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

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

(Stock Code: 6869)

(1) PROPOSED ADOPTION OF THE 2026 H SHARE AWARD SCHEME AND (2) PROPOSED AUTHORIZATION TO THE BOARD OR THE AUTHORIZED PERSONS TO HANDLE MATTERS RELATING TO THE 2026 H SHARE AWARD SCHEME

PROPOSED ADOPTION OF THE 2026 H SHARE AWARD SCHEME

The Board has resolved at a meeting of the Board held on August 21, 2026 to propose the adoption of the 2026 H Share Award Scheme, pursuant to which the Board or the Authorized Persons shall administer and operate the 2026 Scheme, the list of Participant(s), and determining the Grant Date, the vesting date and the vesting conditions of the Award Shares. The Award Share(s) underlying the Award(s) shall be existing H Shares purchased from the secondary market by the Trustee(s) at the Company's instruction.

The maximum number of H Shares that can be granted under the 2026 Scheme throughout the duration of the Scheme shall not exceed 10,000,000 H Shares, representing approximately 1.21% of the total issued share capital of the Company as at the Adoption Date.

The Board has proposed to act as the executive body of the 2026 Scheme and be responsible for its administration and implementation upon seeking approval from the Shareholders at the EGM.

LISTING RULES IMPLICATIONS

The 2026 Scheme does not involve any issue of new share(s) or granting of option for any new share(s) of the Company. Therefore, it does not constitute a share scheme involving issue of new shares under Chapter 17 of the Listing Rules. However, the 2026 Scheme constitutes a share scheme funded by existing shares under Chapter 17 of the Listing Rules, and therefore shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules.

According to the Articles of Association, the adoption of the 2026 Scheme shall be subject to Shareholders' approval.

Any grant of Award Share(s) to any connected person of the Company will be subject to compliance with Chapter 14A of the Listing Rules unless otherwise exempted under the Listing Rules.

EGM

The EGM will be convened to consider and, if thought fit, approve, among other things, (i) the proposed adoption of the 2026 H Share Award Scheme; and (ii) the proposed authorization to the Board or the Authorized Persons to handle matters relating to the 2026 H Share Award Scheme.

A circular of the Company containing, among other things, details of the proposed adoption of the 2026 Scheme and a notice convening the EGM, will be disseminated to the Shareholders in due course.

I. PROPOSED ADOPTION OF THE 2026 H SHARE AWARD SCHEME

The Board has resolved at a meeting of the Board held on August 21, 2026 to propose the adoption of the 2026 H Share Award Scheme (the "**2026 Scheme**"). The 2026 Scheme shall be effective upon the approval by the Shareholders at the EGM.

A summary of the principal terms of the 2026 Scheme is set out below:

1. Purposes

The purposes of the 2026 Scheme are (1) to effectively align the interests of Shareholder(s), the Company and employees, ensuring all parties share a common focus on achieving the Company's strategic objectives; (2) to further improve the Company's long-term incentive mechanism; (3) to attract and retain outstanding talent and to reward individuals who have made significant contributions to the Group; and (4) to motivate the Group's senior management team and core personnel, so as to promote sustained and healthy development of the Company and enhance Shareholder(s) value.

2. Duration

The 2026 Scheme shall be valid and effective for a period of 10 years commencing from the Adoption Date. Award(s) may only be granted during the valid period of the 2026 Scheme.

Upon the expiry of the 2026 Scheme, all Award Share(s) which have not been granted shall be cancelled and forfeited. Early termination of the 2026 Scheme shall not affect the subsisting rights of any Participant(s) in respect of Award(s) granted prior to such termination.

3. Administration

The 2026 Scheme shall be subject to the administration of the following:

(1) *Shareholders' Meeting.* The Shareholders' meeting is the supreme decision-making body in respect of the 2026 Scheme and shall be responsible for the approval of the adoption, implementation, amendment and termination of the 2026 Scheme. The Shareholders' meeting may authorize the Board or the Authorized Persons to handle relevant matters pertaining to the 2026 Scheme within the scope of its authority.

(2) *The Board.* The Board is the executive body responsible for the implementation and management of the 2026 Scheme. The Board may authorize its authorized persons to establish a management committee to assist with the daily management and implementation of the 2026 Scheme and to handle other matters relating to the 2026 Scheme within the scope of the Board's authorization and in compliance with applicable laws, regulations and the Articles of Association.

The decisions of the Board on all relevant matters relating to the 2026 Scheme and its interpretation of the terms thereof shall be final. The Board or the Authorized Persons shall have the authority to review and confirm the eligibility of Participant(s), determine the list of Participant(s), and fix the number of the Award(s) and the Award Shares to be granted to each Participant.

4. Eligible Participant(s)

Eligible Participant(s) under the 2026 Scheme include directors (excluding independent non-executive Directors) and senior management of the Group, core technical personnel, key management staff, and such other persons as the Board considers necessary to incentivize. Eligible Participant(s) may include members of the core teams of overseas subsidiaries and the Group's overseas business operations.

The Board or the Authorized Persons may, from time to time, select any Eligible Participant(s) to be a Participant in accordance with the terms of the 2026 Scheme. The criteria for selecting any Eligible Participant(s) as a Participant shall be determined solely by the Board or the Authorized Persons.

No person shall be an eligible Participant if, as at the Grant Date, such person:

(1) is an independent non-executive Director;

(2) has been publicly reprimanded or declared unfit by a securities regulatory authority within the preceding 12 months;

(3) has been subject to administrative penalties imposed by a securities regulatory authority within the preceding 12 months for material violations of applicable laws or regulations;

(4) is subject to any disqualifying circumstances under the PRC Company Law or the Listing Rules;

(5) is prohibited by applicable laws or regulations from participating in any equity incentive plan of a listed company;

(6) has committed serious violations of the Group's internal rules or has been determined by the Board to have caused significant harm to the interests of the Group; or

(7) is subject to any other disqualifying circumstances as specified by the Board to protect the Group's interests and ensure compliance with applicable laws and regulations.

5. Source of Award Shares and Funds

The Company shall appoint one or more Qualified Agent(s) as Trustee(s) for the purposes of the 2026 Scheme. The Award Shares shall be existing H Shares of the Company purchased by the Trustee(s) on the secondary market at the instruction of the Company.

The funds for the purchase of Award Shares shall be internal funds of the Company.

6. Grant of Award Shares

6.1 Maximum Grant

The maximum number of Award Shares which may be granted under the 2026 Scheme shall not exceed 10,000,000 H Shares, representing approximately 1.21% of the total issued share capital of the Company as at the Adoption Date.

The aggregate number of Award Shares to be obtained by any Eligible Participant(s) under the 2026 Scheme shall not exceed 1.0% of the total issued share capital of the Company's H Shares as at the Adoption Date unless approved at general meeting of Shareholders.

6.2 Grant

The Board or the Authorized Persons shall have full discretion to grant Awards on such terms as they consider appropriate. The specific terms and conditions shall be set out in the management rules to be formulated separately by the Board or the Authorized Persons (the "**Management Rules**"). Award Shares which have not been granted pursuant to the 2026 Scheme or for any other reason may be reallocated by the Board or the Authorized Persons.

A Participant may, upon grant, elect to accept all, part, or none of the Award Shares granted to them.

No Award shall be granted to a Participant unless the following conditions are satisfied as at the Grant Date:

(1) the Participant continues to satisfy the eligibility criteria under the 2026 Scheme;

(2) the Participant is not subject to any legal prohibition on participating in listed company equity incentive plans; and

(3) the Participant is not subject to any restriction specified under the 2026 Scheme.

6.3 Grant Date

The Grant Date shall be determined by the Board or the Authorized Persons upon the 2026 Scheme having been considered and approved by the Shareholders at the EGM and the satisfaction of the conditions for the Grant. The determination of the Grant Date(s) shall be in compliance with the relevant rules and regulations including the Listing Rules and the Management Rules, and that it shall not pose any material risks to the Company (including but not limited to compliance risks).

6.4 Grant Price

The Participant(s) are not required to pay any price in respect of the grant of Award Shares.

6.5 Share Award Agreement

The Company and each Participant(s) shall enter into a written agreement in relation to the Share Awards which shall specify, among other things, the name of the Participant (as grantee), the number of Award Shares granted, the vesting conditions, the vesting schedule, and such other terms and conditions as the Board or the Authorized Persons considers appropriate (including reasonable adjustments to the relevant terms of the 2026 Scheme) (the "**Share Award Agreement**").

7. Limitations

No Award(s) shall be granted, and no direction or recommendation shall be given to the Trustee(s) with respect to the grant of Award Shares or the purchase or sale of Award Shares, in any of the following circumstances:

(1) where such grant, purchase or sale would result in the Company, any of its subsidiaries, or any Director violating any applicable securities laws, rules or regulations;

(2) where the grant, purchase or sale would result in the scheme limit being exceeded;

(3) after the expiry of the valid period of the 2026 Scheme or following the early termination thereof;

(4) where any Director or member of senior management of the Company is in possession of inside information (as defined in the SFO) or where any Director or member of senior management reasonably believes that there exists inside information which is required to be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the SFO, or where dealings by Directors or members of senior management are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;

(5) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; or

(6) within 30 days immediately preceding the publication of the Company's semi-annual results, quarterly results or other interim results announcements (or, if shorter, from the end of the relevant fiscal period until the date of the results announcement).

8. Vesting of Award Shares

Following the grant of Award(s), Award Shares shall be held by the Trustee(s) in trust for the relevant Participant(s). Award Shares shall not vest unless and until the applicable vesting conditions set out in the Management Rules have been satisfied. Upon vesting, the Board or the Authorized Persons shall arrange the Participant to be registered as the beneficial owner of the relevant Award Shares in the Trust account(s) or the Award Shares to be transferred to the Participant for direct holding.

8.1 Vesting Period and Vesting Schedule

The vesting period under the 2026 Scheme shall be 36 months from the Grant Date. Subject to the satisfaction of the vesting conditions set out in the Management Rules and the Share Award Agreement, Award Shares shall vest in the following tranches:

(1) First tranche: 40% of the Award Shares granted, vesting on the first May 31 following the Grant Date;

(2) Second tranche: 30% of the Award Shares granted, vesting on the second May 31 following the Grant Date; and

(3) Third tranche: 30% of the Award Shares granted, vesting on the third May 31 following the Grant Date.

8.2 Vesting Conditions

All of the following conditions must be simultaneously satisfied for Award Shares to vest in accordance with paragraph 8.2 above. Once vested, Award Shares may be held directly by the Participant, or continue to be held by the Trustee(s) on behalf of the Participant, or be sold or otherwise disposed of in compliance with applicable laws and regulations:

(1) the Participant continues to meet the eligibility requirements under the 2026 Scheme during the vesting period (being the period from the Grant Date to the relevant vesting date) and on the relevant vesting date;

(2) the Participant satisfies the vesting conditions as prescribed in the Management Rules and the relevant Share Award Agreement;

(3) the Participant has not breached any other vesting conditions specified in the Share Award Agreement; and

(4) the Participant is not subject to any legal prohibition on participating in listed company equity incentive plans.

9. Redemption of the Award Shares

If a Participant fails to satisfy the conditions for vesting, the relevant Award(s) shall not be vested and shall be redeemed for reallocation or forfeited. The Board or the Authorized Persons shall instruct the Trustee(s) to reallocate such unvested Award Shares or sell the forfeited Share(s) on the open market at the market trading price within a reasonable period upon reception of such notification. The terms and conditions of such reallocation shall be determined by the Board or the Authorized Persons in its sole discretion.

10. Exit

If a Participant ceases to be an Eligible Participant (including by reason of voluntary resignation, redundancy, contract expiry without renewal, dismissal for personal fault, departure due to violations of applicable laws or regulations, loss of capacity due to work injury or personal reasons, normal retirement in accordance with applicable laws and regulations and company policies (excluding rehire or continued provision of services in any other capacity), or death), all granted but unvested Award Shares and all ungranted Award Shares shall be dealt with in accordance with the Management Rules and the relevant Share Award Agreement.

11. Voting Rights

Neither a Participant nor the Trustee(s) shall exercise any voting rights attached to H Share(s) held by the Trustee(s) in trust(s) (including unvested Award Shares). The Trustee(s) holding unvested Award Shares shall abstain from voting on any matter requiring Shareholders' approval in accordance with the Listing Rules, unless otherwise required by applicable law to vote in accordance with the direction of the beneficial owner and such direction is given.

12. Amendments

Upon the effectiveness of the 2026 Scheme the Board or the Authorized Persons shall have full discretion to amend any term of the 2026 Scheme at any time as it deems necessary (including but not limited to the manner of acceptance of Award(s) and other minor amendments to facilitate the administration and implementation of the 2026 Scheme), provided that any such amendment is in compliance with applicable laws and the Listing Rules.

Any material alteration to the terms of the 2026 Scheme, or any alteration to the authority of the Board or the Authorized Persons to alter the terms of the 2026 Scheme, shall require the prior approval of the Shareholders at a general meeting.

In the event of any conflict between the terms of the 2026 Scheme and applicable laws, regulations, management rules, agreement or the Listing Rules, the applicable laws, regulations, management rules, agreement or the Listing Rules (as the case may be) shall prevail.

13. Termination

The 2026 Scheme shall terminate upon the earlier of (1) the tenth (10th) anniversary of the Adoption Date; or (2) such earlier date as may be determined by the Board.

The terms and conditions of any Award(s) which have been granted prior to the termination of the 2026 Scheme shall remain in full force and effect. Following the termination of the 2026 Scheme, no further Award(s) shall be granted. The remaining Award Shares which have not been granted, shall be forfeited and the Board or the Authorized Persons instruct the Trustee(s) to sell such forfeited Award Shares on the secondary market.

II. REASONS FOR AND BENEFITS OF THE ADOPTION OF THE 2026 SHARE AWARD SCHEME

Please refer to the paragraph headed "I. Proposed Adoption of the 2026 H Share Award Scheme – 1. Purposes" in this announcement. The Directors are of the view that the adoption of the 2026 Scheme will realize the goals set out in that paragraph, and that the terms of the 2026 Scheme are on normal commercial terms, which are fair and reasonable, in the interests of the Company and the Shareholders as a whole.

III. LISTING RULES IMPLICATIONS

The 2026 Scheme does not involve any issue of new shares or granting of option for any new shares of the Company. Therefore, it does not constitute a share scheme involving issue of new shares under Chapter 17 of the Listing Rules. However, the 2026 Scheme constitutes a share scheme funded by existing shares under Chapter 17 of the Listing Rules, and therefore shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. Moreover, according to the Articles of Association, the adoption of the 2026 Scheme shall be subject to Shareholders' approval.

In addition, if the Company proposed to grant any Award(s) to any Participant(s) who is a connected person, such Grant would constitute a connected transaction of the Company in accordance with Chapter 14A of the Listing Rules, and, *inter alia*, the approval of the independent Shareholders at general meeting of the Company is needed, unless exempted under the Listing Rules. As share awards could be part of the remunerations of Directors under their service contracts, the Grant to the Directors will be exempt from the notification, announcement and independent shareholder approval requirements under Rules 14A.73(6) and 14A.95 of the Listing Rules.

IV. PROPOSED AUTHORIZATION TO THE BOARD OR THE AUTHORIZED PERSONS TO HANDLE MATTERS RELATING TO THE 2026 H SHARE AWARD SCHEME

The Board proposed to grant the following authorization to the Board or the Authorized Persons for the purpose of the administration and implementation of the 2026 Scheme upon seeking approval from the Shareholders at the EGM:

(1) to administer and operate the 2026 Scheme, and make decisions on the day-to-day administration and implementation of the Scheme, including but not limited to determining the eligibility criteria and conditions of the Participant(s) under the 2026 Scheme, determining the list of Participant(s), and determining the Grant Date, the vesting date and the vesting conditions of the Award Shares;

(2) to make corresponding adjustments to the number of Award Shares and the purchase price (if applicable) in the event of a capitalization issue, bonus issue, rights issue, open offer, share subdivision or share consolidation of the Company;

(3) to establish Trust(s) and/or appoint Trustee(s) for the purposes of the 2026 Scheme, to handle all legal matters in connection with the trust structure and to execute the Trust Deed(s) and related documents, and to instruct the Trustee(s) to purchase H Share(s) of the Company;

(4) upon satisfaction of the relevant conditions for grant as set out in the 2026 Scheme, to grant Award Shares to the Participant(s) and to handle all matters in connection with such grant, including but not limited to issuing grant notices to the Participant(s), and to enter into the Share Award Agreement and other agreements relating to the 2026 Scheme on behalf of the Company with the eligible Participant(s), and to fulfil relevant disclosure obligations to the Stock Exchange and other regulatory authorities;

(5) within the scheme limit, to reallocate and adjust the Award Shares in respect of any Participant(s) who has declined to accept a grant, or whose Award Shares have lapsed or are otherwise subject to adjustment in accordance with the 2026 Scheme;

(6) to review and confirm the eligibility and conditions for vesting of the Award Shares of the Participant(s), to determine whether the Participant(s) have satisfied the vesting conditions, and to handle all matters necessary for the vesting of Award Shares, including but not limited to issuing vesting notices to the Participant(s), instructing the Trustee(s) to transfer the vested Award Share(s) to the eligible Participant(s) or to register the Participant(s) as the beneficiaries under the Trust account(s), or to otherwise deal with the Award Share(s) in accordance with the 2026 Scheme;

(7) to instruct the Trustee(s) in relation to the day-to-day management of Award Shares which have not been granted, have not yet vested, have lapsed or have been returned, including but not limited to dealing with the relevant interests and trust assets in respect of such Award Shares in accordance with the 2026 Scheme, and cooperating with the relevant regulatory authorities in respect of, among others, information disclosure and investigation requirements;

(8) to formulate or amend the Management Rules, arrangements, guidelines, procedures and/or regulations in connection with the administration, interpretation, implementation and operation of the 2026 Scheme;

(9) to amend or adjust the 2026 Scheme from time to time in compliance with the Listing Rules and other applicable laws, regulations and the relevant terms of the 2026 Scheme; provided that if any such amendment is required to be approved by the Shareholders, the Board, and/or the relevant regulatory authorities as required by applicable laws, regulations, the relevant regulatory authorities or the Articles of Association, such amendment shall not become effective until such approval has been obtained;

(10) to engage Trustee(s), accountants, lawyers, financial advisers, agents, banks and other professional institutions for the purposes of the 2026 Scheme, and to handle all other matters necessary in connection with such engagement, including but not limited to all matters relating to the trust arrangements, and to determine the service fees and payment arrangements of the relevant intermediary institutions;

(11) to sign, execute, amend and terminate any agreements and other relevant documents in connection with the 2026 Scheme;

(12) to complete approval, registration, filing, ratification, consent and other procedures (if required) with the Stock Exchange and other relevant regulatory authorities with respect to the 2026 Scheme; to sign, execute, amend and complete documents submitted to the relevant authorities, organizations and individuals; and to take all actions as it deems necessary, appropriate or advisable in connection with the 2026 Scheme;

(13) to interpret and construe the rules of the 2026 Scheme, and to exercise sole discretion in dealing with any issues or disputes arising in connection with the 2026 Scheme; and

(14) to administer and execute all other matters necessary for the implementation of the 2026 Scheme, including but not limited to taking and entering into all such actions and arrangements as may be necessary or expedient to give full effect to the 2026 Scheme, and to sign all such instruments, deeds and documents as may be required for the implementation of the 2026 Scheme; save for such matters as are expressly required by applicable laws, regulations, the Listing Rules, the Management Rules or the Articles of Association to be exercised by the Shareholders.

DEFINITIONS

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

"2026 H Share Award Scheme" or "2026 Scheme"	the 2026 H share award scheme proposed to be adopted by the Company
"Adoption Date"	the date on which the 2026 Scheme is approved by the Shareholders at the EGM
"Associates"	has the meaning ascribed thereto under the Listing Rules
"Award(s)"	award(s) of Award Shares granted to a Participant pursuant to the 2026 Scheme
"Award Shares"	such number of H Shares which are the subject of Award(s) granted to a Participant under the 2026 Scheme
"Authorized Persons"	person(s) authorized by the Board or the management committee that may be established by such authorized persons to handle matters relating to the 2026 Scheme
"Board"	the board of directors of the Company
"Company"	Yangtze Optical Fibre and Cable Joint Stock Limited Company (長飛光纖光纜股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Main Board of the Stock Exchange (Stock Code: 6869)
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held to consider and approve, among other things, the adoption of the 2026 Scheme
"Eligible Participant(s)"	any person who satisfies the eligibility criteria for participation in the 2026 Scheme as set out in the terms of the 2026 Scheme
"Grant Date"	the date on which an Award is granted to a Participant pursuant to the 2026 Scheme
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign invested shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange and traded in Hong Kong dollars

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Participant(s)"	any Eligible Participant selected by the Board or the Authorized Persons to participate in the 2026 Scheme in accordance with the 2026 Scheme
"PRC"	the People's Republic of China, which for the purposes of this announcement excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company, including A Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trustee(s)"	one or more qualified agent(s) as may be appointed by the Company from time to time to act as trustee(s) of the trust(s) for the purpose of the 2026 Scheme
"Trust Deed(s)"	the trust deed(s) to be entered into between the Company and the Trustee(s) in relation to the 2026 Scheme

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
Dr. Ma Jie
Chairman

Wuhan, PRC, August 21 2026

As at the date of this announcement, the Board comprises Dr. Zhuang Dan as executive Director; Dr. Ma Jie (Chairman), Dr. Guan Jingzhi, Mr. Qiu Xiangping, Mr. Mei Yong, Dr. Tian Yu, Dr. Peter Johannes Wijnandus Marie Bongaerts and Mr. Wang Ruichun (Employee Representative Director) 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*