

Stock Code: 000026 200026 Short Form of Stock: FIYTA A, FIYTA B

Bond Code: 112152 Short Form of Bond: 12 FIYTA Bond Announcement No: 2015-041

## **FIYTA Holdings Ltd.**

### **2015 3<sup>rd</sup> Quarterly Report, Text**

## Section 1 Important Notice

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.

All the directors attended the board meeting for reviewing the quarterly report

Mr. Xu Dongsheng, the Company leader, Mr. Hu Xinglong, chief financial officer, and Mr. Hu Xinglong, the manager of the accounting department (treasurer) hereby confirm the authenticity and completeness of the financial report enclosed in this quarterly report.

## Section 2 Financial Summary and Change of Shareholders

### I. Key Accounting Data and Financial Indicators

Have the accounting data of the previous year undergone retroactive adjustment or restatement due to the change of accounting policy and/or correction of accounting errors, etc.?

☐ Yes ☒ No

	End of the reporting period	End of the previous year	Increase/decrease of the end of the reporting period vs the end of the previous year	
Total assets, in CNY	3,852,329,678.51	3,657,781,647.20	5.32%	
Net assets attributable to the Company's shareholders, in CNY	1,704,828,725.15	1,633,401,930.64	4.37%	
	Reporting Period	Increase/decrease of the reporting period vs the same period of the previous year	From year beginning to the end of the reporting period	Increase/decrease of the reporting period vs the same period of the previous year
Turnover, in CNY	784,087,458.61	-7.63%	2,467,880,706.20	-0.95%
Net profit attributable to the Company's shareholders, in CNY	33,505,446.25	-13.57%	106,614,865.98	-16.08%
Net profit attributable to the Company's shareholders less the nonrecurring gain or loss, in CNY	31,372,100.25	-18.41%	103,330,185.52	-17.09%
Net cash flows arising from operating activities, in CNY	--	--	259,235,018.33	16.15%
Basic earnings per share, in CNY/share	0.0853	-13.58%	0.2714	-16.11%
Diluted earnings per share, in CNY/share	0.0853	-13.58%	0.2714	-16.11%
Net assets-income ratio, weighted average	1.97%	-0.52%	6.33%	-1.74%

Non-recurring gain/loss items and amount involved

in CNY

Items	From year beginning to the end of the report period	Note:
Gain/loss from disposal of non-current assets, including the part offset from the provision for impairment of assets.	28,885.40	Refers to the gain or loss from disposal of partial obsolete office fixed assets
Government subsidy credited to the current gain and loss (except the government subsidies closely related with the Company's business and enjoyable according to the unified standard quota or fixed amount specified by the central government).	4,107,739.59	Description of the government subsidy counted to the current gain and loss
Operating income and expenses other than the aforesaid items	177,036.90	Other various non-operating income and expenses
Less: Amount affected by the income tax	1,028,981.43	
Total	3,284,680.46	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Inapplicable

## II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

### 1. About Total Common Shareholders and the Shares Held by Top Ten Common Shareholders at the End of the Reporting Period

In shares

Total common shareholders at the end of the reporting period		34,880				
Shares held by the Top Ten Common Shareholders						
Shareholders' Names	Nature of Shareholders	Proportion of shares held	Number of shares held	Number of restricted shares held	Pledged or frozen	
					Status of the shares	Q'ty
AVIC International Holdings Limited	State-owned corporate	41.49%	162,977,327	0		
Huatai Securities Co., Ltd.	Domestic non-state corporate	0.97%	3,801,631	0		

Penghua Asset - SPDB— Penghua Assets Gaolan Investment Jinrun No. 17 Assets Management Plan	Domestic non-state corporate	0.89%	3,510,006	0		
Zhongrong International Trust Co., Ltd. - Zhongrong— Thriving Business No. 14 Securities Investment Assembled Fund Trust Plan	Domestic non-state corporate	0.77%	3,011,700	0		
Dai Wen	Domestic natural person	0.51%	2,009,321	0		
Essence International Securities (Hong Kong) Ltd.	Foreign corporate	0.51%	2,000,000	0		
China Merchants Securities (HK) Co., Limited	Foreign corporate	0.37%	1,456,529	0		
Beijing Gaolan Investment Management Center (LLP)	Domestic non-state corporate	0.36%	1,424,827	0		
Guotai Junan Securities Co. Ltd.	Domestic non-state corporate	0.35%	1,373,770	0		
Harvest Capital - ICBC -Haitong MOM— Zhaoze Lifeng No. 5 Assets Management Plan	Domestic non-state corporate	0.27%	1,059,463	0		

Shares held by top 10 common shareholders of unrestricted shares			
Shareholders' Names	Quantity of unrestricted shares held	Share types	
		Share types	Quantity
AVIC International Holdings Limited	162,977,327	A-shares	162,977,327
Huatai Securities Co., Ltd.	3,801,631	A-shares	3,801,631
Penghua Asset - SPDB— Penghua Assets Gaolan Investment Jinrun No. 17 Assets Management Plan	3,510,006	A-shares	3,510,006
Zhongrong International Trust Co., Ltd. - Zhongrong—Thriving Business No. 14 Securities Investment Assembled Fund Trust Plan	3,011,700	A-shares	3,011,700
Dai Wen	2,009,321	A-shares	2,009,321
Essence International Securities (Hong Kong) Ltd.	2,000,000	B-shares	2,000,000
China Merchants Securities (HK) Co., Limited	1,456,529	B-shares	1,456,529
Beijing Gaolan Investment Management Center (LLP)	1,424,827	A-shares	1,424,827
Guotai Junan Securities Co. Ltd.	1,373,770	A-shares	1,373,770
Harvest Capital - ICBC -Haitong MOM—Zhaoze Lifeng No. 5 Assets Management Plan	1,059,463	A-shares	1,059,463
Explanation on associated relationship or concerted action of the above shareholders	Of the above shareholders, Penghua Asset - SPDB— Penghua Assets Gaolan Investment Jinrun No. 17 Assets Management Plan and Beijing Gaolan Investment Management Center (LLP) belong to concerted actors as specified in the Measures for the Administration of Disclosure of Shareholder Equity Changes of Listed Companies.		
Note to the top 10 common stockholders involved in margin financing & securities lending (if any)	Inapplicable		

Was any of the top 10 common stockholders or top 10 common stockholders of non-restricted shares involved in the agreed repurchase trading during the reporting period.

☐ Yes ☒ No

## 2. Total number of preferred stockholders and the shareholding of the top ten preferred stockholders at the end of the reporting period

Inapplicable

## Section 3 Significant Events

### I. Changes in the Principal Accounting Statement Items and Financial Indicators and the Causes

Items	Ending balance in CNY	Opening balance In CNY	Proportion of the change	Causes
Monetary capital	161,268,979.59	116,455,070.54	38%	Net growth of the cash and bank loan for payment of the goods purchased and labor accepted from year beginning to the end of the reporting period over the same period of the previous year decreased.
Accounts receivable	460,686,372.15	351,276,905.53	31%	Increase of sales and transition of partial fund were due to that no settlement has yet been conducted.
Other current assets	7,381,110.28	14,421,516.43	-49%	The input VAT not yet offset at the beginning of the reporting period was offset in the reporting period
Construction-in-progress	119,862,350.00	51,389,263.53	133%	Investment for construction of the watch industry base project located in Guangming New Zone in the reporting period.

Other non-current assets	-	31,500,000.00	-100%	In the reporting period, the parking structure project of Shenyang 1928 Building was accepted in inspection and the advance payment for the project was transferred to the fixed assets for accounting.
Advance receipt	29,368,126.05	12,087,368.17	143%	Trade receivable precollected from customers increased in the reporting period.
Payroll payable	23,705,974.29	38,648,432.41	-39%	Year-end bonus payable to employees for year 2014 was paid in the reporting period
Other payables	40,825,236.67	188,574,900.45	-78%	The borrowing with sum of CNY 150 million was repaid to AVIC International Holdings Limited.
Other current liabilities	12,085,339.00	5,482,521.27	120%	Expenses provided at the end of the reporting period increased over the beginning of the reporting period
Non-operating income	2,842,638.40	529,067.52	437%	Government subsidies received in the reporting period increased
Non-business expenditure	33,411.19	168,823.00	-80%	Loss from disposal of



				non-current assets and outward donation in the reporting period decreased over the corresponding period.
Income tax expense	10,202,545.06	7,497,224.00	36%	“The preferential income tax rate for hi-tech enterprises supported by the state” the Manufacture Company, one of the Company’s subsidiaries, used to enjoy expired on December 31, 2014 and the company is in process of application for the said preferential tax rate for another period. The business income tax in the reporting period was paid at 25% for time being.

## II. Progress of Significant Events, their Influences and the Solutions

The Company published the Announcement on Suspension for Planning of Non-public Offering of Shares 2015-006, which disclosed that the Company was planning to issue A-shares by means of non-public offering. Afterwards, the Company held the 18<sup>th</sup> meeting of the Seventh Board of Directors and 2014 Annual General Meeting respectively on April 16, 2015 and June 17, 2015, which reviewed and approved some related proposals, including the Proposal on the Company to Issue A-shares to the Specified Investors by means of Non-public Offering. For the detail, refer to the Announcement on the Resolutions of the 18<sup>th</sup> Meeting of the Seventh Board of Directors 2015-008 and Announcement on the Resolutions of 2014 Annual General Meeting 2015-020. The Company has received the official reply on the issuing of A-shares by means of non-public offering from State-owned Assets Supervision and Administration Commission of the State Council, submitted a report to China Securities Regulatory Commission and received the feedback comments. The Company has submitted written reply to the relevant questions to the authority.

Description of the Significant Events	Date of Disclosure	Index for Inquiry with the Websites Where the Provisional Reports were
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		Disclosed
Announcement on that the Application for Non-public Offering of A-shares has been Accepted for Examination and Approval Process by China Securities Regulatory Commission	July 3, 2015	www.cninfo.com.cn
Announcement of on that the Company has Received the Notice of Feedback Comments of China Securities Regulatory Commission on Examination of the Project for Administrative Permission.	September 9, 2015	www.cninfo.com.cn
Announcement on Written Reply to the Feedback Comments on the Application Document for Non-public Issuing of A-shares	September 19, 2015	www.cninfo.com.cn
Announcement on Adjustment of the Issuing Price and Quantity of A-shares to be Issued by Non-public Offering	September 19, 2015	www.cninfo.com.cn
Announcement on Risk Warning on the Diluted Spot Return on the Shares Issued by Non-public Offering and the Measures the Company plans to take.	September 19, 2015	www.cninfo.com.cn
Announcement on the Punishment Imposed by the Securities Regulatory Authority and the Stock Exchange or the Regulatory Measures and Rectification in the Past Five Years	September 19, 2015	www.cninfo.com.cn

**III. The commitments of the Company and its shareholders holding over 5% of the Company's total shares in the reporting period or extending to the reporting period from previous year(s)**

Commitments	Promiser	Description	Commitment time	Commitment term	Implementation
Commitment for Equity Reform					
Commitments in the acquisition report or the written report on change of equity					
Commitment made at the time of asset reorganization					

Commitment made at IPO or re-financing	FIYTA Holdings Ltd.	<p>The Company commits that in case it is predicted that the Company may be unable to duly pay the principal and interest of the bond or fail to duly pay the principal and interest of the bond when it is due, the Company shall at least take the following measures: 1. not profit distribution to the shareholders shall be conducted. 2. implementation of any capital expenditure projects, such as material external investment, acquisition and merger, etc. shall be suspended. 3. salaries and bonus to the directors and senior executives shall be adjusted down or suspended. 4. None of the key officers may be transferred out.</p>	February 27, 2013	<p>Deadline of the bonds (The valid term of the bonds is 5 years attached with the investors' option of selling back, the Company's option of redemption and option of up-regulation of the nominal interest rate at the end of the 3rd year).</p>	In process of implementation
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Other commitments to the minority shareholders					
Has the commitment been timely implemented?	Yes				
The specific cause of failure in implementation and the next plan (if any)	Inapplicable				

#### IV. Prediction of the Operation Performances of Year 2015

Inapplicable

#### V. Investment in Securities

Inapplicable

#### VI. Explanation on the Holding of the Equity in other Listed Company

Inapplicable

#### VII. Investment in Derivatives

Inapplicable

#### VIII. Statement of such activities as reception, research, communication, interview in the reporting period

Reception Time	Reception place	Way of reception	Types of Visitors	Visitors received	Discussion topics and provision of materials
August 20, 2015	The Company	On-Site Survey	Institutions	Bank Of China Investment Management Co., Ltd., Huatai-PineBridge Fund Management Co., Ltd., Bank of Communications Schrodgers Fund Management Co., Ltd., Shanghai Congrong Investment Management Co., Ltd., UBS SDIC	Development trend of the domestic luxury goods sector, some measures concerning the Company's strategic development, brand construction and channel management. Provision of the Company's public brochures in 2015.

				Fund Management Co., Ltd., ICBC Credit Suisse Asset Management Co., Ltd.	
August 26, 2015	The Company	On-Site Survey	Institutions	Penghua Fund Management Co., Ltd., UBS SDIC Fund Management Co., Ltd., China Asset Management Co., Ltd., First Qianhai Fund Management Co., Ltd., Shenzhen Chengze Assets Management Co., Ltd., Guosen Securities Co., Ltd., Guotai Junan Securities Co., Ltd., Beijing Paradox Asset Management Co., Ltd.	Development trend of the domestic luxury goods sector, some measures concerning the Company's strategic development, brand construction and channel management. Provision of the Company's public brochures in 2015.
September 14, 2015	The Company	On-Site Survey	Institutions	Rongtong Fund Management Co., Ltd., Sealand Securities, Kingstone Investment, Chinalin Securities Wealth Management Center, China Galaxy Securities, Shenzhen Shenming Investment, Founder Securities	Development trend of the domestic luxury goods sector, some measures concerning the Company's strategic development, brand construction and channel management. Provision of the Company's public brochures in 2015.

FIYTA Holdings Lt.

Board of Directors

October 23, 2015