

Stock Code: 002832

Stock Abbreviation: BYLF

Announcement No.: 2022-042

BIEM.L.FDLKK GARMENT CO., LTD.**First Quarter Report 2022**

The Company and all members of the Board of Directors hereby guarantee the truthfulness, accuracy and completeness of the information disclosed, and there are no false records, misleading statements or material omissions.

Important Notice:

1. The Board of Directors and the Board of Supervisors of the Company and its directors, supervisors and senior management warrant that the information contained in this quarterly report is true, accurate and complete without any false records, misleading statements or material omissions, and they accept legal liability severally and jointly thereof.
2. The person in charge of the Company, the person in charge of accounting of the Company, and the person in charge of the accounting department of the Company have declared that they warrant the truthfulness, accuracy and completeness of the financial statements set out in this quarterly report.
3. Whether the First Quarter Report has been audited
 Yes No

I. Main Financial Data**(I) Main accounting data and financial indicators**

Whether the Company needs to perform retrospective adjustment or restatement of accounting data for previous years

Yes No

	Current period	Same period of previous year	Changes over same period of previous year
Revenue (RMB)	810,420,572.37	622,634,600.78	30.16%
Net profit attributable to shareholders of the listed company (RMB)	212,692,757.27	150,536,147.62	41.29%
Net profit attributable to shareholders of the listed company after deducting non-recurring profit and loss (RMB)	201,656,919.76	145,396,952.74	38.69%
Net cash flow from operating activities (RMB)	466,607,840.66	366,315,799.97	27.38%
Basic earnings per share (RMB/share)	0.38	0.29	31.03%
Diluted earnings per share (RMB/share)	0.38	0.28	35.71%
Weighted average return on net assets	6.27%	6.04%	0.23%
	End of current period	End of previous year	Changes over end of previous year
Total assets (RMB)	5,154,046,547.81	4,862,956,852.42	5.99%
Owner's equity attributable to shareholders of the listed company (RMB)	3,743,915,960.82	3,245,441,596.49	15.36%

(II) Non-recurring items and amounts

√ Applicable □ Not applicable

Unit: RMB

Item	Amount of current period	Description
Profits/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-4,955.71	
Governmental grants reckoned into current profits/losses (not including grants enjoyed in quota or ration according to national standards, which are closely relevant to the company's normal business)	5,121,764.84	
Other non-operating revenue and expenses except for the aforementioned items	-988,647.31	
Other profit and loss items that meet the definition of non-recurring profit and loss	9,457,859.81	
Less: Influence of income tax	2,550,184.12	
Total	11,035,837.51	--

Details of other profit and loss items that meet the definition of non-recurring profit and loss:

□ Applicable √ Not applicable

The Company has no other profit/loss items that qualified the definition of non-recurring profit/loss.

Descriptions where the Company defines any non-recurring profit and loss items listed in the *No. 1 Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public—Non-recurring Profit and Loss* as recurring profit and loss items during the reporting period

□ Applicable √ Not applicable

The Company did not define any non-recurring profit and loss items listed in the *No. 1 Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public—Non-recurring Profit and Loss* as recurring profit and loss items during the reporting period.**(III) Changes of main accounting data and financial indicators, and reasons for the changes**

√ Applicable □ Not applicable

Item	December 31, 2022 (RMB)	December 31, 2021 (RMB)	Change ratio	Description
Other non-current assets	-	1,833,508.45	-100.00%	Mainly owing to the advance payments carried forward in the current period
Employee benefits payable	83,658,370.57	64,027,461.27	30.66%	Mainly owing to the increase in sales performance in the current period
Taxes payable	189,755,378.61	130,969,262.60	44.89%	Mainly owing to the increase in sales performance in the current period
Bonds payable	-	284,554,163.11	-100.00%	Mainly owing to the conversion of convertible bonds into shares in the current period
Other equity instruments	-	27,524,454.16	-100.00%	Mainly owing to the conversion of convertible bonds into shares in the current period
Capital reserve	893,544,757.34	600,470,446.15	48.81%	Mainly owing to the conversion of convertible bonds into shares in the current period
Item	Amount of current period (RMB)	Amount of previous period (RMB)	Change ratio	Description
Revenue	810,420,572.37	622,634,600.78	30.16%	Mainly owing to the increase in sales performance in the current period
Cost of revenue	198,651,846.91	145,941,906.93	36.12%	Mainly owing to the increase in sales performance in the current period
Tax and surcharges	7,706,269.83	5,429,793.36	41.93%	Mainly owing to the increase in sales performance and VAT payable in the current period
R&D expenses	25,321,135.44	17,281,192.66	46.52%	Mainly owing to the increase in R&D investments in the current period
Finance expenses	-3,076,152.10	3,498,916.84	-187.92%	Mainly owing to the increase in interests on time deposits in the current period

Other income	5,122,808.74	588,007.00	771.22%	Mainly owing to the increase in government grants received in the current period
Investment income	9,457,859.81	5,524,849.52	71.19%	Mainly owing to the increase in income from wealth management products in the current period
Asset impairment loss	-11,685,476.98	-6,891,519.29	-69.56%	Mainly owing to the provision for inventory impairment in the current period
Income tax expenses	47,081,807.86	33,007,892.61	42.64%	Mainly owing to the increase in profits in the current period
	Current period (RMB)	Same period of previous year (RMB)	Changes over same period of previous year	Description
Revenue	810,420,572.37	622,634,600.78	30.16%	Mainly owing to the increase in sales performance in the current period
Net profit attributable to shareholders of the listed company	212,692,757.27	150,536,147.62	41.29%	Mainly owing to the increase in sales performance in the current period
Net profit attributable to shareholders of the listed company after deducting non-recurring profit and loss	201,656,919.76	145,396,952.74	38.69%	Mainly owing to the increase in sales performance in the current period

II. Shareholder Information

(I) Total number of ordinary shareholders, number of preferred shareholders whose voting rights were resumed and shareholdings of top 10 shareholders

Unit: share

Total number of ordinary shareholders at the end of the reporting period	8,480	Total number of preferred shareholders whose voting rights were resumed at the end of the reporting period (if any)	0			
Shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares	Restricted shares	Pledged, marked or frozen	
					Share status	Number
Xie Bingzheng	Domestic natural person	37.88%	216,170,800	162,128,100		
Feng Lingling	Domestic natural person	3.44%	19,652,000			
Shen Jindong	Domestic natural person	3.44%	19,652,000	14,739,000		
National Social Security Fund Portfolio 103	Others	2.21%	12,600,289			
ICBC - GF Steady Growth Securities Investment Fund	Others	2.02%	11,500,000			
Xie Ting	Domestic natural person	2.00%	11,403,195			
Hong Kong Securities Clearing Co., Ltd.	Foreign legal person	1.87%	10,658,332			
Xie Bingluan	Domestic natural	1.69%	9,627,254			

	person				
Li Huiqiang	Domestic natural person	1.68%	9,563,797		
CCB - Guotai Health Equity Investment Fund	Others	1.67%	9,533,250		
Top 10 shareholders not subject to selling restrictions					
Name of shareholder	Number of unrestricted shares	Type of shares			
		Type of shares	Number		
Xie Bingzheng	54,042,700	RMB-denominated ordinary shares	54,042,700		
Feng Lingling	19,652,000	RMB-denominated ordinary shares	19,652,000		
National Social Security Fund Portfolio 103	12,600,289	RMB-denominated ordinary shares	12,600,289		
ICBC - GF Steady Growth Securities Investment Fund	11,500,000	RMB-denominated ordinary shares	11,500,000		
Xie Ting	11,403,195	RMB-denominated ordinary shares	11,403,195		
Hong Kong Securities Clearing Co., Ltd.	10,658,332	RMB-denominated ordinary shares	10,658,332		
Xie Bingluan	9,627,254	RMB-denominated ordinary shares	9,627,254		
Li Huiqiang	9,563,797	RMB-denominated ordinary shares	9,563,797		
CCB - Guotai Health Equity Investment Fund	9,533,250	RMB-denominated ordinary shares	9,533,250		
ICBC - ZO Value Hybrid Securities Investment Fund	9,114,911	RMB-denominated ordinary shares	9,114,911		
Description on the related relationship or persons acting-in-concert arrangements among the above shareholders	Xie Bingzheng and Feng Lingling are husband and wife; Xie Bingzheng and Xie Ting are brothers; Xie Bingzheng, Feng Lingling, and Xie Ting are persons acting in concert. It is unknown to the Company whether other shareholders are related parties or parties acting in concert as stipulated in the <i>Administrative Measures on Acquisition of Listed Companies</i> .				
Description on the top 10 shareholders' participation in margin trading and securities lending business (if any)	None				

(II) Total number of preferred shareholders and shareholdings of top 10 preferred shareholders

Applicable Not applicable

III. Other Significant Matters

Applicable Not applicable

(I) Phase III Employee Stock Ownership Plan

The Company convened the 32nd meeting of the Third Board of Directors and 20th meeting of the Third Board of Supervisors on January 13, 2021 and the 2021 First Extraordinary General Meeting of Shareholders on January 29, 2021. The meetings deliberated and approved the *Proposal on the Phase III Employee Stock Ownership Plan (Draft) and Its Summary* and other relevant proposals. On February 27, 2021, the BIEM.L.FDLKK - Phase III Employee Stock Ownership Plan purchased total 6,494,626 shares of the Company through centralized bidding in the secondary market. So far, the Phase III Employee Stock Ownership Plan has completed

share purchase, and the purchased shares will be locked in accordance with relevant provisions.

On March 1, 2021, the Company published the *Indicative Announcement on Expiry of the Lockup Period of the Phase III Employee Stock Ownership Plan*. The lockup period of the Phase III Employee Stock Ownership Plan has ended.

As of the end of the reporting period, the Phase III Employee Stock Ownership Plan owns 6,494,626 shares of the Company, accounting for 1.14% of its total share capital. Shareholding of the Plan was not changed during the reporting period.

(II) Convertible bonds

The Company convened the 9th meeting of the Fourth Board of Directors on January 24, 2022, which deliberated and approved the *Proposal on Early Call of “BIEM Convertible Bonds”*. The Company decided to exercise the conditional call option and redeem all “BIEM convertible bonds” that are registered in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and not converted into shares after the closing of the market on the redemption registration date at a price of bond face value plus accrued interest of the current period. As at the market closing on February 22, 2022, still 3,058 “BIEM convertible bonds” were not converted to shares, so the Company redeemed 3,058 bonds. At a call price of RMB100.42 per bond (face value plus current accrued interest; the interest rate of the period was 0.6% and the accrued interest included tax; the call price after tax deduction was subject to the price approved by China Securities Depository and Clearing Corporation Limited), the Company paid totally RMB307,084.36 for the redemption. The total face value of the redeemed “BIEM convertible bonds” is RMB305,800.00, accounting for 0.04% of the total bonds issued. Upon completion, all the convertible bonds have been redeemed and the BIEM convertible bonds were delisted as they were no longer qualified for listing.

IV. Quarterly Financial Statements

(I) Financial statements

1. Consolidated balance sheet

Prepared by: BIEM.L.FDLKK GARMENT CO., LTD.

March 31, 2022

Unit: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Current assets:		
Monetary funds	1,236,034,029.02	1,082,712,218.58
Settlement reserve		
Lending funds		
Financial assets held for trading	803,424,832.00	634,763,818.96
Derivative financial assets		
Notes receivable		
Accounts receivable	241,618,219.85	279,717,057.14
Accounts receivable financing		
Prepayments	78,167,653.08	67,028,355.09
Premium receivable		
Reinsurance payables		
Reinsurance contract reserves receivable		

Other receivables	70,278,308.55	89,889,485.22
Including: Interest receivable		
Dividends receivable		
Financial assets held under resale agreements		
Inventory	653,556,657.48	660,214,219.41
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	915,585,546.77	830,640,713.41
Total current assets	3,998,665,246.75	3,644,965,867.81
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivable		
Long-term equity investment		
Investment in other equity instruments	98,099,300.47	98,099,300.47
Other non-current financial assets		
Investment property		
Fixed assets	236,221,422.51	244,337,754.20
Construction in progress	144,548,909.77	148,165,548.36
Productive biological assets		
Oil & gas assets		
Right-of-use assets	356,403,897.11	407,448,654.74
Intangible assets	126,883,494.32	119,548,729.29
Development expenses		
Goodwill		
Long-term deferred expenses	94,259,923.32	105,243,120.55
Deferred income tax assets	98,964,353.56	93,314,368.55
Other non-current assets		1,833,508.45
Total non-current assets	1,155,381,301.06	1,217,990,984.61
Total assets	5,154,046,547.81	4,862,956,852.42
Current liabilities:		
Short-term loans		
Borrowings from PBC		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	27,790,788.24	38,098,527.79
Accounts payable	159,898,812.90	126,522,502.78
Payments received in advance		
Contract liabilities	141,332,219.56	140,669,127.30
Proceeds from financial assets sold under repo		

Deposits from customers and interbank		
Funds from securities trading agency		
Funds from securities underwriting agency		
Employee benefits payable	83,658,370.57	64,027,461.27
Taxes payable	189,755,378.61	130,969,262.60
Other payables	57,004,519.51	55,878,486.28
Including: Interests payable		
Dividends payable		
Service charge and commission payable		
Reinsurance payable		
Liabilities held for sale		
Non-current liabilities due within one year	189,538,362.09	197,019,114.42
Other current liabilities	347,641,995.58	328,630,853.34
Total current liabilities	1,196,620,447.06	1,081,815,335.78
Non-current liabilities:		
Insurance contract reserves		
Long-term loans		
Bonds payable		284,554,163.11
Including: Preference shares		
Perpetual bonds		
Lease liabilities	179,688,136.26	217,323,756.45
Long-term payable		
Long-term employee benefits payable		
Provision		
Deferred income	30,000,000.00	30,000,000.00
Deferred tax liabilities	2,854,265.46	2,854,265.46
Other non-current liabilities		
Total non-current liabilities	212,542,401.72	534,732,185.02
Total liabilities	1,409,162,848.78	1,616,547,520.80
Owner's equity:		
Share capital	570,707,084.00	550,326,712.00
Other equity instruments		27,524,454.16
Including: Preference shares		
Perpetual bonds		
Capital reserve	893,544,757.34	600,470,446.15
Less: Treasury shares		
Other comprehensive income	-990,792.61	-842,173.72
Special reserves		
Surplus reserves	258,110,335.93	258,110,335.93
General reserves		
Retained earnings	2,022,544,576.16	1,809,851,821.97
Total equity attributable to owners of the parent company	3,743,915,960.82	3,245,441,596.49

Equities of minority shareholders	967,738.21	967,735.13
Total owner's equity	3,744,883,699.03	3,246,409,331.62
Total liabilities and owners' equity	5,154,046,547.81	4,862,956,852.42

Legal representative: Xie Bingzheng
department: Chen Shaobing

Person in charge of accounting: Tang Xinqiao

Person in charge of accounting

2. Consolidated income statement

Unit: RMB

Item	Incurred in the current period	Incurred in the prior period
I. Total Revenue	810,420,572.37	622,634,600.78
Including: Revenue	810,420,572.37	622,634,600.78
Interest income		
Insurance premiums earned		
Service charge and commission income		
II. Costs and Expenses	552,546,551.89	438,314,330.18
Including: Cost of revenue	198,651,846.91	145,941,906.93
Interest expenses		
Service charge and commission expenses		
Surrender value		
Net compensation expenses		
Net appropriation of insurance reserve		
Commissions on insurance policies		
Reinsurance costs		
Tax and surcharges	7,706,269.83	5,429,793.36
Selling expenses	280,295,330.40	229,321,822.75
Administrative expenses	43,648,121.41	36,840,697.64
R&D expenses	25,321,135.44	17,281,192.66
Finance expenses	-3,076,152.10	3,498,916.84
Including: Interest fees	5,972,669.50	7,197,666.07
Interest income	9,623,041.08	3,737,229.17
Plus: Other income	5,122,808.74	588,007.00
Return on investment ("-" indicates loss)	9,457,859.81	5,524,849.52
Including: Return on investment in associates and joint ventures		
Income from the derecognition of financial assets measured at amortized cost		
Exchange gains ("-" indicates loss)		
Gains from net exposure hedging ("-" indicates loss)		
Gains from changes in fair value ("-" indicates loss)		

Credit impairment losses ("-" indicates loss)		
Asset impairment losses ("-" indicates loss)	-11,685,476.98	-6,891,519.29
Return on disposal of assets ("-" indicates loss)		
III. Operating Profit ("-" indicates loss)	260,769,212.05	183,541,607.83
Plus: Non-operating revenue	28,333.04	131,944.49
Less: Non-operating expenses	1,022,979.96	129,512.09
IV. Total Profit ("-" indicates total loss)	259,774,565.13	183,544,040.23
Less: Income tax expense	47,081,807.86	33,007,892.61
V. Net Profit ("-" indicates net loss)	212,692,757.27	150,536,147.62
i. Classified by operation sustainability		
1. Net profit from continued operation ("-" indicates net loss)	212,692,757.27	150,536,147.62
2. Net profit from discontinued operation ("-" indicates net loss)		
ii. Classified by attribution of ownership		
1. Net profit attributable to owners of the parent company	212,692,757.27	150,536,147.62
2. Minority shareholders' profits and losses		
VI. Net Amount of Other Comprehensive Income after Tax		
Total other comprehensive after-tax net income attributable to owners of the parent company		
i. Other comprehensive income not able to be reclassified into profit or loss		
1. Changes of remeasurement of the defined benefit plan		
2. Other comprehensive income that cannot be transferred into profit or loss under equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of credit risk of the enterprise		
5. Others		
ii. Other comprehensive income reclassified into profit or loss		
1. Other comprehensive income to be transferred into profit or loss under equity method		
2. Changes in fair value of other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Reserve of cash flow		

hedge		
6. Converted difference in foreign currency financial statements		
7. Others		
Total other comprehensive after-tax net income attributable to minority shareholders		
VII. Total Comprehensive Income	212,692,757.27	150,536,147.62
Total comprehensive income attributable to owners of the parent company	212,692,757.27	150,536,147.62
Total comprehensive income attributable to minority shareholders		
VIII. Earnings per Share:		
i. Basic earnings per share	0.38	0.29
ii. Diluted earnings per share	0.38	0.28

For business combinations under common control in the reporting period, the net profit realized by the combined party before the combination is: RMB; the net profit realized by the combined party in the previous period is: RMB.

Legal representative: Xie Bingzheng
department: Chen Shaobing

Person in charge of accounting: Tang Xinqiao

Person in charge of accounting

3. Consolidated cash flow statement

Unit: RMB

Item	Incurred in the current period	Incurred in the prior period
I. Cash Flows from Operating Activities:		
Cash received from sale of goods or rendering of services	884,641,760.13	742,495,207.03
Net increase in deposits from customers, banks and non-bank financial institutions		
Net increase in borrowings from central banks		
Net increase in placements from other financial institutions		
Cash received from the premium of direct insurance contracts		
Net cash from reinsurance business		
Net increase in deposits and investment of the insured		
Cash obtained from interest, net fee and commission		
Net increase in placements from banks and other financial institutions		
Net increase in repo service fund		
Net cash from agent securities trading		
Tax rebates		
Cash received related to other operating activities	10,221,029.37	5,744,793.12
Sub-total of cash inflow from operating activities	894,862,789.50	748,240,000.15

Cash paid for goods purchased and services rendered	171,391,319.33	158,756,242.20
Net loans and advances to customers		
Net increase in deposits with the central bank, banks and non-bank financial institutions		
Cash paid for claims of direct insurance contracts		
Net increase in placements with banks and non-bank financial institutions		
Cash paid for interest, fee and commission		
Cash paid for dividends of the insured		
Cash paid to and on behalf of employees	102,483,386.38	89,722,937.81
Payments of all types of taxes	86,040,615.85	66,405,536.72
Cash payments related to other operating activities	68,339,627.28	67,039,483.45
Sub-total of cash outflow from operating activities	428,254,948.84	381,924,200.18
Net cash flow from operating activities	466,607,840.66	366,315,799.97
II. Cash Flows from Investing Activities:		
Cash received from recovery of investment		
Cash received from the return on investments	11,560,852.45	8,401,155.07
Net cash received from the disposal of fixed assets, intangible assets, and other long-term assets		
Net amount of cash received from the disposal of subsidiaries and other business entities		
Cash received related to other investing activities	1,380,000,000.00	1,200,000,000.00
Sub-total of cash inflow from investing activities	1,391,560,852.45	1,208,401,155.07
Cash paid for the acquisition and construction of fixed assets, intangible assets, and other long-term assets	94,444,318.49	6,628,181.11
Cash paid for investments		
Net increase in pledged loans		
Net amount of cash paid for acquisition of subsidiaries and other business entities		
Cash payments related to other investing activities	1,580,000,000.00	1,150,000,000.00
Sub-total of cash outflow from investing activities	1,674,444,318.49	1,156,628,181.11
Net cash flows from investing activities	-282,883,466.04	51,772,973.96
III. Cash Flows from Financing Activities:		

Cash received from capital contribution		
Including: Proceeds received by subsidiaries from minority shareholders' investment		
Cash received from borrowings		
Cash received related to other financing activities		9,498,897.00
Sub-total of cash inflow from financing activities		9,498,897.00
Cash paid for repayments of borrowings		
Cash payment for interest expenses and distribution of dividends or profits		
Including: Dividend and profit paid by subsidiaries to minority shareholders		
Cash payments related to other financing activities	35,496,927.12	
Sub-total of cash outflow from financing activities	35,496,927.12	
Net cash flows from financing activities	-35,496,927.12	9,498,897.00
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents		
V. Net Increase in Cash and Cash Equivalents	148,227,447.50	427,587,670.93
Plus: Opening balance of cash and cash equivalents	1,058,018,706.05	569,284,546.79
VI. Closing Balance of Cash and Cash Equivalents	1,206,246,153.55	996,872,217.72

(II) Report auditing

Whether the First Quarter Report has been audited

Yes No

The First Quarter Report of the Company has not been audited.

Board of Directors of BIEM.L.FDLKK Garment Co., Ltd.

April 16, 2022