Stock Code: 000026 200026 Short Form of Stock: FIYTA A, FIYTA B Announcement No:2016-020

FIYTA Holdings Ltd.

2016 1st 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. Tian Hui, the manager of the accounting department (treasurer) hereby confirm the authenticity, accuracy 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.?

No

	Reporting period	Same Period of the Previous Year	Increase/decrease of the report period vs the same period of the previous year
Operating revenue, in CNY	732,961,459.52	894,056,260.25	-18.02%
Net profit attributable to the Company's shareholders, in CNY	27,251,347.69	44,967,185.35	-39.40%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	27,249,320.31	44,409,083.60	-38.64%
Net cash flows arising from operating activities, in CNY	97,495,185.15	109,358,176.80	-10.85%
Basic earning per share (CNY/share)	0.0621	0.1145	-45.76%
Diluted earning per share (CNY/share)	0.0621	0.1145	-45.76%
Net assets-income ratio, weighted average	1.18%	2.70%	-1.52%
	End of the reporting period	End of the previous year	Increase/decrease of the end of the report period vs the end of the previous year
Total assets, in CNY	4,089,456,568.12	4,246,670,045.02	-3.70%
Net asset attributable to the Company's shareholders, in CNY	2,332,731,027.20	2,299,215,650.21	1.46%

Non-recurring gain/loss items and the amount involved

In CNY

Items	From year beginning to the end of the reporting period	Notes
Gain and loss from disposal of non-current assets, including the part offset with the provision for impairment of assets	-26,982.38	
Government subsidy recognized in current gain and loss (excluding those closely related to the Company's business and granted under the state's policies according to certain quota of amount or volume)	60,000.00	
Income and expenses from the business other than the above items	-30,830.28	
Less: Amount affected by the income tax	159.96	
Amount affected by minority equity (after tax)	0.00	
Total	2,027.38	--

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, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In Shares

Total common shareholders at the end of the reporting period		35,737	Total preference shareholders with the voting power recovered at the end of the reporting period (if any)			0
Shares held by the Top Ten Shareholders						
Shareholders' Names	Nature of Shareholders	Proportion of the 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	37.15%	162,977,327	0		
Golden Eagle Fund – Minsheng Bank – Golden Eagle Wen's Junye Flexible Allocation No. 3 Assets Management Program	Domestic non-state-owned corporate	2.08%	9,131,232	4,674,329		
Manulife Teda Fund－Minsheng Bank - Manulife	Domestic non-state-owned corporate	2.07%	9,093,259	9,093,259		

Teda Value Growth Directional Private Placement No. 351 Assets Management Program						
SWS MU Assets－China Merchants Bank－China Resources SZITIC Trust-Ruihua Directional Placement Hedge Fund No. 2 Assembly Capital Trust Program	Domestic non-state-owned corporate	1.92%	8,429,118	8,429,118		
Tibet Autonomous Region Investment Co., Ltd.	Domestic non-state-owned corporate	1.13%	4,976,551	4,976,551		
Manulife Teda Fund－ICBC－Manulife Teda International Trade Orient Directional Placement No. 1 Assets Management Program	Domestic non-state-owned corporate	1.04%	4,546,630	4,546,630		
China Life Insurance	Domestic non-state-own	0.69%	3,039,000	0		

Company Limited – Dividend – Dividend to Individuals -005L-FH002 Shen	ed corporate					
Essence International Securities (Hong Kong) Limited	Foreign corporate	0.59%	2,610,000	0		
Dai Wen	Domestic natural person	0.46%	2,009,321	0		
Zhou Weixian	Domestic natural person	0.44%	1,911,700	0		

Shares held by the Top Ten Shareholders of Non-restricted Shares

Shareholders' Names	Number of the non-restricted shares held	Share type	
		Share type	Quantity
AVIC International Holdings Limited	162,977,327	A-shares	162,977,327
Golden Eagle Fund – Minsheng Bank – Golden Eagle Wen's Junye Flexible Allocation No. 3 Assets Management Program	4,456,903	A-shares	4,456,903
China Life Insurance Company Limited – Dividend – Dividend to Individuals -005L-FH002Shen	3,039,000	A-shares	3,039,000
Essence International Securities (Hong Kong) Limited	2,610,000	B-shares	2,610,000
Dai Wen	2,009,321	A-shares	2,009,321
Zhou Weixian	1,911,700	A-shares	1,911,700
China Merchants Securities (HK) Co., Limited	1,400,734	B-shares	1,400,734
BOCHK INVESTMENT FUNDS-BOCHK CHINA GOLDEN DRAGON FUND	768,531	B-shares	768,531
VANGUARD TOTAL	710,020	B-shares	710,020

INTERNATIONAL STOCK INDEX FUND			
Wu Xiaobo	683,082	Others	683,082
Explanation on associated relationship or concerted action of the above shareholders	Of the top ten shareholders, Manulife Teda Fund－Minsheng Bank - Manulife Teda Value Growth Directional Private Placement No. 351 Assets Management Program and Manulife Teda Fund－ICBC－Manulife Teda International Trade Orient Directional Placement No. 1 Assets Management Program are all subordinate to Manulife Teda Fund Management Co., Ltd. The total 13,639,889 shares in the Company held by them are all restricted shares issued by the Company in the private placement.		
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?

No

2. Total number of preferred stockholders and the shareholding of the top ten preferred stockholders

Inapplicable

Section 3 Significant Events

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

Balance sheet items	Ending balance, In CNY	Opening balance. In CNY	Proportion of the change	Causes of change
Other current assets	10,286,294.46	15,796,773.56	-34.88%	The input VAT not yet offset at the beginning of the reporting period was offset in the reporting period
Other non-current assets	7,458,521.88	5,118,833.65	45.71%	Advance payment for procuring equipment in the reporting period increased over the beginning of the reporting period
Payroll payable	14,570,479.65	39,396,747.95	-63.02%	Year-end bonus provided at the end of 2015 was already paid in the reporting period
Interest payable	2,699,771.70	19,211,630.02	-85.95%	The bond interest provided at the beginning of the reporting period was already paid in the reporting period
Other current liabilities	11,348,265.60	1,988,252.38	470.77%	Expenses provided in the reporting period increased over the beginning of the reporting period
Liabilities payable	-	399,823,760.28	-100.00%	The company bonds were already redeemed in the reporting period
Profit statement items	Amount in the reporting period,	Same period of the previous year, in CNY	Proportion of the change	Causes of change

	in CNY			
Operating profit	33,875,994.18	57,047,841.07	-40.62%	Sales income in the reporting period decreased over the same period of the previous year
Non-operating income	354,721.40	748,983.71	-52.64%	The government subsidies received in the reporting period decreased over the same period of the previous year
Non-operating expenditures	352,534.06	21,029.34	1576.39%	Donations paid amounted to CNY 0.30 million in the reporting period
Income tax expense	6,776,540.61	12,659,974.81	-46.47%	The manufacture company fulfilled the work of review for the title of national hi-tech enterprise at the end of 2015. In the reporting period, the income tax was provided based on the tax rate of 15%.
Net profit	27,101,640.91	45,115,820.63	-39.93%	Sales income in the reporting period decreased over the same period of the previous year
Net cash flow arising from financial activities	-162,719,505.43	115,981,884.34	-240.30%	In the reporting period, the free capital was used to repay partial bank loans; as a result, the remaining interest bearing liabilities decreased over the beginning of the reporting period

II. Progress of Significant Events, their Influences and Analytical Notice on the Solutions

1. Non-public Issuing

On January 15, 2016, the A-shares issued by private placement were registered for listing with Shenzhen Stock Exchange and the Company published the announcements on the listing and the related commitments. For the detail, refer to the Report on Issuing Shares by Private Placement and Announcement on Listing of the Shares 2016-003 and the Announcement on the Commitments for the Shares Issued by Private Placement 2016-004.

2. Related Transactions

The 5th meeting of the Eighth Board of Directors held on January 19, 2016 reviewed and approved the Proposal on Renewing the Financial Service Agreement with AVIC Finance Co., Ltd. For the detail, refer to the Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005 and the Announcement on the Related Transactions Involved in the Renewal of the Financial Service Agreement with AVIC Finance Co., Ltd. 2016-005 disclosed on the Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn. The implementation of the proposal is subject to approval by the General Meeting.

3. Amendment of the Articles of Association

The 5th meeting of the Eighth Board of Directors held on January 19, 2016 reviewed and approved the Proposal on Amendment of the Articles of Association. For the detail, refer to the Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005. For the detail, refer to the Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005 disclosed on the Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn. The implementation of the proposal is subject to approval by the General Meeting.

4. Redemption of the Company's Bonds

The 4th meeting of the Eighth Board of Directors held on January 8, 2016 reviewed and approved the Proposal on Exercising the Option of Redeeming “12 YADA BOND” as the Company Bond Issuer. For this purpose, the Company published Indicative Announcements respectively on January 13, 2016, January 22, 2016, February 2, 2016 and February 23, 2016. For the detail, refer to the Announcement for Giving Up the Option of Up-regulation of the Nominal Interest Rate of the Company Bond Titled “12 YADA BOND” and the Investor’s Option of Selling Back and Excercising the Redemption Option as the Issuer 2006-001, the First Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-002, the Second Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-010, the Third Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-011 and the Fourth Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-012. The redemption of the company bond was finished on February 29, 2016. For the detail, refer to the Announcement on the Result of Redemption of 12 YADA BONDS and Delisting 2016-013.

Description of Significant Events	Date of Disclosure	Inquiry index of the website for disclosing provisional reports
Announcement for Giving Up the Option of Up-regulation of the Nominal Interest Rate of the Company Bond Titled “12 YADA BOND” and the Investor’s Option of Selling Back and Excercising the	January 11, 2016	www.cninfo.com.cn

Redemption Option as the Issuer 2006-001		
First Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-002	January 13, 2016	www.cninfo.com.cn
Announcement on the Report on Issuing Shares by Private Placement and Listing 2016-003	January 14, 2016	www.cninfo.com.cn
Announcement on the Commitments concerning Issuing Shares by Private Placement 2016-004	January 14, 2016	www.cninfo.com.cn
Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005	January 20, 2016	www.cninfo.com.cn
Announcement on the Related Transactions Involved in the Renewal of the Financial Service Agreement with AVIC Finance Co., Ltd. 2016-005	January 20, 2016	www.cninfo.com.cn
Second Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-010.	January 22, 2016	www.cninfo.com.cn
Third Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-011	February 2, 2016	www.cninfo.com.cn
Fourth Indicative Announcement on Redemption of “12 YADA BOND” and Delisting 2016-012	February 23, 2016	www.cninfo.com.cn
Announcement on the Result of Redemption of 12 YADA BONDS and Delisting 2016-013	February 26, 2016	www.cninfo.com.cn

II. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

Commitments	Promiser	Commitment type	Description	Commitment time	Commitment deadline	Implementation status
Commitment for Equity Separation Reform						
Commitments in the Acquisition Report						

or the Report on Change of the Equity						
Commitments at the assets reorganization						
Commitment made at IPO or re-financing	FIYTA Holdings Ltd.	Other commitments	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.	February 27, 2013	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).	Implementation finished (the company bonds had been redeemed all and delisted by February 29, 2016)

			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.			
	Caitong Fund Management Co., Ltd.;Manulife Teda Fund Management Co., Ltd.; Tibet Autonomous Region Investment Co., Ltd.; Golden Eagle Fund Management Co., Ltd.; SWS MU (Shanghai) Assets Management Co., Ltd.	Commitment on restricted sales of shares	Commitment by Caitong Fund Management Co., Ltd.、Manulife Teda Fund Management Co., Ltd.、Tibet Autonomous Region Investment Co., Ltd., Golden Eagle Fund Management Co., Ltd. and SWS MU (Shanghai) Assets Management Co., Ltd. the investors of the shares issued in the said private placement: The shares	January 15, 2016	1 year	In process of implementation

			subscribed by them in the non-public Issuing shall not be assigned within 12 months commencing from the date of listing.			
Equity incentive commitment						
Other commitment to the Company's minority shareholders	AVIC International Holdings Limited	Commitment for increasing the shareholding	Based on the understanding of the current Chinese capital market and confidence in sustainable and steady development of the Company and with a view to safeguarding the whole shareholders' interests and promoting the capital market to keep steady with practical action, in accordance with the Circular of China Securities	July 11, 2015	Refer to the Announcement on Commitment for the Shares Acquired (2015-022)	In process of implementation

			Regulatory Commission on the Issue concerning Additional Holding of their Company's Shares by Major Shareholders, Directors, Supervisors and Senior Executives of Listed Companies (ZHENG JIAN FA [2015] No. 51 and the relevant laws and regulations, AVIC International, as the Company's actual controller, intended to increase the holding size of the Company's shares through AVIC International Investment Co., Ltd. as its person acting in concert.			
	AVIC	Commitment	AVIC	July 13, 2015	Refer to the	In process of

	International Holdings Limited	on restricted sales of shares	International Investment Limited, as the person acting in concert of AVIC International Investment Limited, the Company's actual controller, acquired additionally 100,000 shares of the Company's shares from the secondary market and committed that during the increased shareholding and within 6 months after the end of the increased shareholding, it would not assign any of the Company's shares additionally held by it to any other party.		Announcement on Commitment for the Shares Acquired (2015-022)	implementation
Have the commitments been implemented in a timely way	Yes					
If the commitment has not been implemented at the end of the reporting	Inapplicable					

period, it is necessary to explain the specific reason of failure in implementation and the future work plan.	

IV. Anticipation of Business Performance from January to June, 2016

Inapplicable

V. Investment in Securities

Inapplicable

VI. Investment in Derivatives

Inapplicable

VII. Registration form of such Activities as Reception, Research, Communication, Interview in the Reporting Period

Inapplicable

VIII. Outward Guarantee against the Regulations

Inapplicable

IX. Non-operational Occupancy of the Company's Capital by the Controlling Shareholder and its Related Parties

Inapplicable