

Stock Code: 000026 200026

Short Form of Stock: FIYTA A, FIYTA B

Announcement No: 2019-025

FIYTA HOLDINGS LTD.

2019 First Quarterly Report, Summary

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.

Huang Yongfeng, the Company leader, Chen Zhuo, chief financial officer, and Tian Hui, the manager of the accounting department (treasurer) hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report.

Section 2 Company Profile

I. Summary of Accounting/Financial Data

Does the Company need to make retroactive adjustment or restatement of the accounting data of the previous years

No

	Reporting period	The same period of the previous year	Year-on-year increase/decrease in the reporting period
Revenue in CNY	893,389,751.73	851,815,980.69	4.88%
Net profit attributable to the Company's shareholders, in CNY	64,359,084.46	59,518,000.75	8.13%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	61,517,359.28	54,825,312.90	12.21%
Net cash flows arising from operating activities, in CNY	10,730,388.47	67,632,201.86	-84.13%
Basic earning per share (CNY/share)	0.1467	0.1357	8.11%
Diluted earning per share (CNY/share)	0.1453	0.1357	7.07%
Return on equity, weighted average	2.47%	2.38%	0.09%
	End of the reporting period	End of the previous year	Increase/decrease at the end of the year over the end of the previous year
Total assets (in CNY)	3,579,986,668.73	3,599,691,650.26	-0.55%
Net profit attributable to the Company's shareholders, in CNY	2,632,044,015.17	2,570,134,782.90	2.41%

Non-recurring gain/loss items and the amount involved

In CNY

Items	Amount from the year beginning to the end of the reporting period	Note
Gain/loss from disposal of non-current assets, including the part offset from the provision for impairment of assets	-50,642.04	
The government subsidies included in the profits and losses of the current period (excluding government grants which are closely related to the Company's business and conform with the national standard amount or quantity)	3,807,765.25	
Other non-operating income and expenses other than the aforesaid	-192,401.94	

items		
Less: Amount affected by the income tax	722,996.09	
Total	2,841,725.18	--

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. Statement of total shareholders and shares held by the top 10 shareholders by the end of the reporting period

1. Quantity of the shares held by the common shareholders and preferred shareholders whose voting rights are restored and statement of shareholding by the top 10 shareholders

In shares

Total common shareholders at the end of the reporting period	31,835	Total preference shareholders with the voting power recovered at the end of the reporting period (if any)	0			
Shareholding by top 10 shareholders						
Name of the Shareholder	Nature of the shareholder	Shareholding proportion	Shareholding quantity	Number of the restricted shares held	Pledging or freezing	
					Status of the shares	Quantity
AVIC International Holding Limited	State corporate	36.79%	162,977,327	0		
Wan Zhongbo	Domestic natural persons	3.07%	13,599,327	0		
#Yang Zugui	Domestic natural persons	2.96%	13,108,917	0		
Mo Jiadong	Domestic natural persons	2.28%	10,084,635	0		
National Social Security Fund 114 Portfolio	State corporate	2.18%	9,657,744	0		
Xizang Investment Co., Ltd.	State corporate	1.12%	4,976,551	0		
MANULIFE TEDA Fund — Minsheng Bank — MANULIFE TEDA Value	Domestic non-state-owned corporate	1.10%	4,893,559	0		

Growth Oriented Additional Issue No. 351 Assets Management Program						
Shenzhen Heli Fengyuan Commerce & Trade Co., Ltd.	Domestic non-state-owned corporate	0.61%	2,704,000	0		
BANK OF COMMUNICATIONS CO.,LTD - CHANGXIN QUANTIFIED PIONEER EQUITY FUND	Domestic non-state-owned corporate	0.57%	2,532,201	0		
BANK OF COMMUNICATIONS CO.,LTD - CHANG XIN QUANTITATIVE TYPE SMALL DISH STOCK SECURITIES INVESTMENT FUND	Domestic non-state-owned corporate	0.27%	1,201,200	0		
Shares held by top 10 shareholders of unrestricted shares						
Name of the Shareholder	Quantity of unrestricted shares held a	Share type				
		Share type	Quantity			
AVIC International Holding Limited	162,977,327	CNY ordinary shares	162,977,327			
Wan Zhongbo	13,599,327	CNY ordinary shares	13,599,327			
#Yang Zugui	13,108,917	CNY ordinary shares	13,108,917			
Mo Jiadong	10,084,635	CNY ordinary shares	10,084,635			
National Social Security Fund 114 Portfolio	9,657,744	CNY ordinary shares	9,657,744			
Xizang Investment Co., Ltd.	4,976,551	CNY ordinary shares	4,976,551			

MANULIFE TEDA Fund— Minsheng Bank— MANULIFE TEDA Value Growth Oriented Additional Issue No. 351 Assets Management Program	4,893,559	CNY ordinary shares	4,893,559
Shenzhen Heli Fengyuan Commerce & Trade Co., Ltd.	2,704,000	CNY ordinary shares	2,704,000
BANK OF COMMUNICATIONS CO.,LTD - CHANGXIN QUANTIFIED PIONEER EQUITY FUND	2,532,201	CNY ordinary shares	2,532,201
BANK OF COMMUNICATIONS CO.,LTD - CHANG XIN QUANTITATIVE TYPE SMALL DISH STOCK SECURITIES INVESTMENT FUND	1,201,200	CNY ordinary shares	1,201,200
Explanation on associated relationship or consistent action of the above shareholders	Inapplicable		
Note to the top 10 shareholders of ordinary shares involved in margin financing & securities lending (if any)	Inapplicable		

Did the top ten common shareholders or top ten shareholders of unrestricted common shares conduct contractual repurchase during the reporting period?

No

2. Total preferred shareholders and the shareholding by the top 10 preferred shareholders

Inapplicable

Section 3 Significant Events

Changes of the major financial data and financial indicators during the reporting period and the causes

Items	The amount at the end of the reporting period	The amount at the year beginning	Variation proportion (%)	Cause of the movement
Advance payments	20,318,636.22	13,666,816.33	48.67%	It was mainly due to the increase of the advance payment during the reporting period over the year beginning
Other non-current assets	5,458,879.75	8,949,160.42	-39.00%	It was mainly due to the decrease of the payments for the refurbishment and equipment to be settled at the end of the reporting period over the year beginning
Accounts payable	191,577,235.91	259,913,612.34	-26.29%	It was mainly due to the partial payment for goods and the balance payment for the works of the Watch Industrial Base of Guangming New Zone during the reporting period
Advance Receipts	27,695,233.88	16,459,445.00	68.26%	It was mainly due to the increase of the advances on sales during the reporting period over the year beginning
Payroll payable to the employees	34,559,516.76	69,779,037.83	-50.47%	It was mainly due to that the year-end bonus of the year 2018 payable to the employees was paid during the reporting period.
Taxes payable	36,099,094.50	55,923,171.92	-35.45%	It was mainly due to the decrease of the VAT payable during the reporting period over the year beginning
Other comprehensive income	-9,009,290.73	-5,442,139.78	65.55%	It was mainly due to the

				influence of the converted difference in foreign currency statements during the reporting period
Net cash flows arising from operating activities	10,730,388.47	67,632,201.86	-84.13%	It was mainly due to the price of goods was paid during the reporting period and the amount of the accounts payable at the end of the reporting period decreased.
Net cash flows arising from investment activities	-50,729,730.85	-20,897,671.30	142.75%	It was mainly due to the balance payment for the works of the Watch Industrial Base of Guangming New Zone partially paid during the reporting period
Net cash flows arising from financing activities	22,731,443.97	63,445,267.85	-64.17%	It was mainly due to the decrease of the bank loans over the same period of the previous year during the reporting period
Net increase of cash and cash equivalents	-17,400,331.36	109,826,844.65	-115.84%	It was mainly due to the payment for goods and the balance payment for the works of the Watch Industrial Base of Guangming New Zone partially paid during the reporting period

II. Progress of significant events, their effects and analysis on the solutions

1. Grant of the restricted A-shares was completed

The 3rd session of the Ninth Board of Directors and 2019 1st Extraordinary General Meeting held respectively on November 12, 2018 and January 11, 2019 decided to start 2018 A-Share Restricted Stock Incentive Program (Phase I), which was later on reviewed and approved at the 5th session of the Ninth Board of Directors held on January 11, 2019, and the Company eventually granted 4.224 million restricted A-shares to 128 persons eligible for the incentive. The date of granting this part of restricted shares was January 11, 2019 (The lock-up period of these restricted shares was two years commencing from the date of granting). By January 30 2019, the work of granting the shares and registration for listing was completed. After the share granting, the Company's total capital stock increased to 442,968,881 shares. For the detail, refer to the Announcement on the Completion of Granting the Restricted A-Shares according to the Incentive Plan (Phase I) (2019-009) disclosed in Securities Times, Hong Kong Commercial Daily and www.cninfo.com.

2. Matters concerning Repurchase of the Company's Partial Domestically Listed Foreign Shares (B Shares)

The 7th session of the Ninth Board of Directors held on April 4, 2019 reviewed and approved the Proposal for Repurchase of the Company's Partial Domestically Listed Foreign Shares (B Shares). For the detail, refer to the Announcement on the Resolutions of the 7th Session of the Ninth Board of Directors 2019-015 and the Proposal for Repurchase of the Company's Partial Domestically Listed Foreign Shares (B Shares) 2019-017 disclosed in Securities Times, Hong Kong Commercial Daily and <http://www.cninfo.com.cn>. The said repurchase proposal is still necessary to be submitted to the General Meeting for discussion.

In accordance with the relevant provisions of the Administration of Repurchase of Public Shares by Listed Companies Procedures (Trial Implementation), the Supplementary Provisions for Share Repurchase via Centralized Bidding Transactions by Listed Companies, the Rules of Shenzhen Stock Exchange for Implementation of Repurchase of Public Shares by Listed Companies, etc., the Company has disclosed the names of, the quantity of shares held by and the shareholding information of the top 10 shareholders and the top 10 shareholders of non-restricted shares one trading day before the publication of the resolution on share repurchase (namely April 4, 2019) and registered as at the date of registration of the equity of the general meeting (namely April 12, 2019). For the detail, refer to the Announcement on the Information of Shareholding by the Top Ten Shareholders before Share Repurchase 2019-020 and the Announcement on the Information of Shareholding by the Top Ten Shareholders before Share Repurchase 2019-022.

General on Significant Events	Date of disclosure	Inquiry index of the provisional reports disclosed in the website.
The Announcement on the Completion of Granting the Restricted A-Shares according to the Incentive Plan (Phase I) (2019-009)	January 29, 2019	http://www.cninfo.com.cn/
Announcement on the Resolution of the 7th Session of the Ninth Board of Directors, 2019-015	Monday, April 08, 2019	http://www.cninfo.com.cn/
Proposal for the Repurchase of the Company's Partial Domestically Listed Foreign Shares (B Shares) 2019-017	Monday, April 08, 2019	http://www.cninfo.com.cn/
Announcement on the Information of the Shareholding by the Top Ten Shareholders before the Repurchase of the Shares 2019-020	Friday, April 12, 2019	http://www.cninfo.com.cn/
Announcement on the Information of the Shareholding by the Top Ten Shareholders before the Repurchase of the Shares 2019-022	Saturday, April 20, 2019	http://www.cninfo.com.cn/

Progress of implementation of the stock repurchase

Inapplicable

Progress of implementation of reduction of the holding size of the shares repurchased by centralized bidding

Inapplicable

III. Commitments unfinished in implementation by the Company's actual controller, shareholders, related parties, acquirer and the Company, etc. in the reporting period

Inapplicable

IV. Prediction of the Operation Performances from January to June, 2019

Inapplicable

V. Portfolio investment

Inapplicable

VI. Investment in derivatives

Inapplicable

VII. Registration Form of Activities of Reception for Investigation and Survey, Communications, Interviews, etc. in the Reporting Period

Inapplicable

VIII. Outward guarantee against regulations

Inapplicable

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

Inapplicable

FIYTA HOLDINGS LTD.

Board of Directors

April 23, 2019