

Stock Code: 000026; 200026

Abbreviation of the Stock: FIYTA; FIYTA B

Announcement No.: 2022-041

FIYTA Precision Technology Co., Ltd.**2022 Third Quarter Report**

The Company and all members of the Board of Directors ensure that the information disclosed herein 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 the 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 in the reporting period	From year beginning to the end of the reporting period	Year-on-year increase/decrease from year beginning to the end of the reporting period
Revenue in CNY	1,201,863,621.73	-8.06%	3,385,434,370.84	-17.12%
Net profit attributable to the Company's shareholders, in CNY	89,108,590.17	-18.28%	229,801,374.46	-32.92%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	86,658,935.58	-17.10%	216,590,692.48	-34.03%
Net cash flows arising from operating activities, in CNY	—	—	400,581,603.78	8.79%
Basic earning per share (CNY/share)	0.2173	-15.57%	0.5524	-30.91%
Diluted earning per share (CNY/share)	0.2173	-15.57%	0.5524	-30.91%
Return on equity, weighted average	2.91%	-0.84%	7.53%	-4.31%
	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)	4,097,923,826.65	4,110,579,952.49	-0.31%	
Owner's equity attributable to the Company's shareholders, in CNY	3,089,312,840.30	3,013,232,642.53	2.52%	

(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.	-306,635.15	-1,122,656.31	
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)	2,577,976.90	15,947,759.85	
Reversal of provision for impairment of accounts receivable that has been separately tested for impairment	729,415.25	2,860,200.09	
Other non-operating income and expenses with the aforesaid items exclusive	122,810.58	-494,498.90	
Less: Amount affected by the income tax	673,912.99	3,980,122.75	

Total	2,449,654.59	13,210,681.98	--
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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

1. Items of Consolidated Balance Sheet

Items	End of the reporting period	End of the previous year	Variation proportion	Cause of the movement
Notes receivable	37,729,552.62	61,258,145.80	-38.41%	Mainly due to reception of the payment for the matured notes.
Other current assets	26,165,577.27	72,698,692.72	-64.01%	Mainly due to the decrease in retained value-added tax over the beginning of the year.
Contract liabilities	14,699,897.90	22,505,426.65	-34.68%	Mainly due to decrease in advance receipts resulted from the decline in distribution business.
Lease liabilities	27,944,019.03	64,918,722.10	-56.96%	Mainly due to the reclassification of part of lease liabilities into non-current liability items due within a year.
Treasury shares	101,012,638.04	60,585,678.92	66.73%	Mainly due to the implementation of the repurchase of B-shares.
Other comprehensive income	-1,565,932.46	-7,658,346.40	79.55%	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	Amount incurred in the reporting period	Amount incurred in the previous period	Variation proportion	Cause of the movement
Financial expenses	18,987,623.04	27,452,471.99	-30.83%	Mainly due to the decrease of interest expenses and exchange gains and losses.
Return on Investment	2,462,626.52	1,629,328.24	51.14%	Mainly due to increase of profit of the associates.
Loss from impairment of credit	389,469.67	-1,039,778.07	137.46%	Mainly due to decrease of the provision for bad debt of accounts receivable.
Loss from impairment of assets	-348,218.69	-1,200,014.39	70.98%	Mainly due to decrease of provision for price falling of inventories.
Income from disposal of assets	-1,122,656.31	-180,694.53	-521.30%	Mainly due to decrease of income from disposal resulted from closing of partial shops.
Income tax expenses	62,338,094.92	100,642,011.01	-38.06%	Mainly due to decrease of the total profit in the reporting period.

3. 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
Rebated taxes received	4,693,824.88	332,318.54	1312.45%	Mainly due to increase of the refunds of excess input value-added tax credits as received.
Other operation activity related cash payments	241,090,876.76	390,125,168.61	-38.20%	Mainly due to decrease of period charge.
Cash paid for purchase/construction of fixed assets,	91,211,685.29	154,549,937.25	-40.98%	Mainly due to the decrease in expenses for store refurbishment.

Intangible assets and other long term assets				
Cash paid for other financing related activities	146,380,933.69	58,958,288.96	148.28%	Mainly due to increase of the payments for repurchasing B-shares and rents.

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	32,619	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	38.29%	162,977,327	0		
# Wu Jilin	Domestic natural person	1.87%	7,974,062	0		
Xu Guoliang	Domestic natural person	0.73%	3,103,800	0		
Qiu Hong	Domestic natural person	0.56%	2,370,000	0		
#Zhu Rui	Domestic natural person	0.40%	1,686,700	0		
Li Shuyuan	Domestic natural person	0.32%	1,377,600	0		
# Qu Yongjie	Domestic natural person	0.32%	1,350,500	0		
Zhang Mingrong	Domestic natural person	0.28%	1,212,300	0		
Chen Hao	Domestic natural person	0.26%	1,088,143	0		
Wang Sixin	Domestic natural person	0.24%	1,012,500	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			
# Wu Jilin	7,974,062	CNY ordinary shares	7,974,062			
Xu Guoliang	3,103,800	CNY ordinary shares	3,103,800			
Qiu Hong	2,370,000	CNY ordinary shares	2,370,000			
#Zhu Rui	1,686,700	CNY ordinary shares	1,686,700			
Li Shuyuan	1,377,600	CNY ordinary shares	1,377,600			
# Qu Yongjie	1,350,500	CNY ordinary	1,350,500			

		shares	
Zhang Mingrong	1,212,300	CNY ordinary shares	1,212,300
Chen Hao	1,088,143	CNY ordinary shares	1,088,143
Wang Sixin	1,012,500	CNY ordinary shares	1,012,500
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 4,518,962 shares held through the ordinary securities account, Wu Jilin, one of the shareholders of the Company, also holds 3,455,100 shares through the client credit transaction guarantee securities account. Therefore, Wu Jilin is actually holding 7,974,062 shares in total;</p> <p>2. In addition to the 186,700 shares held through the ordinary securities account, Zhu Rui, one of the shareholders of the Company, also holds 1,500,000 shares through the client credit transaction guarantee securities account. Therefore, Zhu Rui is actually holding 1,686,700 shares in total;</p> <p>3. In addition to the 76,500 shares held through the ordinary securities account, Qu Yongjie, one of the shareholders of the Company, also holds 1,274,000 shares through the client credit transaction guarantee securities account. Therefore, Qu Yongjie is actually holding 1,350,500 shares in total.</p>		

Note: Among the top 10 shareholders, there is a special repurchase account - "the Special Repurchase Securities Account of FIYTA Precision Technology Co., Ltd." (the second place). The number of ordinary shares held at the end of the reporting period was 7,987,217 shares. According to the regulation, the special repurchase account shall not be presented in the list 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

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

The Company's 2nd Session of the Tenth Board of Directors and the 5th Extraordinary 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 7,987,217 B-shares in the Company through a centralized bidding method with the special account for the securities repurchased, accounting for 1.88% of the Company's total share capital; the highest transaction price of the repurchased shares was HK\$7.87 per share, and the lowest transaction price was HK\$7.42/share, the total amount paid was HK\$ 61,438,781.55 (with the stamp duty, commission and other transaction costs exclusive). The expiry date of the share repurchase plan is November 29, 2022.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by FIYTA Precision Technology Co., Ltd.

September 30, 2022

In CNY

Items	September 30, 2022	January 01, 2022
Current assets:		
Monetary capital	298,218,481.51	210,254,737.14
Settlement reserve		
Inter-bank lending		
Transactional financial assets		
Derivative financial assets		
Notes receivable	37,729,552.62	61,258,145.80
Accounts receivable	380,833,588.79	388,885,601.28
Financing with accounts receivable		
Advance payment	8,198,328.73	7,946,750.81
Receivable premium		
Reinsurance accounts receivable		
Reserve for reinsurance contract receivable		
Other receivables	53,559,732.45	61,553,267.82
Including: Interest receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	2,083,176,591.35	2,050,148,750.89
Contract assets		
Held-for-sale assets		
Non-current assets due within a year		
Other current assets	26,165,577.27	72,698,692.72
Total current assets	2,887,881,852.72	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	57,618,231.83	55,155,605.31
Investment in other equity instruments	85,000.00	85,000.00
Other non-current financial assets		
Investment-oriented real estate	371,848,513.27	383,425,916.35
Fixed assets	339,120,730.97	349,495,316.65
Construction-in-progress		
Productive biological asset		
Oil and Gas Assets		
Use right assets	119,775,758.98	147,932,475.42
Intangible assets	32,632,101.61	34,035,330.43
Development expenses		
Goodwill		
Long term expenses to be apportioned	153,026,476.24	163,790,333.44
Deferred income tax asset	89,316,039.54	81,233,274.65
Other non-current assets	46,619,121.49	42,680,753.78
Total non-current assets	1,210,041,973.93	1,257,834,006.03

Total assets	4,097,923,826.65	4,110,579,952.49
Current liabilities:		
Short term borrowings	291,732,027.79	265,994,595.43
Borrowings from central bank		
Loans from other banks		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		21,223.10
Accounts payable	186,741,003.39	254,588,895.34
Advance Receipts	13,646,294.34	11,025,664.72
Contract liabilities	14,699,897.90	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	123,862,142.57	145,936,150.06
Taxes payable	73,986,536.38	67,769,880.01
Other payables	168,421,938.98	167,808,759.95
Including: interest payable		
Dividends payable	6,324,013.97	5,015,026.30
Service charge and commission payable		
Payable reinsurance		
Held-for-sale liabilities		
Non-current liabilities due within a year	98,693,784.76	86,949,906.35
Other current liabilities	1,889,450.12	2,798,738.32
Total current liabilities	973,673,076.23	1,025,399,239.93
Non-current liabilities:		
Reserve for insurance contract		
Long-term borrowings		
Bonds payable		
Including: preferred shares		
Perpetual bond		
Lease liabilities	27,944,019.03	64,918,722.10
Long-term accounts payable		
Long term payroll payable to the employees		
Estimated liabilities		
Deferred income	2,042,833.90	1,792,833.90
Deferred income tax liability	4,951,057.19	5,236,514.03
Other non-current liabilities		
Total non-current liabilities	34,937,910.12	71,948,070.03
Total liabilities	1,008,610,986.35	1,097,347,309.96
Owner's equity:		
Capital stock	425,615,177.00	426,051,015.00
Other equity instruments		
Including: preferred shares		
Perpetual bond		
Capital reserve	1,046,707,191.87	1,040,908,194.13
Less: shares in stock	101,012,638.04	60,585,678.92
Other comprehensive income	-1,565,932.46	-7,658,346.40
Special reserve	1,732,079.27	1,062,731.13
Surplus reserve	275,010,401.50	275,010,401.50
Reserve against general risks		
Retained earnings	1,442,826,561.16	1,338,444,326.09
Total owners' equity attributable to the parent	3,089,312,840.30	3,013,232,642.53

company		
Minority shareholders' equity		
Total owner's equity	3,089,312,840.30	3,013,232,642.53
Total liabilities and owners' equity	4,097,923,826.65	4,110,579,952.49

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

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

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Turnover	3,385,434,370.84	4,084,797,744.03
Including: operating income	3,385,434,370.84	4,084,797,744.03
Interest income		
Earned insurance premium		
Service charge and commission income		
II. Total operating costs	3,110,090,692.73	3,655,882,863.34
Including: Operating costs	2,138,260,571.41	2,549,686,797.59
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	22,677,261.49	26,025,661.25
Sales costs	717,796,063.69	823,138,774.82
Administrative expenses	175,560,079.27	189,433,471.27
R & D expenditures	36,809,093.83	40,145,686.42
Financial expenses	18,987,623.04	27,452,471.99
Where: Interest cost	14,492,935.33	18,551,509.47
Interest income	3,019,703.55	2,906,297.16
Plus: Other income	15,909,068.98	16,161,926.11
Investment income (loss is stated with "-")	2,462,626.52	1,629,328.24
Including: return on investment in associate and joint venture	2,462,626.52	1,629,328.24
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 "-")	389,469.67	-1,039,778.07
Loss from impairment of assets (loss is stated with "-")	-348,218.69	-1,200,014.39
Income from disposal of assets (loss is stated with "-")	-1,122,656.31	-180,694.53
III. Operating Profit (loss is stated with "-")	292,633,968.28	444,285,648.05
Plus: Non-operating income	270,660.63	252,422.44
Less: Non-operating expenses	765,159.53	1,296,596.24
IV. Total profit (total loss is stated with "-")	292,139,469.38	443,241,474.25
Less: Income tax expenses	62,338,094.92	100,642,011.01
V. Net Profit (net loss is stated with "-")	229,801,374.46	342,599,463.24
(I) Classification based on operation sustainability		
1. Net Profit from sustainable operation (net loss is stated with "-")	229,801,374.46	342,599,463.24
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 "-")	229,801,374.46	342,579,405.96
2. Minority shareholders' gain/loss (net loss is stated with "-")		20,057.28
VI. Net of other comprehensive income after tax	6,092,413.94	-7,877,044.81
Net of other comprehensive income after tax attributable to the parent company's owner	6,092,413.94	-7,844,704.19
(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	6,092,413.94	-7,844,704.19
1. Other comprehensive income which can be converted into gain and loss based on the equity method		
2. Movement of the fair value of other creditor's right 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	6,092,413.94	-7,844,704.19

7. Others		
Net amount of other comprehensive income after tax attributable to minority shareholders		-32,340.62
VII. Total comprehensive income	235,893,788.40	334,722,418.43
(I) Total comprehensive income attributable to the parent company's owner	235,893,788.40	334,734,701.77
(II) Total comprehensive income attributable to minority shareholders		-12,283.34
VIII. Earnings per share:		
(I) Basic earnings per share	0.5524	0.7995
(II) Diluted earnings per share	0.5524	0.7995

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

3. 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	3,761,732,293.60	4,500,004,848.59
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	4,693,824.88	332,318.54
Other operation activity related cash receipt	59,781,844.08	58,259,556.53
Subtotal of cash flow in from operating activity	3,826,207,962.56	4,558,596,723.66
Cash paid for purchase of goods and reception of labor services	2,468,862,583.75	2,996,540,264.43
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	520,794,341.67	555,033,234.59
Various taxes paid	194,878,556.60	248,687,302.73
Other operation activity related cash payments	241,090,876.76	390,125,168.61
Subtotal of cash flow out from operating activity	3,425,626,358.78	4,190,385,970.36
Net cash flows arising from operating activities	400,581,603.78	368,210,753.30
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	187,785.69	43,107.14
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	187,785.69	43,107.14
Cash paid for purchase/construction of fixed assets, Intangible assets and other long term assets	91,211,685.29	154,549,937.25
Cash paid for investment		
Net increase of the pledged loan		
Net cash paid for acquisition of subsidiaries and other operation units		
Payment of other investment activity related cash		
Subtotal of cash flow out from investment activity	91,211,685.29	154,549,937.25
Net cash flow arising from investment activities:	-91,023,899.60	-154,506,830.11
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	745,155,704.29	950,175,970.17
Other financing activity related cash receipts		
Subtotal of cash flow in from fund raising activity	745,155,704.29	1,008,391,970.17
Cash paid for debt repayment	690,177,286.25	1,096,639,047.51
Cash paid for dividend/profit distribution or repayment of interest	131,974,784.46	187,013,299.32

Including: Dividend and profit paid by the subsidiaries to minority shareholders		
Cash paid for other financing related activities	146,380,933.69	58,958,288.96
Sub-total of cash flow paid for fund-raising activities	968,533,004.40	1,342,610,635.79
Net cash flow arising from fund-raising activities	-223,377,300.11	-334,218,665.62
IV. Change of exchange rate influencing the cash and cash equivalent	1,783,340.30	-814,994.44
V. Net increase of cash and cash equivalents	87,963,744.37	-121,329,736.87
Plus: Opening balance of cash and cash equivalents	210,254,737.14	353,057,285.71
VI. Ending balance of cash and cash equivalents	298,218,481.51	231,727,548.84

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

(II) Auditor's Report

Has the third quarter report been audited

No

The Board of Directors of
FIYTA Precision Technology Co., Ltd.
October 26, 2022