the period (Unaudited)
Bank acceptance bills	–	81,397,923
Commercial acceptance bills	–	1,612,908
Total	–	83,010,831

11. ACCOUNTS RECEIVABLE

(1) Accounts receivable by customer are as follows:

Type	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Due from related parties	**1,292,773,384**	534,266,545
Due from third parties	**6,875,514,934**	6,216,739,038
Sub-total	**8,168,288,318**	6,751,005,583
Less: allowance for doubtful debts	**898,293,375**	800,510,366
Total	**7,269,994,943**	5,950,495,217

(2) Ageing analysis of accounts receivable:

Ageing	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Within 1 year (1 year inclusive)	**6,585,170,024**	5,255,299,837
1 to 2 years (2 years inclusive)	**603,076,412**	547,012,822
2 to 3 years (3 years inclusive)	**350,005,317**	411,590,679
Over 3 years	**630,036,565**	537,102,245
Sub-total	**8,168,288,318**	6,751,005,583
Less: allowance for doubtful debts	**898,293,375**	800,510,366
Total	**7,269,994,943**	5,950,495,217

The ageing of accounts receivable is calculated from the date of recognition.

(3) Analysis of accounts receivable by category:

	30 June 2026 (Unaudited)				
	Book value		Allowance for doubtful debts		Carrying amount
Category	Amount	Proportion	Amount	Proportion	
Individually assessed for impairment customers	225,112,223	2.76%	186,073,163	82.66%	39,039,060
– credit losses incurred	225,112,223	2.76%	186,073,163	82.66%	39,039,060
Collectively assessed for impairment by group	7,943,176,095	97.24%	712,220,212	8.97%	7,230,955,883
– Group 1	1,292,773,384	15.83%	2,921,441	0.23%	1,289,851,943
– Group 2	1,680,075,583	20.57%	342,507,474	20.39%	1,337,568,109
– Group 3	4,970,327,128	60.85%	366,791,297	7.38%	4,603,535,831
Total	8,168,288,318	100.00%	898,293,375	11.00%	7,269,994,943

	31 December 2025 (Audited)				
	Book value		Allowance for doubtful debts		Carrying amount
Category	Amount	Proportion	Amount	Proportion	
Individually assessed for impairment customers	224,210,575	3.32%	175,964,238	78.48%	48,246,337
– credit losses incurred	224,210,575	3.32%	175,964,238	78.48%	48,246,337
Collectively assessed for impairment by group	6,526,795,008	96.68%	624,546,128	9.57%	5,902,248,880
– Group 1	534,266,545	7.91%	1,415,634	0.26%	532,850,911
– Group 2	1,787,467,828	26.48%	293,416,592	16.42%	1,494,051,236
– Group 3	4,205,060,635	62.29%	329,713,902	7.84%	3,875,346,733
Total	6,751,005,583	100.00%	800,510,366	11.86%	5,950,495,217

(a) Reasons for making doubtful debts provisions with single accounts receivable in the first half of 2026: For accounts receivable, the Group usually measures loss provisions based on a combination of credit risk characteristics. If the credit risk characteristics of a certain customer are significantly different from those of other customers in the portfolio, or if there is a significant change in the credit risk characteristics of that customer, a provision for losses shall be made for the receivables from that customer on a single basis.

(b) Standard and explanation of making doubtful debts provisions by group in the first half of 2026:

According to the historical experience of the Group, there are differences in the losses of different segmented customer groups. Therefore, the Group divided our customers into the following groups:

– Group 1: Related parties outside the Group;

– Group 2: Telecommunication network operators in China and other companies with good credit records;

– Group 3: Other customers outside of the above groups.

(c) Expected credit loss assessment for accounts receivable:

The management measures loss allowances for accounts receivable at an amount equal to lifetime expected credit loss, which is calculated using a provision matrix. As the Group's historical credit loss experience indicates different loss patterns for different customer segments, the loss allowance based on past due status is further distinguished between the Group's different customer bases.

30 June 2026 (Unaudited)

Customers group 1	**Expected credit loss rate**	**Book value**	**Allowance for doubtful debts**
No overdue and overdue within 1 year (1 year inclusive)	**0.05%**	**1,262,354,566**	**636,871**
Overdue 1 to 2 years (2 years inclusive)	**1.27%**	**24,268,068**	**308,204**
Overdue 2 to 3 years (3 years inclusive)	**5.39%**	**4,412,202**	**237,818**
Overdue over 3 years	**100.00%**	**1,738,548**	**1,738,548**
Total		**1,292,773,384**	**2,921,441**

Customers group 2	**Expected credit loss rate**	**Book value**	**Allowance for doubtful debts**
No overdue and overdue within 1 year (1 year inclusive)	**1.64%**	**1,191,543,827**	**19,595,334**
Overdue 1 to 2 years (2 years inclusive)	**25.49%**	**111,230,581**	**28,355,457**
Overdue 2 to 3 years (3 years inclusive)	**48.84%**	**161,736,690**	**78,992,199**
Overdue over 3 years	**100.00%**	**215,564,485**	**215,564,484**
Total		**1,680,075,583**	**342,507,474**

Customers group 3	**Expected credit loss rate**	**Book value**	**Allowance for doubtful debts**
No overdue and overdue within 1 year (1 year inclusive)	**2.02%**	**4,390,766,115**	**88,626,604**
Overdue 1 to 2 years (2 years inclusive)	**21.43%**	**279,166,220**	**59,833,990**
Overdue 2 to 3 years (3 years inclusive)	**45.97%**	**151,891,061**	**69,826,971**
Overdue over 3 years	**100.00%**	**148,503,732**	**148,503,732**
Total		**4,970,327,128**	**366,791,297**

31 December 2025 (Audited)

Customers group 1	Expected credit loss rate	Book value	Allowance for doubtful debts
No overdue and overdue within 1 year (1 year inclusive)	0.05%	517,176,729	259,479
Overdue 1 to 2 years (2 years inclusive)	1.27%	12,610,724	160,156
Overdue 2 to 3 years (3 years inclusive)	5.39%	3,681,527	198,434
Overdue over 3 years	100.00%	797,565	797,565
Total		534,266,545	1,415,634

Customers group 2	Expected credit loss rate	Book value	Allowance for doubtful debts
No overdue and overdue within 1 year (1 year inclusive)	1.54%	1,286,327,078	19,849,272
Overdue 1 to 2 years (2 years inclusive)	25.89%	146,931,003	38,040,437
Overdue 2 to 3 years (3 years inclusive)	48.84%	231,983,708	113,300,844
Overdue over 3 years	100.00%	122,226,039	122,226,039
Total		1,787,467,828	293,416,592

Customers group 3	Expected credit loss rate	Book value	Allowance for doubtful debts
No overdue and overdue within 1 year (1 year inclusive)	2.00%	3,635,442,350	72,679,499
Overdue 1 to 2 years (2 years inclusive)	21.43%	304,216,261	65,181,879
Overdue 2 to 3 years (3 years inclusive)	45.96%	136,104,893	62,555,393
Overdue over 3 years	100.00%	129,297,131	129,297,131
Total		4,205,060,635	329,713,902

Expected credit loss rates are calculated based on the actual credit loss experiences in the past 5 years and is adjusted based on the differences among the economic conditions of the period of historic data collection, the current economic conditions and the Group's view of economic conditions over the expected lives.

(4) Changes of allowance for doubtful debts during the year:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period	**800,510,366**	643,675,073
Addition during the period	**133,377,174**	191,256,720
Reversal during the period	**(21,558,705)**	(14,152,329)
Written-off during the period	**(14,035,460)**	(6,554,752)
Other decrease	**–**	(13,714,346)
Balance at the end of the period	**898,293,375**	800,510,366

During the period, the Group did not have significant recoveries or reversals for accounts receivable that had been fully impaired or provided with a relatively large proportion of allowance for doubtful debts collected or reversed.

(5) Five largest accounts receivable by debtors at the end of the period:

As at 30 June 2026 the subtotal of five largest accounts receivable of the Group is RMB1,894,628,355 (31 December 2025: RMB1,517,781,325), representing 23.20% of the total balance of accounts receivable (31 December 2025:22.48%). The corresponding allowance for doubtful debts is RMB186,805,979 (31 December 2025: RMB174,799,969).

12. RECEIVABLES UNDER FINANCING

Item	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Bills receivable	**240,581,170**	196,678,311

There is no change in fair value of receivables under financing of the Group in the first half of 2026. The accumulated impairment losses recognized in other comprehensive income is nil.

Receivables under financing endorsed or discounted at the end of the period and undue at the balance sheet date:

Type	Amount Derecognized at 30 June 2026 (Unaudited)	Amount not yet derecognized at 30 June 2026 (Unaudited)
Bank acceptance bills	**675,590,111**	–

13. SHORT-TERM LOANS

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Unsecured loans	**1,717,179,960**	2,282,456,991
Total	**1,717,179,960**	2,282,456,991

As at 30 June 2026, the Group did not have any overdue short-term loans not yet repaid.

14. BILLS PAYABLE

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Commercial acceptance bills	**796,693,780**	334,600,965
Bank acceptance bills	**667,718,692**	1,133,763,497
Total	**1,464,412,472**	1,468,364,462

The Group did not have any bills payable due and unpaid.

The above amounts are bills payable due within one year.

15. ACCOUNTS PAYABLE

(1) Information of accounts receivables

Items	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Due to related parties	**465,689,144**	297,815,643
Due to third parties	**2,289,867,324**	2,003,144,794
Total	**2,755,556,468**	2,300,960,437

(2) The ageing analysis of accounts payable, based on invoice date, is as follows:

Items	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Within 1 year (1 year inclusive)	**2,596,503,077**	2,096,040,222
1 to 2 years (2 years inclusive)	**44,763,720**	47,844,812
2 to 3 years (3 years inclusive)	**67,058,509**	98,264,647
Over 3 years	**47,231,162**	58,810,756
Total	**2,755,556,468**	2,300,960,437

Accounts payable over 1 year are paid for goods and spare parts for system integration projects, and the Group continues to trade with the responding parties.

16. LONG-TERM LOANS

Items	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Unsecured loans	**6,039,861,358**	6,135,833,740
Less: non-current bank loans due within one year	**2,051,451,857**	1,917,083,458
Total	**3,988,409,501**	4,218,750,282

As at 30 June 2026, there was no overdue long-term loans. The interest rate of fixed rate loans was 1.90%-2.71% (31 December 2025: 1.20%-3.30%), the interest rate of floating rate loan is the quoted interest rate of one-year loan market (LPR) minus 1.40% to the quoted interest rate of loan market (LPR) minus 0.58%.

The Group's bank loans (including short-term loans and long-term loans) by repayment time were listed as follows:

Items	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Within 1 year (1 year inclusive)	**3,768,631,816**	4,199,540,449
1 to 2 years (2 years inclusive)	**1,886,496,215**	1,656,879,142
2 to 5 years (5 years inclusive)	**2,093,253,286**	2,355,951,140
Over 5 years	**8,660,000**	205,920,000
Total	**7,757,041,317**	8,418,290,731

17. DIVIDENDS

Dividends payable to equity shareholders of the Company attributable to the previous financial year approved during the reporting period

	For the six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
The approved final dividend payable for the previous financial year during the reporting period was RMB0.295 per share (For the first half of 2025: RMB0.268 per share)	**244,232,007**	203,118,569

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

During the first half of 2026, the Group's operating income was approximately RMB9,809.0 million, increased by approximately 53.6% as compared to the same period of 2025 of approximately RMB6,384.5 million. The Group reported a gross profit of approximately RMB5,234.2 million, increased by approximately 189.7% as compared to the same period of 2025 of approximately RMB1,806.6 million. The Group's net profit for the period attributable to the equity shareholders of the Company amounted to approximately RMB2,924.5 million, increased by approximately 889.0% as compared to the same period of 2025 of approximately RMB295.7 million. The Group's net profit for the period attributable to the equity shareholders of the Company deduction of non-recurring profit and loss amounted to approximately RMB2,449.3 million, increased by approximately 1680.0% as compared to the same period of 2025 of approximately RMB137.6 million.

Basic earnings per share for the reporting period was RMB3.56 per share (the first half of 2025: RMB0.39 per share), which was calculated based on the weighted average number of shares issued, further details of which are set out in note 8 to the financial information of this announcement.

Operating income

During the reporting period, the Group's operating income was approximately RMB9,809.0 million, increased by approximately 53.6% as compared to the same period of 2025 of approximately RMB6,384.5 million, which was mainly due to the accelerated construction of intelligent computing centers, which drove the industry into an upward cycle, improved the company's revenue mix from its main business, and led to relatively rapid year-on-year growth in both sales volume and average unit price of its major products during the reporting period.

By product segment, a total revenue of approximately RMB6,125.5 million was contributed from optical communication products segment, representing an increase of 59.2% as compared to the same period of 2025 of approximately RMB3,846.8 million and accounting for 62.5% (the first half of 2025: 60.3%) of the Group's revenue; and a total revenue of approximately RMB2,238.5 million was contributed by optical transmission components segment, representing an increase of 55.0% as compared to the same period of 2025 of approximately RMB1,443.9 million and accounting for 22.8% (the first half of 2025:22.6%) of the Group's revenue.

A total revenue of approximately RMB1,445.0 million was contributed by other products and services, representing an increase of 32.1% as compared to the same period of 2025 of approximately RMB1,093.8 million and accounting for 14.7% (the first half of 2025: 17.1%) of the Group's revenue.

By geographical segment, a total revenue of approximately RMB5,662.8 million was contributed by domestic customers, representing an increase of 53.6% (the first half of 2025: 2.9%) as compared to the same period of 2025 of approximately RMB3,685.8 million and accounting for 57.7% of the Group's revenue. For overseas market, a total revenue of approximately RMB4,146.2 million was reported, representing an increase of 53.6% (the first half of 2025: 52.8%) as compared to the same period of 2025 of approximately RMB2,698.7 million and accounting for approximately 42.3% of the Group's revenue.

Cost of sales

During the reporting period, the Group's cost of sales was approximately RMB4,574.8 million, which was at the same level as the same period of 2025 of approximately RMB4,577.9 million and accounting for 46.6% of the Group's revenue.

The Group's cost of sales included (i) raw material costs; (ii) manufacturing overheads (including depreciation on machinery and equipment, consumables, rental expenses, utilities, transportation costs and other manufacturing overheads); and (iii) direct labour costs.

During the reporting period, the Group's total raw material costs were approximately RMB3,174.0 million, representing a decrease of 7.7 % as compared to approximately RMB3,437.9 million in the same period of 2025.

During the reporting period, the Group's manufacturing overheads and direct labour cost amounted to approximately RMB1,400.8 million, representing an increase of 22.9% as compared to approximately RMB1,140.0 million in the same period of 2025.

Gross profit and gross profit margin

During the reporting period, the Group reported a gross profit of approximately RMB5,234.2 million, representing an increase of 189.7% as compared to approximately RMB1,806.6 million in the same period of 2025 and the gross profit margin increased to 53.4% in the first half of 2026 (For the first half of 2025: 28.3%), mainly due to increases in both the sales volume and average unit price of the Company's main business products during the Period, resulting in significant year-on-year growth in revenue and gross margin.

Selling and distribution expenses

During the reporting period, the Group's selling and distribution expenses were approximately RMB368.3 million, representing an increase of 53.0% as compared to approximately RMB240.7 million in the same period of 2025, which was mainly due to the revenue growth and the expansion of key strategic clients at home and abroad.

General and administrative expenses

During the reporting period, the Group's general and administrative expenses were approximately RMB702.0 million, representing an increase of 30.3% as compared to approximately RMB538.9 million in the same period of 2025, which was mainly due to the increase in both revenue and business scale.

Research and development expenses

During the reporting period, the Group's research and development expenses were approximately RMB501.2 million, representing an increase of approximately 29.9% as compared to approximately RMB385.8 million in the same period of 2025.

Financial expenses

During the reporting period, the Group's financial expenses were approximately RMB190.6 million, representing an increase of 144.4% as compared to approximately RMB78.0 million in the same period of 2025. which was mainly due to the appreciation of the RMB against major currencies such as the USD and HKD, which led to higher exchange losses on the company's foreign currency assets held during the reporting period.

The annual effective interest rate of the bank loans for the period ranged from 1.60%-5.90% per annum (For the first half of 2025: 1.03%-7.80% per annum).

Other income

During the reporting period, the Group's other income was approximately RMB183.4 million, representing an increase of approximately RMB86.3 million as compared to approximately RMB97.1 million in the same period of 2025, which was mainly because the government grants related to income increased by approximately RMB57.6 million, while the government grants related to assets increased by approximately RMB28.7 million during the period.

Gains from changes in fair value

During the reporting period, the Group's gains from changes in fair value was approximately RMB293.5 million, while losses from changes in fair value was approximately RMB4.2 million in the same period of 2025.

Income tax expenses

During the reporting period, the Group's income tax expenses were approximately RMB617.3 million, representing an increase of approximately RMB577.4 million as compared to approximately RMB39.9 million in the same period of 2025. Details of the preferential tax treatments of the Company and certain subsidiaries were set out in note 7 to the financial information contained in this announcement.

Capital expenditures

During the reporting period, the Group incurred capital expenditures of approximately RMB671.3 million (For the first half of 2025: approximately RMB537.4 million) in total, which was mainly due to the overseas localized capacity expansion, continuous layout in diversified projects, and optimization of domestic optical fibre preforms and optical fibres capacity.

Use of Proceeds from Placing of H Shares under General Mandate

On 17 December 2025, the Company issued 70,000,000 additional H Shares at a placing price of HKD32.26 per share. The gross proceeds from the placing amounted to approximately HKD2,258.20 million and the net proceeds from the placing, after the deduction of the fees, commissions and expenses, amounted to approximately HKD2,229.46 million. As at 30 June 2026, approximately HKD825.54 million of the net proceeds from the placing were utilized, of which (1) approximately HKD379.65 million was used to develop the Company's overseas business, primarily for the enhancement the Company's production capacity of its existing production bases and expansion of the Company's overseas market; and (2) approximately HKD445.89 million was used for the general working capital of the Group, amongst which, (i) approximately HKD298.75 million was used for the repayment of the Company's interest-bearing borrowings or loans in the usual and ordinary course of business, (ii) approximately HKD98.09 million was used for the payment to suppliers of the Company, and (iii) approximately HKD49.05 million was used for employee compensation and other human resources expenses. As at 30 June 2026, the use of proceeds from the placing is as follows:

Unit: HKD million

			As at 30 June 2026	
The use of proceeds from the placing	**Planned Percentage**	**Planned use of net proceeds**	**Actual use of net proceeds**	**Unused proceeds**
Develop the Company's overseas business	80%	1,783.57	379.65	1,403.92
Used for the general working capital of the Group	20%	445.89	445.89	–
(i) repayment of the Company's interest-bearing borrowings or loans in the usual and ordinary course of business	67%	298.75	298.75	–
(ii) payment to suppliers of the Company	22%	98.09	98.09	–
(iii) for employee compensation and other human resources expenses	11%	49.05	49.05	–
Total		2,229.46	825.54	1,403.92

Gearing ratio

The Group monitors its leverage using gearing ratio, which is net debts divided by total equity. Net debts include all bank loans less cash and cash equivalents. The Group's gearing ratio as at 30 June 2026 was 24.5% (31 December 2025: 20.8%).

Cash flow analysis

The following table sets forth the selected cash flow data derived from the consolidated cash flow statement for the six months ended 30 June 2026.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Net cash generated from operating activities	**1,826,119,111**	842,247,404
Net cash used in investing activities	**(1,611,773,825)**	(1,045,169,804)
Net cash used in from financing activities	**(905,457,067)**	(540,954,050)
Effect of foreign exchange rate changes on cash and the equivalents	**(84,555,912)**	5,112,968
Net (decrease) in cash and cash equivalents	**(775,667,693)**	(738,763,482)

The net cash generated from the Group's operating activities increased by approximately RMB983.9 million, which was mainly due to the increase in the company's operating results and the optimization of its customer structure over the reporting period.

Net cash used in the Group's investing activities increased by approximately RMB566.6 million, which was mainly due to the increase in capital expenditures related to the purchase and construction of fixed assets during the reporting period, as well as the significant growth in cash flows from operating activities, which led to increased demand for cash management.

Net cash used in the Group's financing activities increased by approximately RMB364.5 million, which was mainly due to to the company's favorable operating results and its sustained efforts to reduce the scale of interest-bearing liabilities.

Cash and cash equivalents as at 30 June 2026 were cash at banks and on hand, which were mainly denominated in RMB, US Dollars and HKD.

Net current assets

As at 30 June 2026, the Group's net current assets was approximately RMB9,739.8 million, representing an increase of approximately RMB2,171.4 million as compared to approximately RMB7,568.4 million as at 31 December 2025. The increase in net current assets was mainly because (1) financial assets held for trading increased by approximately RMB1,059.4 million; (2) bills receivable, receivables under financing and accounts receivable increased by approximately RMB1,441.9 million; and (3) bills payable and accounts payable increased by approximately RMB450.6 million.

Bank loans

As at 30 June 2026, the Group's bank loans were approximately RMB7,757.0 million, representing a decrease of approximately 7.9% as compared approximately RMB8,418.3 million as at 31 December 2025. As at 30 June 2026, among the Group's bank loans, 1.1% were IDR loans, and the remaining 98.9% were mainly RMB loans.

Capital commitments and contingent liabilities

As at 30 June 2026, the Group's outstanding capital commitments on fixed assets were approximately RMB2,559.0 million (31 December 2025: approximately RMB1,834.7 million).

As at 30 June 2026, the Group did not have any contingent liability.

Funding and treasury policy

The Group adopts a conservative approach on its funding and treasury policy, which aims to maintain an optimal financial position and the most economic finance costs as well as minimise the Group's financial risks. The Group regularly reviews the funding requirements to ensure adequate financial resources to support its business operations and future investments and expansion plans as and when needed.

Exposure to fluctuations in exchange rates

Most of the Group's revenues and expenses are settled in RMB and USD while some of the Group's sales, purchases and financial liabilities are denominated in USD, Euro, IDR, BRL, MXN, AUD, NZD, PEN, PHP, SGD, THB and ZAR. Most of the bank deposits are in RMB, USD and HKD.

During the year, due to the appreciation of RMB against major currencies such as the USD and HKD the Group realized net foreign exchange losses of approximately RMB112.5 million.

Employees and remuneration policies

As at 30 June 2026, the Group had approximately 11,601 full-time employees (31 December 2025: approximately 10,596 full-time employees). During the reporting period, the staff costs of the Group were RMB1,305.8 million (For the first half of 2025: RMB1,020.4 million). The Group has designed an annual evaluation system to assess the performance of its employees. Such system forms the basis of determining whether an employee should be entitled to salary increments, bonuses or promotions. The salaries and bonuses that the employees received are competitive with market rates. The Company has been in compliance with the relevant national and local labor and social welfare laws and regulations in China.

The Group arranges external training courses, seminars and technical courses for employees to enhance their professional knowledge and skills, their understanding of market development and management and operational skills.

Off-balance sheet arrangements

As at 30 June 2026 the Company discounted and endorsed certain bank bills receivable with a carrying amount of approximately RMB675.6 million (31 December 2025: approximately RMB610.9 million) to certain commercial banks in China and its suppliers.

FORMATION OF NEW PRESENCES

Yangtze (Yancheng) Marine Technology Company Limited

On 6 March 2026, Yangtze (Jiangsu) Marine Technology Company Limited ("**YOFC Marine**") and Yangtze Optical Fibre and Cable Company (Hong Kong) Limited ("**YOFC Hongkong**"), the subsidiaries of the Company, established Yangtze (Yancheng) Marine Technology Company Limited (YOFC Yancheng) in Yancheng Jiangsu Province. Its general business scope is manufacturing and sales of optical fiber cables and underwater systems and operating equipment; manufacturing and sales of marine engineering equipment; development of critical supporting systems for marine engineering; software development; sales of equipment related to offshore wind power; and construction engineering contracting, design, surveying, and related services. YOFC Yancheng is 60% owned by YOFC Marine and 40% owned by YOFC Hongkong with a registered capital of RMB55,000,000.

YOFC (Dongtai) Marine Engineering Company Limited

On 7 April 2026, a subsidiary of the Company, YOFC Marine Engineering Company Limited ("**YOFC Marine Engineering**") established YOFC (Dongtai) Marine Engineering Company Limited (YOFC Dongtai) in Yancheng Jiangsu Province. Its general business scope is Marine engineering equipment R&D and sales; development of key supporting systems for marine engineering; security technical prevention system design and construction services; ship leasing; offshore wind power system R&D and related equipment sales; engineering technical services (excluding planning, survey, design, and supervision); wire and cable trading; salvage services; marine engineering design and modular design manufacturing services, etc.. YOFC Dongtai is 100% owned by YOFC Marine Engineering with a registered capital of RMB1,000,000.

YOFC USA CORPORATION

On 6 May 2026, a subsidiary of YOFC Hongkong, YOFC Europe Holdings B.V. established YOFC USA CORPORATION in America. Its general scope of business includes the import and export of optical fibers, optical cables, and other related products.YOFC USA CORPORATION is 100% owned by YOFC Europe Holdings B.V. with a registered capital of USD500,000.

The aforementioned transactions did not constitute notifiable transactions or connected transactions of the Company under Chapter 14 and Chapter 14A of the Rules Governing the Listing of Securities (the "**Hong Kong Listing Rules**") on the Hong Kong Stock Exchange.

OUTLOOK

During the Reporting Period, AI continued to grow at a rapid pace. As the capabilities of large models continued to strengthen, the penetration rate of Agentic AI rose significantly, and the operating revenue of major large model companies grew rapidly, driving cloud service providers to maintain high-intensity capital expenditure on AI data centers. Connection scenarios in AI data centers, including vertical connections within racks (Scale-up), horizontal connections between racks (Scale-out) and inter-data-center interconnection (Scale-across), all substantially increased the demand for new types of AI-specific optical fibres and cables. According to projections released by CRU in 2026, global demand for optical fibre used in data centers is expected to grow at an average annual rate of 20.74% from 2025 to 2030. By 2030, such demand will account for more than half of total global optical fibre demand. The development of AI has become the most important driver of growth in the global optical fibre industry.

In the domestic telecommunications market, infrastructure support capabilities have steadily improved. According to data released by the Ministry of Industry and Information Technology (MIIT) in April 2026, 136 ten-gigabit neighborhoods, ten-gigabit campuses and ten-gigabit factories have been established nationwide, which will facilitate the orderly transition of ten-gigabit optical networks from technical pilot projects to large-scale deployment and application. In terms of mobile networks, internet traffic maintained relatively rapid growth. According to data released by MIIT in July 2026, cumulative mobile internet traffic nationwide reached 219.7 billion GB in the first half of 2026, representing a year-on-year growth rate of 17.7%. The construction of high-quality fixed and mobile networks, coupled with the continued rise in internet traffic, has supported the steady growth of demand in the telecommunications market. In overseas markets, the construction of communication infrastructure, such as fibre-to-the-home, has also been steadily advancing. According to a report published by CRU, the global telecommunications market's demand for optical fibre is expected to grow at an average annual rate of approximately 2.47% from 2025 to 2030.

At present, the global optical fibre and cable market has shifted from being "driven solely by the telecommunications sector" to a new phase "driven by both telecommunications and data communications". According to a report published by a research institute in July 2026, the total global demand for optical fibres in 2026 is expected to exceed 670 million fibre kilometers, representing a year-on-year growth of over 10%, of which the year-on-year growth rate of the demand for data center-related optical fibres reaches 69%, which has become the principal source of industry growth. A new upcycle driven by the development of artificial intelligence will bring historic development opportunities to the industry.

1. Developing new quality productive forces to achieve high-quality business growth

In the first half of 2026, the Company fully leveraged its industry-leading advantages and capitalized on the demand for new AI-specific optical fibres, achieving expansion of its core customer base, further optimization of its business structure, and continuous improvements in production efficiency. During the Reporting Period, the Company's optical communication products segment generated revenue of approximately RMB6,126 million, representing a year-on-year increase of approximately 59.2%, with a gross profit margin of 63.11%.

Looking ahead, as industry demand trends enter a new phase, the supply landscape is also undergoing a transformation compared to the past when the telecommunication market served as the sole pillar. The new optical fibre and cable products applied in AI Data centers present high manufacturing process and technical barriers, and core strategic customers also impose strict qualification requirements on the suppliers of such products. In light of the robust long-term demand for computing power, the scarcity of high-quality and large-scale supply capabilities, the iteration speed of new AI products and customers' customized development requirements, core strategic customers generally maintain long-term cooperative relationships with industry-leading suppliers to jointly build a stable industrial ecosystem. The Company will continue to consolidate its globally leading advantages in technology research and development as well as production capacity scale, and strengthen strategic cooperation with customers to ensure a leading market share and profitability of new types of AI optical fibre and cable products, thereby achieving sustainable and high-quality growth of its core business.

In the optical transmission components segment, the Company generated revenue of approximately RMB2,238 million, representing a year-on-year increase of approximately 55.0%, with a gross profit margin of 48.97%. Within the segment, the core products of the Company's subsidiary, EverProX Technologies Co., Ltd., all achieved phased progress. Its 50G PON module products achieved mass delivery; multi-core/hollow-core optical fibre components completed sample delivery; high-density and high-fibre-count optical patch cords and patch panels achieved large-scale sales; diversified 400G/800G AEC solutions passed phased client acceptance; 25G/400G/800G multimode optical module solutions completed iterative upgrades; and 1.6T series optical modules completed solution selection and design.

In the industrial laser field, the Company continued to promote the integration of the complete industrial chain of upstream specialty optical fibres, midstream lasers and downstream laser equipment, with a focus on expanding overseas markets through high-power equipment. The "Ultra-high Power Laser Cutting CNC Machine Tool" (超高功率激光切割數控機床) independently developed by Penta Laser (Zhejiang) Co., Ltd., a subsidiary of the Company, was selected for inclusion in the "2026 Typical Cases of Innovative Industrial Mother Machine Products" (2026 年度工業母機創新產品典型案例) announced by the Equipment Industry Development Center of the Ministry of Industry and Information Technology (工業和信息化部裝備工業發展中心) in July 2026, demonstrating its leading research and development capabilities in laser equipment. In the marine energy and engineering field, following the accumulation of prior projects and qualifications, the Company's subsidiary, Yangtze (Jiangsu) Marine Technology Company Limited, achieved full capacity utilization. In March 2026, it was awarded a contract for the procurement and installation of 220 kV submarine and land cables, with a contract value of approximately RMB504 million, marking its formal and in-depth entry into the deep-sea wind power submarine cable market in the South China Sea. In the field of high-purity quartz materials, as technical capabilities and production capacity continue to improve, the Company's subsidiary, YOFC Quartz Technology (Wuhan) Company Limited, achieved multiple breakthroughs in product R&D and customer certification. Notably, its high-end optical material, YS-2330 low-hydroxyl synthetic quartz, was awarded the 2025 China Top Ten Optical Industry Technology Innovation Award. In the field of third-generation semiconductors, the automotive-grade SBD 650V 30A product contract-manufactured by YOFC Advanced Semiconductor (an associate of the Company) passed the automotive qualification audit and certification of end-user automotive customers and successfully entered mass production, laying a solid foundation for the large-scale application of automotive-grade silicon carbide products.

2. Implementing the "AI-2030" strategy to achieve deep AI integration

In response to the trend toward ultra-high density, ultra-high capacity, and ultra-low latency in AI data center transmission solutions, the Company prospectively launched the "AI-2030" strategy. With large-scale optical connectivity (Scale Link) as its core concept, the strategy addresses the Scale-up, Scale-out, and Scale-across application scenarios of AI data centers. While continuing to maintain the widespread adoption and market leadership of products such as multimode fibre and G.654.E fibre, the Company is advancing the commercialization process of cutting-edge products including polarization-maintaining fibre, multi-core fibre, hollow-core fibre and ultra-high-core-count ASR flexible ribbon cables.

In the Scale-up scenarios, the Company's high-end multimode fibre series products recorded increased sales volume during the Reporting Period, with market share remaining in a leading position. In cutting-edge applications related to co-packaged optics, the Company's polarization-maintaining fibre products have taken the lead in entering the AI data center supply chain, achieving formal certification and mass production, with product market share remaining in a leading position in China for five consecutive years.

In the Scale-out scenarios, with the continuous increase in connection density of AI data centers, demand for multi-core optical fibres – which can achieve a several-fold increase in internal capacity within the same cable diameter and significantly alleviate space and operational pressures in AI data centers – has become increasingly prominent. The Company has conducted research and development on multi-core optical fibres for over a decade, with a single optical fibre capable of accommodating 38 cores. At present, the Company's multi-core optical fibre products have been successfully deployed across multiple scenarios, including metropolitan area networks, intelligent computing interconnections, and marine transmission. Their technical maturity and reliability have been fully validated, and they are now in the promotion stage of scaled deployment.

In the Scale-across scenarios, G.654.E optical fibre has become the mainstream product for backbone network upgrades in China, and is rapidly expanding into cross-regional interconnections for AI data centers, serving as critical infrastructure that carries the "main arteries of computing power" in the digital age. The Company has cumulatively deployed 8 million fibre kilometers of G.654.E optical fibre, holding a leading global market share. Meanwhile, the large-scale commercial deployment of hollow-core optical fibre – the industry's most disruptive product – continued to accelerate. To date, the Company has delivered a cumulative total of over 10,000 fibre kilometers of hollow-core optical fibres, setting multiple records, including the lowest attenuation of 0.04 dB/km and the longest drawing length of 91.2 kilometres. It has deployed more than 13 commercial and pilot projects in multiple locations in China and overseas, making it the global supplier with the widest commercial deployment of hollow-core optical fibre.

At the same time, focusing on the industrial chain, the Company's ultra-high-fibre-count ASR flexible ribbon cable products are now capable of adapting to all scenarios – including outdoor cables, air-blown cables, indoor cables, and patch cords – thereby building a "superhighway" for ultra-high-capacity transmission to support computing hubs. The Company has also established a strong presence in core optical connection components such as fibre array units (FAUs), micro multi-fibre connectors (MMCs) and multi-fibre push-on connectors (MPOs) and their corresponding interconnect solutions. This has enabled a strategic upgrade from a traditional optical communications manufacturer to a provider of all-optical infrastructure for AI computing power, establishing the Company as a global leader in the field of AI optical interconnects.

3. Global business layout

While the development of AI is driving product structure upgrades and an upward cycle in the industry, it is also influencing domestic and international supply-and-demand dynamics. Compared with the relatively dispersed base of telecom operator customers across various countries, overseas cloud service providers exhibit higher market concentration and place greater emphasis on the resilience of the industry chain. Since launching its internationalization strategy in 2014, the Company's operating model in the international market has evolved from primarily product exports to coordinated and localized physical operations covering customer acquisition, R&D innovation, production and delivery and other businesses. At present, the Company has established nine production bases across seven countries, including Indonesia, South Africa, Brazil, Poland, Germany, Mexico, and Thailand, with over 2,000 employees overseas, accounting for more than 20% of the total workforce. Since 2021, the Company's revenue from overseas operations has consistently accounted for more than 30% of total operating revenue; in 2025 and the first half of 2026, this proportion exceeded 40%.

The Company's comprehensive global layout enables it to capitalize on the window of opportunity in the AI data center market and achieve core strategic customer acquisition. The Company will accurately anticipate market trends and further plan its international production capacity and operational layout based on the long term needs of strategic customers to avoid capacity mismatches. Looking ahead, the Company will continue to promote localization across the entire value chain, refine its global high-efficiency operational system, achieve a higher proportion of revenue from overseas operations, and become a leading global enterprise in the industry.

4. High R&D investment drives industry-leading technology

The Company has always adhered to long-termism and upheld the philosophy of "commercializing one generation while developing the next and researching the future". By maintaining a high level of R&D investment – exceeding 5% of operating revenue – the Company continues to lead the industry in technological innovation. As at the end of the Reporting Period, the Company had led and participated in the drafting of more than 400 standards of various types, of which 37 international standards and 267 national and industry standards have been published; filed 3,686 patent applications and obtained 2,502 domestic and overseas patent authorizations. The Company first received the Second Prize of the National Science and Technology Progress Award in 2005. With accumulated technical expertise and continuous innovation, the Company was awarded the Second Prize of the National Science and Technology Progress Award three times during the decade from 2017 to 2026, becoming the only enterprise in the optical fibre industry to have won this award four times.

Benefiting from its strengths in scientific R&D and technological innovation at the forefront of the industry, the Company is able to respond quickly to market demands during this critical window of opportunity for AI development, providing customers with the most valuable product portfolio and enabling rapid iteration and industrial deployment of its pipeline and pre-research products. To seize opportunities in the AI era and lead technological innovation in the industry, the Company will not only deepen its understanding of industry trends and customer needs while strengthening its own R&D capabilities, but also deepen cooperation with partners across the upstream and downstream industrial chains to drive the standardization of cutting-edge products. Furthermore, the Company will strengthen industry-academia-research collaboration with domestic and overseas universities and research institutions to jointly tackle key technologies – such as new types of optical fibres, optical communication components, and optical network architectures – and facilitate the commercialization of research outcomes.

5. Capital operation for synergistic growth

Relying on its industrial resource advantages, the Company has participated in the establishment of corporate venture capital (CVC) funds, thereby enhancing its portfolio of industrial funds represented by Wuhan YOFC Sci-Tech Industrial Fund Partnership (Limited Partnership), Hubei Changjiang Yangtze Laser Intelligent Manufacturing Venture Capital Fund Partnership Enterprise (Limited Partnership), Hubei YOFC Angel Venture Capital Fund Partnership (Limited Partnership) and YOFC Jiangcheng Intelligent Venture Investment Fund (Wuhan) Partnership (Limited Partnership). Focusing on "hard tech" sectors such as optical communications, the broader semiconductor industry, and new materials, the Company works with its partners to enhance the upstream and downstream layout of the industrial chain in alignment with its strategic development directions.

In light of the strong operating performance during the Reporting Period, the Company proposes to distribute a cash dividend of RMB10.60 (tax inclusive) per 10 shares to all shareholders to effectively reward shareholders and continuously enhance the Company's value.

PROPOSED INTERIM DIVIDEND

The Board proposed the distribution of an interim dividend for the six months ended 30 June 2026 of RMB1.06 before tax (for the six months ended 30 June 2025: nil) per share totaling RMB877,579,414 (for the six months ended 30 June 2025: nil). The expected payment date is on or before 10 November 2026. The proposed dividend is subject to approval by shareholders of the Company at the forthcoming 2026 second extraordinary general meeting of the Company (the "**EGM**"). 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 EGM.

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 1 January 2008, where a PRC domestic enterprise distributes dividends for financial periods beginning from 1 January 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 interim 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)《關於個人所得稅政策若干問題的通知》(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 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 six months ended 30 June 2026 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 17 November 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 5 December 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.

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.

EXTRAORDINARY GENERAL MEETING

A circular containing, among other things, details of the proposed interim dividend, together with the notice of EGM, containing details of the EGM as well as the period and arrangement for the closure of register of members will be published on the websites of Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.yofc.com), respectively.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY' S LISTED SECURITIES

For the reporting period, there were no purchase, sales or redemption of the Company's listed securities by the Company or its subsidiaries.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

There were no important events affecting the Group, which occurred after the end of the Period and up to the date of this announcement.

AUDIT COMMITTEE

The Company established the audit committee of the Company ("**Audit Committee**") with written terms of reference in compliance with the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Hong Kong Listing Rules. As at the date of this announcement, the Audit Committee comprises three members, namely Dr. Li Chang'ai, Mr. Tsang Hin Fun Anthony and Mr. Dai Yusi, the independent non-executive directors of the Company, Dr. Li Chang'ai is the chairman of the Audit Committee.

The Audit Committee has reviewed and discussed the unaudited interim results of the Group for the six months ended 30 June 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As a company incorporated in the PRC and dual listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, the Company has to comply with the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Hong Kong Listing Rules and to abide by the PRC Company Law and the applicable laws, regulations and regulatory requirements of Hong Kong and the PRC as the basis for the Company's corporate governance.

The Company has adopted all the code provisions set out in the CG Code and has complied with all the code provisions under the CG Code for the six months ended 30 June 2026.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Company Securities Dealing Regulations on Directors, and Related Employees (the "**Company's Code**") as its own code regarding securities transactions by directors of the Company on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Hong Kong Listing Rules. Having made specific enquiries in writing to the directors of the Company, all Directors of the Company have confirmed that they have complied with the required standard set out in the Model Code and the Company's Code regarding securities transactions throughout the six months ended 30 June 2026.

INTERIM REPORT

The interim report of the Company will be despatched to the requesting shareholders of the Company and made available on the websites of Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.yofc.com), respectively before the end of September 2026.

FORWARD-LOOKING STATEMENTS

The Company would also like to caution readers about the forward-looking nature of certain of the above statements. These forward-looking statements are subject to risks and uncertainties and assumptions, some of which are beyond our control. Potential risks and uncertainties include those concerning the continued growth of the telecommunications industry in China, the development of the regulatory environment and our ability to successfully execute our business strategies. In addition, these forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. The Company does not intend to update these forward-looking statements. Actual results may differ materially from the information contained in the forward-looking statements as a result of a number of factors.

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, 21 August 2026

As at the date of this announcement, the Board comprises Dr. Zhuang Dan as executive Director; Dr. Ma Jie, Dr. Guan Jingzhi, Mr. Qiu Xiangping, Mr. Mei Yong, Dr. Tian Yu, Dr. Peter Johannes Wijnandus Marie Bongaerts and Mr. Wang Ruichun as non-executive Directors; and Dr. Li Chang'ai, Mr. Tsang Hin Fun Anthony, Mr. Frank Franciscus Dorjee and Mr. Dai Yusi as independent non-executive Directors.

* *For identification purposes only*