

Stock Code: 000026; 200026    Abbreviation of the Stock: FIYTA; FIYTA B    Announcement No.: 2021-092

## FIYTA Precision Technology Co., Ltd.

### 2021 Third Quarter Report

The Company and all members of the Board of Directors ensure that the information disclosed is authentic, accurate and complete, and there are no false records, misleading statements or significant omissions.

#### Important Notice:

1. The Board of Directors, the Supervisory Committee, directors, supervisors and senior executives hereby individually and collectively accept responsibility for the correctness, accuracy and completeness of the contents of this report and confirm that there are neither material omissions nor errors which would render any statement misleading.
2. The Company leader, the chief financial officer, and the manager of the accounting department (treasurer) hereby confirm the authenticity, accuracy and completeness of the financial report enclosed in this Quarter Report.
3. Has the Third Quarter Report been audited

No

#### I. Financial Highlights

##### (I) Summary of Accounting/Financial Data

Does the Company need to make retroactive adjustment or restatement of the accounting data of the previous year

No

	Reporting period	Increase/decrease in the reporting period vs the same period of the previous year	From year beginning to the end of the reporting period	Increase/decrease from year beginning to the end of the reporting period vs the same period of the previous year
Revenue, in CNY	1,307,278,222.69	-4.06%	4,084,797,744.03	38.73%
Net profit attributable to the Company's shareholders, in CNY	109,034,679.41	-20.44%	342,579,405.96	59.50%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	104,537,027.94	-19.42%	328,333,261.36	65.50%
Net cash flows arising from operating activities, in CNY	—	—	368,210,753.30	70.35%
Basic earning per share, in CNY/share	0.2574	-18.67%	0.7995	61.84%
Diluted earning per share, in CNY/share	0.2574	-18.67%	0.7995	61.84%
Return on equity, weighted average	3.75%	-1.24%	11.84%	3.93%
	End of the reporting period	End of the previous year	Increase/decrease at the end of the year vs the end of the previous year	

Total assets , in CNY	4,145,244,323.84	4,018,712,700.18	3.15%
Owner's equity attributable to the Company's shareholders, in CNY	2,968,058,560.23	2,799,948,388.09	6.00%

## (II) Non-recurring gain/loss items and the amount involved

In CNY

Items	Amount in the reporting period	Amount from year beginning to the end of the reporting period	Note
Gain/loss from disposal of non-current assets, including the part written-off with the provision for impairment of assets.	-106,887.07	-180,694.53	
The government subsidies included in the profits and losses of the current period (excluding government grants which are closely related to the Company's normal business and conform with the national standard amount or quantity)	6,182,455.48	18,295,951.76	
Reversal of provision for impairment of accounts receivable that has been separately tested for impairment		976,332.27	
Other non-operating income and expenses other than the aforesaid items	-456,482.95	-1,044,173.80	
Less: Amount affected by the income tax	1,121,433.99	3,801,271.10	
Total	4,497,651.47	14,246,144.60	--

Details of other gains and losses in compliance with the definition of non-recurring gains and losses.

Inapplicable

Explanation of the non-recurring gains and losses listed in the CSRC Announcement [2008] No.43 -- Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public as recurring gains and losses

Inapplicable

## (III) Statement of Change in the Major Accounting Data and Financial Indicators and the Causes

(I) Consolidated Balance Sheet Items				
Items	End of the reporting period	End of the previous year	Variation proportion	Cause of the movement
Other current assets	42,586,423.95	75,935,141.76	-43.92%	Mainly due to the decrease in retained value-added tax over the beginning of the year.
Use right assets	145,353,524.96	-	-	Mainly due to the influence from the implementation of the new standards for lease in the current year.
Other non-current assets	48,475,040.61	13,536,307.13	258.11%	Mainly due to the increase in advance payment for the purchase of office properties.
Short term loans	372,777,721.19	542,673,278.09	-31.31%	Mainly due to the repayment of part of the due borrowings.
Other payables	223,584,214.88	128,577,597.94	73.89%	It was mainly due to the increase in repurchase obligations brought about by the implementation of the second phase of the equity incentive plan and the increase in associated revenue which resulted in the increase in payable costs of shopping mall.
Non-current liabilities due within a year	92,008,265.22	370,030.00	24765.08%	Mainly due to the influence from the implementation of the new standards for lease in the current year.
Lease liabilities	55,169,067.99	-	-	Mainly due to the influence from the implementation of the new standards for lease in the current year.

Other comprehensive income	-6,867,832.78	976,871.41	-803.04%	Mainly due to the influence from the change of the translation balance of foreign currency statements.
(II) Consolidation of the profit statement items of the beginning of the year to that of the end of the reporting period				
Items	Amount incurred in the reporting period	Amount incurred in the previous period	Variation proportion	Cause of the movement
Operating revenue	4,084,797,744.03	2,944,433,436.00	38.73%	Mainly due to the increase in sales of the principal businesses.
Taxes and surcharges	26,025,661.25	14,676,717.58	77.33%	Mainly due to the increase in value-added tax corresponding to the increase in sales.
Loss from impairment of credit	-1,039,778.07	-5,172,056.86	79.90%	Mainly due to the decrease in provision of accounts receivable compared with the same period last year.
(III) Cash flow statement items from the beginning of the year to the end of the reporting period				
Items	Amount incurred in the reporting period	Amount incurred in the previous period	Variation proportion	Cause of the movement
Cash received from sales of goods and supply of services	4,500,004,848.59	3,097,232,379.30	45.29%	Mainly due to the increase in sales of the principal businesses.
Rebated taxes received	332,318.54	1,592,055.84	-79.13%	Mainly due to the impact of COVID-19, the export tax rebated decreased due to the decline in overseas business income.
Cash paid for purchase of goods and reception of labor services	2,996,540,264.43	2,086,461,819.63	43.62%	Mainly due to growth of goods procurement for the retail business of HARMONY World Watch
Various taxes paid	248,687,302.73	121,220,554.66	105.15%	Mainly due to the increase in value-added tax and business income tax corresponding to the increase in sales.
Cash paid for purchase/construction of fixed assets, intangible assets and other long term assets	154,549,937.25	90,396,549.63	70.97%	Mainly due to the increase in expenses for store refurbishment.
Cash received from absorbing investment	58,216,000.00	-	-	Mainly due to the implementation of the equity incentive scheme Phase II.
Cash paid for dividend/profit distribution or repayment of interest	187,013,299.32	104,338,909.03	79.24%	Mainly due to increase of the cash dividends.
Other fund-raising activity related cash payments	58,958,288.96	44,625,838.93	32.12%	Mainly due to the impact of the changes in the accounting requirements of the new lease standard.

## II. Information of the Shareholders

### (I) Total number of the common shareholders and preference shareholders whose voting rights are restored and shares held by the top 10 shareholders

In shares

Total common shareholders at the end of the reporting period	31,945	Total preference shareholders with the voting power recovered at the end of the reporting period (if any)	0			
Shareholding by top 10 shareholders						
Names of the Shareholders	Nature of the shareholder	Shareholding proportion	Number of shares held	Number of the restricted shares held	Pledging, marking or freezing	
					Status of the shares	Quantity
AVIC International Holding Limited	State corporate	38.23%	162,977,327	0		
Bank of China Ltd. - Penghua Huizhi Optimized Hybrid Securities Investment Fund	Domestic non-state-owned legal person	3.09%	13,190,494	0		
Guoxin Investment Co., Ltd.	State corporate	1.82%	7,739,898	0		
Construction Bank of China - Penghua Value Superiority Hybrid Securities Investment Fund (LOF)	Domestic non-state-owned legal person	1.16%	4,947,442	0		
Bank of China Ltd. - Penghua High Quality Growth Hybrid Securities	Domestic non-state-owned legal person	1.08%	4,601,634	0		

Investment Fund						
Huatai Securities Co., Ltd.	State corporate	0.59%	2,508,866	0		
GF Fund - Guoxin Investment Co., Ltd. - GF Fund - GUO XIN No. 6 ( QDII ) Single Asset Management Plan"	Domestic non-state-owned legal person	0.49%	2,091,001	0		
Construction Bank of China - Penghua Selected Growth Hybrid Securities Investment Fund	Domestic non-state-owned legal person	0.47%	2,020,734	0		
Qiu Hong	Domestic natural person	0.47%	2,000,000	0		
Wanlian Securities Co., Ltd.	State corporate	0.33%	1,400,000	0		
Shares held by top 10 shareholders of unrestricted shares						
Names of the Shareholders	Quantity of unrestricted shares held	Share type				
		Share type	Quantity			
AVIC International Holding Limited	162,977,327	CNY ordinary shares	162,977,327			
Bank of China Ltd. - Penghua Huizhi Optimized Hybrid Securities Investment Fund	13,190,494	CNY ordinary shares	13,190,494			
Guoxin Investment Co., Ltd.	7,739,898	CNY ordinary shares	7,739,898			
Construction Bank of China - Penghua Value Superiority Hybrid Securities Investment Fund (LOF)	4,947,442	CNY ordinary shares	4,947,442			
Bank of China Ltd. - Penghua High Quality Growth Hybrid Securities Investment Fund	4,601,634	CNY ordinary shares	4,601,634			
Huatai Securities Co., Ltd.	2,508,866	CNY ordinary shares	2,508,866			
GF Fund - Guoxin Investment Co., Ltd. - GF Fund - GUO XIN No. 6 ( QDII ) Single Asset Management Plan"	2,091,001	CNY ordinary shares	2,091,001			
Construction Bank of China - Penghua Selected Growth Hybrid Securities Investment Fund	2,020,734	CNY ordinary shares	2,020,734			
Qiu Hong	2,000,000	CNY ordinary shares	2,000,000			
Wanlian Securities Co., Ltd.	1,400,000	CNY ordinary shares	1,400,000			
Explanation on associated relationship or consistent action of the above shareholders	Inapplicable					
Note to the top 10 shareholders involved in margin financing & securities lending (if any)	Inapplicable					

## (II) Total Preference Shareholders and the Shareholding by the Top 10 Preference Shareholders

Inapplicable

## III. Note to other significant events

### (1) Repurchase of Partial Domestically Listed Foreign Investment Shares (B-Shares)

The 7th session of the Ninth Board of Directors held on July 6, 2020 and 2020 2nd Extraordinary General Meeting held on July 23, 2020, reviewed and approved the "Proposal for the Repurchase of Partial Domestically Listed Foreign Shares

in the Company (B-shares)". As of July 22, 2021 when the stock repurchase deadline expired, the Company accumulatively repurchased 8,994,086 shares in the Company through a centralized bidding method with the special account for the securities repurchased, accounting for 2.07% of the Company's total share capital. The highest transaction price of the repurchased shares was HK\$6.74 per share, and the lowest transaction price was HK\$5.93/share, the total amount paid was HK\$ 58,207,259.08 (with the transaction cost exclusive). For the detail, please refer to the "Announcement on the Completion of the Implementation of Certain Domestically Listed Foreign Investment Shares (B-Shares) as Repurchased and the Change of the Company's Shares 2021-069" disclosed in the Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn> on July 23, 2021.

Ended August 3, 2021, the Company completed the cancellation of the shares repurchased.

## (2) Change of the CPAs

The 32nd Session of the Ninth Board of Directors held on August 18, 2021 and 2021 4th Extraordinary General Meeting held on September 8, 2021 reviewed and approved the "Proposal on Change of the Accounting Firm". As the employment term of Grant Thornton LLP as the Company's auditor expired, according to the Company's business development requirements, in order to better promote the development of audit work, after comprehensive evaluation and prudent consideration, the Company decided to employ MOORE STEPHENS Da Hua Certified Public Accountants as the Company's auditor of the financial statements and internal control of year 2021. For the detail, refer to the relevant announcement disclosed in the Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn>. on August 20, 2021 and September 09, 2021.

## (3) Financial Service Agreement with AVIC Finance Co., Ltd.

The 32nd session of the 9th Board of Directors held on August 18, 2021 and 2021 4th Extraordinary General Meeting held on September 8, 2021, reviewed and approved the "Proposal on Signing a Financial Service Agreement with AVIC Finance Co., Ltd.", and decided to sign the "Financial Service Agreement" with AVIC Finance. For the detail, refer to the relevant announcement disclosed in the Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn>. on August 20, 2021 and September 9, 2021.

## (4) Election for the New Board of Directors and Supervisory Committee

The 32nd session of the Ninth Board of Directors of the Company held on August 18, 2021 and 2021 4th Extraordinary General Meeting held on September 8, 2021, reviewed and approved the "Proposal on the Election of Non-Independent Directors for the Company's New Board of Directors" and the "Proposal on the Election of Independent Directors for the Company's New Board of Directors," where Mr. Zhang Xuhua, Mr. Xiao Yi, Mr. Xiao Zhanglin, Mr. Li Peiyin, Mr. Deng Jianghu and Mr. Pan Bo were elected non-independent directors of the Company's Tenth Board of Directors; and Mr. Wang Jianxin, Mr. Zhong Hongming, and Mr. Tang Xiaofei were elected independent directors of the Company's Tenth Board of Directors. The 1st session of the Tenth Board of Directors of the Company held on September 8, 2021 elected Mr. Zhang Xuhua the Chairman of the Board. For the detail, refer to the relevant announcement disclosed in the Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn>. on August 20, 2021 and September 09, 2021 respectively.

The 28th session of the Ninth Supervisory Committee of the Company held on August 18, 2021 and 2021 4th Extraordinary General Meeting held on September 8, 2021 reviewed and approved the "Proposal on Election for the New Supervisory Committee of the Company" according to which Mr. Zheng Qiyuan and Ms. Cao Zhen were elected non-staff supervisors of the Tenth Supervisory Committee of the Company; the First Employees' Representatives Conference 2021 held on September 7, 2021 elected Ms. Hu Jing the employees' representative supervisor of the Tenth Supervisory Committee of the Company; the 1st session of the Tenth Supervisory Committee elected Supervisor Zheng Qiyuan the Chairman of the Supervisory Committee of the Company. For the detail, refer to the relevant announcement disclosed in the Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn>. on August 20, 2021 and September 9, 2021 respectively.

## IV. Quarterly Financial Statements

### (I) Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by FIYTA Precision Technology Co., Ltd.

September 30, 2021

In CNY

Items	September 30, 2021	December 31, 2020
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Current assets:		
Monetary capital	231,727,548.84	353,057,285.71
Settlement reserve		
Inter-bank lending		
Transactional financial assets		
Derivative financial assets		
Notes receivable	54,744,041.87	48,192,442.15
Accounts receivable	465,808,725.35	475,598,684.88
Financing with accounts receivable		
Advance payment	21,531,296.99	16,612,773.76
Receivable premium		
Reinsurance accounts receivable		
Reserve for reinsurance contract receivable		
Other receivables	65,649,596.91	52,902,779.63
Including: Interest receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	2,031,026,035.86	1,931,780,185.85
Contract assets		
Held-for-sale assets		
Non-current assets due within a year		
Other current assets	42,586,423.95	75,935,141.76
Total current assets	2,913,073,669.77	2,954,079,293.74
Non-current assets:		
Loan issuing and advance in cash		
Equity investment		
Other equity investment		
Long term accounts receivable		
Long-term equity investments	53,029,994.16	51,400,665.92
Investment in other equity instruments	85,000.00	85,000.00
Other non-current financial assets		
Investment-oriented real estate	386,536,288.24	398,086,447.78
Fixed assets	349,473,119.51	352,734,280.76
Construction-in-progress		
Productive biological asset		
Oil and Gas Assets		

Use right assets	145,353,524.96	
Intangible assets	34,454,509.50	37,859,316.51
Development expenses		
Goodwill		
Long term expenses to be apportioned	142,931,599.58	130,017,587.99
Deferred income tax asset	71,831,577.51	80,913,800.35
Other non-current assets	48,475,040.61	13,536,307.13
Total non-current assets	1,232,170,654.07	1,064,633,406.44
Total assets	4,145,244,323.84	4,018,712,700.18
Current liabilities:		
Short term loans	372,777,721.19	542,673,278.09
Borrowings from the central bank		
Loans from other banks		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	1,181,360.00	3,581,360.00
Accounts payable	216,706,197.57	301,211,515.39
Advance receipt	9,043,788.94	9,991,850.67
Contract liabilities	18,039,474.59	18,213,396.49
Money from sale of the repurchased financial assets		
Deposits taking and interbank placement		
Acting trading securities		
Income from securities underwriting on commission		
Payroll payable to the employees	102,779,107.82	132,853,462.20
Taxes payable	73,360,854.86	68,925,271.90
Other payables	223,584,214.88	128,577,597.94
Including: interest payable		
Dividends payable	5,015,026.30	1,639,513.77
Service charge and commission payable		
Payable reinsurance		
Held-for-sale liabilities		
Non-current liabilities due within a year	92,008,265.22	370,030.00
Other current liabilities	2,284,905.33	2,299,755.09
Total current liabilities	1,111,765,890.40	1,208,697,517.77

Non-current liabilities:		
Reserve for insurance contract		
Long-term borrowings	3,581,145.00	4,070,330.00
Bonds payable		
Including: preferred shares		
Perpetual bond		
Lease liabilities	55,169,067.99	
Long-term accounts payable		
Long term payroll payable to the employees		
Estimated liabilities	48,368.34	
Deferred income	2,377,718.35	2,916,346.43
Deferred income tax liability	4,243,573.53	3,067,834.55
Other non-current liabilities		
Total non-current liabilities	65,419,873.21	10,054,510.98
Total liabilities	1,177,185,763.61	1,218,752,028.75
Owner's equity:		
Capital stock	426,263,066.00	428,091,881.00
Other equity instruments		
Including: preferred shares		
Perpetual bond		
Capital reserve	1,038,716,410.42	1,021,490,387.78
Less: shares in stock	65,833,649.70	61,633,530.48
Other comprehensive income	-6,867,832.78	976,871.41
Special reserve	717,743.80	
Surplus reserve	246,531,866.87	246,531,866.87
Reserve against general risks		
Retained earnings	1,328,530,955.62	1,164,490,911.51
Total owners' equity attributable to the parent company	2,968,058,560.23	2,799,948,388.09
Minority shareholders' equity		12,283.34
Total owner's equity	2,968,058,560.23	2,799,960,671.43
Total liabilities and owners' equity	4,145,244,323.84	4,018,712,700.18

Legal representative: Zhang Xuhua  
Department: Tian Hui

Chief Financial Officer: Chen Zhuo Person in charge of the Accounting

## 2. Consolidation of the Profit Statement from the Beginning of the Year to the End of the Reporting Period

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Turnover	4,084,797,744.03	2,944,433,436.00
Including: operating income	4,084,797,744.03	2,944,433,436.00
Interest income		
Earned insurance premium		
Service charge and commission income		
II. Total operating costs	3,655,882,863.34	2,699,924,997.52
Including: Operating costs	2,549,686,797.59	1,820,668,961.39
Interest payment		
Service charge and commission payment		
Surrender Value		
Compensation expenses, net		
Provision of reserve for insurance liabilities, net		
Payment of policy dividend		
Reinsurance expenses		
Taxes and surcharges	26,025,661.25	14,676,717.58
Sales costs	823,138,774.82	641,091,464.49
Administrative expenses	189,433,471.27	162,278,170.13
R & D expenditures	40,145,686.42	34,765,728.41
Financial expenses	27,452,471.99	26,443,955.52
Where: Interest cost	18,551,509.47	19,457,991.26
Interest income	2,906,297.16	3,470,874.47
Plus: Other income	16,161,926.11	20,135,145.46
Investment income (loss is stated with "-")	1,629,328.24	2,160,911.92
Including: return on investment in associate and joint venture	1,629,328.24	2,160,911.92
Gain from the derecognition of the financial assets measured at amortised cost		
Exchange income (loss stated with "-")		
Net exposure hedge income (loss stated with "-")		
Income from change of fair value (loss is stated with "-")		
Loss from impairment of credit (loss is stated with "-")	-1,039,778.07	-5,172,056.86
Loss from impairment of assets (loss is stated with "-")	-1,200,014.39	

Income from disposal of assets (loss is stated with "-")	-180,694.53	-376,069.86
III. Operating Profit (loss is stated with "-")	444,285,648.05	261,256,369.14
Plus: Non-operating income	252,422.44	1,695,948.59
Less: Non-operating expenses	1,296,596.24	407,657.11
IV. Total profit (total loss is stated with "-")	443,241,474.25	262,544,660.62
Less: Income tax expense	100,642,011.01	47,750,281.08
V. Net Profit (net loss is stated with "-")	342,599,463.24	214,794,379.54
(I) Classification based on operation sustainability		
1. Net profit from sustainable operation (net loss is stated with "-")	342,599,463.24	214,794,379.54
2. Net profit from termination of operation (net loss is stated with "-")		
(II) Classification by ownership		
1. Net profit attributable to the parent company's owner	342,579,405.96	214,787,284.13
2. Minority shareholders' gain/loss	20,057.28	7,095.41
VI. Net of other comprehensive income after tax	-7,877,044.81	1,989,173.17
Net of other comprehensive income after tax attributable to the parent company's owner	-7,844,704.19	1,982,256.00
(I) Other comprehensive income which cannot be re-classified into gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Other comprehensive income which can be converted into gain and loss based on the equity method		
3. Movement of the fair value of the investment in other equity instruments		
4. Movement of the fair value of the Company's own credit risk		
5. Others		
(II) Other comprehensive income which shall be re-classified into gain and loss	-7,844,704.19	1,982,256.00
1. Other comprehensive income which can be converted into gain and loss based on the equity method		
2. Movement of the fair value of the investment in other debt instruments		
3. Amount of the reclassified financial assets counted to the other comprehensive income		
4. Provision for impairment of the credit of the other debt investment		

5. Reserve for cash flow hedge		
6. Conversion difference in foreign currency statements	-7,844,704.19	1,982,256.00
7. Others		
Net amount of other comprehensive income after tax attributable to minority shareholders	-32,340.62	6,917.17
VII. Total comprehensive income	334,722,418.43	216,783,552.71
Total comprehensive income attributable to the parent company's owner	334,734,701.77	216,769,540.13
Total comprehensive income attributable to minority shareholders	-12,283.34	14,012.58
VIII. Earnings per share:		
(I) Basic earnings per share	0.7995	0.4940
(II) Diluted earnings per share	0.7995	0.4940

Legal representative: Zhang Xuhua      Chief Financial Officer: Chen Zhuo      Person in charge of the Accounting Department: Tian Hui

### 3. Consolidation of the Cash Flow Statement from the Beginning of the Year to the End of the Reporting Period

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Cash flows arising from operating activities:		
Cash received from sales of goods and supply of services	4,500,004,848.59	3,097,232,379.30
Net increase of customers' deposit and due from banks		
Net increase of borrowings from the central bank		
Net increase of borrowings from other financial institutions		
Cash received from the premium of the original insurance contract		
Net cash received from the reinsurance business		
Net increase of the reserve from policy holders and investment		
Cash received from interest, service charge and commission		
Net increase of loan from other banks		
Net increase of fund from repurchase business		
Net cash received from securities trading on commission		
Rebated taxes received	332,318.54	1,592,055.84

Other operation activity related cash receipts	58,259,556.53	52,861,160.51
Subtotal of cash flow in from operating activity	4,558,596,723.66	3,151,685,595.65
Cash paid for purchase of goods and reception of labor services	2,996,540,264.43	2,086,461,819.63
Net increase of loans and advances to customers		
Net increase of due from central bank and due from other banks		
Cash from payment for settlement of the original insurance contract		
Net increase of the lending capital		
Cash paid for interest, service charge and commission		
Cash for payment of policy dividend		
Cash paid to and for staff	555,033,234.59	429,628,382.76
Various taxes paid	248,687,302.73	121,220,554.66
Other operation activity related cash payments	390,125,168.61	298,226,010.81
Subtotal of cash flow out from operating activity	4,190,385,970.36	2,935,536,767.86
Net cash flows arising from operating activities	368,210,753.30	216,148,827.79
II. Cash flow arising from investment activities:		
Cash received from recovery of investment		
Cash received from investment income		
Net cash from disposal of fixed assets, intangible assets and recovery of other long term assets	43,107.14	84,522.81
Net cash received from disposal of subsidiaries and other operating units		
Other investment related cash receipts		
Subtotal of cash flow in from investment activity	43,107.14	84,522.81
Cash paid for purchase/construction of fixed assets, Intangible assets and other long term assets	154,549,937.25	90,396,549.63
Cash paid for investment		
Net increase of the pledged loan		
Net cash paid for acquisition of subsidiaries and other operation units		
Other investment activity related cash payments		
Subtotal of cash flow out from investment	154,549,937.25	90,396,549.63

activity		
Net cash flow arising from investment activities:	-154,506,830.11	-90,312,026.82
III. Cash flow arising from fund-raising activities:		
Cash received from absorbing investment	58,216,000.00	
Incl.: Cash received from the subsidiaries' absorption of minority shareholders' investment		
Cash received from loans	950,175,970.17	722,430,000.00
Other fund-raising activity related cash receipts		
Subtotal of cash flow in from fund raising activity	1,008,391,970.17	722,430,000.00
Cash paid for debt repayment	1,096,639,047.51	574,529,887.95
Cash paid for dividend/profit distribution or repayment of interest	187,013,299.32	104,338,909.03
Including: Dividend and profit paid by the subsidiaries to minority shareholders		
Other fund-raising activity related cash payments	58,958,288.96	44,625,838.93
Sub-total cash flow paid for financing activities	1,342,610,635.79	723,494,635.91
Net cash flow arising from fund-raising activities	-334,218,665.62	-1,064,635.91
IV. Change of exchange rate influencing the cash and cash equivalent	-814,994.44	-598,916.46
V. Net increase of cash and cash equivalents	-121,329,736.87	124,173,248.60
Plus: Opening balance of cash and cash equivalents	353,057,285.71	315,093,565.09
VI. Ending balance of cash and cash equivalents	231,727,548.84	439,266,813.69

Legal representative: Zhang Xuhua  
Department: Tian Hui

Chief Financial Officer: Chen Zhuo Person in charge of the Accounting

## (II) Notes to the Adjustment of Financial Statements

**1. The Company started implementing the updated standards for lease commencing from 2021 and adjusted the relevant items of the financial statements at the beginning of the very year involved in the initial implementation of the said standards**

Is it necessary to adjust the items of the balance sheet at the year beginning

Yes

### Consolidated Balance Sheet

In CNY

Items	December 31, 2020	January 01, 2021	Amount involved in the adjustment
Current assets:			
Monetary capital	353,057,285.71	353,057,285.71	
Settlement reserve			
Inter-bank lending			
Transactional financial assets			
Derivative financial assets			
Notes receivable	48,192,442.15	48,192,442.15	
Accounts receivable	475,598,684.88	475,598,684.88	
Financing with accounts receivable			
Advance payment	16,612,773.76	16,612,773.76	
Receivable premium			
Reinsurance accounts receivable			
Reserve for reinsurance contract receivable			
Other receivables	52,902,779.63	52,902,779.63	
Including: Interest receivable			
Dividends receivable			
Redemptory monetary capital for sale			
Inventories	1,931,780,185.85	1,931,780,185.85	
Contract assets			
Held-for-sale assets			
Non-current assets due within a year			
Other current assets	75,935,141.76	73,796,500.44	-2,138,641.32
Total current assets	2,954,079,293.74	2,951,940,652.42	-2,138,641.32
Non-current assets:			
Loan issuing and advance in cash			
Equity investment			
Other equity investment			
Long term accounts receivable			
Long-term equity investments	51,400,665.92	51,400,665.92	
Investment in other equity instruments	85,000.00	85,000.00	

Other non-current financial assets			
Investment-oriented real estate	398,086,447.78	398,086,447.78	
Fixed assets	352,734,280.76	352,734,280.76	
Construction-in-progress			
Productive biological asset			
Oil and gas assets			
Use right assets		170,138,212.72	170,138,212.72
Intangible assets	37,859,316.51	37,859,316.51	
Development expenses			
Goodwill			
Long term expenses to be apportioned	130,017,587.99	130,017,587.99	
Deferred income tax asset	80,913,800.35	80,913,800.35	
Other non-current assets	13,536,307.13	13,536,307.13	
Total non-current assets	1,064,633,406.44	1,234,771,619.16	170,138,212.72
Total assets	4,018,712,700.18	4,186,712,271.58	167,999,571.40
Current liabilities:			
Short term loans	542,673,278.09	542,673,278.09	
Borrowings from the central bank			
Loans from other banks			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable	3,581,360.00	3,581,360.00	
Accounts payable	301,211,515.39	301,211,515.39	
Advance receipts	9,991,850.67	9,991,850.67	
Contract liabilities	18,213,396.49	18,213,396.49	
Money from sale of the repurchased financial assets			
Deposits taking and interbank placement			
Acting trading securities			
Income from securities underwriting on commission			
Payroll payable to the employees	132,853,462.20	132,853,462.20	
Taxes payable	68,925,271.90	68,925,271.90	

Other payables	128,577,597.94	128,577,597.94	
Including: interest payable			
Dividends payable	1,639,513.77	1,639,513.77	
Service charge and commission payable			
Payable reinsurance			
Held-for-sale liabilities			
Non-current liabilities due within a year	370,030.00	96,546,555.48	96,176,525.48
Other current liabilities	2,299,755.09	2,299,755.09	
Total current liabilities	1,208,697,517.77	1,304,874,043.25	96,176,525.48
Non-current liabilities:			
Reserve for insurance contract			
Long-term borrowings	4,070,330.00	4,070,330.00	
Bonds payable			
Including: preferred shares			
Perpetual bond			
Lease liabilities		76,142,342.03	76,142,342.03
Long-term accounts payable			
Long term payroll payable to the employees			
Estimated liabilities			
Deferred income	2,916,346.43	2,916,346.43	
Deferred income tax liability	3,067,834.55	3,067,834.55	
Other non-current liabilities			
Total non-current liabilities	10,054,510.98	86,196,853.01	76,142,342.03
Total liabilities	1,218,752,028.75	1,391,070,896.26	172,318,867.51
Owner's equity:			
Capital stock	428,091,881.00	428,091,881.00	
Other equity instruments			
Including: preferred shares			
Perpetual bond			
Capital reserve	1,021,490,387.78	1,021,490,387.78	
Less: shares in stock	61,633,530.48	61,633,530.48	
Other comprehensive income	976,871.41	976,871.41	

Special reserve			
Surplus Reserve	246,531,866.87	246,531,866.87	
Reserve against general risks			
Retained earnings	1,164,490,911.51	1,160,171,615.40	-4,319,296.11
Total owners' equity attributable to the parent company	2,799,948,388.09	2,795,629,091.98	-4,319,296.11
Minority shareholders' equity	12,283.34	12,283.34	
Total owner's equity	2,799,960,671.43	2,795,641,375.32	-4,319,296.11
Total liabilities and owners' equity	4,018,712,700.18	4,186,712,271.58	167,999,571.40

Note to the Adjustment

The Company has implemented the new lease standards for the first time since January 1, 2021. In 2021, in accordance with the requirements of the new lease standards, the opening balance of lease-related assets has been adjusted to the asset of use right and lease liabilities.

**2. Note to the retroactive adjustment of the previous comparative data according to the new standards for lease initially implemented from 2021**

Inapplicable

**(III) Auditor's Report**

Has the third quarter report been audited

No

FIYTA Precision Technology Co., Ltd.

Board of Directors

October 26, 2021