

Stock Code: 000026;200026 Abbreviation of the Stock: FIYTA; FIYTA B Announcement No.: 2023-055

FIYTA Precision Technology Co., Ltd.

2023 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	Year-on-year increase/decrease of the reporting period over 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 over the same period of the previous year
Revenue in CNY	1,162,738,360.51	-3.26%	3,527,243,623.07	4.19%
Net profit attributable to the Company's shareholders, in CNY	78,162,925.58	-12.28%	265,557,992.81	15.56%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	75,522,620.72	-12.85%	252,875,164.38	16.75%
Net cash flows arising from operating activities, in CNY	—	—	479,074,483.11	19.59%
Basic earning per share (CNY/share)	0.1922	-11.54%	0.6439	16.56%
Diluted earning per share (CNY/share)	0.1922	-11.54%	0.6439	16.56%
Return on equity, weighted average	2.42%	-0.49%	8.22%	0.69%
	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)	4,197,497,788.32	4,117,143,911.99	1.95%	
Owner's equity attributable to the Company's shareholders, in CNY	3,274,196,663.98	3,136,423,492.15	4.39%	

(II) Non-recurring gain/loss items and the amounts 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.	969,110.80	892,421.07	
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)	1,457,981.29	8,149,590.70	
Reversal of provision for impairment of accounts	1,201,989.51	7,156,730.50	

receivable that has been separately tested for impairment			
Other non-operating income and expenses with the aforesaid items exclusive	-292,827.55	12,095.10	
Less: Amount affected by the income tax	695,949.19	3,528,008.94	
Total	2,640,304.84	12,682,828.43	--

Specific conditions 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

1. Items of Consolidated Balance Sheet

Items	End of the reporting period	End of the previous year	Percentage of change	Cause of the change
Accounts receivable	404,973,707.73	305,290,959.68	32.65%	Mainly due to growth of the revenue.
Advance receipts	9,122,587.88	16,960,128.83	-46.21%	Mainly due to the decrease of the advance receipt of the rent from the property lease business.
Lease liabilities	28,628,851.49	41,642,561.58	-31.25%	Mainly due to the impact of optimizing store structure.
Other comprehensive income	13,533,438.96	5,739,589.89	135.79%	Mainly due to movement of the translation balance of foreign currency statements

2. Consolidation of the profit statement items of the beginning of the year to that of the end of the reporting period

Items	The reporting period	Same period of the previous year	Percentage of change	Cause of the change
Interest expenses	9,642,227.49	14,492,935.33	-33.47%	Mainly due to decrease in loan interest and interest on amortization of lease liabilities
Interest income	4,131,111.69	3,019,703.55	36.81%	Mainly due increase of deposit interest.
Other income	8,149,590.70	15,909,068.98	-48.77%	Mainly due to the decrease of government subsidies.
Return on investment	-1,697,481.65	2,462,626.52	-168.93%	Mainly due to decrease of profit of the associates.

3. Cash flow statement items from the beginning of the year to the end of the reporting period

Items	The reporting period	Same period of the previous year	Percentage of change	Cause of the change
Rebated taxes received	1,273,051.27	4,693,824.88	-72.88%	Mainly due to the bigger amount of VAT retention refunds received during the previous period.
Cash received from investment income	500,000.00	0.00		Mainly due to the dividends received from the associates during the reporting period.
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,203,099.10	187,785.69	540.68%	Mainly due to the disposal of some properties during the reporting period.
Cash paid for purchase/construction of fixed assets, Intangible assets and other long term assets	58,184,503.58	91,211,685.29	-36.21%	Mainly due to decrease in expenditure for store refurbishment and improvement.

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	28,003	Total preference shareholders with the voting power recovered at the end of the reporting period (if any)	0
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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	39.25%	162,977,327	0		
# Wu Jilin	Domestic natural person	4.50%	18,673,803	0		
# Xu Guoliang	Domestic natural person	1.80%	7,455,068	0		
Qiu Hong	Domestic natural person	0.59%	2,470,000	0		
Industrial and Commercial Bank of China LTD - Rongtong Power Pioneer Hybrid Securities Investment Fund	Others	0.38%	1,570,634	0		
# Qu Yongjie	Domestic natural person	0.31%	1,266,800	0		
Industrial and Commercial Bank of China - Rongtong Blue Chip Growth Securities Investment Fund	Others	0.30%	1,228,200	0		
#Zhu Rui	Domestic natural person	0.29%	1,201,400	0		
China Construction Bank Co., Ltd. - China Universal Asset CSI GUOXIN CENTRAL-SOES SHAREHOLDER RETURN INDEX EXCHANGE TRADED FUND	Others	0.27%	1,125,000	0		
Chen Hao	Domestic natural person	0.27%	1,101,643	0		
Shares held by top 10 shareholders of unrestricted shares						
Names of the Shareholders	Quantity of unrestricted shares held	Types and quantity of shares				
		Share type	Quantity			
AVIC International Holding Limited	162,977,327	CNY ordinary shares	162,977,327			
# Wu Jilin	18,673,803	CNY ordinary shares	18,673,803			
# Xu Guoliang	7,455,068	CNY ordinary shares	7,455,068			
Qiu Hong	2,470,000	CNY ordinary shares	2,470,000			
Industrial and Commercial Bank of China LTD - Rongtong Power Pioneer Hybrid Securities Investment Fund	1,570,634	CNY ordinary shares	1,570,634			
# Qu Yongjie	1,266,800	CNY ordinary shares	1,266,800			
Industrial and Commercial Bank of China -	1,228,200	CNY ordinary	1,228,200			

Rongtong Blue Chip Growth Securities Investment Fund		shares	
#Zhu Rui	1,201,400	CNY ordinary shares	1,201,400
China Construction Bank Co., Ltd. - China Universal Asset CSI GUOXIN CENTRAL-SOES SHAREHOLDER RETURN INDEX EXCHANGE TRADED FUND	1,125,000	CNY ordinary shares	1,125,000
Chen Hao	1,101,643	CNY ordinary shares	1,101,643
Explanation on associated relationship or consistent action of the above shareholders	The Company has no idea on whether the above 10 shareholders are associated or are acting in concert.		
Note to the top 10 shareholders involved in margin financing & securities lending (if any)	<p>1. In addition to the 11,060,677 shares held through the ordinary securities account, Wu Jilin, one of the shareholders of the Company, also holds 7,613,126 shares through the client credit transaction guarantee securities account of China CICC Wealth Securities Co., Ltd. Therefore, Wu Jilin is totally holding 18,673,803 shares;</p> <p>2. In addition to the 6,853,168 shares held through the ordinary securities account, Xu Guoliang, one of the shareholders of the Company, also holds 601,900 shares through the client credit transaction guarantee securities account of Guosen Securities Co., Ltd. Therefore, Xu Guoliang is totally holding 7,455,068 shares;</p> <p>3. In addition to the 22,800 shares held through the ordinary securities account, Qu Yongjie, one of the shareholders of the Company, also holds 1,244,000 shares through the client credit transaction guarantee securities account of Shanxi Securities Co., Ltd. Therefore, Qu Yongjie is totally holding 1,266,800 shares;</p> <p>4. In addition to the 62,000 shares held through the ordinary securities account, Zhu Rui, one of the shareholders of the Company, also holds 1,139,400 shares through the client credit transaction guarantee securities account of First Capital Securities Co., Ltd. Therefore, Zhu Rui is totally holding 1,201,400 shares;</p>		

Note: The number of ordinary shares held in the Special Repurchase Securities Account of FIYTA Precision Technology Co., Ltd." at the end of the reporting period being 7,220,794 shares with the holding proportion of 1.74% was mainly due to that the Company was in process of implementing repurchase of B-shares. According to regulations, the above-mentioned repurchase special accounts were not included in the list of the top 10 shareholders.

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

Inapplicable

III. Other Significant Events

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

The Company's 11th Session of the Tenth Board of Directors and 2022 Annual General Meeting reviewed and approved the "Proposal on Repurchase of Partial Domestically Listed Foreign Shares (B-Shares)", and subsequently disclosed the repurchase report and series of progress announcements in accordance with relevant regulations. For the detail, please refer to the relevant announcements disclosed on www.cninfo.com.

Ended the reporting period, the Company accumulatively repurchased 7,220,794 shares in the Company through a centralized bidding method with the special account for the securities repurchased, accounting for 1.74% of the Company's total share capital and the total amount already paid was HK\$ 54,334,372.72 (with the transaction costs exclusive).

2. About capital increase to wholly-owned subsidiaries

The 14th Session of the Tenth Board of Directors reviewed and approved the Proposal on Increasing Capital to Shenzhen FIYTA Precision Technology Co., Ltd., one of the Company's wholly-owned subsidiaries, and decided to increase capital to Shenzhen FIYTA Precision Technology Co., Ltd., one of the Company's wholly-owned subsidiaries,

with its own capital of CNY 80 million. Upon the completion of the said capital increase, the registered capital of Shenzhen FIYTA Precision Technology Co., Ltd. shall increase from CNY 100 million to CNY 180 million. For the detail, please refer to the Announcement on Increasing Capital to Shenzhen FIYTA Precision Technology Co., Ltd., One of the Company's Wholly-owned Subsidiaries 2023-047, disclosed on www.cninfo.com.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by FIYTA Precision Technology Co., Ltd.

September 30, 2023

In CNY

Items	September 30, 2023	January 01, 2023
Current assets:		
Monetary capital	482,422,435.72	313,747,463.64
Settlement reserve		
Inter-bank lending		
Transactional financial assets		
Derivative financial assets		
Notes receivable	23,472,742.66	32,214,912.10
Accounts receivable	404,973,707.73	305,290,959.68
Financing with accounts receivable		
Advance payment	9,083,624.21	8,039,794.97
Receivable premium		
Reinsurance accounts receivable		
Reserve for reinsurance contract receivable		
Other receivables	57,040,950.19	56,918,019.48
Including: Interest receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	2,070,701,288.37	2,141,320,373.67
Contract assets		
Held-for-sale assets		
Non-current assets due within a year		
Other current assets	46,931,371.66	66,339,505.32
Total current assets	3,094,626,120.54	2,923,871,028.86
Non-current assets:		
Loan issuing and advance in cash		
Equity investment		
Other debt investment		
Long term accounts receivable		
Long-term equity investments	55,984,605.25	58,182,086.90
Investment in other equity instruments		85,000.00
Other non-current financial assets		
Investment-oriented real estate	363,220,630.48	374,979,494.71
Fixed assets	351,535,645.24	364,628,765.17
Construction-in-progress		
Productive biological asset		
Oil and Gas Assets		
Use right assets	82,771,853.97	110,330,512.03
Intangible assets	30,926,207.84	33,200,218.63
Development expenses		

Goodwill		
Long term expenses to be apportioned	119,019,393.51	144,488,452.18
Deferred income tax asset	87,511,678.24	95,784,611.94
Other non-current assets	11,901,653.25	11,593,741.57
Total non-current assets	1,102,871,667.78	1,193,272,883.13
Total assets	4,197,497,788.32	4,117,143,911.99
Current liabilities:		
Short term borrowings	300,206,111.10	290,237,111.11
Borrowings from central bank		
Loans from other banks		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		2,000,600.00
Accounts payable	178,005,602.47	170,589,456.67
Advance receipts	9,122,587.88	16,960,128.83
Contract liabilities	16,787,687.71	16,844,437.47
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	118,697,005.18	136,587,939.38
Taxes payable	76,159,952.50	60,770,168.30
Other payables	132,599,205.40	165,060,122.58
Including: interest payable		
Dividends payable	2,844,769.10	6,324,013.97
Service charge and commission payable		
Payable reinsurance		
Held-for-sale liabilities		
Non-current liabilities due within a year	54,712,870.77	71,546,316.16
Other current liabilities	1,931,115.15	1,686,806.01
Total current liabilities	888,222,138.16	932,283,086.51
Non-current liabilities:		
Reserve for insurance contract		
Long-term borrowings		
Bonds payable		
Including: preferred shares		
Perpetual bond		
Lease liabilities	28,628,851.49	41,642,561.58
Long-term accounts payable		
Long term payroll payable to employees		
Estimated liabilities		
Deferred income	1,295,926.80	1,295,926.80
Deferred income tax liability	5,154,207.89	5,498,844.95
Other non-current liabilities		
Total non-current liabilities	35,078,986.18	48,437,333.33
Total liabilities	923,301,124.34	980,720,419.84
Owner's equity:		
Capital stock	415,266,730.00	417,627,960.00
Other equity instruments		
Including: preferred shares		
Perpetual bond		
Capital reserve	989,904,948.43	1,007,086,643.48
Less: shares in stock	63,518,260.02	50,759,806.16
Other comprehensive income	13,533,438.96	5,739,589.89
Special reserve	2,892,545.77	2,012,064.91

Surplus reserve	275,010,401.50	275,010,401.50
Reserve against general risks		
Retained earnings	1,641,106,859.34	1,479,706,638.53
Total owners' equity attributable to the parent company	3,274,196,663.98	3,136,423,492.15
Minority shareholders' equity		
Total owner's equity	3,274,196,663.98	3,136,423,492.15
Total liabilities and owners' equity	4,197,497,788.32	4,117,143,911.99

Legal representative: Zhang Xuhua Chief Financial Officer: Song Yaoming

Person in charge of the Accounting Department: Tian Hui

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	3,527,243,623.07	3,385,434,370.84
Including: operating income	3,527,243,623.07	3,385,434,370.84
Interest income		
Earned insurance premium		
Service charge and commission income		
II. Total operating costs	3,193,712,123.89	3,110,090,692.73
Including: Operating costs	2,256,476,548.22	2,138,260,571.41
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	25,345,712.61	22,677,261.49
Sales costs	691,195,217.89	717,796,063.69
Administrative expenses	160,446,439.91	175,560,079.27
R & D expenditures	43,344,236.22	36,809,093.83
Financial expenses	16,903,969.04	18,987,623.04
Where: Interest cost	9,642,227.49	14,492,935.33
Interest income	4,131,111.69	3,019,703.55
Plus: Other income	8,149,590.70	15,909,068.98
Investment income (loss is stated with "-")	-1,697,481.65	2,462,626.52
Including: return on investment in associate and joint venture	-1,697,481.65	2,462,626.52
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 "-")	4,685,503.40	389,469.67
Loss from impairment of assets (loss is stated with "-")		-348,218.69
Income from disposal of assets (loss is stated with "-")	892,421.07	-1,122,656.31
III. Operating Profit (loss is stated with "-")	345,561,532.70	292,633,968.28
Plus: Non-operating income	663,757.42	270,660.63
Less: Non-operating expenses	651,662.32	765,159.53
IV. Total profit (total loss is stated with "-")	345,573,627.80	292,139,469.38
Less: Income tax expense	80,015,634.99	62,338,094.92
V. Net Profit (net loss is stated with "-")	265,557,992.81	229,801,374.46
(I) Classification based on operation sustainability		
1. Net Profit from sustainable operation (net loss is stated with "-")	265,557,992.81	229,801,374.46
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 shareholder (net loss is stated with "-")	265,557,992.81	229,801,374.46
2. Minority shareholders' gain/loss (net loss is stated with "-")		
VI. Net of other comprehensive income after tax	7,793,849.07	6,092,413.94
Net of other comprehensive income after tax attributable to the parent company's owner	7,793,849.07	6,092,413.94
(I) Other comprehensive income which cannot be re-classified into gain and loss		
1. Remeasurement of the change amount in the defined benefit plan		
2. Other comprehensive income which cannot 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	7,793,849.07	6,092,413.94
1. Other comprehensive income which may be converted into gain and loss based on the equity method		
2. Movement of the fair value of other creditor's debt investment		
3. Amount of the reclassified financial assets counted to the other comprehensive income		
4. Provision for impairment of the		

credit of the other creditor's right investment		
5. Reserve for cash flow hedge		
6. Conversion difference in foreign currency statements	7,793,849.07	6,092,413.94
7. Others		
Net amount of other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	273,351,841.88	235,893,788.40
(I) Total comprehensive income attributable to the parent company's owner	273,351,841.88	235,893,788.40
(II) Total comprehensive income attributable to minority shareholders		
VIII. Earnings per share:		
(I) Basic earnings per share	0.6439	0.5524
(II) Diluted earnings per share	0.6439	0.5524

Legal representative: Zhang Xuhua Chief Financial Officer: Song Yaoming
 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	3,812,300,160.43	3,761,732,293.60
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	1,273,051.27	4,693,824.88
Other operation activity related cash receipts	52,079,384.91	59,781,844.08
Subtotal of cash flow in from operating activity	3,865,652,596.61	3,826,207,962.56
Cash paid for purchase of goods and reception of labor services	2,412,313,846.34	2,468,862,583.75
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	481,935,681.22	520,794,341.67
Taxes paid	206,597,758.05	194,878,556.60
Other business activity related cash payments	285,730,827.89	241,090,876.76
Subtotal of cash flow out from operating activity	3,386,578,113.50	3,425,626,358.78
Net cash flows arising from operating activities	479,074,483.11	400,581,603.78
II. Cash flow arising from investment activities:		
Cash received from recovery of investment		
Cash received from investment income	500,000.00	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,203,099.10	187,785.69
Net cash received from disposal of subsidiaries and other operating units		
Other investment activity related cash receipts		
Subtotal of cash flow in from investment activity	1,703,099.10	187,785.69
Cash paid for purchase/construction of fixed assets, Intangible assets and other long term assets	58,184,503.58	91,211,685.29
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 activity	58,184,503.58	91,211,685.29
Net cash flow arising from investment activities:	-56,481,404.48	-91,023,899.60
III. Cash flow arising from fund-raising activities:		
Cash received from absorbing investment		
Incl.: Cash received from the subsidiaries' absorption of minority shareholders' investment		
Cash received from loans	250,000,000.00	745,155,704.29
Other financing activity related cash receipts		
Subtotal of cash flow in from fund raising activity	250,000,000.00	745,155,704.29

Cash paid for debt repayment	240,000,000.00	690,177,286.25
Cash paid for dividend/profit distribution or repayment of interest	112,333,808.97	131,974,784.46
Including: Dividend and profit paid by the subsidiaries to minority shareholders		
Other financing activity related cash payments	151,416,099.18	146,380,933.69
Sub-total cash flow paid for financing activities	503,749,908.15	968,533,004.40
Net cash flow arising from fund-raising activities	-253,749,908.15	-223,377,300.11
IV. Change of exchange rate influencing the cash and cash equivalent	-159,124.40	1,783,340.30
V. Net increase of cash and cash equivalents	168,684,046.08	87,963,744.37
Plus: Opening balance of cash and cash equivalents	313,738,389.64	210,254,737.14
VI. Ending balance of cash and cash equivalents	482,422,435.72	298,218,481.51

Legal representative: Zhang Xuhua Chief Financial Officer: Song Yaoming

Person in charge of the Accounting Department: Tian Hui

(II) The Company started implementing the updated accounting standards commencing from 2023 and adjusted the relevant items in the financial statements at the beginning of the very year involved in the initial implementation of the said standards

Inapplicable

(III) Auditor's Report

Has the Third Quarter Report been audited

No

The Board of Directors of
FIYTA Precision Technology Co., Ltd.
October 21, 2023