

Stock Code: 000026; 200026

Abbreviation of the Stock: FIYTA; FIYTA B

Announcement No.: 2022-020

FIYTA Precision Technology Co., Ltd.

2022 First Quarter Report

The Company and all the 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 in the Report.

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 the 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 First 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	Same period of the previous year	Year-on-year increase/decrease in the reporting period
Revenue in CNY	1,173,700,720.94	1,378,277,735.81	-14.84%
Net profit attributable to the Company's shareholders, in CNY	86,354,073.76	118,222,042.23	-26.96%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	84,104,404.06	113,576,505.85	-25.95%
Net cash flows arising from operating activities, in CNY	16,020,422.02	28,711,219.83	-44.20%
Basic earning per share (CNY/share)	0.2083	0.2780	-25.07%
Diluted earning per share (CNY/share)	0.2083	0.2780	-25.07%
Return on equity, weighted average	2.84%	4.15%	-1.31%
	End of the reporting period	End of the previous year	Increase/decrease at the end of the year over the end of the previous year
Total assets (in CNY)	4,073,600,004.56	4,110,579,952.49	-0.90%
Owner's equity attributable to the Company's shareholders, in CNY	3,071,285,561.15	3,013,232,642.53	1.93%

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

In CNY

Items	Amount in the reporting period	Notes
Gain/loss from disposal of non-current assets, including the part written-off with the provision for impairment of assets.	-729,742.09	

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)	4,320,020.38	
Other non-operating income and expenses other than the aforesaid items	-696,466.55	
Less: Amount affected by the income tax	644,142.04	
Total	2,249,669.70	--

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 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) Items of the Balance Sheet

Items	Amount at the end of the reporting period	Amount at the year beginning	Variation proportion	Cause of the movement
Advance payments	16,424,587.28	7,946,750.81	106.68%	Mainly due to increase of the advance payment for purchase of brand watches and drive units.
Other current assets	47,565,284.72	72,698,692.72	-34.57%	Mainly due to decrease of input VAT to be deducted
Short term loans	351,228,111.21	265,994,595.43	32.04%	Mainly due to increase of the short-term bank borrowings in the reporting period.
Notes payable	585,143.10	21,223.10	2657.10%	Mainly due to increase of notes paid for precision technology business during the reporting period.
Accounts payable	156,895,550.94	254,588,895.34	-38.37%	Mainly due to decrease of inventory purchase in the reporting period over the year beginning.
Payroll payable to the employees	91,015,889.47	145,936,150.06	-37.63%	Mainly due to the year-end bonus paid already during the reporting period.
Shares in stock	92,229,615.49	60,585,678.92	52.23%	Mainly due to the implementation of the repurchase of B-shares.

(II) Profit Statement Items

Items	End of the reporting period	Same period of the previous year	Variation proportion	Cause of the movement
Income from disposal of assets	-729,742.09	55,838.26	-1406.89%	Mainly due to increase of the loss from disposal of the assets brought about from the closing of partial shops during the reporting period.
Non-operating expenditures	769,784.25	16,194.20	4653.46%	Mainly due to increase of the loss of the deposit brought about from the closing of partial shops during the reporting period.

II. Information of the Shareholders

(I) Total number of the common shareholders and preferred 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		34,734	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	38.25%	162,977,327	0		
Qiu Hong	Domestic natural person	0.54%	2,300,000	0		

China Ifund Asset Management Co., Ltd. - Ifund All-Weather No. 2 Phase G Private Equity Securities Investment Fund	Others	0.43%	1,841,716	0	
Li Shuyuan	Domestic natural person	0.30%	1,296,400	0	
Construction Bank of China - Penghua Huizhi Optimized Hybrid Securities Investment Fund	Others	0.30%	1,278,707	0	
Zhang Yinnan	Domestic natural person	0.28%	1,195,128	0	
China Everbright Bank Co., Ltd - Yingda Ruisheng Flexible Configuration Hybrid Securities Investment Fund	Others	0.27%	1,162,000	0	
Chen Hao	Domestic natural person	0.25%	1,051,743	0	
# Shen Xuewen	Domestic natural person	0.22%	920,200	0	
# Huang Yun	Domestic natural person	0.20%	868,700	0	
Shares held by top 10 shareholders of unrestricted shares					
Names of the Shareholders	Quantity of unrestricted shares held by the shareholders	Share type			
		Share type	Quantity		
AVIC International Holding Limited	162,977,327	CNY ordinary shares	162,977,327		
Qiu Hong	2,300,000	CNY ordinary shares	2,300,000		
China Ifund Asset Management Co., Ltd. - Ifund All-Weather No. 2 Phase G Private Equity Securities Investment Fund	1,841,716	CNY ordinary shares	1,841,716		
Li Shuyuan	1,296,400	CNY ordinary shares	1,296,400		
Construction Bank of China - Penghua Huizhi Optimized Hybrid Securities Investment Fund	1,278,707	CNY ordinary shares	1,278,707		
Zhang Yinnan	1,195,128	Domestically listed foreign shares	1,195,128		
China Everbright Bank Co., Ltd - Yingda Ruisheng Flexible Configuration Hybrid Securities Investment Fund	1,162,000	CNY ordinary shares	1,162,000		
Chen Hao	1,051,743	CNY ordinary shares	1,051,743		
# Shen Xuewen	920,200	CNY ordinary shares	920,200		
# Huang Yun	868,700	CNY ordinary shares	868,700		
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)	<p>1. China Ifund Asset Management Co., Ltd. - Ifund All-Weather No. 2 Phase G Private Equity Securities Investment Fund, one of the Company's shareholders, holds 1,841,716 shares in the Company by means of credit transaction guaranty securities account ;</p> <p>2. Shen Xuewen, one of the Company's shareholders, holds 920,200 shares in the Company by means of a credit transaction guaranty securities account;</p> <p>3. Huang Yuntong, one of the Company's shareholders, holds 868,700 shares in the Company by means of a credit transaction guaranty securities account.</p>				

Note: Ended the reporting period, the Company repurchased 6,147,304 B-shares in the Company held in the special securities account, that had not been stated as one of the top 10 shareholders.

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

Inapplicable

III. Note to other significant events

(I) Matters in Connection with 2018 Restricted A-Share Incentive Scheme (Phase I)

The 4th session of the Tenth Board of Directors held on December 28, 2021 reviewed and approved the Proposal on the Release Conditions having been Satisfied for the Second Release Period of 2018 Restricted A-Share Incentive Scheme (Phase I). The 1,244,421 restricted shares (accounting for 0.29% of the Company's total share capital) that could be lifted this time were listed for trading on February 07, 2022. For the details please refer to the "Indicative Announcement on the First Release of the Restricted Sales Period and the Listing of the Restricted Shares for Trading Involved in the 2018 A-Share Restricted Stock Incentive Scheme (Phase I) 2022-002" disclosed in <http://www.cninfo.com.cn>.

According to the "Proposal for Repurchase and Cancellation of the Partial Restricted Shares Involved in 2018 Restricted A-Share Incentive Scheme (Phase I)" approved at the 10th Sessions of the Tenth Board of Directors held on March 08, 2022, the Company decided to repurchase and cancel a total of 60,120 restricted A-shares that were granted with the restriction but not released to the three retired incentive objects in the 2018 Restricted A-Share Incentive Scheme (Phase I). For the details please refer to the "Announcement on Repurchase and Cancellation of Partial Restricted Shares Involved in the 2018 A-Share Restricted Stock Incentive Scheme (Phase I) 2022-013" disclosed in the Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn>. The said repurchase proposal is still necessary to be submitted to the General Meeting for approval.

(II) Matters in Connection with 2018 Restricted A-Share Incentive Scheme (Phase II)

According to the "Proposal for Repurchase and Cancellation of the Partial Restricted Shares Involved in 2018 Restricted A-Share Incentive Scheme (Phase II)" approved at the 10th Sessions of the Tenth Board of Directors held on March 8, 2022, the Company decided to repurchase and cancel a total of 250,000 restricted A-shares that were granted with the restriction but not released to the three retired incentive objects in the 2018 Restricted A-Share Incentive Scheme (Phase II). For the details please refer to the "Announcement on Repurchase and Cancellation of Partial Restricted Shares Involved in the 2018 A-Share Restricted Stock Incentive Scheme (Phase II) 2022-014" disclosed in <http://www.cninfo.com.cn>. The said repurchase proposal is still necessary to be submitted to the General Meeting for approval.

(III) Personnel Change of the Company's Senior Executives

The 5th Sessions of the Tenth Board of Directors held on February 08, 2022 reviewed and approved the Proposal on the Designation Appointment of the Chief Accountant and the Proposal on the Designation of the Chief Accountant to Perform the Duties of the Board Secretary, and decided to appoint Mr. Song Yaoming as the Chief Accountant of the Company and the Company designated Mr. Song Yaoming to perform the duties of the Board Secretary before the new Board Secretary is duely appointed. For the details please refer to the "Announcement on the Change of the Company's Chief Accountant and Designating the Board Secretary to Perform the Duties of the Board Secretary 2022-004.

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

The 2nd session of the Tenth Board of Directors held on October 25, 2021 and 2021 5th Extraordinary General Meeting held on November 30, 2021, reviewed and approved the "Proposal for the Repurchase of Partial Domestically Listed

Foreign Shares in the Company (B-shares)". Ended the reporting period, the Company accumulatively repurchased 6,147,304 shares in the Company through a centralized bidding method with the special account for the securities repurchased, accounting for 1.44% of the Company's total share capital. the total amount already paid was HK\$ 47,412,881.31 (with the stamp duty, commission and other transaction costs exclusive). For the detail, refer to the serial announcements of progress disclosed in <http://www.cninfo.com.cn>.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by FIYTA Precision Technology Co., Ltd.

March 31, 2022

In CNY

Items	Ending balance	Opening balance
Current assets:		
Monetary capital	218,304,647.14	210,254,737.14
Settlement reserve		
Inter-bank lending		
Transactional financial assets		
Derivative financial assets		
Notes receivable	59,755,241.62	61,258,145.80
Accounts receivable	368,376,666.35	388,885,601.28
Financing with accounts receivable		
Advance payments	16,424,587.28	7,946,750.81
Receivable premium		
Reinsurance accounts receivable		
Reserve for reinsurance contract receivable		
Other receivables	61,456,146.17	61,553,267.82
Including: Interest receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	2,063,658,306.12	2,050,148,750.89
Contract assets		
Held-for-sale assets		
Non-current assets due within a year		
Other current assets	47,565,284.72	72,698,692.72
Total current assets	2,835,540,879.40	2,852,745,946.46
Non-current assets:		
Loan issuing and advance in cash		
Equity investment		
Other equity investment		
Long term accounts receivable		
Long-term equity investments	55,155,605.31	55,155,605.31
Investment in other equity instruments	85,000.00	85,000.00
Other non-current financial assets		
Investment-oriented real estate	379,566,781.99	383,425,916.35
Fixed assets	344,285,099.32	349,495,316.65
Construction-in-progress		
Productive biological asset		

Oil and Gas Assets		
Use right assets	139,320,869.07	147,932,475.42
Intangible assets	33,025,945.42	34,035,330.43
Development expenses		
Goodwill		
Long term expenses to be apportioned	160,198,264.89	163,790,333.44
Deferred income tax asset	81,925,389.33	81,233,274.65
Other non-current assets	44,496,169.83	42,680,753.78
Total non-current assets	1,238,059,125.16	1,257,834,006.03
Total assets	4,073,600,004.56	4,110,579,952.49
Current liabilities:		
Short term loans	351,228,111.21	265,994,595.43
Borrowings from central bank		
Loans from other banks		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	585,143.10	21,223.10
Accounts payable	156,895,550.94	254,588,895.34
Advance receipt	8,309,629.50	11,025,664.72
Contract liabilities	20,669,861.56	22,505,426.65
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	91,015,889.47	145,936,150.06
Taxes payable	50,953,819.51	67,769,880.01
Other payables	168,956,402.57	167,808,759.95
Including: interest payable		
Dividends payable	4,007,982.64	5,015,026.30
Service charge and commission payable		
Payable reinsurance		
Held-for-sale liabilities		
Non-current liabilities due within a year	80,568,807.41	86,949,906.35
Other current liabilities	2,624,889.05	2,798,738.32
Total current liabilities	931,808,104.32	1,025,399,239.93
Non-current liabilities:		
Reserve for insurance contract		
Long-term borrowings		
Bonds payable		
Including: preferred shares		
Perpetual bond		
Lease liabilities	63,696,369.47	64,918,722.10
Long-term accounts payable		
Long term payroll payable to the employees		
Estimated liabilities		
Deferred income	1,792,833.90	1,792,833.90
Deferred income tax liability	5,017,135.72	5,236,514.03
Other non-current liabilities		
Total non-current liabilities	70,506,339.09	71,948,070.03

Total liabilities	1,002,314,443.41	1,097,347,309.96
Owner's equity:		
Capital stock	426,051,015.00	426,051,015.00
Other equity instruments		
Including: preferred shares		
Perpetual bond		
Capital reserve	1,044,036,681.84	1,040,908,194.13
Less: shares in stock	92,229,615.49	60,585,678.92
Other comprehensive income	-7,706,898.98	-7,658,346.40
Special reserve	1,325,577.43	1,062,731.13
Surplus reserve	275,010,401.50	275,010,401.50
Reserve against general risks		
Retained earnings	1,424,798,399.85	1,338,444,326.09
Total owners' equity attributable to the parent company	3,071,285,561.15	3,013,232,642.53
Minority shareholders' equity		
Total owner's equity	3,071,285,561.15	3,013,232,642.53
Total liabilities and owners' equity	4,073,600,004.56	4,110,579,952.49

Legal representative: Zhang Xuhua

Chief Financial Officer: Song Yaoming

Person in charge of the Accounting Department: Tian Hui

2. Consolidated Profit Statement

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Turnover	1,173,700,720.94	1,378,277,735.81
Including: operating income	1,173,700,720.94	1,378,277,735.81
Interest income		
Earned insurance premium		
Service charge and commission income		
II. Total operating costs	1,065,454,948.14	1,232,594,973.38
Including: Operating costs	725,288,861.90	863,898,587.47
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	6,623,183.80	7,586,076.81
Sales costs	257,444,571.92	280,821,158.83
Administrative expenses	55,399,290.60	56,888,205.32
R & D expenditures	12,984,545.64	13,209,007.18
Financial expenses	7,714,494.28	10,191,937.77
Where: Interest cost	5,184,394.84	7,371,044.43
Interest income	750,842.75	1,055,297.15
Plus: Other income	4,320,020.38	6,070,986.55
Investment income (loss is stated with "-")		
Including: return on investment in associate and joint venture		
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 “-”)	29,964.40	101,926.46
Loss from impairment of assets (loss is stated with “-”)		
Income from disposal of assets (loss is stated with “-”)	-729,742.09	55,838.26
III. Operating Profit (loss is stated with “-”)	111,866,015.49	151,911,513.70
Plus: Non-operating income	73,317.70	53,671.38
Less: Non-operating expenditures	769,784.25	16,194.20
IV. Total profit (total loss is stated with “-”)	111,169,548.94	151,948,990.88
Less: Income tax expense	24,815,475.18	33,706,891.38
V. Net Profit (net loss is stated with “-”)	86,354,073.76	118,242,099.50
(I) Classification based on operation sustainability		
1. Net Profit from sustainable operation (net loss is stated with “-”)	86,354,073.76	118,242,099.50
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	86,354,073.76	118,222,042.23
2. Minority shareholders' gain/loss		20,057.27
VI. Net of other comprehensive income after tax	-48,552.58	-7,350,304.91
Net of other comprehensive income after tax attributable to the parent company's owner	-48,552.58	-7,350,270.06
(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	-48,552.58	-7,350,270.06
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	-48,552.58	-7,350,270.06

7. Others		
Net amount of other comprehensive income after tax attributable to minority shareholders		-34.85
VII. Total comprehensive income	86,305,521.18	110,891,794.59
Total comprehensive income attributable to the parent company's owner	86,305,521.18	110,871,772.17
Total comprehensive income attributable to minority shareholders		20,022.42
VIII. Earnings per share:		
(I) Basic earnings per share	0.2083	0.2780
(II) Diluted earnings per share	0.2083	0.2780

Legal representative: Zhang Xuhua

Chief Financial Officer: Song Yaoming

Person in charge of the Accounting Department: Tian Hui

3. Consolidated Cash Flow Statement

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	1,341,476,147.74	1,523,350,402.04
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	448,081.85	136,077.50
Other operation activity related cash receipts	13,508,738.54	17,653,164.00
Subtotal of cash flow in from operating activity	1,355,432,968.13	1,541,139,643.54
Cash paid for purchase of goods and reception of labor services	950,732,002.36	1,090,077,507.00
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	234,412,020.13	237,448,359.49

Taxes paid	69,645,546.92	75,193,535.72
Other business activity related cash payments	84,622,976.70	109,709,021.50
Subtotal of cash flow out from operating activity	1,339,412,546.11	1,512,428,423.71
Net cash flows arising from operating activities	16,020,422.02	28,711,219.83
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	3,705.21	9,762.94
Net cash received from disposal of subsidiaries and other operating units		
Other investment related cash receipts		
Subtotal of cash flow in from investment activity	3,705.21	9,762.94
Cash paid for purchase/construction of fixed assets, Intangible assets and other long term assets	29,038,120.17	45,203,402.55
Cash paid for investment		
Net increase of the pledged loan		
Net cash paid for acquisition of subsidiaries and other operation units		
Other investment related cash payments		
Subtotal of cash flow out from investment activity	29,038,120.17	45,203,402.55
Net cash flow arising from investment activities:	-29,034,414.96	-45,193,639.61
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	593,052,257.18	404,237,473.75
Other fund-raising activity related cash receipts		
Subtotal of cash flow in from fund raising activity	593,052,257.18	462,453,473.75
Cash paid for debt repayment	500,000,000.00	251,180,000.00
Cash paid for dividend/profit distribution or repayment of interest	4,471,210.32	5,950,681.24
Including: Dividend and profit paid by the subsidiaries to minority shareholders		
Other fund-raising activity related cash receipts	67,053,433.45	25,620,115.35
Sub-total cash flow paid for financing activities	571,524,643.77	282,750,796.59
Net cash flow arising from fund-raising activities	21,527,613.41	179,702,677.16
IV. Change of exchange rate influencing the cash and cash equivalent	-463,710.47	-407,377.48
V. Net increase of cash and cash equivalents	8,049,910.00	162,812,879.90
Plus: Opening balance of cash and cash equivalents	210,254,737.14	353,057,285.71
VI. Ending balance of cash and cash	218,304,647.14	515,870,165.61

equivalents		
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Legal representative: Zhang Xuhua Chief Financial Officer: Song Yaoming Person in charge of the Accounting Department: Tian Hui

(II) Auditor's Report

Has the First Quarter Report been audited

No

FIYTA Precision Technology Co., Ltd.
Board of Directors
April 23, 2022