

Stock codes: 000026, 200026 Stock abbreviations: FIYTA, FIYTA B Announcement No.: 2024-019

FIYTA Precision Technology Co., Ltd.

Q1 2024 Report

The Company and the Board of Directors ensure that the information disclosed is truthful, accurate, and complete, with no false records, misleading statements, or significant omissions.

Key content tips:

1. The Board of Directors, the Board of Supervisors, and the directors, supervisors, and senior management guarantee the truthfulness, accuracy, and completeness of the quarterly report, with no false records, misleading statements, or significant omissions, and bear individual and joint legal responsibility.
2. The person in charge of the Company, the CFO, and the Financial Manager (Accounting Supervisor) declare to ensure that the financial information in the quarterly report is truthful, accurate, and complete.
3. Whether the Q1 report has been audited

No

I. Key Financial Data

(I) Main accounting data and financial indicators

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

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)	1,065,150,876.00	1,200,095,568.76	-11.24%
Net profit attributable to shareholders of the listed company (RMB)	75,499,096.30	103,189,489.23	-26.83%
Net profit attributable to shareholders of the listed company excluding non-recurring gains and losses (RMB)	69,755,955.88	95,484,229.79	-26.95%
Net cash flow from operating activities (RMB)	-964,281.20	80,169,964.00	-101.20%
Basic earnings per share (RMB/share)	0.1828	0.2505	-27.03%
Diluted earnings per share (RMB/share)	0.1825	0.2505	-27.15%
Weighted average return on equity	2.24%	3.23%	-0.99%
	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)	4,136,305,356.14	4,204,260,897.08	-1.62%
Owner's equity attributable to shareholders of the listed company (RMB)	3,403,636,152.70	3,333,805,752.19	2.09%

(II) Non-recurring gains and losses items and amounts

Unit: RMB

Item	Amount for the current reporting period	Explanation
Loss/gain on disposal of non-current assets (including reversal of provision for asset impairment)	2,949,209.65	
Government grants recognized in current profit and loss (excluding those closely related to the Company's normal operations, in compliance with national policies, entitled in accordance with set standards, and having a sustained impact on the Company's profit and loss)	1,066,372.66	
Reversal of provision for impairment	3,194,562.55	

of receivables subject to individual impairment testing		
Other operating incomes and expenses excluding the above items	320,045.62	
Less: Income tax impact	1,787,050.06	
Total	5,743,140.42	--

Specific circumstances of other items that meet the definition of non-recurring gains and losses

Not applicable

Explanation of circumstances where items listed as non-recurring gains and losses in *Explanatory Announcement No. 1 on Information Disclosure of Companies Issuing Securities Publicly - Non-recurring Gains and Losses* are classified as recurring

Not applicable

(III) Changes in main accounting data and financial indicators and reasons

1. Consolidated Balance sheet items

Item	Ending balance	Beginning balance	Change ratio	Reason for change
Prepayments (RMB)	12,091,024.86	6,571,239.98	84.00%	Mainly due to an increase in prepayments for branded watches and movements during the reporting period.
Other current assets (RMB)	48,674,518.61	72,249,391.81	-32.63%	Mainly due to a decrease in input VAT to be credited during the reporting period.
Contract liabilities (RMB)	18,783,506.42	12,286,243.62	52.88%	Mainly due to an increase in advance receipts for the watch business during the reporting period.
Accrued payroll (RMB)	67,971,231.21	120,084,810.60	-43.40%	Mainly due to the payment of year-end bonuses during the reporting period.

2. Consolidated cash flow statement items

Item	Current amount incurred	Amount incurred in the previous period	Change ratio	Reason for change
Net cash flow from operating activities (RMB)	-964,281.20	80,169,964.00	-101.20%	Mainly due to decrease in sales revenue leading to decrease in cash receipts.

II. Shareholder Information

(I) Total number of common shareholders and number of preferred shareholders with restored voting rights, and the top ten shareholders' shareholding details

Unit: Shares

Total number of common shareholders at the end of the reporting period	28,557	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	Share holding ratio	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	39.25 %	162,977,327	0	Not applicable	0

#Wu Jilin	Domestic natural person	4.10%	17,043,827	0	Not applicable	0
Xu Guoliang	Domestic natural person	1.60%	6,623,168	0	Not applicable	0
Qiu Hong	Domestic natural person	0.60%	2,510,000	0	Not applicable	0
#Zhu Rui	Domestic natural person	0.47%	1,969,100	0	Not applicable	0
#Qu Yongjie	Domestic natural person	0.32%	1,330,000	0	Not applicable	0
#Ge Zhongwei	Domestic natural person	0.29%	1,195,700	0	Not applicable	0
Chen Hao	Domestic natural person	0.27%	1,101,643	0	Not applicable	0
Industrial and Commercial Bank of China Ltd. - GF CSI State-owned Enterprises Innovation Shareholder Return ETF	Other	0.26%	1,065,800	0	Not applicable	0
#Zhu Xian	Domestic natural person	0.25%	1,032,540	0	Not applicable	0
Top 10 unrestricted shareholders						
Shareholder name	Number of unrestricted shares held	Type of shares				
		Type of shares	Quantity			
Aviation Industry International Holdings Co., Ltd.	162,977,327	RMB ordinary shares	162,977,327			
#Wu Jilin	17,043,827	RMB ordinary shares	17,043,827			
Xu Guoliang	6,623,168	RMB ordinary shares	6,623,168			
Qiu Hong	2,510,000	RMB ordinary shares	2,510,000			
#Zhu Rui	1,969,100	RMB ordinary shares	1,969,100			
#Qu Yongjie	1,330,000	RMB ordinary shares	1,330,000			
#Ge Zhongwei	1,195,700	RMB ordinary shares	1,195,700			
Chen Hao	1,101,643	RMB ordinary shares	1,101,643			
Industrial and Commercial Bank of China Co., Ltd. - GF China Reform State-owned Enterprises Shareholder Return ETF	1,065,800	RMB ordinary shares	1,065,800			
#Zhu Xian	1,032,540	RMB ordinary shares	1,032,540			

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 top 10 shareholders' participation in securities margin trading (if any)	<ol style="list-style-type: none"> 1. Shareholder Wu Jilin holds 10,363,377 shares through a regular securities account and 6,680,450 shares through a margin trading collateral securities account, totaling 17,043,827 shares; 2. Shareholder Zhu Rui holds 217,100 shares through a regular securities account and 1,752,000 shares through a margin trading collateral securities account, totaling 1,969,100 shares; 3. Shareholder Qu Yongjie holds 59,000 shares through a regular securities account and 1,271,000 shares through a margin trading collateral securities account, totaling 1,330,000 shares; 4. Shareholder Ge Zhongwei holds 695,700 shares through a regular securities account and 500,000 shares through a margin trading collateral securities account, totaling 1,195,700 shares; 5. Shareholder Zhu Xian holds 25,000 shares through a regular securities account and 1,007,540 shares through a margin trading collateral securities account, totaling 1,032,540 shares.

Note: The Company's B-share repurchase account 'Special Securities Account for Repurchase of FIYTA Precision Technology Co., Ltd.' held 9,355,763 ordinary shares at the end of the reporting period, accounting for 2.25% of the shares, mainly due to the Company's ongoing B-share repurchase. According to regulations, this repurchase account is not included in the list of the top 10 shareholders.

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

(II) Total number of preferred shareholders and the top 10 preferred shareholders' holdings

Not applicable

III. Other Important Matters

1. Matters related to the 2018 A-share Restricted Stock Incentive Plan (Phase II)

Due to the resignation of one of the original incentive recipients of the 2018 A-share Restricted Stock Incentive Plan (Phase II), the Company's 18th meeting of the 10th Board of Directors and 2023 Annual General Meeting of Shareholders approved the repurchase and cancellation of 10,020 A-share restricted stocks that had been granted to the above person but not yet lifted from restriction, and the creditors were notified as required. For details, please refer to the announcements disclosed by the Company on the CNINFO website on March 14, 2024, and April 19, 2024, titled *Announcement on the Repurchase and Cancellation of Part of the Restricted Stocks in the 2018 A-share Restricted Stock Incentive Plan (Phase II) (2024-012)* and *Announcement on the Notification to Creditors Regarding the Repurchase and Cancellation of Part of the Restricted Stocks and Reduction of Registered Capital (2024-017)*.

2. Matters related to the repurchase of a portion of domestic listed foreign shares (B-shares)

The Company's 11th meeting of the 10th Board of Directors and the 2022 Annual General Meeting of Shareholders approved the *Plan for the Repurchase of a Portion of Domestic Listed Foreign Shares (B-shares)*, and subsequently disclosed the repurchase report and a series of progress announcements in accordance with relevant regulations. As of March 31, 2024, the Company has cumulatively repurchased 9,355,763 B-shares through a

dedicated securities account via centralized bidding, with a total payment of HKD 70,401,771.17 (excluding transaction fees). For detailed information, please refer to the relevant progress announcements disclosed on the CNINFO network by the Company.

IV. Quarterly Financial Statements

(I) Financial statements

1. Consolidated balance sheet

Prepared by: FIYTA Precision Technology Co., Ltd.

As of March 31, 2024

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Monetary funds	429,133,282.84	504,629,153.71
Settlement reserve funds		
Lent funds		
Trading financial assets		
Derivative financial assets		
Notes receivable	20,594,022.65	18,268,972.37
Accounts receivable	354,145,988.29	323,142,761.64
Financing receivables		
Prepayments	12,091,024.86	6,571,239.98
Premiums receivables		
Reinsurance receivables		
Reinsurance contract reserves receivable		
Other receivables	60,537,703.59	57,725,792.00
Including: Interest receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	2,105,364,158.13	2,100,666,175.28
Including: Data resources		
Contractual assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	48,674,518.61	72,249,391.81
Total current assets	3,030,540,698.97	3,083,253,486.79
Non-current assets:		
Loans and advances granted		
Creditor's rights investments		
Other creditor's rights investments		
Long-term receivables		
Long-term equity investments	51,862,607.30	51,862,607.30
Other equity instrument investments		
Other non-current financial assets		
Investment properties	356,332,335.03	360,255,832.14
Fixed assets	350,300,461.08	355,785,354.68
Construction in progress		

Productive biological assets		
Oil and gas assets		
Right-of-use assets	117,158,264.76	109,452,481.64
Intangible assets	30,943,165.32	31,664,380.77
Including: Data resources		
Development expenditure		
Including: Data resources		
Goodwill		
Long-term deferred and prepaid expenses	117,584,444.96	122,324,355.13
Deferred income tax assets	76,660,088.04	80,227,771.46
Other non-current assets	4,923,290.68	9,434,627.17
Total non-current assets	1,105,764,657.17	1,121,007,410.29
Total assets	4,136,305,356.14	4,204,260,897.08
Current liabilities:		
Short-term borrowings	220,161,455.54	250,187,763.87
Borrowings from central bank		
Borrowed funds		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	125,762,415.94	173,825,907.71
Advance receipts	10,666,111.71	10,267,758.31
Contract liabilities	18,783,506.42	12,286,243.62
Sale of repurchase financial assets		
Deposits received and interbank placements		
Securities trading on behalf of clients		
Securities underwriting on behalf of clients		
Accrued payroll	67,971,231.21	120,084,810.60
Taxes payable	46,708,918.01	64,188,161.31
Other payables	116,997,760.78	121,937,801.07
Including: Interest payable		
Dividends payable	2,058,352.24	2,058,352.24
Commissions and charges payable		
Reinsurance payables		
Held-for-sale liabilities		
Non-current liabilities due within one year	73,110,348.05	66,399,004.20
Other current liabilities	2,200,377.15	1,589,635.30
Total current liabilities	682,362,124.81	820,767,085.99
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings		
Bonds payable		
Including: preferred stock		
Perpetual bonds		
Lease liabilities	43,953,095.24	43,526,352.52
Long-term payables		
Long-term payroll payable		
Accrued liabilities		
Deferred income	952,785.69	952,785.69
Deferred income tax liabilities	5,401,197.70	5,208,920.69
Other non-current liabilities		

Total non-current liabilities	50,307,078.63	49,688,058.90
Total liabilities	732,669,203.44	870,455,144.89
Owners' equity:		
Share capital	415,219,970.00	415,219,970.00
Other equity instruments		
Including: preferred stock		
Perpetual bonds		
Capital reserve	990,648,535.27	990,159,033.17
Less: Treasury stock	78,645,532.23	78,645,532.23
Other comprehensive incomes	12,860,627.91	19,325,335.93
Special reserve	3,529,668.19	3,223,158.06
Surplus reserve	275,010,401.50	275,010,401.50
General risk provision		
Undistributed profits	1,785,012,482.06	1,709,513,385.76
Total owners' equity attributable to the parent company	3,403,636,152.70	3,333,805,752.19
Minority equity		
Total owners' equity	3,403,636,152.70	3,333,805,752.19
Total liabilities and owners' equity	4,136,305,356.14	4,204,260,897.08

Legal Representative: Zhang Xuhua CFO: Song Yaoming Financial Manager: Tian Hui

2. Consolidated income statement

Unit: RMB

Item	Amount in the current period	Amount in the previous period
I. Total operating revenue	1,065,150,876.00	1,200,095,568.76
Including: Operating revenue	1,065,150,876.00	1,200,095,568.76
Interest income		
Earned premiums		
Charge and commission income		
II. Total operating costs	974,432,726.28	1,070,094,479.27
Including: Operating costs	678,091,040.35	767,722,882.96
Interest expenses		
Charge and commission expenses		
Surrender value		
Net payments for insurance claims		
Net change in insurance contract reserves		
Policyholder dividend expenses		
Reinsurance expenses		
Taxes and surcharges	6,383,389.41	7,087,405.97
Sales expenses	225,628,850.97	228,113,224.28
Management expenses	45,467,020.50	48,007,102.03
Research and development expenses	14,435,086.78	13,175,703.59
Financial expenses	4,427,338.27	5,988,160.44
Including: Interest	2,503,202.83	2,990,967.60

expenses		
Interest income	1,021,252.43	873,024.53
Plus: Other income	1,740,510.64	2,825,263.25
Investment income (losses indicated with "-")		
Including: Income from investments in associates and joint ventures		
Income from derecognition of financial assets measured at amortized cost		
Foreign exchange gains (losses indicated with "-")		
Net exposure hedging gains (losses indicated with "-")		
Gains on changes in fair value (losses indicated with "-")		
Impairment loss on credit (losses indicated with "-")	2,979,316.13	-240,194.86
Impairment loss on assets (losses indicated with "-")		
Gain on disposal of assets (losses indicated with "-")	2,949,209.65	-73,523.67
III. Operating profit (losses indicated with "-")	98,387,186.14	132,512,634.21
Plus: Non-operating income	340,407.61	480,647.98
Less: Non-operating expenses	20,361.99	221,408.98
IV. Total profit (total losses indicated with "-")	98,707,231.76	132,771,873.21
Less: Income tax expense	23,208,135.46	29,582,383.98
V. Net profit (net losses indicated with "-")	75,499,096.30	103,189,489.23
(I) Classified by business continuity		
1. Net profit from continuing operations (net loss indicated with "-")	75,499,096.30	103,189,489.23
2. Net profit from discontinued operations (net loss indicated with "-")		
(II) Classified by ownership		
1. Net profit attributable to owners of the parent company	75,499,096.30	103,189,489.23
2. Minority shareholders' gains and losses		
VI. Net amount of other comprehensive income after tax	-6,464,708.02	-2,489,066.77
Net amount of other comprehensive income after tax attributable to owners of the parent company	-6,464,708.02	-2,489,066.77
(I) Other comprehensive income not to be reclassified to profit or loss		
1. Changes in remeasurement of defined benefit plan		

2. Other comprehensive income from equity investments not to be reclassified to profit or loss		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value due to own credit risk		
5. Others		
(II) Other comprehensive income to be reclassified to profit or loss	-6,464,708.02	-2,489,066.77
1. Other comprehensive income from equity investments to be reclassified to profit or loss		
2. Changes in fair value of other creditor's rights investments		
3. Amounts reclassified to other comprehensive income from reclassification of financial assets		
4. Credit impairment provisions for other creditor's rights investments		
5. Cash flow hedge reserves		
6. Translation difference in foreign currency financial statements	-6,464,708.02	-2,489,066.77
7. Other		
Net amount of other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	69,034,388.28	100,700,422.46
Total comprehensive income attributable to owners of the parent company	69,034,388.28	100,700,422.46
Total comprehensive income attributable to minority shareholders		
VIII. Earnings per share:		
(I) Basic earnings per share	0.1828	0.2505
(II) Diluted earnings per share	0.1825	0.2505

Legal Representative: Zhang Xuhua CFO: Song Yaoming Financial Manager: Tian Hui

3. Consolidated cash flow statement

Unit: RMB

Item	Amount in the current period	Amount in the previous period
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	1,147,315,290.57	1,268,572,542.49
Net increase in customer deposits and interbank placements		
Net increase in borrowings from the central bank		
Net increase in funds borrowed from other financial institutions		
Cash received from premiums of original insurance contracts		

Net cash received from reinsurance business		
Net increase in policyholder deposits and investment funds		
Cash received from interest, charges, and commissions		
Net increase in borrowed funds		
Net increase in cash from repurchase transactions		
Net cash received from securities brokerage		
Tax refunds	837,925.87	612,797.28
Cash received from other operating activities	10,555,854.88	14,811,953.04
Subtotal of cash inflows from operating activities	1,158,709,071.32	1,283,997,292.81
Cash paid for goods and services	809,254,741.34	848,501,717.56
Net increase in loans and advances to customers		
Net increase in deposits with central bank and other banks		
Cash paid for claims under original insurance contracts		
Net increase in lent funds		
Cash paid for interest, charges, and commissions		
Cash paid for policy dividends		
Cash paid to employees and for employees	199,231,956.37	197,287,320.08
Taxes paid	70,531,590.40	69,642,205.23
Other cash payments related to operating activities	80,655,064.41	88,396,085.94
Subtotal of cash outflows from operating activities	1,159,673,352.52	1,203,827,328.81
Net cash flow from operating activities	-964,281.20	80,169,964.00
II. Cash flows from investment activities:		
Cash received from investment recovery		
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	4,740,975.47	858.16
Net cash received from disposal of subsidiaries and other business units		
Cash received related to other investment activities		
Subtotal of cash inflows from investment activities	4,740,975.47	858.16
Cash paid for acquisition of fixed assets, intangible assets, and other long-term assets	19,071,569.91	13,729,006.77

Cash paid for investments		
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid related to other investment activities		
Subtotal of cash outflows from investment activities	19,071,569.91	13,729,006.77
Net cash flow from investment activities	-14,330,594.44	-13,728,148.61
III. Cash flows from financing activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholders' investments in subsidiaries		
Cash received from borrowings	120,000,000.00	150,000,000.00
Cash received from other financing activities		
Subtotal of cash inflows from financing activities	120,000,000.00	150,000,000.00
Cash paid for debt repayment	150,000,000.00	150,000,000.00
Cash paid for dividends and profits distribution, or interest payments	1,442,427.78	4,779,458.02
Including: Dividends or profits paid to minority shareholders of subsidiaries		
Cash paid for other financing activities	28,716,692.97	26,933,476.33
Subtotal of cash outflows from financing activities	180,159,120.75	181,712,934.35
Net cash flow from financing activities	-60,159,120.75	-31,712,934.35
IV. Effect of exchange rate changes on cash and cash equivalents	-41,874.48	-380,351.54
V. Net increase in cash and cash equivalents	-75,495,870.87	34,348,529.50
Plus: Beginning balance of cash and cash equivalents	504,629,153.71	313,747,463.64
VI. Ending balance of cash and cash equivalents	429,133,282.84	348,095,993.14

Legal Representative: Zhang Xuhua CFO: Song Yaoming Financial Manager: Tian Hui

(II) Adjustment of items related to the financial statements at the beginning of the year when the new accounting standards are implemented for the first time since 2024

Not applicable

(III) Auditors' Report

Whether the Q1 report has been audited

No

FIYTA Precision Technology Co., Ltd.

Board of Directors

April 25, 2024