

Stock Codes: 000026 200026 Short form of the Stocks: FIYTA A and FIYTA B Bond Code: 112152

Short form of the bond: 12 FIYTA BOND Announcement No: 2015 -025

FIYTA Holdings Ltd.

2015 Semi-Annual Report, Summary

1. Important Notice

This summary of the Semi-annual Report is quoted out of the full text of the Semi-annual Report. Investors desirous to understand details of the Semi-annual Report are advised to read carefully the full text of the Semi-annual Report which is published in <http://www.cninfo.com.cn> and the official website of Shenzhen Stock Exchange, the websites designated by CSRC.

Company Information

Short form of the stocks	FIYTA A, FIYTA B	Stock Codes	000026, 200026
Stock Exchange Listed with	Shenzhen Stock Exchange		
Liaison Person and the Way of Contact	Secretary of the Board	Securities Affairs Representative	
Names	Lu Wanjun	Zhang Yong	
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2. Financial Data Summary and Change of Shareholders

(1) Financial Data Summary

May the Company make retroactive adjustment or restatement of the accounting data of the previous years due to change of the accounting policy and correction of accounting errors

☐ Yes ☒ No

	Reporting period	Same Period of the Previous Year	Increase/decrease in the reporting period vs the corresponding period of the previous year (%)
Revenues in CNY	1,683,793,247.59	1,642,614,790.97	2.51%
Net profit attributable to the Company's shareholders, in CNY	73,109,419.73	88,283,873.10	-17.19%
Net profit attributable to the Company's shareholders less the non-recurring gains/losses, in CNY	71,958,085.27	86,173,160.01	-16.50%
Net cash flows arising from operating activities, in CNY	172,253,778.56	137,998,679.39	24.82%
Basic earning per share (CNY/share)	0.186	0.225	-17.33%
Diluted earning per share (CNY/share)	0.186	0.225	-17.33%
Net assets-income ratio, weighted average (%)	4.36%	5.58%	-1.22%

	End of the reporting period	End of the previous year	Increase/decrease of the report period vs the same period of the previous year (%)
Total assets, in CNY	3,820,850,106.95	3,657,781,647.20	4.46%
Net assets attributable to the Company's shareholders, in CNY	1,674,397,739.63	1,633,401,930.64	2.51%

(2) Shareholding of the Top 10 Shareholders of Common Shares**In Shares**

Total shareholders of ordinary shares at the end of the reporting period		23,948				
Shareholding of the top 10 shareholders of ordinary shares						
Shareholder's Names	Nature	Shareholding proportion (%)	Number of shares held	Number of restricted shares held by them	Pledging or freezing	
					Status of the shares	Number
AVIC International Holdings Limited	State corporate shareholder	41.49%	162,977,327	0		
GF Securities Co., Ltd.	Domestic non-state corporate shareholder	1.98%	7,794,070	0		
Penghua Assets-SPDB-Penghua Assets Gaolan Investment Jinrun No. 17 Assets Management Plan	Domestic non-state corporate shareholder	1.23%	4,820,006	0		
Penghua Assets — Industrial Bank — Jinrun No. 16 Assets Management Plan	Domestic non-state corporate shareholder	1.08%	4,237,240	0		
Penghua Assets-SPDB-Penghua Assets Fuhui No. 3 Assets Management Plan	Domestic non-state corporate shareholder	1.00%	3,920,000	0		
Yunnan International Trust Co., Ltd. — Snub-nosed Monkey Securities Investment.Ruiyu an	Domestic non-state corporate shareholder	0.89%	3,484,780	0		
Penghua Assets-SPDB-Penghua Assets Jinrun No. 20 Assets Management Plan	Domestic non-state corporate shareholder	0.84%	3,318,141	0		
ICBC – Nanfang Big Data 100 Index Securities Investment Fund	Domestic non-state corporate shareholder	0.84%	3,296,886	0		
Sichuan Trust Co., Ltd. —	Domestic non-state	0.57%	2,247,599	0		

Sichuan Trust – Zeqian No. 2 Securities Investment Assembly Fund Trust Plan	corporate shareholder					
Penghua Assets-SPDB-Penghua Assets Fuhui No.1 Assets Management Plan	Domestic non-state corporate shareholder	0.55%	2,169,100	0		
Explanation on associated relationship or consistent action of the above shareholders	Of the top ten shareholders, Penghua Assets-SPDB-Penghua Assets Gaolan Investment Jinrun No. 17 Assets Management Plan, Penghua Assets— Industrial Bank — Jinrun No. 16 Assets Management Plan, Penghua Assets-SPDB-Penghua Assets Fuhui No. 3 Assets Management Plan, Penghua Assets-SPDB-Penghua Assets Jinrun No. 20 Assets Management Plan and Penghua Assets-SPDB-Penghua Assets Fuhui No.1 Assets Management Plan belong to concerted actors as specified in the Measures for Administration of Information on the Shareholder Equity Change of Listed Companies.					
Note to the shareholders involved in securities margin trading (if any)	Inapplicable					

(3) Fact Sheet of the Top 10 Shareholders of Preferred Shares

Inapplicable

(4) Change in Controlling Shareholder or Actual Controller

Inapplicable

3. Discussion and Analysis of the Management

During the reporting period, China's overall economical situation and watch retail industry both were confronted with enormous pressure. Under such a background, the Company continued to insist on the principle of leading various work with the brand strategy, and carried forward integration of the key value chain through the business model of “products + channels” and improved the quality service ability. During the reporting period, the Company took the “values, innovation, adjustment, and profit making” as the theme of work, carried forward various management innovations in a down-to-earth way, realized operating revenue amounting to CNY 1,683,793,247.59 with year-on-year growth of 2.51%; realize net profit amounting to CNY 73,109,419.73, a year-on-year drop of 17.19%.

Despite the sluggish market of the domestic famous brand watches during the reporting period, the Company still kept adjusting the brand and channel structure in its HARMONY world watch retail business, focused on the work dimensions of “upgrading the individual shops, improving the gross profit, optimizing the inventories and expanding the repairing service business”; meanwhile, enthusiastically carried forward innovation of business model and development of new business. During the reporting period, HARMONY successfully ensured business development and stabilized the market share through various measures, realized operating revenue amounting to CNY 1,130,882,784.123 with year-on-year drop of 2.89%.

During the reporting period, despite the domestic retail market generally being confronted with increasing pressure, the Company still kept upgrading its product R & D and design ability and customer communication ability for its FIYTA watch business, focused on the work dimensions of realizing financial objectives, capacity construction and upgrading, channel and individual shop improvement, brand promotion and business platform development. Meanwhile, the Company kept carrying forward development of e-commerce and BRAND GALLERY. During the reporting period, the Company kept improving FIYTA watch channel quality and customer satisfaction, kept improving the comprehensive competitive power, realized operating revenue amounting to CNY 494,755,397.54 with year-on-year growth of 17.57%.

During the reporting period, the Company kept steady income from its properties. The Company smoothly carried forward the work of private offering of A-shares and cooperation of Beibiao Watch Industry.

4. Relevant Matters in Connection with Financial Report**(1) Change in accounting policy, accounting estimate and way of accounting in comparison with the financial report of the previous year**

Inapplicable

(2) Retrospective restatement necessary for correction of significant accounting errors during the reporting period

Inapplicable

(3) Note to changes in the range of the consolidated statements in comparison with the financial report of the previous year

Inapplicable

(4) Explanation of the Board of Directions and the Supervisory Committee on the Qualified Auditor' s Report Issued by the CPAs

Inapplicable