

Stock codes: 000026, 200026

Stock abbreviations: FIYTA, FIYTA B

Announcement No.: 2024-026

FIYTA 飞亚达

FIYTA Precision Technology Co., Ltd.

Summary of 2024 Semi-annual Report

I. Important notes

The summary of this semi-annual report is derived from the full text of the semi-annual report. In order to fully understand the Company's operating results, financial situation and future development plans, investors should carefully read the full text of the semi-annual report in the media designated by the CSRC.

All directors have attended the board meeting to review this report.

Reminder on non-standard audit opinions

Not applicable

Profit distribution plan or plan on conversion of provident funds into capital stock during the reporting period reviewed by the board of directors

Not applicable

The Company plans to pay no cash dividend, no bonus shares, and no conversion of capital stock with provident funds.

Preferred stock profit distribution plan for the reporting period approved by the board of directors

Not applicable

II. Company profile

1. Company profile

Stock name	FIYTA, FIYTA B	Stock code	000026, 200026
Stock listing exchange	Shenzhen Stock Exchange		
Stock name before change (if any)	None		
Contact person and contact information	Secretary of the Board of Directors	Securities affairs representative	
Name	Song Yaoming	Xiong Yaojia	
Office address	Floor 20, Fiyta Technology Building, Gaoxin South 1st Road, Nanshan District, Shenzhen	18th Floor, Fiyta Technology Building, Gaoxin South 1st Road, Nanshan District, Shenzhen	
Telephone	0755—86013669	0755—86013669	
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2. Main accounting data and financial indicators

Does the Company need to retrospectively adjust or restate the accounting data in previous years?

Yes No

	The current reporting period	Same period last year	Change in the current reporting period compared to the same period last year
Operating revenue (RMB)	2,076,397,911.32	2,364,505,262.56	-12.18%
Net profit attributable to shareholders of the listed company (RMB)	147,138,482.34	187,395,067.23	-21.48%
Net profit attributable to shareholders of the listed company excluding non-recurring gains	140,445,221.81	177,352,543.66	-20.81%

and losses (RMB)			
Net cash flow from operating activities (RMB)	136,530,796.52	344,659,843.62	-60.39%
Basic earnings per share (RMB/share)	0.3568	0.4517	-21.01%
Diluted earnings per share (RMB/share)	0.3564	0.4517	-21.10%
Weighted average return on equity	4.36%	5.80%	-1.44%
	End of the current reporting period	End of the previous year	Change at the end of the current reporting period compared to the end of the previous year
Total assets (RMB)	4,147,991,663.46	4,204,260,897.08	-1.34%
Net assets attributable to shareholders of the listed company (RMB)	3,315,327,996.53	3,333,805,752.19	-0.55%

3. Number of shareholders and their shareholding situation in the company

Unit: Shares

Total number of common shareholders at the end of the reporting period	27,671	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any)	0			
Top ten shareholders' shareholding details (excluding shares lent through refinancing)						
Shareholder name	Nature of shareholder	Percentage of shares	Number of shares held	Number of restricted shares held	Pledge, marking or freezing	
					Status of shares	Quantity
AVIC International Holding Co., Ltd.	State-owned legal person	40.16%	162,977,327	0	Not applicable	0
#Wu Jilin	Domestic natural person	4.87%	19,757,542	0	Not applicable	0
Xu Guoliang	Domestic natural person	1.46%	5,924,268	0	Not applicable	0
Qiu Hong	Domestic natural person	0.62%	2,510,000	0	Not applicable	0
#Zhu Rui	Domestic natural person	0.53%	2,145,200	0	Not applicable	0
#Qu Yongjie	Domestic natural person	0.33%	1,341,900	0	Not applicable	0
#Wang Xing	Domestic natural person	0.32%	1,302,500	0	Not applicable	0
#Ge Zhongwei	Domestic natural person	0.29%	1,172,300	0	Not applicable	0
Chen Hao	Domestic natural person	0.28%	1,149,543	0	Not applicable	0
#Zhu Xian	Domestic natural person	0.25%	1,032,540	0	Not applicable	0
Explanation of the aforementioned shareholders' association or concerted action	The Company is unaware of whether the aforementioned 10 shareholders are related or constitute concerted actors.					
Explanation of the	1. In addition to holding 10,202,377 shares through the ordinary securities account,					

shareholders' participation in securities margin trading (if any)	<p>Wu Jilin, the shareholder of the company, also holds 9,555,165 shares through the client credit trading guarantee securities account of CICC Wealth Management holding 19,757,542 shares in total;</p> <p>2. In addition to holding 307,100 shares through the ordinary securities account, Zhu Rui, the shareholder of the company, also holds 1,838,100 shares in the client credit trading guarantee securities account of First Capital Securities Co., Ltd., holding a total of 2,145,200 shares;</p> <p>3. In addition to holding 59,000 shares through the ordinary securities account, Qu Yongjie, the shareholder of the company, also held 1,282,900 shares through the customer credit trading guarantee securities account of Shanxi Securities Co., Ltd., holding a total of 1,341,900 shares;</p> <p>4. In addition to holding 882,500 shares through the ordinary securities account, Wang Xing, the shareholder of the company, also holds 420,000 shares through the customer credit trading guarantee securities account of China Merchants Securities co. Ltd. (CMS), holding a total of 1,302,500 share;</p> <p>5. In addition to holding 672,300 shares through the ordinary securities account, Ge Zhongwei, the shareholder of the company, also held 500,000 shares through the customer credit trading guarantee securities account of Zheshang Securities Co., Ltd., holding a total of 1,172,300 shares;</p> <p>6. In addition to holding 25,000 shares through the ordinary securities account, Zhu Xian, the shareholder of the company, also held 1,007,540 shares through the customer credit trading guarantee securities account of HuaChuang Securities Co., Ltd., holding a total of 1,032,540 shares.</p>
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Participation of shareholders holding more than 5%, the top 10 shareholders, and the top 10 shareholders of unlimited outstanding shares in securities margin trading

Not applicable

Changes in the top 10 shareholders, and the top 10 shareholders of unlimited outstanding shares due to securities margin trading compared to the previous period

Not applicable

4. Changes in controlling shareholders or actual controllers

Changes in controlling shareholders during the reporting period

Not applicable

Change of actual controller during the reporting period

Not applicable

5. Total number of preferred shareholders and the top 10 preferred shareholders' holdings

Not applicable

6. Existing bonds situation on the approval date of the semi-annual report

Not applicable

III. Important matters

In 1H24, the Company adhered to the principle of high-quality development, continued to implement the business strategies of "seeking progress while maintaining stability" and "defensive counterattack", carried out various operations and management work in an orderly manner, and promoted the sustainable development of various businesses. During the reporting period, under the environment of insufficient demand in the watch consumer market

and weak consumption expectations, the company achieved operating income of nearly RMB 2,076,400,000, decreased by 12.18% YoY; The total profit was about RMB193,680,000, decreased by 20.79% YoY; At the same time, the Company focuses closely on refined operational management and risk control. The year-end asset-liability ratio stands at 20.07%, with net cash flow generated from operating activities amounting to nearly RMB137,000,000. The operational activities remain robust, and overall business risks are well-managed and controlled. Facing a challenging market environment, the Company remains steadfast in its development confidence and prioritizes shareholder returns. It has successfully implemented the 2023 annual cash dividend plan, distributing RMB4.00 per 10 shares (tax inclusive) to all shareholders. Additionally, the Company has executed a plan to repurchase and cancel 9.3558 million shares of domestically listed foreign capital shares (B-shares).

During the reporting period, the Company's main business initiatives are as follows:

(1) Continue to promote the upgrading of brand positioning and create brand differentiation

During the reporting period, the "FIYTA" brand, positioned as a high-quality Chinese watch brand with aerospace-themed watches, focused on its core product lineup. It concentrated resources on launching several aerospace-themed watches, including the Yun-20 Cross-Strait Time, Zhi-20 Triumph Edition, National Tide Golden Dragon Limited Edition, "Space Station" EVA Edition, and "Space Walk" Return Cabin Edition. Integrating marketing and sales through new media platforms, the Company conducted various activities to enhance brand visibility. These included appearances at Milan Fashion Week, live streaming events like "Walking with Brilliance," participation in the 2024 China Brand Day, and the appointment of Xia Zhiguang as brand ambassador. Special marketing campaigns such as "Sparkling Gold" and brand origin live streams were also launched. These efforts across multiple channels successfully created popular products like the "Little Golden Watch" and boosted the brand's presence significantly.

(2) Continue to promote the optimization of channel structure and give full play to the advantages of operation and management

During the reporting period, the "FIYTA" brand underwent a complete upgrade of its store image, focusing on aerospace-themed stores and comprehensive flagship stores like the Bo Guan series. The Company continued to optimize its channel structure by establishing presence in mainstream shopping centers in first and second tier cities. Additionally, it opened 17 new aerospace-themed stores, aiming to enhance brand visibility and consumer engagement through innovative retail experiences. Utilizing local lifestyle and Douyin live streaming, we have significantly enhanced our store's new media operational capabilities. We continue to strengthen online product development and build a self-operated live streaming matrix. During the "618" shopping festival, our e-commerce GMV achieved growth against the trend, ranking first nationwide in watch sales, with our hit product, "Little Golden Watch," making it to the top of major platforms' bestseller lists. Actively expand duty-free channels, and explore cooperation opportunities in airports, ports, cruise ships and other duty-free channels.

The retail of "Harmony" watches continues to focus on the four elements of "city, brand, business format and partner" to foster the high-quality development of mid-to-high-end brands and premium distribution channels. Deepen and refine excellent operation in an all-round way, and systematically improve operational efficiency from online, offline, stores, brands, members, services and other dimensions.

(3) Continue to increase investment in scientific and technological innovation and strengthen the hard core strength of precision technology

During the reporting period, the Company increased its investment in areas such as movement technology, technology material applications, and precision timing equipment. Building on the partial localization of movements in some products, the company continued to advance the localization of movements and the development of key components like balance springs.

(4) Continue to promote digital transformation and deepen platform application

During the reporting period, the Company continued to carry out digital operations, improving and iterating the digital retail system; Focusing on customer needs and profiles, optimized the member life cycle model to enhance core metrics such as conversion of potential customers and retention of existing customers, ensuring continuous improvement. Continuing with private domain operations, leveraged mini-programs to cultivate private domain traffic and develop activities like private domain group purchases. Continue to promote the integration of online and offline, attract customers to the offline stores through online customer acquisition, and launch businesses such as TikTok Local Life and JD to Home.

(5) Continue to promote the exploration of new business and cultivate new growth points

During the reporting period, the Company strengthened its precision technology business, enhancing its technical capabilities to meet the demands of complex and high-precision products. It also expanded into new customer segments. The smart wearable business continued to advance with upgrades in product and technological capabilities. There was a strong emphasis on enhancing both software and hardware technologies, along with new product development. Under the "Jeep" brand, new products such as the curved screen square smartwatch integrating AI technology were launched. Meanwhile, the "ADASHER" brand saw steady sales growth on platforms like TikTok and Kuaishou. Both new business segments achieved increased revenue during the reporting period.

FIYTA Precision Technology Co., Ltd.

Board of Directors

August 21, 2024