

Stock Codes: 000026, 200026

Stock Abbreviation: FIYTA, FIYTA B

Announcement No.: 2026-007

Summary of 2025 Annual Report of FIYTA Precision Technology Co., Ltd.

I. Important notes

This Annual Report Summary is excerpted from the full text of the Annual Report. For a comprehensive understanding of the Company's operating results, financial position, and future development plans, investors should carefully read the full Annual Report on the media designated by the CSRC.

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

Notes on non-standard audit opinion

Not applicable

Profit distribution plan or plan for converting capital reserve into share capital for the reporting period as reviewed by the Board of Directors

Whether to convert capital reserve into share capital

No

The profit distribution plan approved by the Board of Directors is as follows: based on the total share capital on the record date for the future implementation of the profit distribution plan, a cash dividend of 1.20 yuan per 10 shares (tax inclusive) will be distributed to all shareholders, with no bonus shares (tax inclusive) and no conversion of capital reserve into share capital.

Profit distribution plan for preferred shares for this reporting period as approved by the Board of Directors

Not applicable

This report is prepared in both Chinese and English. In case of any discrepancy in the interpretation of this report, the Chinese version shall prevail.

II. Company profile

1. Company profile

Stock abbreviation	FIYTA, FIYTA B	Stock code	000026, 200026
Stock exchange where the shares	Shenzhen Stock Exchange		

are listed		
Stock abbreviation before change (If any)	None	
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2. Description of major businesses or products during the reporting period

(I) Industry landscape during the reporting period

Currently, the company faces an increasingly complex and severe external environment. While China's retail market continues to expand, upgrade, and experience a marginal recovery in consumer confidence, there is notable divergence in consumer product categories. The watch industry specifically is experiencing a downturn. According to 2025 data from the China Horologe Association and the Federation of the Swiss Watch Industry, the operating revenue of domestic timepiece enterprises above a designated size decreased by 9.70% year-on-year, and the value of Swiss watch exports to Mainland China declined by 12.1% year-on-year. Conversely, the high-end manufacturing industry benefits from demand driven by emerging sectors like embodied intelligence, and the low-altitude economy, presenting a broader market prospect. In this context, the company will enhance the competitiveness and market share of its watch business, thereby stabilizing its core watch segment. This will be achieved by strengthening customer research and insights, deepening brand partnerships in the comprehensive watch service business, and fostering product differentiation in its proprietary brand business. Simultaneously, the company will stay committed to the transformation and upgrade of its precision technology sector, increasing investment in key talent and technology to accelerate the development of its emerging industry business.

(II) Main business analysis

In 2025, the Company continued to deepen its presence in the watch business, consolidating its leading position in the domestic watch market and enhancing its core competitiveness. It accelerated strategic transformation and upgrading to strengthen its core functions. During the reporting period, amid a continuously challenging domestic watch consumer market, the Company achieved an operating revenue of 3,508,487,911.40 yuan, a year-on-year decrease of 10.96%. The total profit was 120,103,837.72 yuan, a year-on-year decrease of 58.02%. The Company focused on refined management, quality improvement, and cost reduction, maintaining stable cash flow from operating activities and keeping operational risks under control. Facing market challenges, the Company remains confident in its development and values shareholder returns. It has now formulated the 2025 cash dividend plan, proposing to distribute a cash dividend of 1.20 yuan (tax included) per 10 shares to all shareholders.

During the reporting period, the company's key operational initiatives are as follows:

(I) Strengthening Brand Positioning and Enhancing Competitive Advantage through "Aviation Heritage + Chinese Culture"

During the reporting period, adhering to its positioning as a "high-quality Chinese watch brand with aerospace-themed timepieces as its hallmark," the "FIYTA" brand focused on its aviation heritage and delved deeper into its brand essence. It launched aerospace-themed products such as the "Y-20" Fortune Edition, the "Small Spacecraft" 3D Time Reading Edition, and the "J-10" Crossover Edition. Through innovations in craftsmanship and materials, the

brand integrated elements of Eastern aesthetics into product design, introducing new collections such as the "Little Gold Watch" Butterfly Fortune Edition, the "Shishi Ruyi" Song Porcelain Edition, and the "Oriental Beauty" Su Embroidery Edition. By deeply blending "Chinese design, Chinese storytelling, and Chinese craftsmanship," the brand established differentiated product features. Collaborations with fashion brands at Shanghai and Paris Fashion Weeks, as well as marketing campaigns around high-impact events such as the launches of "Shenzhou-20" and "Shenzhou-21," Gao Yuanyuan's livestream on Oriental Selection, and the commissioning of the "Fujian Aircraft Carrier," helped build a brand communication matrix spanning fashion, technology, and culture, enhancing brand visibility and influence.

(II) Continuously Optimizing Channel Structure and Operating Systems to Promote Online-Offline Synergy

During the reporting period, the "FIYTA" brand further developed its offline proprietary channels. Through member operations, new media engagement, and in-store livestreaming, its self-operated stores enhanced refined operational capabilities. Online, leveraging the trend of women's watches as fashion accessories, the brand strengthened its hit product strategy, achieving growth against market trends during major promotional campaigns such as "618" and "Double 11," with multiple products ranking high in sub-categories of major e-commerce platforms' watch sections. By building a distinctive livestreaming matrix and strengthening omni-channel marketing capabilities, the brand effectively promoted synergy between online and offline channels, increasing its market share in the domestic watch segment.

"Harmony" continued to optimize its brand and channel structure, focusing on leading brands and core channels while steadily advancing the integration of brand and channel resources and optimizing their layout. Through deep cultivation of store operations and customer service, and the implementation of a refined "one store, one strategy" operational approach, it gained high recognition from partner brands and strong customer satisfaction.

(III) Increasing Investment in Precision Technology Business to Accelerate Strategic Transformation and Upgrading

During the reporting period, the company's watch business increased R&D investment in the development of in-house movements, key components, and the application of aerospace materials. Through the development of new processes, equipment upgrades, and the recruitment of key talent, the company strengthened its technological foundation, enhanced capabilities in product R&D, precision manufacturing, and customer service, and actively expanded into new markets and client segments. The company plans to acquire a controlling stake in Shaanxi Changkong Gear Co., Ltd. to enter the precision gear and precision reducer business sectors, thereby strengthening the technological capabilities and industrial layout of its precision technology business and driving strategic transformation and upgrading.

(IV) Advancing Digital Implementation and Strengthening the Application and Empowerment of Digital Platforms

During the reporting period, the company focused on key areas such as digital retail and operational management, promoting the integration and scenario-based application of platforms such as the digital retail system, CRM system, and SAP system. It optimized management systems for manufacturing, finance, and operations, and launched tools such as Excellent Digital Assistant to enhance operational efficiency.

3. Key Accounting Data and Financial Indicators

(1) Key accounting data and financial indicators for the last three years

Whether the Company needs to retroactively adjust or restate its accounting data of previous years

No

Unit: yuan

	End of 2025	End of 2024	Year-end-on-year-end change	End of 2023

Total assets	3,733,401,610.34	4,007,690,717.02	-6.84%	4,204,260,897.08
Net assets attributable to shareholders of the listed company	3,336,540,162.45	3,391,843,200.61	-1.63%	3,333,805,752.19
	2025	2024	Year-on-year change	2023
Operating revenue	3,508,487,911.40	3,940,530,934.07	-10.96%	4,569,690,002.99
Net profit attributable to shareholders of the listed company	87,317,829.63	220,350,184.99	-60.37%	333,178,102.37
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	83,179,863.25	208,728,288.68	-60.15%	316,806,208.13
Net cash flow from operating activities	541,872,287.53	536,730,960.29	0.96%	632,401,487.98
Basic earnings per share (yuan/share)	0.2153	0.5385	-60.02%	0.8082
Diluted earnings per share (yuan/share)	0.2152	0.5378	-59.99%	0.8075
Weighted average return on equity	2.60%	6.55%	-3.95%	10.28%

(2) Key accounting data by quarter

Unit: yuan

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating revenue	924,208,353.87	859,923,583.36	890,827,959.90	833,528,014.27
Net profit attributable to shareholders of the listed company	45,306,381.34	37,139,118.69	42,572,778.28	-37,700,448.68
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	44,139,266.91	34,237,995.28	41,360,520.65	-36,557,919.59
Net cash flow from operating activities	83,070,547.91	168,420,259.16	122,431,591.49	167,949,888.97

Whether there are any material differences between the above financial indicators or their aggregates and the relevant financial indicators in the Company's previously disclosed quarterly and semi-annual reports

No

4. Share Capital and Shareholders

(1) Number of common shareholders and preferred shareholders with restored voting rights, and shareholdings of the top 10 shareholders

Unit: share

Shareholder name	Shareholder nature	Shareholding percentage	Number of shares held	Number of shares held with restrictions on sale	Pledge, mark, or freeze status		
					Share status	Quantity	
Total number of common shareholders at the end of the reporting period	34,494	Total number of common shareholders at the end of the month prior to the disclosure of the annual report	34,475	Total number of preferred shareholders with restored voting rights at the end of the reporting period	0	Total number of preferred shareholders with restored voting rights at the end of the month prior to the disclosure of the annual report	0
Shareholdings of the top 10 shareholders (excluding shares lent through securities refinancing)							
Shentian Technology Holdings (Shenzhen) Co., Ltd.	State-owned legal person	40.17%	162,977,327	0	Not applicable	0	
#Wu Jilin	Domestic natural person	4.15%	16,851,926	0	Not applicable	0	
Qianhai Life Insurance Co., Ltd. - Participating Insurance Product	Others	3.99%	16,186,370	0	Not applicable	0	
#Zhu Rui	Domestic natural person	0.52%	2,096,600	0	Not applicable	0	
China Merchants Bank Co., Ltd. - Orient Red Vision Value Hybrid Securities Investment Fund	Others	0.45%	1,838,100	0	Not applicable	0	
#Wang Xing	Domestic natural person	0.45%	1,820,300	0	Not applicable	0	
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.39%	1,563,501	0	Not applicable	0	
Bank of Communications - HuaAn Innovation Securities Investment Fund	Others	0.34%	1,374,700	0	Not applicable	0	
Chen Fang	Domestic natural person	0.32%	1,290,500	0	Not applicable	0	
Bank of China Limited - Huashang Selected Return Hybrid Securities Investment Fund	Others	0.31%	1,264,300	0	Not applicable	0	
Explanation of related party relationships		The Company is not aware of any related party relationships or concerted					

or concerted action among the above shareholders	action among the top 10 shareholders mentioned above.
Explanation of shareholders' participation in margin financing and securities lending business (if any)	<p>1. In addition to holding 4,130,504 shares through a regular securities account, the Company's shareholder Wu Jilin also holds 12,721,422 shares through a client credit trading collateral securities account with China CICC Wealth Management Securities Company Limited, holding a total of 16,851,926 shares;</p> <p>2. In addition to holding 2,600 shares through a regular securities account, the Company's shareholder Zhu Rui also holds 2,094,000 shares through a client credit trading collateral securities account with First Capital Securities Co., Ltd., holding a total of 2,096,600 shares;</p> <p>3. In addition to holding 1,330,300 shares through a regular securities account, the Company's shareholder Wang Xing also holds 490,000 shares through a client credit trading collateral securities account with China Merchants Securities Co., Ltd., holding a total of 1,820,300 shares.</p>

Share lending through securities refinancing by shareholders holding over 5% of shares, the top 10 shareholders, and the top 10 non-restricted shareholders

Not applicable

Changes in the top 10 shareholders and the top 10 non-restricted shareholders compared to the previous period due to lending/return of shares through securities refinancing

Not applicable

(2) Total number of the Company's preferred shareholders and shareholdings of the top 10 preferred shareholders

Not applicable

(3) Block diagram illustrating the ownership and control relationship between the Company and its actual controller



5. Bonds outstanding as of the date of approval of the annual report

Not applicable

III. Significant Matters

(I) Proposed equity acquisition and related-party transaction

As reviewed and approved at the seventh meeting of the 11th Board of Directors, the Company signed an "Equity Acquisition Intention Agreement" with Hanzhong Hanhang Electromechanical Co., Ltd. on June 4, 2025. The Company intends to acquire all or part of the controlling stake in Shaanxi Changkong Gear Co., Ltd. in cash. This acquisition constitutes a related-party transaction, and based on preliminary estimates, it is not expected to constitute a major asset restructuring. For details, please refer to the "Announcement on Signing an Equity Acquisition Intention Agreement and Related-Party Transaction 2025-018," "Progress Announcement on the Proposed Acquisition of Equity in Shaanxi Changkong Gear Co., Ltd. and Related-Party Transaction 2025-022," and "Progress Announcement on the Proposed Acquisition of Equity in Shaanxi Changkong Gear Co., Ltd. and Related-Party Transaction 2026-005," disclosed by the Company on Cninfo on June 5, 2025, July 12, 2025 and February 26, 2026 respectively.

As of the disclosure date of this report, all parties to the transaction are advancing the audit, valuation, and state-owned asset valuation filing related to this acquisition. The final transaction plan has not yet been determined and is still subject to the necessary decision-making and approval procedures by all parties. There remains uncertainty as to whether this acquisition can be ultimately completed.

(II) Revision of the Articles of Association and other regulations

As reviewed and approved at the eighth meeting of the 11th Board of Directors and the first extraordinary general meeting of 2025, the Company has revised certain clauses of the Articles of Association, the Rules of Procedure for Shareholders' Meetings, and the Rules of Procedure for the Board of Directors. These revisions were made in accordance with relevant regulations, including the Company Law, the Arrangements for the Transitional Period for the Implementation of Supporting Systems and Rules for the New Company Law, the Guidelines for the Articles of Association of Listed Companies, and the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, and were based on the Company's actual situation. For details, please refer to the relevant announcements disclosed by the Company on Cninfo on August 23, 2025 and September 10, 2025 respectively.

FIYTA Precision Technology Co., Ltd.

The Board of Directors

March 14, 2026