

長飛光纖光纜股份有限公司
YANGTZE OPTICAL FIBRE AND CABLE JOINT STOCK LIMITED COMPANY

YOFC 长飞

(於中華人民共和國註冊成立的股份有限公司)

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

(STOCK CODE 股份代號: 6869)

> 中期報告
INTERIM REPORT
2017

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DEFINITIONS

釋義

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below:	於本報告中，除文義另有所指外，以下詞彙具有下列載涵義：
"A share" [A股]	ordinary share(s) of the Company, with a nominal value of RMB1.00 each, which are proposed to be issued by the Company pursuant to the Company's proposed A share offering and subscribed for in RMB 本公司每股面值人民幣1.00元的普通股，將由本公司根據建議A股發行而發行，並以人民幣認購
"Board" [董事會]	the board of directors of the Company 本公司董事會
"CG Code" [企業管治守則]	the Corporate Governance Code as set out in Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Hong Kong Listing Rules 香港上市規則附錄十四內企業管治守則及企業管治報告列載之企業管治守則
"China Huaxin" [中國華信]	China Huaxin Post and Telecommunication Economy Development Center, an entity incorporated in the PRC, one of the substantial shareholders of the Company 中國華信郵電經濟開發中心，於中國註冊成立的企業，為本公司主要股東之一
"Company" [本公司]	Yangtze Optical Fibre and Cable Joint Stock Limited Company*, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Hong Kong Stock Exchange 長飛光纖光纜股份有限公司，於中國註冊成立的股份有限公司，其H股於香港聯交所主板上市
"CSRC" [中國證監會]	the China Securities Regulatory Commission 中國證券監督管理委員會
"Director(s)" [董事]	director(s) of the Company 本公司董事
"Draka" [Draka]	Draka Comteq B.V., a company incorporated in the Netherlands, one of the substantial shareholders of the Company Draka Comteq B.V.，於荷蘭註冊成立的公司，為本公司主要股東之一

DEFINITIONS (Continued)

釋義(續)

“ESOP” 「員工持股計劃」	the 2015 Core Employee Stock Ownership Scheme of the Company approved on 19 October 2015 於二零一五年十月十九日獲批准的二零一五年核心員工持股計劃
“fkm” 「芯公里」	fibre kilometers, which represent kilometers of optical fibres. For optical fibre preforms, means the kilometers of optical fibres that can be drawn from optical fibre preforms. For optical fibre cables, means the kilometers of optical fibres contained in optical fibre cables 光纖長度單位芯公里。就光纖預製棒而言，指光纖預製棒可拉出光纖的長度單位。就光纜而言，指光纜所含光纖的長度單位
“Group”, “the Group”, “us” or “we” 「本集團」或「我們」	the Company and its subsidiaries 本公司及其附屬公司
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hong Kong Listing Rules” 「香港上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司證券上市規則
“Hong Kong Stock Exchange” 「香港聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Hong Kong Listing Rules 香港上市規則附錄十所載之上市發行人董事進行證券交易之標準守則
“PRC” 「中國」	the People’s Republic of China, and for the purpose of this interim report, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan 中華人民共和國，但就本中期報告而言，不包括香港、澳門及台灣
“Private Placement” 「非公開配售」	the private placement of 30,783,000 new domestic shares of the Company and 11,869,000 new H shares of the Company for the purpose of implementing the ESOP and the placing of H shares of the Company to independent institutional investors 非公開配售30,783,000股本公司新內資股及11,869,000股本公司新H股，以執行員工持股計劃及對獨立機構投資者配售H股

DEFINITIONS (Continued)

釋義 (續)

“RMB” 「人民幣」	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
“SFO” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例，經不時修訂或補充
“Supervisor(s)” 「監事」	supervisor(s) of the Company 本公司監事
“the Period” 「本期間」	the period for the six months ended 30 June 2017 截至二零一七年六月三十日止六個月期間
“Yangtze Communications” 「長江通信」	Wuhan Yangtze Communications Industry Group Co., Ltd, a company incorporated in PRC, one of the substantial shareholders of the Company 武漢長江通信產業集團股份有限公司，一間於中國註冊成立的公司，為本公司主要股東之一

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Zhuang Dan
Mr. Frank Franciscus Dorjee

NON-EXECUTIVE DIRECTORS

Mr. Ma Jie (*Chairman*)
Mr. Yao Jingming
Mr. Philippe Claude Vanhille
Mr. Pier Francesco Facchini
Mr. Xiong Xiangfeng
Ms. Zheng Huili

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Ngai Wai Fung
Dr. Ip Sik On Simon
Mr. Li Ping
Dr. Li Zhuo

BOARD COMMITTEES

AUDIT COMMITTEE

Dr. Ngai Wai Fung (*Chairman*)
Dr. Ip Sik On Simon
Dr. Li Zhuo

NOMINATION AND REMUNERATION COMMITTEE

Mr. Li Ping (*Chairman*)
Dr. Ip Sik On Simon
Mr. Frank Franciscus Dorjee

STRATEGY COMMITTEE

Mr. Ma Jie (*Chairman*)
Mr. Philippe Claude Vanhille
Mr. Li Ping
Dr. Li Zhuo

BOARD OF SUPERVISORS

Mr. Wang Ruichun
(*Chairman, employee representative supervisor*)
Mr. Liu Deming
Ms. Li Chang'ai

REGISTERED NAME OF THE COMPANY IN CHINESE

長飛光纖光纜股份有限公司

NAME OF THE COMPANY IN ENGLISH

Yangtze Optical Fibre and Cable Joint Stock Limited Company

董事會

執行董事

莊丹先生
范•德意先生

非執行董事

馬杰先生(*主席*)
姚井明先生
菲利普•范希爾先生
皮埃爾•法奇尼先生
熊向峰先生
鄭慧麗女士

獨立非執行董事

魏偉峰博士
葉錫安博士
李平先生
李卓博士

董事委員會

審計委員會

魏偉峰博士(*主席*)
葉錫安博士
李卓博士

提名及薪酬委員會

李平先生(*主席*)
葉錫安博士
范•德意先生

戰略委員會

馬杰先生(*主席*)
菲利普•范希爾先生
李平先生
李卓博士

監事會

王瑞春先生
(*主席、職工代表監事*)
劉德明先生
李長愛女士

公司中文註冊名稱

長飛光纖光纜股份有限公司

公司英文名稱

Yangtze Optical Fibre and Cable Joint Stock Limited Company

公司資料(續)

LEGAL REPRESENTATIVE OF THE COMPANY

Mr. Ma Jie

AUTHORISED REPRESENTATIVES

Mr. Zhuang Dan
Ms. Cheng Pik Yuk

SECRETARY OF THE BOARD

Ms. Zhou Lijing

COMPANY SECRETARY

Ms. Cheng Pik Yuk

INTERNATIONAL AUDITORS

KPMG

LEGAL ADVISORS TO THE COMPANY

Simpson Thacher & Bartlett (as to Hong Kong law)
Commerce & Finance Law Offices (as to PRC law)

REGISTERED OFFICE

No. 9 Guanggu Avenue,
East Lake Hightech Development Zone, Wuhan, Hubei Province
430073, the PRC

PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 9 Guanggu Avenue,
East Lake Hightech Development Zone, Wuhan, Hubei Province
430073, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

H SHARE REGISTRAR

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

公司法定代表人

馬杰先生

授權代表

莊丹先生
鄭碧玉女士

董事會秘書

周理晶女士

公司秘書

鄭碧玉女士

國際核數師

畢馬威會計師事務所

公司法律顧問

盛信律師事務所(香港法律)
通商律師事務所(中國法律)

註冊辦事處

中國湖北省武漢市
東湖高新技術開發區光谷大道9號
郵編430073

中國總部

中國湖北省武漢市
東湖高新技術開發區光谷大道9號
郵編430073

香港主要營業地點

香港
皇后大道東183號
合和中心54樓

H股股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

CORPORATE INFORMATION (Continued)

公司資料(續)

LISTING LOCATION

The Stock Exchange of Hong Kong Limited

上市地點

香港聯合交易所有限公司

STOCK CODE

06869

股份代號

06869

CONTACT INFORMATION

INVESTOR RELATIONSHIP DEPARTMENT

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Fax: +8627 6878 9089
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East Lake High-tech
Development Zone
Wuhan, Hubei Province
430073
the PRC
Email: ir@yofc.com

聯繫方式

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WEBSITE

www.yofc.com

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www.yofc.com

FINANCIAL HIGHLIGHTS

財務摘要

For the six months ended 30 June 2017, the Group's operating results were as follows:

- Total revenue was approximately RMB4,640.1 million, increased by approximately RMB962.4 million, representing a 26.2% increase as compared to the same period of last year.
- Gross profit was approximately RMB1,235.3 million, increased by approximately RMB428.0 million, representing a 53.0% increase as compared to the same period of last year.
- Profit for the period attributable to equity shareholders of the Company was approximately RMB565.1 million, increased by approximately RMB210.6 million, representing a 59.4% increase as compared to the same period of last year.
- The Group's revenue from domestic customers increased by approximately 24.0%, as compared with the same period of last year. The Group's revenue from overseas customers increased by approximately 46.1%, as compared with the same period of last year.
- No interim dividend was declared.

截至二零一七年六月三十日止六個月，本集團的經營成果如下：

- 總收入約為人民幣4,640.1百萬元，較去年同期增加約人民幣962.4百萬元，增幅約為26.2%。
- 毛利約為人民幣1,235.3百萬元，較去年同期增加約人民幣428.0百萬元，毛利增幅約為53.0%。
- 截至二零一七年六月三十日止六個月，本公司權益持有人應佔利潤約為人民幣565.1百萬元，較去年同期增加約人民幣210.6百萬元，增幅約為59.4%。
- 與去年同期比較，本集團來自國內客戶的收入增加約24.0%，本集團來自海外客戶的收入增加約46.1%。
- 中期股息並不宣派。

* For identification purpose only

* 僅供識別

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

For the six months ended 30 June 2017 (Expressed in RMB)
截至二零一七年六月三十日止六個月(以人民幣列示)

		For the six months ended 30 June 截至六月三十日止六個月		
		Notes 附註	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue	收入	4	4,640,074	3,677,647
Cost of sales	銷售成本		(3,404,750)	(2,870,334)
Gross profit	毛利		1,235,324	807,313
Other income	其他收入	5	6,853	17,257
Selling expenses	銷售費用		(126,069)	(84,861)
Administrative expenses	管理費用		(501,371)	(298,582)
Profit from operations	經營利潤		614,737	441,127
Finance income	融資收入	6	6,287	7,863
Finance costs	融資成本	6	(42,142)	(108,209)
Net finance costs	淨融資成本		(35,855)	(100,346)
Share of results of associates	應佔聯營公司業績		327	703
Share of results of joint ventures	應佔合營公司業績		70,395	54,357
Profit before taxation	除稅前利潤	7	649,604	395,841
Income tax	所得稅	8	(93,868)	(51,982)
Profit for the period	本期利潤		555,736	343,859
Other comprehensive income (item that may be reclassified subsequently to profit or loss):	其他綜合收益 (可重新分類至 損益的項目):			
Available-for-sale securities	可供出售證券		(9,139)	12,456
Income tax relating to available-for-sale securities	可供出售證券相關 所得稅項		1,358	(1,868)
Exchange differences on translation of financial statements of overseas subsidiaries	外幣報表折算差額		(461)	6,041
Other comprehensive income for the period	本期其他綜合收益		(8,242)	16,629
Total comprehensive income for the period	本期綜合收益總額		547,494	360,488

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

合併綜合收益表(續)

For the six months ended 30 June 2017 (Expressed in RMB)
截至二零一七年六月三十日止六個月(以人民幣列示)

		For the six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Note 附註	
Profit for the period attributable to:	應佔本期利潤：		
Equity shareholders of the Company	本公司權益持有人	565,103	354,514
Non-controlling interests	非控股權益	(9,367)	(10,655)
Profit for the period	本期利潤	555,736	343,859
Total comprehensive income for the period attributable to:	應佔本期綜合收益總額：		
Equity shareholders of the Company	本公司權益持有人	556,942	369,371
Non-controlling interests	非控股權益	(9,448)	(8,883)
Total comprehensive income for the period	本期綜合收益總額	547,494	360,488
Earnings per share (RMB)	每股盈利(人民幣元)		
Basic and diluted	基本及攤薄	9	0.83
			0.52

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

At 30 June 2017 (Expressed in RMB)
於二零一七年六月三十日(以人民幣列示)

			30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		1,757,835	1,321,032
Construction in progress	在建工程		153,179	466,281
Intangible assets	無形資產		201,266	211,432
Lease prepayments	租賃預付款項		228,735	231,734
Interest in associates	於聯營公司權益		11,415	11,088
Interest in joint ventures	於合營公司權益		1,075,249	1,041,507
Other non-current assets	其他非流動資產		187,149	203,511
Deferred tax assets	遞延稅項資產		51,758	55,956
Total non-current assets	非流動資產總額		3,666,586	3,542,541
Current assets	流動資產			
Inventories	存貨	11	670,295	644,378
Trade and bills receivables	應收賬款及票據	12	2,961,315	2,072,305
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		284,392	238,183
Income tax recoverable	可收回所得稅		899	4,831
Other financial assets	其他金融資產	13	54,122	248,801
Cash and cash equivalents	現金及現金等價物		1,501,345	1,427,575
Total current assets	流動資產總額		5,472,368	4,636,073
Current liabilities	流動負債			
Bank loans	銀行貸款	14	1,225,343	886,870
Trade and bills payables	應付賬款及票據	15	1,201,646	880,481
Accrued expenses and other payables	預提費用及其他應付款項		1,059,109	802,574
Income tax payable	應付所得稅		80,392	65,839
Total current liabilities	流動負債總額		3,566,490	2,635,764
Net current assets	淨流動資產		1,905,878	2,000,309
Total assets less current liabilities	總資產減流動負債		5,572,464	5,542,850

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

合併財務狀況表(續)

At 30 June 2017 (Expressed in RMB)
於二零一七年六月三十日(以人民幣列示)

			30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
	Note 附註			
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	14	488,470	869,579
Deferred income	遞延收益		257,303	237,453
Total non-current liabilities	非流動負債總額		745,773	1,107,032
Net assets	淨資產		4,826,691	4,435,818
Capital and reserves	股本及儲備			
Share capital	股本		682,115	682,115
Reserves	儲備		3,877,964	3,494,961
Total equity attributable to equity shareholders of the Company	本公司權益持有人應佔總權益		4,560,079	4,177,076
Non-controlling interests	非控股權益		266,612	258,742
Total equity	權益總額		4,826,691	4,435,818

Approved and authorised for issue by the Board on 17 August 2017.

董事會於二零一七年八月十七日核准並許可刊發。

Ma Jie
馬杰
Director
董事

Zhuang Dan
莊丹
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

For the six months ended 30 June 2017 (Expressed in RMB)
截至二零一七年六月三十日止六個月(以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益持有人應佔							Non- controlling interests	Total equity
		Share capital	Capital reserve	Statutory surplus reserve	Exchange reserve	Fair value reserve	Retained earnings	Total		
		股本	資本公積	法定儲備	匯兌儲備	公允價值	保留盈利	總計	非控股	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於二零一六年一月一日	682,115	1,550,098	168,547	1,796	68,751	1,103,552	3,574,859	156,816	3,731,675
Changes in equity:	權益變化：									
Profit for the period	本期利潤	-	-	-	-	-	354,514	354,514	(10,655)	343,859
Other comprehensive income	其他綜合收益	-	-	-	4,269	10,588	-	14,857	1,772	16,629
Total comprehensive income for the period	本期綜合收益總額	-	-	-	4,269	10,588	354,514	369,371	(8,883)	360,488
Appropriation	轉撥	-	-	26,534	-	-	(26,534)	-	-	-
Dividends declared	宣派股利	-	-	-	-	-	(118,690)	(118,690)	-	(118,690)
Capital Contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	27,750	27,750
At 30 June 2016 (unaudited)	於二零一六年六月三十日 (未經審核)	682,115	1,550,098	195,081	6,065	79,339	1,312,842	3,825,540	175,683	4,001,223
At 1 January 2017	於二零一七年一月一日	682,115	1,551,726	272,085	12,207	76,236	1,582,707	4,177,076	258,742	4,435,818
Changes in equity:	權益變化：									
Profit for the period	本期利潤	-	-	-	-	-	565,103	565,103	(9,367)	555,736
Other comprehensive income	其他綜合收益	-	-	-	(307)	(7,854)	-	(8,161)	(81)	(8,242)
Total comprehensive income for the period	本期綜合收益總額	-	-	-	(307)	(7,854)	565,103	556,942	(9,448)	547,494
Appropriation	轉撥	-	-	38,502	-	-	(38,502)	-	-	-
Dividends declared	宣派股利	-	-	-	-	-	(173,939)	(173,939)	-	(173,939)
Capital contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	17,318	17,318
At 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	682,115	1,551,726	310,587	11,900	68,382	1,935,369	4,560,079	266,612	4,826,691

CONSOLIDATED CASH FLOW STATEMENT

合併現金流量表

For the six months ended 30 June 2017 (Expressed in RMB)
截至二零一七年六月三十日止六個月(以人民幣列示)

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash flows from operating activities	經營活動的現金流		
Profit before taxation	除稅前利潤	649,604	395,841
Adjustments for:	調整項目：		
Depreciation	折舊	82,261	66,039
Amortisation	攤銷	14,851	11,475
Finance income	融資收入	(6,287)	(7,863)
Finance costs	融資成本	36,948	92,950
Dividend income from available-for-sale equity securities	可供出售股本證券 股利收入	(156)	(5,405)
Gain on disposal of available-for-sale equity securities	出售可供出售股本 證券投資收益	-	(2,897)
Share of results of associates	應佔聯營公司業績	(327)	(703)
Share of results of joint ventures	應佔合營公司業績	(70,395)	(54,357)
Unrealised profits on downstream transactions with joint ventures	與合營公司順流交易 的未實現收益	8,210	2,633
Net loss on disposal of property, plant and equipment	出售物業、廠房及 設備的虧損淨額	1,909	938
Changes in working capital:	營運資金的變動：		
Increase in inventories	存貨增加	(25,918)	(55,395)
Increase in trade and other receivables and other financial assets	應收賬款及其他應收 款項及其他金融 資產增加	(938,876)	(620,231)
Increase in trade and other payables and non-current liabilities	應付賬款及其他應付 款項及非流動 負債增加	491,226	75,756
Cash used in operations	經營活動使用的現金	243,050	(101,219)
Income tax paid	已付所得稅	(69,828)	(39,096)
Net cash generated from/(used in) operating activities	經營活動產生/(使用) 的現金淨額	173,222	(140,315)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

合併現金流量表(續)

For the six months ended 30 June 2017 (Expressed in RMB)
截至二零一七年六月三十日止六個月(以人民幣列示)

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash flows from investing activities	投資活動的現金流		
Payment for property, plant and equipment	購買物業、廠房及設備	(289,328)	(262,114)
Payment for intangible assets	購買無形資產	(1,686)	(23,200)
Payment for lease prepayments	支付預付租賃款項	-	(70,303)
Payment for investment in a joint venture	投資於合營公司所付款項	-	(114,030)
Payment for available-for-sale debt securities	購買可供出售債務證券支付款項	(44,300)	(18,000)
Proceeds from matured available-for-sale debt securities	可供出售債務證券到期收回款項	37,300	8,000
Loans to a joint venture	給予合營公司貸款	(20,000)	(30,000)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	124	2,436
Proceeds from disposal of available-for-sale equity securities	出售可供出售股本證券投資所得款項	-	19,497
Proceeds from matured bank deposits	定期存款到期收回款項	205,000	-
Interest received	利息收入	19,874	4,061
Dividends received from associates	聯營公司的股利	-	480
Dividends received from joint ventures	合營公司的股利	34,560	8,518
Dividends received from available-for-sale equity securities	已收可供出售證券投資股利	156	5,405
Proceeds from the repayments on the loan to a joint venture	合營公司償還貸款收回款項	20,000	-
Net cash used in investing activities	投資活動使用的淨現金	(38,300)	(469,250)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

合併現金流量表(續)

For the six months ended 30 June 2017 (Expressed in RMB)
截至二零一七年六月三十日止六個月(以人民幣列示)

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash flows from financing activities	融資活動的現金流		
Proceeds from new bank loans	新銀行貸款所得款項	990,000	1,870,647
Repayments of bank loans	償還銀行貸款	(1,033,264)	(1,820,397)
Contribution from non-controlling equity owners	非控股權益注資	17,317	27,750
Interest and other finance costs paid	已付利息及其他融資成本	(30,820)	(23,362)
Net cash (used in)/generated from financing activities	融資活動(使用)/產生的淨現金	(56,767)	54,638
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物的淨增加/(減少)	78,155	(554,927)
Cash and cash equivalents at 1 January	於期初的現金及現金等價物	1,427,575	2,047,125
Effect of foreign exchange rate changes	外匯匯率变化的影响	(4,385)	10,202
Cash and cash equivalents at 30 June	於期末的現金及現金等價物	1,501,345	1,502,400

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

1. CORPORATE INFORMATION

Yangtze Optical Fibre and Cable Company Ltd. 長飛光纖光纜有限公司 was established in the PRC 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.

The Company's H shares were listed on the Main Board of the Hong Kong Stock Exchange on 10 December 2014.

The Group is principally engaged in the research, development, production and sale of optical fibre preforms, optical fibres, optical fibre cables and related products.

2. BASIS OF PREPARATION

The unaudited interim financial report for the Period has neither been audited nor reviewed by the Company's auditors, but has been reviewed by the Company's audit committee, which has been prepared in accordance with the applicable disclosures provisions of the Hong Kong Listing Rules, including compliance with International Accounting Standard 34 "Interim Financial Reporting" adopting by the International Accounting Standard Board. The preparation of this unaudited interim financial report requires management to make judgements, estimates and assumptions that affect the application of the policies and reported amount of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The unaudited interim financial report was approved and authorised for issue by the Board on 17 August 2017.

The unaudited interim financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual report for the year ended 31 December 2016.

* For identification purpose only

一、公司資料

長飛光纖光纜有限公司為一家於一九八八年五月三十一日成立於中國的中外合資合營企業，於二零一三年十二月二十七日更名為長飛光纖光纜股份有限公司並在中國改制為外商投資股份有限公司。

二零一四年十二月十日，本公司H股於香港聯交所主板上市。

本集團主要從事研究、開發、生產和銷售光纖預製棒、光纖、光纜及相關產品。

二、編製基準

本未經審核中期財務報告以香港上市規則適用的披露規定，並符合國際會計準則理事會採納國際會計準則第34章《中期財務報告》作為編製基準，未經本公司核數師審核或審閱，但已由本公司審計委員會審閱。管理層需在編製未經審核中期財務報告時做出判斷、估計和假設。這些判斷、估計和假設會影響會計政策的應用和迄今為止資產與負債和收入與支出的匯報數額。實際結果可能有別於該估計。本未經審核中期財務報告於二零一七年八月十七日獲得董事會批准及授權刊發。

本未經審核中期財務報告並未包含年度財務報表所要求的所有資料及披露內容，其應當與本集團截至二零一六年十二月三十一日止年度之年度報告配合閱覽。

* 僅供識別

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT (Continued)

未經審核中期財務報告附註(續)

2. BASIS OF PREPARATION (Continued)

The financial information relating to the financial year ended 31 December 2016 that is included in the unaudited financial report as comparative information does not constitute the Group's annual consolidated financial statements for that financial year but is derived from those financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this unaudited interim financial report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016, except for the adoption of new amendments issued by the International Accounting Standards Board that are mandatory for annual periods beginning on or after 1 January 2017. The adoption of these new amendments has had no significant financial effect on the financial position performance of the Group.

4. REVENUE

The Group is principally engaged in the manufacturing and sales of optical fibre preforms, optical fibres, optical fibre cables and other related products and services. Revenue represents the sales value of goods supplied to customers, net of value added tax.

二、編製基準(續)

本未經審核中期財務報告所載相關於二零一六年十二月三十一日止財政年度的比較財務資料是源自於但並不構成本集團於該財政年度編製的年度財務報表。

三、重大財務政策概要

本未經審核中期財務報告之編製基準所適用的財務政策，除若干由國際會計準則委員會修訂的強制適用於二零一七年一月一日起之年度報表的準則外，其餘均與本集團截至二零一六年十二月三十一日止之年度財務報表保持一致。上述修訂的準則之適用並未對本集團的財務狀況產生任何實質性影響。

四、收入

本集團主要從事光纖預製棒、光纖、光纜和其他相關產品的生產及銷售和服務。收入代表銷售商品的銷售價值，扣除增值稅。

5. OTHER INCOME

五、其他收入

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Dividend income from available-for-sale equity securities	可供出售證券投資 股利收入	156	5,405
Royalty fees	特許權使用費	2,950	2,950
Government grants	政府補助	4,576	6,795
Rental income from operating leases	經營租賃租金收益	985	400
Gain on disposal of available-for-sale equity securities	出售可供出售證券的 收益	-	2,897
Net loss on disposal of property, plant and equipment	出售物業、廠房及設 備虧損淨額	(1,909)	(938)
Net realised and unrealised loss on trading securities	買賣證券的已變現及 未變現淨虧損	95	(252)
		6,853	17,257

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT (Continued)

未經審核中期財務報告附註(續)

6. NET FINANCE COSTS

六、淨融資成本

		For the six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
(a) Finance income	(a) 融資收入		
Interest income	利息收入	6,287	7,863
(b) Finance costs	(b) 融資成本		
Interest on bank loans	銀行貸款利息	(32,353)	(24,613)
Less: interest expenses capitalised into construction in progress	減：計入在建工程之資本化利息費用	241	381
Other finance costs	其他融資費用	(32,112)	(24,232)
Net foreign exchange losses	匯兌損失淨額	-	(409)
Bank charges	銀行手續費	(7,515)	(78,511)
		(2,515)	(5,057)
Finance costs	融資成本	(42,142)	(108,209)

7. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/
(crediting):

(a) STAFF COSTS

七、除稅前利潤

除稅前利潤已扣除／(計入)：

(a) 員工成本

For the six months ended 30 June
截至六月三十日止六個月

	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries, wages and other benefits	349,147	212,644
Contributions to defined contribution retirement plan	31,753	22,685
	380,900	235,329

Pursuant to the relevant labour rules and regulations in the PRC, the Company and its subsidiaries in the PRC participated in defined contribution retirement scheme (the "Scheme") organised by the relevant local government authority for their employees. The Company and its subsidiaries in the PRC are required to make contributions to the Scheme at 19% of basic salaries of the employees. The local government authority is responsible for the entire pension obligations payable to retired employees. The Group has no other material obligation to make payments in respect of pension benefits associated with this scheme other than the annual contribution described above.

根據中國有關勞動規則及規例，本公司及其於中國的附屬公司為其員工參與由中國當地政府主管部門組織的定額退休供款計劃（「計劃」）。本公司及其於中國的附屬公司須按員工基本薪金的19%向計劃作出供款。當地政府機關負責全部應付退休員工的退休福利。除上述年度供款以外，本集團並無其他與這項計劃相關的其他重大退休福利支付責任。

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT (Continued)

未經審核中期財務報告附註(續)

7. PROFIT BEFORE TAXATION (Continued)

七、除稅前利潤(續)

(b) OTHER ITEMS

(b) 其他項目

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Amortisation	攤銷		
- lease prepayments	- 租賃預付款項	2,998	2,037
- intangible assets	- 無形資產	11,853	9,438
Depreciation	折舊		
- property, plant and equipment held for use under operating leases	- 使用於經營租賃的物業、廠房及設備	1,146	434
- other property, plant and equipment	- 其他物業、廠房及設備	81,115	65,605
Research and development costs	研究和開發支出	156,733	101,357
Cost of inventories	存貨成本	3,412,816	2,875,276

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

八、合併綜合收益表內的所得稅

Taxation in the consolidated statements of comprehensive income represents:

合併綜合收益表內的所得稅指：

		For the six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current tax	即期稅項		
Provision for the period	期內撥備	88,313	49,078
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時性差異的產生及轉回	5,555	2,904
		93,868	51,982

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

本公司及其於中國的附屬公司須按25%的法定稅率繳納中國企業所得稅。

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

Pursuant to the corporate income tax law and the relevant approval documents, the Company was qualified as an approved high-tech enterprise and is entitled to a preferential income tax rate of 15% during the Period, subject to the fulfillment of the recognition criteria. An approval document was issued by the relevant authority in 2014 which stated that the Company is qualified as an approved high-tech enterprise for another three years from 2015 to 2017.

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries and regions.

9. EARNINGS PER SHARE

(a) BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB565,103,000 (six months ended 30 June 2016: RMB354,514,000) and the weighted average of 682,114,598 ordinary shares (six months ended 30 June 2016: 682,114,598 shares) in issue during the Period.

(b) DILUTED EARNINGS PER SHARE

The Company did not have any potential dilutive shares throughout the Period. Accordingly, diluted earnings per share are the same as basic earnings per share.

10. SEGMENT REPORTING

The Group manages its businesses by products. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments for the Period. No operating segments have been aggregated to form the following reportable segments.

八、合併綜合收益表內的所得稅(續)

根據企業所得稅法及有關批准文件，本公司獲認可為「高新技術企業」，且於本期間滿足條件後可享有15%的優惠所得稅稅率。於二零一四年，相關當局發出批文，指本公司於二零一五年至二零一七年三年間仍被認可為「高新技術企業」。

海外附屬公司之稅項乃按相關國家及地區現行適當稅率徵收。

九、每股盈利

(a) 每股基本盈利

每股基本盈利是基於本公司普通股權益持有人應佔利潤人民幣565,103,000元(截至二零一六年六月三十日止六個月：人民幣354,514,000元)以及期內已發行加權平均普通股682,114,598股(截至二零一六年六月三十日止六個月：682,114,598股)計算。

(b) 每股攤薄盈利

於期內，本公司不存在潛在稀釋性股份。因此，每股攤薄盈利與每股基本盈利一致。

十、分部報告

本集團通過產品管理業務。截至二零一七年六月三十日止六個月，本集團按照分配資源、評估業績用途而向本集團最高級行政管理層進行內部匯報所一致的方式列報以下兩個可呈報分部。概無合併任何經營分部，以組成以下報告分部。

10. SEGMENT REPORTING (Continued)

- Optical fibres and preforms: this segment produces optical fibres and optical fibre preforms which are sold to external parties.
- Optical fibre cables: this segment produces optical fibre cables which are sold to external parties.

The Group combined other business activities that are not reportable in "Others". Revenue included in this category is mainly from sales of equipment, raw materials and other related products.

(a) SEGMENT RESULTS

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following basis:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment results is gross profit.

The Group's assets, liabilities, other operating expenses, such as selling and administrative expenses, finance income and finance costs, and share of results of associates and joint ventures, are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expense, etc. is presented.

十、分部報告(續)

- 光纖及光纖預製棒：此分部生產光纖及光纖預製棒，並用於外銷。
- 光纜：此分部生產光纜，並用於外銷。

本集團將其他非報告分部合併以「其他」呈列。此部分的收入主要來源於銷售設備、材料及其他相關產品。

(a) 分部業績

為評估分部業績、在分部間分配資源，本集團高級行政管理層按以下基準對各可呈報分部的應佔業績進行監控：

收入和費用乃參考各可呈報分部產生的收入和發生的開支分配給各可呈報分部。用於衡量可呈報分部利潤的指標為毛利。

本集團的資產、負債、其他經營開支，如銷售及管理費用，融資收入和融資成本，以及應佔聯營和合營公司業績並未由各個分部考量。因此，未呈列分部資產和分部負債，亦或資本支出、利息收入和利息支出等資料。

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT (Continued)

未經審核中期財務報告附註(續)

10. SEGMENT REPORTING (Continued)

十、分部報告(續)

(a) SEGMENT RESULTS (Continued)

(a) 分部業績(續)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the Period is set out below:

截至二零一七年六月三十日止六個月，提供給本集團最高級行政管理層用作進行資源分配並對分部業績作出評估的關於本集團可呈報分部的資訊如下：

		For the six months ended 30 June 2017 (Unaudited) 截至二零一七年六月三十日止六個月(未經審核)			
		Optical fibres and preforms 光纖及光纖預製棒 RMB'000 人民幣千元	Optical fibre cables 光纜 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Reportable segment revenue	可呈報分部收入				
Gross revenue from external customers	外部客戶收入	2,259,884	2,126,342	265,374	4,651,600
Elimination of revenue relating to downstream transactions with joint ventures	與合營公司順流交易收入抵銷	(12,222)	-	696	(11,526)
Revenue from external customers	外部客戶收入	2,247,662	2,126,342	266,070	4,640,074
Reportable segment profit (gross profit)	可呈報分部利潤(毛利)				
Segment profit before elimination of unrealised profits	抵銷未實現利潤前的分部利潤	931,200	261,117	51,217	1,243,534
Elimination of unrealised profits on downstream transactions with joint ventures	抵銷與合營公司的未實現順流交易利潤	(8,210)	-	-	(8,210)
Reportable segment profit (gross profit)	可呈報分部利潤(毛利)	922,990	261,117	51,217	1,235,324

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT (Continued)

未經審核中期財務報告附註(續)

10. SEGMENT REPORTING (Continued)

十、分部報告(續)

(a) SEGMENT RESULTS (Continued)

(a) 分部業績(續)

For the six months ended 30 June 2016 (Unaudited)
截至二零一六年六月三十日止六個月(未經審核)

		Optical fibres and preforms 光纖及 光纖預製棒 RMB'000 人民幣千元	Optical fibre cables 光纜 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Reportable segment revenue	可呈報分部收入				
Gross revenue from external customers	外部客戶收入	1,920,608	1,574,229	174,489	3,669,326
Elimination of revenue relating to downstream transactions with joint ventures	與合營公司順流交易收入抵銷	8,576	-	(255)	8,321
Revenue from external customers	外部客戶收入	1,929,184	1,574,229	174,234	3,677,647
Reportable segment profit (gross profit)	可呈報分部利潤(毛利)				
Segment profit before elimination of unrealised profits	抵銷未實現利潤前的分部利潤	669,559	109,821	30,566	809,946
Elimination of unrealised profits on downstream transactions with joint ventures	抵銷與合營公司的未實現順流交易利潤	(2,633)	-	-	(2,633)
Reportable segment profit (gross profit)	可呈報分部利潤(毛利)	666,926	109,821	30,566	807,313

NOTES TO UNAUDITED INTERIM FINANCIAL REPORT (Continued)

未經審核中期財務報告附註(續)

10. SEGMENT REPORTING (Continued)

(b) GEOGRAPHICAL INFORMATION

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods are delivered.

		For the six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Mainland China (place of domicile)	中國大陸 (所在地)	4,117,866	3,320,265
Others	其他	522,208	357,382
		4,640,074	3,677,647

The geographical location of the Group's non-current assets is in the PRC, The Republic of Indonesia, The Republic of South Africa and The State of Israel during the Period.

下表載列本集團外部客戶收入有關地理位置資訊。客戶的地理位置是根據交付商品的位置確定。

於本期間，本集團非流動資產處於中國、印尼、南非及以色列。

11. INVENTORIES

The Group's inventories in the consolidated statement of financial position comprise:

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Raw materials and spare parts	原材料及備件	255,635	235,505
Work in progress	在產品	101,720	78,354
Finished goods	產成品	312,940	330,519
		670,295	644,378

十、分部報告(續)

(b) 地區信息

十一、存貨

合併財務狀況表中本集團的存貨包括：

12. TRADE AND BILLS RECEIVABLES

十二·應收賬款及票據

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收賬款		
– related parties	– 關聯方	229,179	168,538
– third parties	– 第三方	2,411,420	1,757,382
Bills receivable	應收票據	370,132	176,071
Less: allowance for doubtful debts	減：呆賬撥備	(49,416)	(29,686)
		2,961,315	2,072,305

All of the trade and bills receivables are expected to be recovered within one year.

本集團的所有應收賬款及票據預計將於一年之內收回。

AGEING ANALYSIS

賬齡分析

The ageing analysis of trade and bills receivables, based on the invoice date and net of allowance for doubtful debts, of the Group is as follows:

本集團按發票日之應收賬款及票據(扣除呆賬撥備)之賬齡分析如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 3 months	三個月內	1,868,594	1,696,918
3 to 6 months	三至六個月	284,512	148,389
6 months to 1 year	六個月至一年	633,703	159,374
1 to 2 years	一至兩年	150,486	53,462
2 to 3 years	二至三年	14,098	13,813
Over 3 years	三年以上	9,922	349
		2,961,315	2,072,305

12. TRADE AND BILLS RECEIVABLES

(Continued)

During the Period, the Group's customers included certain joint ventures, three state-owned telecommunications network operators (the "Three State-owned Telecommunications Operators") and other third parties. The Group generally required the Three State-owned Telecommunications Operators to make 70%–80% payment upon receipt of goods and pay the remaining balance in one year. In addition, the Group granted credit periods of 30 to 90 days to those long standing third party customers with good payment history and the joint ventures. The credit period of individual customers is considered on a case-by-case basis and set out in the sales contracts, as appropriate. Normally, the Group does not obtain collateral from customers.

十二、應收賬款及票據(續)

於本期間，本集團的客戶包括部分合營公司、三家國有電信運營商（「三家國有電信運營商」）及其他第三方。本集團一般要求三家國有電信運營商於收到貨物時支付70%–80%貨款並在一年內支付其餘部分。同時，本集團向長期合作並具有良好支付紀錄的第三方客戶及合營公司授予30至90天的信用期。個別客戶的信用期均單獨考量並於銷售合同中相應註明。本集團通常不會向客戶收取擔保物。

13. OTHER FINANCIAL ASSETS

十三、其他金融資產

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trading securities	交易性證券		
– listed in the PRC	– 在中國境內上市	8,788	5,603
Available-for-sale debt securities	可供出售債務證券		
– unlisted	– 非上市	45,334	38,198
Restricted bank deposits	限制性定期存款	–	205,000
		54,122	248,801

Available-for-sale debt securities represents wealth management products issued by certain state-owned or listed commercial banks in the PRC. As at 30 June 2017, the available-for-sale debt securities were neither past due nor impaired.

可供出售債務證券是指若干中國國內或上市商業銀行發行的理財產品。於二零一七年六月三十日，可供出售債務證券並無逾期或減值。

14. BANK LOANS

十四、銀行貸款

The Group's bank loans are repayable as follows:

本集團的銀行貸款還款時間呈列如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 year	一年內	1,225,343	886,870
After 1 year but within 2 years	一年後但兩年內	200,470	600,579
After 2 years but within 5 years	兩年後但五年內	246,000	227,000
After 5 years	五年後	42,000	42,000
		488,470	869,579
		1,713,813	1,756,449

Certain of the Group's bank loans are subject to the fulfillment of covenants relating to the Group's assets/liabilities ratio, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the bank loans would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2017, none of the covenants relating to bank loans had been breached.

本集團部分銀行貸款須遵守若干與本集團的資產／負債比率相關的財務契約，此類財務契約常見於金融機構的借款安排中。若本集團違反了契約，銀行貸款將可以被要求立即償還。本集團定期監控對相關契約的遵守情況。於二零一七年六月三十日，本集團無違反相關契約的情況。

15. TRADE AND BILLS PAYABLES

十五、應付賬款及票據

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	應付賬款		
– related parties	– 關聯方	295,804	186,610
– third parties	– 第三方	758,072	608,588
Bills payable	應付票據	147,770	85,283
		1,201,646	880,481

All trade and bills payables are expected to be settled within one year or are repayable on demand.

預計所有應付賬款及票據將在一年內或按要求償還。

AGEING ANALYSIS

The ageing analysis of the Group's trade and bills payables, based on invoice date, is as follows:

賬齡分析

本集團的應付賬款及票據按發票日的賬齡分析如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 year	一年內	1,187,321	873,730
Over 1 year but within 2 years	一年後但兩年內	9,620	3,516
Over 2 years but within 3 years	兩年後但三年內	1,641	594
Over 3 years	三年後	3,064	2,641
		1,201,646	880,481

16. DIVIDENDS

十六、股利

Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the Period:

於本期間內批准應付本公司權益持有人上個財政年度的股利：

For the six months ended 30 June
截至六月三十日止六個月

	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Final dividend in respect of the previous financial year and approved during the Period RMB0.255 per share (six months ended 30 June 2016: RMB0.174 per share)	173,939	118,688
於本期間內批准的應付上一財政年度的末期股利每股人民幣0.255元(截至二零一六年六月三十日止六個月：每股人民幣0.174元)		

Dividends payable to equity shareholders of the Company attributable to the previous financial period and paid during the Period were RMB Nil (six months ended 30 June 2016: Nil).

截至二零一七年六月三十日止六個月支付本公司權益持有人的上個財政年度有關的股利為人民幣零元(截至二零一六年六月三十日止六個月：無)。

The Board did not declare any interim dividend for the current and prior periods.

董事會並無宣派當期及前期任何中期股息。

17. COMMITMENTS

十七、承擔

(a) CAPITAL COMMITMENTS OUTSTANDING AT 30 JUNE 2017 NOT PROVIDED FOR IN THE FINANCIAL STATEMENTS WERE AS FOLLOWS:

(a) 於二零一七年六月三十日未償付而又未在財務報表內提撥準備的資本承擔如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Contracted for	已訂約		
- property, plant and equipment	- 物業、廠房及設備	244,130	179,538
- investment in joint ventures	- 於合營公司的投資	89,774	16,718
- lease prepayments	- 租賃預付款項	16,537	-
Authorised but not contracted	已授權但未訂約		
- property, plant and equipment	- 物業、廠房及設備	708,711	748,964
- lease prepayments	- 租賃預付款項	-	16,831
		1,059,152	962,051

(b) AT 30 JUNE 2017, THE TOTAL FUTURE MINIMUM LEASE PAYMENTS UNDER NON-CANCELLABLE OPERATING LEASES ARE PAYABLE AS FOLLOWS:

(b) 於二零一七年六月三十日，根據不可解除的經營租賃在日後應付的最低租賃付款總額如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 year	一年內	5,561	8,725
After 1 year but within 5 years	一年後但五年內	12,408	14,085
		17,969	22,810

The Group leases certain buildings through non-cancellable operating leases. These operating leases do not contain provisions for contingent lease rentals. None of the rental agreements contain escalation provisions that may require higher future rental payments.

本集團通過不可解除的經營租賃租用若干樓宇。這些經營租賃並沒有或有租賃租金的條款。租賃協議並無載有可能會在未來要求更高租金的遞增條文。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) CREDIT RISK

The Group's credit risk is primarily attributable to cash at bank, available-for-sale debt securities and trade and other receivables. Management has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis.

Substantially all of the Group's cash at bank and available-for-sale debt securities are deposited in or purchased from the stated-owned/controlled or listed PRC banks which the directors assessed the credit risk to be insignificant.

The Group's major customers included the three major state-owned telecommunications network operators in the PRC and the Group's joint ventures. During the Period, sales to the three major state-owned telecommunications network operators and the Group's joint ventures accounted for approximately 36% and 30% (the six months ended 30 June 2016: 31% and 33%) of the Group's total revenue respectively.

十八、金融工具的金融風險管理和公允價值

(a) 信貸風險

本集團的信貸風險主要來自銀行存款、可供出售債務證券及應收賬款和其他應收款。管理層已制定適當的信貸政策，並且不斷監察這些信貸風險的額度。

本集團主要的銀行存款和可供出售債務證券均存放於或購買自中國國有/控制或者上市的銀行，而董事評估認為其信貸風險並不重大。

本集團主要客戶包括中國三家國有電信網絡營運商和本集團的合營公司。截至二零一七年六月三十日止六個月，對三家國有電信網絡營運商和本集團的合營公司的銷售分別佔本集團總收入的36%和30% (截至二零一六年六月三十日止六個月：31%和33%)。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) CREDIT RISK (Continued)

The Group has certain concentration of credit risk. Significant concentrations of credit risk arise primarily when the Group has significant exposure to individual customers. As at 30 June 2017, 34% and 55% (31 December 2016: 33% and 68%) of trade receivables was due from the Group's largest customer and the Group's five largest customers, respectively. Entities which are known to the Group to be under common control with the customer are considered a single customer in the above analysis.

The Group does not provide any guarantee which would expose the Group to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Note 12.

(b) LIQUIDITY RISK

The Group is responsible for the overall cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the board of directors when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants (if any), to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

十八、金融工具的金融風險管理和公允價值(續)

(a) 信貸風險(續)

本集團面臨若干集中信貸風險。顯著的集中信貸風險主要於本集團面臨個別客戶的重大風險時產生。於二零一七年六月三十日，本集團應收最大客戶及前五大客戶的款項分別佔應收賬款總額的34%及55%(二零一六年十二月三十一日:33%及68%)。在上述分析中，本集團已知的與客戶處於共同控制下的實體被認為是單一客戶。

本集團沒有提供任何其他可能令本集團承受信貸風險的擔保。

有關本集團承受因應收賬款及其他應收款所產生的信貸風險的進一步定量披露內容載列於附註十二。

(b) 流動風險

本集團負責整體現金管理，包括現金盈餘的短期投資和籌措貸款以應付預計現金需求，當貸款超過預定的水平時需獲得董事會批准。本集團的政策是定期監察流動資金需求以及履行借貸契約(如有)的情況，以確保維持足夠現金儲備和隨時可交易於市場的證券，以及來自主要金融機構的充足承諾融資額度，以滿足本集團短期及長期流動資金需求。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) LIQUIDITY RISK (Continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

十八、金融工具的金融風險管理和公允價值(續)

(b) 流動風險(續)

下表列出了於報告期末，本集團非衍生金融負債的剩餘合同期限，依據是合同未貼現現金流（包括根據合同利率計算的利息支付額，或如果採用浮動利率，即為根據報告期末的合同利率計算的利息支付額），以及可能要求本集團支付的最早日期。

		30 June 2017 (Unaudited) 二零一七年六月三十日 (未經審核)					
		Contractual undiscounted cash outflow 合約非貼現現金流量總額					
		Within 1 year or on demand 一年內 或即期 RMB'000 人民幣千元	More than 1 year but less than 2 years 一年以上 但兩年以下 RMB'000 人民幣千元	More than 2 years but less than 5 years 兩年以上 但五年以下 RMB'000 人民幣千元	More than 5 years 五年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
Bank loans	銀行貸款	1,262,165	209,295	251,763	43,524	1,766,747	1,713,813
Trade and bills payables	應付賬款及票據	1,201,646	-	-	-	1,201,646	1,201,646
Accrued expenses and other payables	預提費用及其他應付款項	561,987	-	-	-	561,987	561,987
Total	合計	3,025,798	209,295	251,763	43,524	3,530,380	3,477,446

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(b) LIQUIDITY RISK (Continued)

(b) 流動風險(續)

31 December 2016 (Audited)
二零一六年十二月三十一日(經審核)

		Contractual undiscounted cash outflow 合約非貼現現金流量總額					
		Within 1 year or on demand 一年內 或即期 RMB'000 人民幣千元	More than 1 year but less than 2 years 一年以上 但兩年以下 RMB'000 人民幣千元	More than 2 years but less than 5 years 兩年以上 但五年以下 RMB'000 人民幣千元	More than 5 years 五年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
Bank loans	銀行貸款	919,452	622,358	246,206	43,545	1,831,561	1,756,449
Trade and bills payables	應付賬款及票據	880,481	-	-	-	880,481	880,481
Accrued expenses and other payables	預提費用及其他應付款項	597,706	-	-	-	597,706	597,706
Total	合計	2,397,639	622,358	246,206	43,545	3,309,748	3,234,636

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(c) INTEREST RATE RISK

The Group's interest rate risk arises primarily from bank loans. Bank loans issued at variable rates expose the Group to cash flow interest rate risk.

The Group regularly reviews and monitors the mix of fixed and variable rate bank loans in order to manage its interest rate risks.

The following table details the interest rate profile of the Group's bank loans at the end of the reporting period.

(c) 利率風險

本集團的利率風險主要來自於銀行貸款。浮動利率銀行貸款使本集團暴露於現金流利率風險。

為了管理本集團的利率風險，本集團定期審查並監控固定利率及浮動利率貸款的組合。

下表詳列本集團於報告期末銀行貸款的利率概況。

		30 June 2017 (Unaudited) 二零一七年六月三十日 (未經審核)		31 December 2016 (Audited) 二零一六年十二月三十一日 (經審核)	
		Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元	Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元
Fixed rate bank loans	固定利率銀行貸款	1.20%-4.75%	1,504,490	0.10%-4.61%	1,225,248
Floating rate bank loans	浮動利率銀行貸款	1.47%-4.35%	209,323	1.53%-4.75%	531,201
			1,713,813		1,756,449

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(c) INTEREST RATE RISK (Continued)

At the end of the reporting period, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have (decreased)/increased the Group's profit after tax and retained earnings as follows:

(c) 利率風險(續)

於報告期末，假設所有其他變量保持不變，而利率整體上調/下調100個基點，則估計本集團的稅後利潤及保留盈利將分別(減少)/增加：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
100 basis points increase	增加100個基點	(890)	(4,515)
100 basis points decrease	減少100個基點	890	4,515

Other components of consolidated equity would not be affected by the change in interest rates.

合併權益的其他組成部分不會受到利率變動的影響。

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained earnings) and other components of consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period. The impact is estimated as an annualised impact on interest expense of such a change in interest rates. The sensitivity analysis is performed on the same basis for 2016.

上述敏感度分析顯示假設於報告期末利率發生變動本集團的除稅後利潤(及保留盈利)及合並權益的其他組成部分的變化情況。該影響為對利息開支因利率改變而導致的年度化影響的估計。二零一六年敏感度分析按相同基準進行。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(d) CURRENCY RISK

The Group is exposed to currency risk primarily through sales, purchases and borrowings which give rise to receivables, payables and bank loans that are denominated in foreign currency, i.e. a currency other than the functional currency of the operations in which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("USD"), Euros ("EUR"), Hong Kong dollars ("HKD") and RMB.

(i) Recognised assets and liabilities

The Group did not hedge its foreign currency exposure.

RMB is not a freely convertible currency and the PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. Changes in the foreign exchange control system may prevent the Group from satisfying sufficient foreign currency demands and the Group may not be able to pay dividends in foreign currencies to its shareholders.

(d) 貨幣風險

本集團承受的貨幣風險主要來源於銷售、採購以及貸款產生的以外幣(即與經營所在地交易相關的與功能貨幣幣種不同的其他貨幣)計價的應收賬款、應付賬款及銀行貸款。與該風險相關的幣種主要包括美元、歐元、港幣及人民幣。

(i) 確認的資產與負債

本集團未就外幣風險進行對沖。

人民幣並非自由兌換貨幣，中國政府可自行安排未來對來賬戶交易採用外幣的限制。關於外匯控制政策的變化，可能妨礙本集團滿足對外幣的需求，從而導致本集團可能無法向股東以外幣支付股利。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(d) CURRENCY RISK (Continued)

(d) 貨幣風險(續)

(ii) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity in which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the end of the reporting period.

The Group's exposures to foreign currencies (expressed in RMB'000)

(ii) 貨幣風險敞口

下表詳列本集團於報告期末有關以功能貨幣以外的貨幣計價之資產或負債所產生的貨幣風險敞口。就呈列目的而言，風險敞口之金額以人民幣列示，並以報告期末即時匯率換算。

本集團的外幣敞口(以人民幣千元列賬)

		30 June 2017 二零一七年六月三十日 (Unaudited) (未經審核)				
		USD 美元	EUR 歐元	HKD 港幣	RMB 人民幣	Others 其他
Trade and bills receivables	應收賬款及票據	258,882	-	-	-	528
Cash and cash equivalents	現金及現金等價物	360,166	27,411	236	1,397	8
Bank loans	銀行貸款	(20,323)	-	-	(35,000)	-
Trade and bills payables	應付賬款及票據	(80,836)	(29,820)	-	(17)	(239)
Net exposure	淨敞口	517,889	(2,409)	236	(33,620)	297

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(d) CURRENCY RISK (Continued)

(ii) Exposure to currency risk (Continued)

		31 December 2016 二零一六年十二月三十一日 (Audited) (經審核)				
		USD 美元	EUR 歐元	HKD 港幣	RMB 人民幣	Others 其他
Trade and bills receivables	應收賬款及票據	159,367	-	-	8,811	-
Cash and cash equivalents	現金及現金等價物	115,628	23,476	9,912	161	1
Bank loans	銀行貸款	(60,682)	(577,086)	-	(35,000)	-
Trade and bills payables	應付賬款及票據	(73,469)	(144,150)	-	(15,012)	(209)
Net exposure	淨敞口	140,844	(697,760)	9,912	(41,040)	(208)

(iii) Sensitivity analysis

The followings are the foreign currency exchange rates applied:

(iii) 敏感度分析

下表呈列有關使用的外幣匯率：

		Average rate 平均匯率	Reporting date spot rate 報告日現匯匯率
		30 June 2017 二零一七年 六月三十日 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 (Audited) (經審核)
USD	美元	6.8607	6.6529
EUR	歐元	7.4920	7.3417
HKD	港幣	0.8821	0.8571

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(d) CURRENCY RISK (Continued)

(d) 貨幣風險(續)

(iii) Sensitivity analysis (Continued)

A 5% strengthening of RMB against the following currencies as at the respective reporting period end dates would have increased the Group's profit after tax and retained earnings by the amounts shown below.

(iii) 敏感度分析(續)

於各報告期末人民幣對各貨幣增值5%會使稅後利潤及保留盈利增加的金額呈列如下。

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
USD	美元	(30,250)	(5,929)
EUR	歐元	(3,651)	29,656
HKD	港幣	(10)	(421)
RMB	人民幣	(1,371)	1,571
Others	其他	(169)	8
		(35,451)	24,885

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) CURRENCY RISK (Continued)

(iii) Sensitivity analysis (Continued)

A 5% weakening of RMB against the above currencies as at the respective reporting period end dates would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency.

The 5% change represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting period end date. The analysis is performed on the same basis for 2016.

十八、金融工具的金融風險管理和公允價值(續)

(d) 貨幣風險(續)

(iii) 敏感度分析(續)

於各報告期末人民幣相對於上述貨幣5%的貶值，假設所有其他變量保持不變，則對上述貨幣產生金額相同但方向相反的影響，影響金額如上表呈列。

以上敏感度分析是假設匯率於報告期末有所改變而釐定，並已應用於重新計量本集團於報告期末所持有的使本集團須承擔外幣風險的金融工具。該分析不包括以本集團的列報貨幣換算境外經營的財務報表所產生的差異。

5%變動代表管理層於此期間至下一年度報告期末日對外匯匯率可能變化的合理評估。該分析是按二零一六年的同一基準進行。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(e) FAIR VALUES

(e) 公允價值

(i) Financial instruments carried at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the respective reporting period end dates on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

(i) 按公允價值計量的金融工具
公允價值層級

下表呈列本集團經常性的於報告期末所計量的金融工具公允價值。該等金融工具已歸入《國際財務報告準則》第13號「公允價值計量」所界定的三個公允價值層級。本集團參照以下估值方法所採用的輸入值的可觀察程度和重要性，從而釐定公允價值計量數值所應歸屬的層級：

- 第一層級估值：只使用第一層級輸入值(即相同資產或負債於計量日期在活躍市場的未經調整報價)來計量公允價值。
- 第二層級估值：使用第二層級輸入值(即未達第一層級的可觀察輸入值)並捨棄重大不可觀察輸入值來計量公允價值。不可觀察輸入值是指欠缺市場數據的輸入值。

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(e) FAIR VALUES (Continued)

(i) Financial instruments carried at fair value (Continued)

Fair value hierarchy (Continued)

- Level 3 valuations: Fair value measured using significant unobservable inputs.

(e) 公允價值(續)

(i) 按公允價值計量的金融工具(續)

公允價值層級(續)

- 第三層級估值：採用重大不可觀察輸入值來計量公允價值。

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Level 1	第1層級		
- listed available-for-sale equity securities	- 已上市的可供出售證券投資	105,582	114,857
- listed trading securities	- 已上市的交易性證券	8,788	5,603
Level 3	第3層級		
- unlisted available-for-sale debt securities	- 未上市的可供出售債務證券	45,334	38,198
		159,704	158,658

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

十八、金融工具的金融風險管理和公允價值(續)

(e) FAIR VALUES (Continued)

(e) 公允價值(續)

(i) Financial instruments carried at fair value (Continued)

Fair value hierarchy (Continued)

During the Period and the year ended 31 December 2016, there were no transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The fair values of available-for-sale debt securities are determined using the discounted cash flow analysis. The significant unobservable input in the fair value measurement is the discount rate. As the maturities of the Group's available-for-sale debt securities are less than 12 months, the directors are of the opinion that the impact of discounting would be insignificant. Any increase/decrease in the discount rate at 30 June 2017 would not have significant impact on the Group's other comprehensive income.

(ii) Fair value of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair value at 30 June 2017 and 31 December 2016.

(i) 按公允價值計量的金融工具(續)

公允價值層級(續)

截至二零一七年六月三十日止期間及二零一六年十二月三十一日止年度，並無任何公允價值轉入第三層級或自第三層級轉出。本集團的政策是在公允價值層級之間出現轉移的報告期完結時確認有關變動。

可供出售債務證券的公允價值採用貼現現金流量分析法釐定。公允價值計量的重大不可觀察輸入值是貼現率。由於本集團的可供出售債務證券到期期限為十二個月以下，董事認為貼現影響並不重大。於二零一七年六月三十日，貼現率上升/下降對本集團的其他綜合收益不會有重大影響。

(ii) 非按公允價值列賬的金融工具的公允價值

本集團按成本或攤銷成本入賬的金融工具的賬面金額與其於二零一七年六月三十日和二零一六年十二月三十一日的公允價值分別不大。

19. MATERIAL RELATED PARTY TRANSACTIONS

十九·重大關聯方交易

(a) TRANSACTIONS WITH RELATED PARTIES

The Group had the following material transactions with related parties during the six months ended 30 June 2017:

(a) 與關聯方的交易

截至二零一七年六月三十日止六個月，本集團與關聯方進行的重大交易如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Sales of goods to	出售商品予		
- China Huaxin	- 中國華信	-	148
- subsidiaries and fellow subsidiary of Draka	- Draka的附屬公司及同系附屬公司	35,499	24,313
- joint ventures	- 合營公司	1,385,930	1,212,273
Purchase of goods from	購買商品自		
- subsidiaries of Draka	- Draka的附屬公司	40,182	44,252
- associate	- 聯營公司	13,719	13,496
- joint ventures	- 合營公司	1,546,932	1,258,452
Royalty fees income from	特許權使用費收益自		
- joint ventures	- 合營公司	2,950	2,950
Rental income from	租金收入自		
- shareholders	- 股東	9	-
- associate	- 聯營公司	216	216
- joint venture	- 合營公司	2,043	184
Royalty fees to	特許權使用費予		
- subsidiary of Draka	- Draka的附屬公司	20,000	15,000
Loans to a joint venture	貸款予合營企業	20,000	30,000

Note: China Huaxin, Yangtze Communications and Draka are the Company's substantial shareholders. As at 30 June 2017, the Company was owned as to 26.37%, 17.58% and 26.37% (30 June 2016: 26.37%, 17.58% and 26.37%) by China Huaxin, Yangtze Communications and Draka, respectively.

附註：中國華信、長江通信和Draka為本公司的主要股東。於二零一七年六月三十日，中國華信、長江通信和Draka分別持有本公司26.37%、17.58%和26.37%的股權(二零一六年六月三十日：26.37%、17.58%和26.37%)。

19. MATERIAL RELATED PARTY
TRANSACTIONS (Continued)

十九、重大關聯方交易(續)

(b) OUTSTANDING BALANCES WITH
RELATED PARTIES

(b) 與關聯方的餘額

The Group's outstanding balances with related parties are as follows:

本集團與關聯方的未償還結餘的詳情如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade and bills receivables	應收賬款及票據		
– China Huaxin	– 中國華信	107	107
– joint venture of China Huaxin	– 中國華信的合營公司	–	276
– subsidiary of Yangtze Communications	– 長江通信的附屬公司	–	187
– subsidiaries and fellow subsidiary of Draka	– Draka的附屬公司及同系附屬公司	6,127	5,506
– joint ventures	– 合營公司	222,946	162,462
		229,180	168,538
Deposits, prepayments and other receivables	按金、預付及其他應收款項		
– subsidiary of Yangtze Communications	– 長江通信的附屬公司	–	2,217
– subsidiaries of Draka	– Draka的附屬公司	3,084	3,394
– joint ventures	– 合營公司	73,659	69,987
		76,743	75,598
Other non-current assets	其他非流動資產		
– joint venture	– 合營公司	20,000	30,000

19. MATERIAL RELATED PARTY
TRANSACTIONS (Continued)

十九·重大關聯方交易(續)

(b) OUTSTANDING BALANCES WITH
RELATED PARTIES (Continued)

(b) 與關聯方的餘額(續)

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade and bills payables	應付賬款及票據		
– subsidiaries of Draka	– Draka的附屬公司	16,466	4,081
– associate	– 聯營公司	11,633	14,182
– joint ventures	– 合營公司	267,704	168,347
		295,803	186,610
Accrued expenses and other payables	預提費用及其他應付款項		
– China Huaxin	– 中國華信	45,856	–
– Yangtze Communications	– 長江通信	30,584	–
– Draka and subsidiaries of Draka	– Draka及Draka的附屬公司	102,293	33,523
– associate	– 聯營公司	432	432
– joint ventures	– 合營公司	5,901	6,442
– shareholders	– 股東	7,850	–
		192,916	40,397
Deferred income	遞延收益		
– associate	– 聯營公司	4,104	4,320
– joint ventures	– 合營公司	5,417	8,367
		9,521	12,687

19. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

十九、重大關聯方交易(續)

(c) KEY MANAGEMENT PERSONNEL REMUNERATION

(c) 關鍵管理人員薪酬

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors.

關鍵管理人員指其所處職位具有權力與責任、可直接或間接地規劃、領導以及控制本集團的活動的個人，包括本公司的董事。

Remuneration for key management personnel, including amounts paid to the Company's directors (including chief executive and supervisors) and certain of the highest paid employees, is as follows:

關鍵管理人員的薪酬，包括支付給本公司董事(包括行政總裁及監事)的金額以及支付給若干最高薪酬人士的金額，如下：

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Short-term employee benefits	短期僱員福利	6,934	4,756
Post-employment benefits	離職後福利	345	343
		7,279	5,099

Total remuneration is included in "staff costs" (see Note 7(a)).

薪酬總額計入「員工成本」(參閱附註7(a))。

OVERVIEW

During the first half of 2017, being one of the global leading optical fibre preform, optical fibre and optical fibre cable suppliers, the Group's revenue reached approximately RMB4,640.1 million for the Period, increased by approximately 26.2% as compared to the same period of 2016 of approximately RMB3,677.6 million. The Group's gross profit reached approximately RMB1,235.3 million, increased by approximately 53.0% as compared to the same period of 2016 of approximately RMB807.3 million. The Group's profit for the Period attributable to the equity shareholders of the Company amounted to approximately RMB565.1 million, increased by approximately 59.4% as compared to the same period of 2016 of approximately RMB354.5 million.

Basic earnings per share was RMB0.83 per share (six months ended 30 June 2016: RMB0.52 per share).

REVENUE

The Group's revenue for the Period was approximately RMB4,640.1 million, representing an increase of 26.2% as compared to the same period of 2016 of approximately RMB3,677.6 million.

綜述

於二零一七年上半年，作為世界領先的光纖預製棒、光纖及光纜供應商之一，本集團收入約達人民幣4,640.1百萬元，較二零一六年同期約人民幣3,677.6百萬元增長約26.2%。本集團的毛利約為人民幣1,235.3百萬元，較二零一六年同期約人民幣807.3百萬元增長約53.0%。本集團於本期間的本公司權益持有人應佔利潤約為人民幣565.1百萬元，較二零一六年同期約人民幣354.5百萬元增長約59.4%。

每股基本盈利為每股股份人民幣0.83元（截至二零一六年六月三十日止六個月：每股股份人民幣0.52元）。

收入

本集團的收入於本期間約為人民幣4,640.1百萬元，較二零一六年同期約人民幣3,677.6百萬元增長26.2%。

REVENUE (Continued)

By product segment, revenue of approximately RMB2,247.7 million was contributed from the Group's optical fibre preform and optical fibre segment, representing a growth of 16.5% as compared to the same period of 2016 of approximately RMB1,929.2 million and accounting for 48.4% of the Group's total revenue; while revenue of RMB2,126.3 million was contributed from the optical fibre cable segment, representing a growth of 35.1% as compared to the same period of 2016 of approximately RMB1,574.2 million and accounting for 45.8% of the Group's total revenue. The substantial growth in the Group's total revenue was mainly due to the ramp up of 4G infrastructure construction by the Three State-owned Telecommunications Operators and the ongoing national initiatives such as "Broadband China", "Internet plus" announced by the PRC government, which provide positive catalysts and bring in additional momentum, in particular, the demand for optical fibres and optical fibre cables.

Revenue of approximately RMB266.1 million was contributed from others, representing an increase of 52.7% as compared to the same period of 2016 of approximately RMB174.2 million and accounting for 5.8% of the Group's total revenue because of the development of the Company's new business including RF cables, indoor cabling, cloud computing and network construction and services.

收入(續)

按產品分部劃分，約人民幣2,247.7百萬元 的收入來自本集團的光纖預製棒及光纖分部，較二零一六年同期約人民幣1,929.2百萬元增長16.5%及佔本集團總收入48.4%；而人民幣2,126.3百萬元 的收入乃來自光纖分部，較二零一六年同期約為人民幣1,574.2百萬元增長35.1%及佔本集團總收入45.8%。本集團總收入造出可觀升幅，主要受惠於三家國有電信運營商繼續大力發展4G網絡基礎建設，以及中國政府持續推進實施「寬帶中國」、「互聯網+」等國家戰略，上述因素尤其對光纖和光纜的需求起到促進作用，並帶來額外動力。

其他產品服務貢獻收入約為人民幣266.1百萬元，較二零一六年同期約人民幣174.2百萬元增長52.7%，及佔本集團總收入5.8%。其他收入增長主要是隨著本公司新業務，包括射頻電纜、室內佈線、雲計算及網絡工程建設及服務的發展實現增長。

管理層討論及分析(續)

REVENUE (Continued)

By geographical segment, revenue of approximately RMB4,117.9 million was from customers in the PRC, representing an increase of 24.0% as compared to the same period of 2016 of approximately RMB3,320.3 million and accounting for approximately 88.7% of the Group's total revenue, while revenue of approximately RMB522.2 million was from customers in overseas, representing an increase of 46.1% as compared to the same period of 2016 of approximately RMB357.4 million and accounting for approximately 11.3% of the Group's total revenue. The increase in overseas sales was mainly driven by the increase of optical fibre cables and indoor cabling, mainly by reason of the Company's continuous efforts to steadily implement the internationalisation strategy.

COST OF SALES

The Group's cost of sales for the Period was approximately RMB3,404.8 million, representing an increase of 18.6% as compared to the same period of 2016 of approximately RMB2,870.3 million and accounting for 73.4% of the Group's revenue. The increase in cost of sales was in line with the increase in 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 and other manufacturing overheads); and (iii) direct labour costs.

For the Period, the Group's total raw material costs was approximately RMB3,020.1 million, representing an increase of 15.3% as compared to approximately RMB2,619.2 million during the first half of 2016.

For the Period, the Group's manufacturing overheads and direct labour costs amounted to approximately RMB384.7 million, representing an increase of 53.2% as compared to RMB251.1 million during the first half of 2016.

收入(續)

按地區分部劃分，約人民幣4,117.9百萬元 的收入來自中國客戶，較二零一六年同期 約3,320.3百萬元增長24.0%及佔本集團總 收入約88.7%，而約人民幣522.2百萬元的 收入乃來自海外客戶，較二零一六年同期約 357.4百萬元增長46.1%及佔本集團總收入 約11.3%。海外銷售增長的主要驅動是光纜 和室內布線的增長，主要源於本公司持續穩 定的推行國際化戰略。

銷售成本

本集團的銷售成本於本期間約為人民幣 3,404.8百萬元，較二零一六年同期約人民 幣2,870.3百萬元增長18.6%，佔本集團收 入的73.4%。銷售成本升幅與本集團收入增 長相符。

本集團的銷售成本包括(i)原材料成本；(ii)生產 間接費用(包括機器及設備折舊、易耗品、租 金開支、水電及其他生產間接費用)；及(iii) 直接勞工成本。

於本期間，本集團的原材料成本總額約為人 民幣3,020.1百萬元，較二零一六年上半年 約人民幣2,619.2百萬元增加15.3%。

於本期間，本集團的生產間接費用以及直 接勞工成本約為人民幣384.7百萬元，較二 零一六年上半年的人民幣251.1百萬元增加 53.2%。

GROSS PROFIT AND GROSS PROFIT MARGIN

For the Period, the Group reported a gross profit of RMB1,235.3 million, representing an increase of 53.0% as compared to RMB807.3 million during the first half of 2016, the gross profit margin increased from 22.0% during the first half of 2016 to 26.6% during the first half of 2017. The increase in gross profit margin was mainly due to the changes in sales structure and the increase in average selling price of optical fibre preforms, optical fibres and optical fibre cables.

SELLING EXPENSES

The Group's selling expenses for the Period were approximately RMB126.1 million, representing an increase of 48.6% as compared to RMB84.9 million during the first half of 2016. The increase was mainly due to more optical fibres and optical fibre cables were sold during the Period which resulted in much more transportation costs both domestically and globally.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses for the Period were approximately RMB501.4 million, representing an increase of 67.9% as compared to RMB298.6 million during the first half of 2016. The increase was mainly because of the increase in research and development expenses, staff costs, as well as administrative expenses incurred by the newly established subsidiaries.

毛利及毛利率

於本期間，本集團的毛利為人民幣1,235.3百萬元，較二零一六年上半年的人民幣807.3百萬元增加53.0%，同時毛利率由二零一六年上半年的22.0%提升至二零一七年上半年的26.6%。毛利率的增長主要由於銷售構成的變化以及光纖預製棒、光纖及光纜的平均售價之上調。

銷售費用

本集團的銷售費用於本期間約為人民幣126.1百萬元，較二零一六年上半年的人民幣84.9百萬元增加48.6%。增幅主要源於本期間售出較多光纖及光纜，從而產生了更多的國內外運輸費用。

管理費用

本集團的管理費用於本期間約為人民幣501.4百萬元，較二零一六年上半年的人民幣298.6百萬元增加67.9%。增幅主要源於研發費用、人工成本以及新成立的附屬公司的管理費用的增長。

管理層討論及分析(續)

NET FINANCE COSTS

The Group's net finance costs for the Period decreased by RMB64.5 million compared to the same period of last year, of which a decrease of RMB71.0 million was due to the foreign exchange losses of the re-measurement of foreign currency debt, mainly in foreign currency bank loans. During the Period, the Group continued to restructure its bank loan by borrowing more RMB loans in order to decrease the net foreign exchange losses from the exchange depreciation of RMB against the US Dollar and the Euro. As at 30 June 2017, 98.8% of the bank loans was in RMB and 1.2% was in US Dollar.

The effective interest rates of the Group's bank loans during the Period ranged from 1.20% to 4.75% per annum (the first half of 2016: 0.77% to 3.92% per annum).

SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

During the Period, there was a substantial improvement in the share of profits from the associates and joint ventures, which increased from approximately RMB55.1 million in the first half of 2016 to approximately RMB70.7 million in the first half of 2017, the increase was mainly due to the significant growth in the Chinese market for the optical fibre demands.

INCOME TAX

The Group's income tax for the Period was RMB93.9 million, increased by approximately 80.6% as compared to RMB52.0 million during the first half of 2016. Besides, the effective tax rate increased from 13.1% in 2016 to 14.5% in 2017. In 2014, the Company continued to be recognised as an approved high-tech enterprise for another three years starting from 2015 to 2017 and was entitled to a preferential tax rate of 15%.

淨融資成本

本集團於本期間的淨融資成本較去年同期減少人民幣64.5百萬元，主要源於對外幣債務（主要是外幣銀行貸款）重新計量後的外匯損失減少人民幣71.0百萬元。於本期間，本集團持續對銀行借款作出結構調整，通過借貸較多人民幣來減少人民幣對美元和歐元匯率貶值導致匯兌淨損失。於二零一七年六月三十日，人民幣和美元所佔的銀行借款的比例分別為98.8%和1.2%。

本集團銀行貸款於本期間的實際利率介乎年利率1.20%至4.75%（截至二零一六年六月三十日止六個月：年利率0.77%至3.92%）。

應佔聯營公司及合營公司業績

於本期間，本公司應佔聯營公司及合營公司利潤得以顯著增長，由二零一六年上半年的約人民幣55.1百萬元增長至二零一七年上半年的約人民幣70.7百萬元，這主要得益於中國市場對光纖需求的顯著增長。

所得稅

本集團的所得稅於本期間為人民幣93.9百萬元，較二零一六年上半年的人民幣52.0百萬元增長約80.6%。此外，實際稅率由二零一六年的13.1%上升至二零一七年的14.5%。於二零一四年，本公司繼續獲認定為由二零一五年起至二零一七年三年之高新技術企業，並享有15%的優惠稅率。

CAPITAL EXPENDITURES

For the Period, the Group incurred a total capital expenditure of approximately RMB212.6 million for the purchases of property, plant and equipment, intangible assets and lease prepayments, which were primarily related to the global expansion of the production capacity in the three main products as well as the improvement in production efficiency of the existing production capacity in optical fibre preforms and optical fibres.

USE OF PROCEEDS FROM THE PRIVATE PLACEMENT

The Company issued an aggregate of 11,869,000 H shares and 30,783,000 domestic shares by way of Private Placement on 18 December 2015. The aggregate net proceeds from the Private Placement (after deducting underwriting fees and related issuing expenses) amounted to approximately RMB251.3 million (equivalent to approximately HK\$302.5 million). As stated in the circular and announcements of the Company in relation to the Private Placement, the aggregate net proceeds from the subscription of H shares and domestic shares by the connected persons and employees' limited partnerships amounted to (i) RMB189.5 million (equivalent to approximately HK\$228.6 million) would be used to construct the Phase II project of YOFC Science & Technology Park in Qianjiang to expand the optical fibre preform production capacity of the Group, and the aggregate net proceeds from the placing of H shares amounted to (ii) RMB61.8 million (equivalent to approximately HK\$73.9 million) would be used to support the development of the business of the Group, in particular, to expand the production capacity both domestically and abroad, and as general working capital, respectively.

資本支出

於本期間，本集團產生資本支出總額約為人民幣212.6百萬元，涉及購買物業、廠房及設備、無形資產及租賃預付款項，主要與提升三大產品在國內外的產能以及提高現有光纖預製棒及光纖設備的生產效率有關。

非公開配售所得款項用途

本公司於二零一五年十二月十八日以非公開配售的方式發行了11,869,000股H股及30,783,000股內資股。非公開配售所得款項淨額(經扣除承銷費用及有關發行開支後)合共約為人民幣251.3百萬元(相當於約302.5百萬港元)。根據本公司關於非公開配售發佈的股東通函及公告，其中關連人士及員工有限合夥認購H股及內資股所得款項(i)人民幣189.5百萬元(相當於約228.6百萬港元)將用於潛江長飛科技園二期項目之建設，以拓展本公司光纖預製棒之產能，以及H股配售所得款項(ii)人民幣61.8百萬元(相當於約73.9百萬港元)將用於支持本集團業務的發展，尤其是支持國內外的產能擴充，並作為一般營運資金。

USE OF PROCEEDS FROM THE PRIVATE PLACEMENT (Continued)

Up to the end of 30 June 2017, the aggregate net proceeds from the Private Placement amounting to RMB251.3 million (equivalent to approximately HK\$302.5 million) has been used to (i) contribute capital of RMB189.5 million (equivalent to approximately HK\$228.6 million) to Yangtze Optical Fibre (Qianjiang) Co., Ltd., a wholly owned subsidiary, which is responsible for the Phase II project of YOFC Science & Technology Park in Qianjiang, as at 30 June 2017, the paid-up capital has been used to purchase land and build plant; (ii) for capacity expansion in overseas (a) contribute capital of RMB10.5 million (equivalent to approximately HK\$12.6 million) to PT. Yangtze Optical Fibre Indonesia, a non-wholly owned subsidiary in Indonesia, as at 30 June 2017, the paid-up capital has been used to purchase fibre drawing equipment; (b) contribute capital of RMB33.1 million (equivalent to approximately HK\$39.6 million) to Yangtze Optics Africa Holdings Proprietary Limited, a non-wholly owned subsidiary in South Africa, as at 30 June 2017, the paid-up capital has been used to purchase optical cable equipment; and (c) pay RMB18.2 million (equivalent to approximately HK\$21.7 million) as general working capital for operating expenses. Up to the end of 30 June 2017, the net proceeds from the Private Placement had been fully utilised in accordance with the uses as set out in the circular and announcements of the Company in relation to the Private Placement.

非公開配售所得款項用途(續)

截至二零一七年六月三十日止，源於非公開配售之所得款項淨額總額約人民幣251.3百萬元(相當於約302.5百萬港元)已根據股東通函及公告所載的上述用途用於(i)向長飛光纖潛江有限公司投入資本金人民幣189.5百萬元(相當於約228.6百萬港元)，該全資子公司負責發展潛江長飛科技園二期項目，截至二零一七年六月三十日止，該資本金已用於購買土地和廠房建設；(ii)為發展本集團國外產能(a)向在印尼成立的全資控股子公司長飛光纖印尼有限公司投入資本金人民幣10.5百萬元(相當於約12.6百萬港元)。截至二零一七年六月三十日止，該資本金已用於購買拉絲設備；(b)向在南非成立的全資控股子公司長飛光纖非洲控股有限公司投入資本金人民幣33.1百萬元(相當於約39.6百萬港元)，截至二零一七年六月三十日止，該資本金已用於購買光纖設備；以及(c)作為一般營運資金用於支付相關經營費用人民幣18.2百萬元(相當於約21.7百萬港元)。截至二零一七年六月三十日止，非公開配售之所得款項淨額已根據關於非公開配售的股東通函及公告所載的用途被完全使用。

USE OF PROCEEDS FROM THE PRIVATE PLACEMENT (Continued) **非公開配售所得款項用途(續)**

	Planned Percentage	Planned use of net proceeds	Actual use of net proceeds 已使用款項			Unused proceeds as at 30 June 2017 尚未使用款項 於二零一七年六月三十日
			As at 31 December 2016	As at 24 March 2017*	As at 30 June 2017	
Use of proceeds from the private placement 非公開配售所得款項淨額之用途	計劃使用比例	計劃使用款項	截至二零一六年十二月三十一日止	截至二零一七年三月二十四日止*	截至二零一七年六月三十日止	
			(in RMB millions, except for percentage) (人民幣百萬元，百分比除外)			
Constructing the phase II project of YOFC Science & Technology Park in Qianjiang to expand preform capacity	75%	189.5	189.5	189.5	189.5	-
Supporting the development and capacity expansion of the Group and supplement working capital	25%	61.8	52.8	52.8	61.8	-
Total	100%	251.3	242.3	242.3	251.3	-

* Date of 2016 annual report

* 2016年年度報告日期

管理層討論及分析(續)

GEARING RATIO

The Group monitors its leverage using a 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 2017 was 4.4% (31 December 2016: 7.4%).

負債資本比率

本集團以負債資本比率監察負債狀況，比率以債務淨額除以權益總額計算。債務淨額包括所有銀行貸款減現金及現金等價物。本集團於二零一七年六月三十日的負債資本比率為4.4%（二零一六年十二月三十一日：7.4%）。

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 2017.

現金流量分析

下表載列摘錄自截至二零一七年六月三十日止六個月之合併現金流量表之選定現金流量數據。

For the six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Net cash generated from/(used in) operating activities	經營活動產生/(使用的)淨現金	173,222	(140,315)
Net cash used in investing activities	投資活動使用的淨現金	(38,300)	(469,250)
Net cash (used in)/generated from financing activities	融資活動(使用)/產生的淨現金	(56,767)	54,638
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	78,155	(554,927)

管理層討論及分析(續)

CASH FLOW ANALYSIS (Continued)

The Group's net cash generated from operating activities increased by approximately RMB313.5 million, which was mainly because the increase in revenue was greater than the net increase in trade and bills receivables and trade and bills payables.

The Group's net cash used in investing activities decreased by approximately RMB431.0 million, which was mainly due to the investments on local and overseas projects in order to expand production capacity of the Group mainly completed in 2016.

The Group's net cash generated from financing activities decreased by approximately RMB111.4 million, which was mainly due to the decrease of the Group's bank loans during the first half of 2017 and the increase of the Group's bank loans during the same period in 2016.

NET CURRENT ASSETS

As at 30 June 2017, the Group's net current assets was RMB1,905.9 million, representing a decrease of RMB94.4 million from RMB2,000.3 million as at 31 December 2016. The decrease in net current assets was mainly due to the repayment of part of the long term loans denominated in US Dollar during the Period for the purpose of minimizing the exchange risk exposure.

BANK LOANS

As at 30 June 2017, the Group's bank loans were RMB1,713.8 million, representing a decrease of RMB42.6 million from approximately RMB1,756.4 million as at 31 December 2016. As at 30 June 2017, 87.8% of the Group's bank loans were fixed rate loans and 12.2% were floating rate loans.

現金流量分析(續)

本集團經營活動產生的淨現金增加約人民幣313.5百萬元，乃主要由於本集團於本期間之收入增加大於應收賬款及票據與應付帳款及票據之淨增加額。

本集團投資活動使用的淨現金減少約人民幣431.0百萬元，乃主要由於為擴充集團產能而投資的若干國內和海外項目已於2016年基本完成所致。

本集團融資活動產生的淨現金減少約人民幣111.4百萬元，乃主要由於二零一七年上半年本集團銀行借款餘額減少，而二零一六年上半年本集團銀行借款餘額增加所致。

淨流動資產

於二零一七年六月三十日，本集團淨流動資產為人民幣1,905.9百萬元，較二零一六年十二月三十一日的人民幣2,000.3百萬元減少人民幣94.4百萬元。淨流動資產減少乃主要由於為降低滙率風險，本公司於本期間內償還了部分美元長期借款。

銀行貸款

於二零一七年六月三十日，本集團之銀行貸款為人民幣1,713.8百萬元，較於二零一六年十二月三十一日約人民幣1,756.4百萬元減少人民幣42.6百萬元。於二零一七年六月三十日，本集團銀行貸款之87.8%為定息貸款及12.2%為浮息貸款。

管理層討論及分析(續)

BANK LOANS (Continued)

After the Renminbi fixing reform on 11 August 2015, the RMB was getting weaker against US Dollars and Euro. The Group lowered the proportions of US Dollar and Euro loans by way of replacing US Dollar and Euro loans with RMB loans. As a result, the proportions of US Dollar and Euro loans decreased from 36.3% as at 31 December 2016 to 1.2% as at 30 June 2017, while the proportion of RMB loans increased from 63.7% as at 31 December 2016 to 98.8% as at 30 June 2017.

COMMITMENTS AND CONTINGENCIES

As at 30 June 2017, the Group had the following outstanding commitments:

銀行貸款(續)

自二零一五年八月十一日的人民幣匯率改革之後，人民幣對美元及歐元之匯率持續下跌。本集團通過以人民幣貸款替換美元及歐元貸款的措施，降低了美元及歐元貸款水平。因此，我們的美元及歐元貸款比例從二零一六年十二月三十一日的36.3%下降至二零一七年六月三十日的1.2%，而人民幣貸款比例從二零一六年十二月三十一日的63.7%上升至二零一七年六月三十日的98.8%。

承擔及或然事項

於二零一七年六月三十日，本集團之未結算資本承擔如下：

		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
.....			
Contracted for	已訂約		
- property, plant and equipment	- 物業、廠房及設備	244,130	179,538
- investment in joint ventures	- 對合營公司的投資	89,774	16,718
- lease prepayments	- 租賃預付款項	16,537	-
<hr/>			
Authorised but not contracted	已授權但未訂約		
- property, plant and equipment	- 物業、廠房及設備	708,711	748,964
- lease prepayments	- 租賃預付款項	-	16,831
<hr/>			
		1,059,152	962,051

As at 30 June 2017, the Group did not have any material contingent liability.

於二零一七年六月三十日，本集團並無任何重大或然負債。

管理層討論及分析(續)

CHARGE ON ASSETS

As at 30 June 2017, except for Ally First Optical Fibre and Cable Co., Ltd., a non-wholly owned subsidiary of the Company which pledged its land and buildings to secure a RMB20.0 million bank loan, the Group did not pledge other assets to secure any banking facility or bank loan.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

Most of the revenues and expenses are settled in RMB while some of the Group's sales, purchases and financial liabilities are denominated in US Dollars and Euro. Most of the bank deposits are in RMB, US Dollars, Euro and HK Dollars.

Owing to the RMB devaluation since August 2015 and RMB's weakness has been gathering speed, RMB against other foreign currencies was no longer as strong as in the past. As a result, this might bring up cost of purchases and the re-measurement of our foreign currency liabilities would result in foreign exchange losses. During the Period, the Group suffered from the unfavourable fluctuations in exchange rate movements between RMB and US Dollars or Euro, which resulted in net foreign exchange losses of RMB7.5 million.

During the Period, the Group entered into several currency structured forward contracts to reduce the foreign exchange risks. As at 30 June 2017, the outstanding amount of the above mentioned forward contracts were approximately RMB224.0 million. The Group will closely monitor the ongoing movements on exchange rates and will consider entering into other hedging arrangements to minimise our foreign exchange risks in 2017.

資產抵押

於二零一七年六月三十日，除了非全資子公司浙江聯飛光纖光纜有限公司將其土地房產抵押取得人民幣20.0百萬元的銀行貸款外，本集團無其他通過抵押資產以取得任何銀行融資或銀行貸款。

匯率波動影響

本集團大部分的收入及支出均以人民幣結算，而本集團若干銷售、採購和金融負債則以美元及歐元計值。本集團大多數銀行存款都是人民幣、美元、歐元和港幣方式存置。

由於人民幣自二零一五年八月以來的貶值和人民幣的疲軟一直在加快，人民幣對其他外幣的匯率不再像過去那樣堅挺。因此，這可能帶來因採購成本和外匯負債的重新計量而導致的匯兌損失。於本期間，本集團遭受人民幣與美元或歐元之間不利的匯率波動，從而導致了人民幣7.5百萬元的匯兌淨損失。

於本期間，本集團訂立了若干貨幣結構性遠期合約，以減低外匯風險。於二零一七年六月三十日，本集團已訂立的貨幣結構性遠期合約中尚未到期的金額約為人民幣224.0百萬元。本集團將密切監察持續的匯率變動，並會考慮訂立其他對沖安排，以盡量減少本集團二零一七年的外匯風險。

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2017, the Group had approximately 3,920 full-time employees (31 December 2016: 3,500 full-time employees). For the Period, the total staff costs of the Group (including salaries, wages, other benefits and contributions to defined contribution retirement plan) amounted to RMB380.9 million, representing 8.2% of the total revenue of the Group. 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 promotion. The salaries and bonuses that the employees receive are competitive with market rates. The Company has been in compliance with the relevant national and local labour and social welfare laws and regulations in the PRC.

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.

To further enhance the Company's corporate structure, incentivise the Company's management and core personnel team as well as establish a sound mid-to-long term incentive plan, the Company implemented the ESOP on 18 December 2015. The target participants are core personnel playing a crucial role in the Company's overall operation and mid-to-long term development, including directors, supervisors, senior management, and key employees of the Group (excluding independent non-executive directors and external supervisors).

僱員及薪酬政策

於二零一七年六月三十日，本集團約有3,920名全職僱員(二零一六年：3,500名全職僱員)。於本期間，本集團的員工成本(包括薪金、工資、其他福利及定額退休供款計劃的供款)為人民幣380.9百萬元，佔本集團的總收入8.2%。本集團設計了一項年度評核制度，以評核僱員的績效。有關制度構成釐定僱員應否獲加薪、花紅或升職之基準。其僱員獲得之薪金及花紅與市場水平相當。本公司一直遵守中國相關國家及地方勞工及社會福利法律及法規。

本集團安排員工參加外間的培訓課程、研討會及專業技術課程，藉以提升員工的專業知識及技能，並加深彼等對市場發展的認識及改善其管理及業務技能。

為進一步完善本公司的法人治理結構，激勵本公司管理層及核心員工隊伍，建立健全中長期激勵機制，於二零一五年十二月十八日，本公司實施員工持股計劃，計劃參與者為對本公司整體表現及中長期發展極為重要的核心人員，包括本集團董事、監事、高級管理人員及主要僱員(不包括獨立非執行董事及外部監事)。

OFF-BALANCE SHEET ARRANGEMENTS

As at 30 June 2017, the Company discounted and endorsed certain bank bills receivable with a carrying amount of approximately RMB153.1 million (31 December 2016: RMB293.8 million) to certain commercial banks in the PRC and its suppliers.

FORMATION OF JOINT VENTURE IN INDONESIA

PT YANGTZE OPTICS INDONESIA

On 13 April 2017, the Company established a joint venture namely PT Yangtze Optics Indonesia ("YOI") in Indonesia with PT Fiber Optik Teknologi Indonesia ("PT FOTI"). Its business scope is engaged in optical fibre cable industry business activities. The total paid-up capital of this joint venture was USD14 million and this joint venture is held as to 70% by the Company and 30% by PT FOTI. For the Period, a total of USD3.92 million was contributed by the Company to YOI.

YOI, headquartered in Jakarta Indonesia, is the second joint venture enterprise after PT Yangtze Optical Fibre Indonesia which was invested by YOFC in Indonesia in January 2015. Its plant is located in Karawang, West Java. After the project is built up, its annual production capacity of optical fibre cable is up to 2.0 million fkm.

資產負債表外安排

於二零一七年六月三十日，本公司將賬面值約為人民幣153.1百萬元(二零一六年十二月三十一日：人民幣293.8百萬元)的若干應收銀行票據交予中國若干商業銀行安排貼現或背書轉讓予供應商。

於印度尼西亞成立合資企業

長飛印尼光通信有限公司

於二零一七年四月十三日，本公司與印度尼西亞PT Fiber Optik Teknologi Indonesia(「PT FOTI」)在印尼成立一家合資企業長飛印尼光通信有限公司(「長飛印尼光通信」)，合資企業的經營範圍為與光纖產業相關的業務。長飛印尼光通信由本公司和PT FOTI分別持有70%及30%之股權，其繳足股本為美元14百萬元，本公司已在本期間以現金注資美元3.92百萬元。

長飛印尼光通信是本公司繼二零一五年一月成立的長飛光纖印尼有限公司之後在印尼的第二家合資企業，公司總部位於印尼首都雅加達，工廠位於西爪哇省卡拉旺，項目建成之後將會形成年產2百萬芯公里的光纖生產能力。

FORMATION OF JOINT VENTURE IN INDONESIA (Continued)

PT YANGTZE OPTICS INDONESIA (Continued)

In response to “the Belt and Road” Initiative, the listed YOFC has accelerated its layout of globalisation. YOI is a milestone for YOFC to march towards the world, marking that YOFC has accelerated its strategy of internationalisation and globalisation. Indonesia, with a population of 260.0 million, is the world’s fourth largest country in terms of population. In recent years, Indonesia was stable in political situation and economic development. Indonesian government has launched national broadband plan to boost the development of internet and broadband sharply. Therefore, it can be expected that Indonesia will come to its climax of building the optical networks, with huge market demands on optical fibres and cables. The establishment of YOI will complete YOFC’s closed loop of optical fibre and cable industry in Indonesia. Based on integrating the shareholders’ resources, the new company will be rooted in Indonesia and radiated towards surrounding countries and regions, and is to be one of most influential manufacturers of optical fibre cable in Indonesia and ASEAN region.

The establishment of YOI did not constitute notifiable transactions or connected transactions of the Company under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules.

Save as disclosed in this report, there were no significant investments held, material acquisitions, or disposal of subsidiaries during the Period. Save as those disclosed in this report, there was no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

於印度尼西亞成立合資企業(續)

長飛印尼光通信有限公司(續)

響應國家「一帶一路」倡議，上市後的長飛公司加速了全球化佈局。長飛印尼光通信是本公司走向海外的又一里程碑，標誌著長飛國際化，全球化戰略步伐進一步加快。印尼擁有2.6億人口，是全球第四大人口國，近年來政局穩定，經濟發展平穩。印尼政府推出國家寬帶計劃，大幅推動互聯網和寬帶發展。因此，可以預期印尼將會迎來光網絡建設高峰，光纖光纜市場需求巨大。長飛印尼光通信的成立將使本公司在印尼擁有完善的光纖光纜產業閉環。新公司將在整合雙方股東資源的基礎上，立足印尼，輻射周邊國家和地區，必將成為印尼和東盟地區最具影響力的光纜製造商。

根據香港上市規則第14章及第14A章，成立長飛印尼光通信不構成本公司之須予公佈交易或關連交易。

除於本報告披露外，本期間並無任何重大投資、重大收購或附屬公司處置。除於本報告的披露外，於本報告日期並無任何其他經董事會授權之重大投資或固定資產擴充計劃。

OUTLOOK

At a meeting of the Board held on 23 December 2016, the Company proposed to apply to the CSRC and other relevant regulatory authorities for an initial public offering of A shares each with a nominal value of RMB1.00 to the qualified investors and a listing of such A shares on the Shanghai Stock Exchange. The total number of A shares to be issued will be not more than 75,790,510 A shares. The proposals in relation to the proposed A share offering of the Company were approved by the shareholders on 23 May 2017. The Company has submitted its application in respect of the proposed A share offering to the CSRC, and the CSRC has officially accepted the application for further review. The application proof of the A share prospectus has been made available on the websites of the Hong Kong Stock Exchange and the Company. The proposed A share offering is expected to raise the overall competitiveness of the Company and strengthen the capability of the Company in terms of sustainable development. The proposed A share offering is subject to certain conditions, including but not limited to the market conditions, the approvals of the CSRC and/or other relevant regulatory authorities, and accordingly, may or may not proceed. Further details of the proposed A share offering and the related proposals, as well as its progress, are set out in the circulars of the Company dated 6 April 2017 and 5 May 2017, and the announcement of the Company dated 30 June 2017. As of the date of this report, the Company's application in respect of the proposed A share offering is under review by the CSRC. The Company will update the shareholders and investors on the progress of the proposed A share offering from time to time by way of disclosure in announcements and periodic reports pursuant to the applicable PRC laws, regulations and regulatory requirements as well as the requirements under the Hong Kong Listing Rules.

展望

於二零一六年十二月二十三日舉行之董事會會議上，本公司建議向中國證監會及其他相關監管機構申請A股首次公開發行，向合資格投資者發行每股面值人民幣1.00元的A股，且申請該等A股股票於上海證券交易所上市。本次將予發行的A股總數將不會超過75,790,510股A股。關於本公司建議A股發行的議案已於二零一七年五月二十三日獲得股東批准。本公司已就建議A股發行向中國證監會提交申請，而中國證監會已正式接納該申請，予以受理。A股招股書申報稿已刊載於香港聯交所及本公司網站。建議A股發行將提高本公司的綜合競爭力及增強本公司的持續發展能力。建議A股發行受限於一些先決條件，包括但不限於市場狀況、獲中國證監會及／或其他相關監管機構批准，因此未必會達至完成。關於建議A股發行的議案和有關議案以及其進展，載於本公司日期為二零一七年四月六日及二零一七年五月五日的股東通函，以及本公司日期為二零一七年三月三十日的公告。於本報告日期，中國證監會正在審核本公司就建議A股發行的申請。本公司將根據適用的中國法律法規、監管規定以及香港上市規則規定不時就建議A股發行的進展向股東及投資者以公告及定期報告的方式提供披露。

管理層討論及分析(續)

OUTLOOK (Continued)

China's information communication industry is embracing new historical opportunities. The government is advocating the "internet plus" action plan, and promoting the "Broadband China" campaign. Three major telecom operators are making continuous efforts in the network construction.

Optical fibre is a key carrier for data transmission and communication. At the age of data explosion, adhering to the mission of "Smart Link, Better Life", and the concept of "Client Focus, Accountability, Innovation, Stakeholder Benefits", YOFC provides client focus worldwide with high quality optical fibre connection products and comprehensive solutions, and gives impetus to the construction of the intelligent network, which supports the development of intelligent cities, intelligent communities, and intelligent traffic. It works together with client focus to realize smart links, and creates a better life with the Internet of Everything. "Developing big data and expanding influence", YOFC will keep pace with the tide, dare to shoulder historic accountability, push forward the development of big data and information industry, and expand the global influence of YOFC and the national industry.

2017 marks a new beginning of YOFC. In 2016, YOFC became the world's largest supplier of optical fibre preforms, optical fibre and optical cables. Looking into the future, centering on the strategic goal of "Becoming Global No.1 and Industrial Leader", the company will push forward intensive growth of its optical fibre preforms, optical fibre and optical cables businesses, enhance technological innovation and intelligent manufacturing, intensify international strategy, actively exploit diversified development, improve capital operation, create more value for shareholders and client focus, and strive to develop itself into the leader in information transmission and smart links in the world.

DIVIDEND

The Board resolved not to declare any interim dividend for the Period.

展望(續)

從政府提倡的「互聯網+」行動計劃，到「寬帶中國」的深入推進，以及三大電信運營商在網絡建設上的持續發力，中國的信息通信產業正在迎來新的歷史性機遇。

光纖是數據傳輸通信的關鍵載體。在數據大爆發的時代，長飛公司秉承「智慧聯接美好生活」的使命，堅守「客戶責任創新共贏」的價值觀，為全球客戶提供優質的光纖連接產品和綜合解決方案，助力構建支撐智慧城市、智慧社區、智能交通等發展的智能網絡，與我們的客戶一起致力於實現智慧聯接，共創萬物互聯世界的美好生活。「發展大數據擴大影響力」，長飛將緊跟時代潮流，勇擔歷史責任，全力推動大數據和信息產業發展，擴大民族產業和長飛公司的全球影響力。

二零一七年對長飛公司是新的開始，二零一六年長飛公司已成為全球最大的光纖預製棒、光纖與光纜供應商。面向未來，公司將緊密圍繞「全球第一，行業領袖」的戰略目標，推動棒纜業務內涵增長，強化技術創新與智能製造，深化實施國際化戰略，積極探索多元化發展，提升資本運營，為股東和客戶創造更高價值，致力於發展成為全球智慧聯接與信息傳輸的領導者。

股息

董事會決議不宣派本期間的任何中期股息。

OTHER INFORMATION

其他資料

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND THE CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2017, the interests and short positions of the Directors, Supervisors or the chief executive in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code (for this purpose, the relevant provisions of the SFO will be interpreted as if they applied to the Supervisors and the chief executive) were as follows:

董事、監事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零一七年六月三十日，董事、監事及最高行政人員於本公司及其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有任何記錄於本公司根據證券及期貨條例第352條的規定須存置之登記冊的權益及淡倉；或須根據標準守則另外通知本公司及香港聯交所的權益及淡倉(就此而言，證券及期貨條例有關條文之詮釋將視為適用於監事及最高行政人員)如下：

Name	Capacity	Class of Share	Number of Shares interested	Approximate percentage of interest in the Company	Approximate percentage of the relevant class of Shares of the Company	Nature of interest
股東名稱	身份	股份類別	擁有權益之股份數目	佔本公司權益之概約百分比	佔本公司相關類別股份之概約百分比	權益性質
Directors						
董事						
Mr. Zhuang Dan 莊丹先生	Beneficial owner 實益擁有人	Domestic Share 內資股	2,350,000 ⁽¹⁾	0.34%	0.71%	Long position 好倉
Mr. Frank Franciscus Dorjee 范•德意先生	Beneficial owner 實益擁有人	H Share H股	500,000	0.07%	0.14%	Long position 好倉
Mr. Yao Jingming 姚井明先生	Beneficial owner 實益擁有人	Domestic Share 內資股	500,000 ⁽¹⁾	0.07%	0.15%	Long position 好倉
Mr. Xiong Xiangfeng 熊向峰先生	Beneficial owner 實益擁有人	Domestic Share 內資股	705,000 ⁽¹⁾	0.10%	0.21%	Long position 好倉
Ms. Zheng Huli 鄭慧麗女士	Beneficial owner 實益擁有人	Domestic Share 內資股	705,000 ⁽¹⁾	0.10%	0.21%	Long position 好倉

OTHER INFORMATION (Continued)

其他資料(續)

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND THE CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

董事、監事及最高行政人員於股份、相關股份及債權證之權益及淡倉(續)

Name	Capacity	Class of Share	Number of Shares interested	Approximate percentage of interest in the Company	Approximate percentage of the relevant class of Shares of the Company	Nature of interest
股東名稱	身份	股份類別	擁有權益之股份數目	佔本公司權益之概約百分比	佔本公司相關類別股份之概約百分比	權益性質
Supervisor						
監事						
Mr. Wang Ruichun 王瑞春先生	Beneficial owner 實益擁有人	Domestic Share 內資股	617,000 ⁽¹⁾	0.09%	0.19%	Long position 好倉

Notes:

附註：

- (1) Denotes the number of underlying domestic shares represented by the units in Wuhan Ruitu Management Consulting Partnership Enterprise (Limited Partnership) or Wuhan Ruiteng Management Consulting Partnership Enterprise (Limited Partnership) (as the case may be) held by the relevant Directors and Supervisor. Wuhan Ruitu Management Consulting Partnership Enterprise (Limited Partnership) and Wuhan Ruiteng Management Consulting Partnership Enterprise (Limited Partnership) were established under the PRC laws on 4 December 2015 and 7 December 2015, respectively, for the purpose of holding domestic shares for the Directors, Supervisors and senior management members of the Company under the ESOP.
- (2) As at 30 June 2017, the total number of issued shares of the Company was 682,114,598, among which 351,566,794 were H shares and 330,547,804 were domestic shares.

- (1) 指相關董事及監事所持的武漢睿圖管理諮詢合夥企業(有限合夥)或武漢睿騰管理諮詢合夥企業(有限合夥)(視情況而定)的企業份額所代表的相關內資股數目。武漢睿圖管理諮詢合夥企業(有限合夥)及武漢睿騰管理諮詢合夥企業(有限合夥)分別於二零一五年十二月四日及二零一五年十二月七日根據中國法律成立，成立目的為根據員工持股計劃為董事、監事及高級管理人員持有內資股。
- (2) 於二零一七年六月三十日，本公司已發行股份總數為682,114,598股，其中351,566,794股為H股及330,547,804股為內資股。

OTHER INFORMATION (Continued)

其他資料(續)

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND THE CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above, as at 30 June 2017, none of the Directors, Supervisors nor the chief executive of the Company had any interests or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2017, the following persons (other than Directors, Supervisors or chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

董事、監事及最高行政人員於股份、相關股份及債權證之權益及淡倉(續)

除上文所披露者外，於二零一七年六月三十日，概無董事、監事或本公司最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有任何記錄於本公司根據證券及期貨條例第352條的規定須存置之登記冊的權益及淡倉；或須根據標準守則另外通知本公司及香港聯交所的權益及淡倉。

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一七年六月三十日，下列人士(本公司董事、監事或最高行政人員除外)於本公司股份及相關股份中擁有本公司根據證券及期貨條例第336條須予存置之登記冊所記錄的權益及淡倉：

Name of Shareholders	Capacity	Class of Share	Number of Shares interested	Approximate percentage of interest in the Company 佔本公司權益之概約百分比	Approximate percentage of the relevant class of Shares of the Company 佔本公司相關類別股份之概約百分比	Nature of interest
股東名稱	身份	股份類別	擁有權益之股份數目			權益性質
China Huaxin 中國華信	Beneficial owner 實益擁有人	Domestic Share 內資股	179,827,794	26.37%	54.40%	Long position 好倉
China Reform Holdings Corporation Ltd ⁽¹⁾ 中國國新控股有限責任公司 ⁽¹⁾	Interest of a controlled corporation 受控法團權益	Domestic Share 內資股	179,827,794	26.37%	54.40%	Long position 好倉

OTHER INFORMATION (Continued)

其他資料(續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES (Continued)

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

Name of Shareholders	Capacity	Class of Share	Number of Shares interested	Approximate percentage of interest in the Company	Approximate percentage of the relevant class of Shares of the Company	Nature of interest
股東名稱	身份	股份類別	擁有權益之股份數目	估本公司權益之概約百分比	估本公司相關類別股份之概約百分比	權益性質
Yangtze Communications 長江通信	Beneficial owner 實益擁有人	Domestic Share 內資股	119,937,010	17.58%	36.28%	Long position 好倉
Draka	Beneficial owner 實益擁有人	H Share H股	179,827,794	26.37%	51.15%	Long position 好倉
Draka Holding B.V. ⁽²⁾	Interest of a controlled corporation 受控法團權益	H Share H股	179,827,794	26.37%	51.15%	Long position 好倉
Prysmian S.p.A. ⁽³⁾	Interest of a controlled corporation 受控法團權益	H Share H股	179,827,794	26.37%	51.15%	Long position 好倉
Prysmian Cavi e Sistemi S.r.l. ⁽³⁾	Interest of a controlled corporation 受控法團權益	H Share H股	179,827,794	26.37%	51.15%	Long position 好倉
Value Partners Group Limited ⁽⁴⁾ 惠理集團有限公司 ⁽⁴⁾	Interest of a controlled corporation 受控法團權益	H Share H股	31,668,000	4.64%	9.01%	Long position 好倉
Value Partners HighDividend Stocks Fund 惠理高息股票基金	Beneficial owner 實益擁有人	H Share H股	31,558,000	4.63%	8.98%	Long position 好倉
Kairos Investment Management SpA ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	H Share H股	17,596,509	2.58%	5.01%	Long position 好倉
Julius Baer Group Ltd ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	H Share H股	17,596,509	2.58%	5.01%	Long position 好倉

OTHER INFORMATION (Continued)

其他資料(續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES (Continued)

Notes:

- (1) China Huaxin is wholly-owned by China Reform Holdings Corporation Ltd. China Reform Holdings Corporation Ltd is therefore deemed to be interested in 179,827,794 Domestic Shares held by China Huaxin.
- (2) Draka is a wholly-owned subsidiary of Draka Holding B.V.. Draka Holding B.V. is therefore deemed to be interested in 179,827,794 H Shares held by Draka.
- (3) Draka Holding B.V. is held as to 52.165% by Pysmian S.p.A. and 47.835% by Pysmian Cavi e Sistemi S.r.l., a wholly-owned subsidiary of Pysmian S.p.A.. As set out in note (2) above, each of Pysmian S.p.A. and Pysmian Cavi e Sistemi S.r.l. is therefore deemed to be interested in 179,827,794 H Shares held by Draka.
- (4) Value Partners Group Limited is deemed to be interested in 31,668,000 H Shares held by Value Partners Limited. Value Partners Limited is wholly-owned by Value Partners Hong Kong Limited, which is a wholly-owned subsidiary of Value Partners Group Limited.
- (5) Among the 17,596,509 H Shares, 14,641,575 shares and 2,954,934 shares are held by Kairos Partners SGR SpA ("Kairos SGR") and Kairos Investment Management Limited ("Kairos Limited") respectively. Kairos Limited is 100% controlled by Kairos Investment Management BV ("Kairos BV"). Both Kairos SGR and Kairos BV are 100% controlled by Kairos Investment Management SpA ("Kairos SpA"), which is in turn 80% controlled by Julius Baer Group Ltd ("Julius"). Therefore, Julius and Kairos SpA are deemed to be interested in the shares held by Kairos SGR and Kairos Limited.
- (6) As at 30 June 2017, the total number of issued shares of the Company was 682,114,598, among which 351,566,794 were H shares and 330,547,804 were domestic shares.

Save as disclosed above, as at 30 June 2017, the Directors, Supervisors or chief executive are not aware of any other person, not being a Director, Supervisor or chief executive of the Company, who has an interest or short position in the shares or the underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

附註：

- (1) 中國華信由中國國新控股有限責任公司全資擁有，中國國新控股有限責任公司因而被視為於中國華信持有之179,827,794股內資股中擁有權益。
- (2) Draka為Draka Holding B.V.的全資附屬公司，Draka Holding B.V.因而被視為於Draka持有之179,827,794股H股中擁有權益。
- (3) Draka Holding B.V.由Pysmian S.p.A.持有52.165%，及由Pysmian S.p.A.之全資附屬公司Pysmian Cavi e Sistemi S.r.l.持有47.835%。誠如上文附註(2)所載，Pysmian S.p.A.及Pysmian Cavi e Sistemi S.r.l.因而各自被視為於Draka持有的179,827,794股H股中擁有權益。
- (4) 惠理集團有限公司被視為擁有惠理基金管理公司持有之31,668,000股H股之權益。惠理基金管理公司由惠理基金管理香港有限公司全資擁有，而惠理基金管理香港有限公司則為惠理集團有限公司之全資附屬公司。
- (5) 於17,596,509股H股股份當中，14,641,575股及2,954,934股分別為Kairos Partners SGR SpA(「Kairos SGR」)及Kairos Investment Management Limited(「Kairos Limited」)持有。Kairos Limited由Kairos Investment Management BV(「Kairos BV」)全權控制。Kairos SGR及Kairos BV兩者皆由Kairos Investment Management SpA(「Kairos SpA」)全權控制，而Julius Baer Group Ltd(「Julius」)擁有Kairos SpA 80%控制權。因此，Julius及Kairos SpA被視為於Kairos SGR及Kairos Limited持有的股份中擁有權益。
- (6) 於二零一七年六月三十日，本公司已發行股份總數為682,114,598股，其中351,566,794股為H股及330,547,804股為內資股。

除以上所披露者外，於二零一七年六月三十日，董事、監事或本公司最高行政人員並不知悉除董事、監事或本公司最高行政人員外，有任何其他人士於本公司股份或相關股份中擁有於本公司根據證券及期貨條例第336條須存置的登記冊內登記的權益或淡倉。

OTHER INFORMATION (Continued)

其他資料(續)

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in compliance with the Corporate Governance Code contained in Appendix 14 to the Hong Kong Listing Rules. As at the date of this report, the audit committee of the Company comprises three members, namely Dr. Ngai Wai Fung, Dr. Ip Sik On Simon and Dr. Li Zhuo, the independent non-executive directors of the Company. Dr. Ngai Wai Fung is the chairman of the audit committee.

The audit committee has reviewed and discussed with the management the accounting principles and practices adopted by the Group, the internal controls and risk management systems as well as financial report matters, including the review of unaudited interim financial report of the Group for the six months ended 30 June 2017.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As a company incorporated in the PRC and listed on the Hong Kong Stock Exchange, the Company has to comply with the relevant provisions of 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. The Company has complied with all the code provisions under the CG Code for the six months ended 30 June 2017.

購回、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本期間概無購回、出售或贖回本公司的任何上市證券。

審計委員會

本公司根據香港上市規則附錄十四所載之企業管治守則成立審計委員會，並制定書面職權範圍。於本報告日期，本公司審計委員會由三名成員組成，包括本公司獨立非執行董事魏偉峰博士、葉錫安博士及李卓博士。其中魏偉峰博士擔任審計委員會主席。

審計委員會已聯同本公司管理層審閱及討論本集團所採納的會計原則及常規，並審閱及討論內部監控和風險管理系統，以及財務申報事宜，包括審閱截至二零一七年六月三十日止六個月之未經審核中期財務報告。

遵守企業管治守則

作為於中國註冊成立並於香港聯交所上市的公司，本公司已遵守香港上市規則之相關條文，亦遵照中國公司法及香港及中國的適用法律、法規及監管規定，作為本公司企業管治之基礎。

本公司已採納企業管治守則內所有守則條文。本公司於截至二零一七年六月三十日止期間內已遵守企業管治守則內所有的守則條文。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Company Securities Dealing Regulations on Directors, Supervisors and Related Employees (the "Company's Code") as its own code regarding securities transactions by directors and supervisors on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiries in writing of the Directors and Supervisors, all Directors and Supervisors 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 2017.

CHANGES IN DIRECTORS' AND SUPERVISORS' BIOGRAPHICAL DETAILS

Changes in Directors' or Supervisors' biographical details which are required to be disclosed pursuant to rule 13.51B(1) of the Hong Kong Listing Rules are as follows:

Dr. Ngai Wai Fung has retired as an independent non-executive director of China Coal Energy Company Limited, a company listed on the Hong Kong Stock Exchange (Stock Code: 1898) and the Shanghai Stock Exchange (Stock Code: 601898) with effect from June 2017. He has also retired as an independent non-executive director of China Railway Group Limited, a company listed on the Hong Kong Stock Exchange (Stock Code: 390) and the Shanghai Stock Exchange (Stock Code: 601390) with effect from June 2017.

遵守董事及監事進行證券交易的標準守則

本公司已採納了一套不低於標準守則之規定的本公司的董事、監事及有關僱員進行證券交易的標準守則(「本公司守則」)，作為有關董事及監事的證券交易的自身守則。經向本公司各董事及監事作出書面特定查詢後，本公司全體董事及監事確認彼等於截至二零一七年六月三十日止整個期間內均遵守標準守則及本公司守則中有關證券交易的準則規定。

董事和監事履歷變動

董事或監事履歷詳情須根據香港上市規則第13.51B(1)條作出披露的變動如下：

魏偉峰博士於二零一七年六月退任中國中煤能源股份有限公司(香港聯交所及上海證券交易所上市公司，股份代號分別為1898及601898)獨立非執行董事，並於二零一七年六月退任中國中鐵股份有限公司(香港聯交所及上海證券交易所上市公司，股份代號分別為390及601390)獨立非執行董事。

YOFU 长飞

