



北京北大青鳥環宇科技股份有限公司

BEIJING BEIDA JADE BIRD UNIVERSAL SCI-TECH COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 08095)

**SECOND QUARTERLY RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

**CHARACTERISTICS OF THE GEM (“GEM”) OF THE STOCK EXCHANGE OF
HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors (the “Directors”) of Beijing Beida Jade Bird Universal Sci-Tech Company Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

SECOND QUARTERLY RESULTS (UNAUDITED)

The board of the Directors (the “Board”) announced the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2021 together with the unaudited comparative figures for the corresponding period in 2020 as follows:

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the six months ended 30 June 2021

	Notes	Three months ended 30 June		Six months ended 30 June	
		2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Revenue	3	106,375	89,291	202,526	187,118
Cost of sales and services		(86,447)	(77,485)	(167,816)	(174,445)
Gross profit		19,928	11,806	34,710	12,673
Other gains and income	4	4,275	1,084	7,891	1,687
Impairment loss on trade and other receivables, net		–	–	–	(1)
Distribution costs		(1,120)	(120)	(1,876)	(265)
Administrative expenses		(14,726)	(10,208)	(29,250)	(21,347)
Other expenses		–	–	(1)	(100)
Profit/(Loss) from operations		8,357	2,562	11,474	(7,353)
Finance costs	6	(7,628)	(4,692)	(11,830)	(10,077)
Share of profits of associates		56,061	49,708	74,211	49,575
Share of (losses)/profits of joint ventures		(12)	(11)	110	(131)
Profit before tax		56,778	47,567	73,965	32,014
Income tax expense	7	(1,187)	(53)	(2,737)	(78)
Profit for the period	8	55,591	47,514	71,228	31,936

	Three months ended		Six months ended	
	30 June		30 June	
	2021	2020	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Other comprehensive income after tax:				
<i>Items that will not be reclassified to profit or loss:</i>				
Fair value changes of financial assets at fair value through other comprehensive income (“FVTOCI”)	(4,394)	27,421	1,835	26,854
Share of other comprehensive income of associates	(392)	4,160	(1,292)	2,600
Share of other comprehensive income of joint ventures	—	(17)	(11)	—
	<u>(4,786)</u>	<u>31,564</u>	<u>532</u>	<u>29,454</u>
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences on translating foreign operations	(1,957)	(73)	(1,888)	2,904
	<u>(1,957)</u>	<u>(73)</u>	<u>(1,888)</u>	<u>2,904</u>
Other comprehensive income for the period, net of tax	<u>(6,743)</u>	<u>31,491</u>	<u>(1,356)</u>	<u>32,358</u>
Total comprehensive income for the period	<u>48,848</u>	<u>79,005</u>	<u>69,872</u>	<u>64,294</u>
Profit/(Loss) for the period attributable to:				
Owners of the Company	55,247	47,422	71,418	36,087
Non-controlling interests	344	92	(190)	(4,151)
	<u>55,591</u>	<u>47,514</u>	<u>71,228</u>	<u>31,936</u>

		Three months ended		Six months ended	
		30 June		30 June	
		2021	2020	2021	2020
<i>Note</i>		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total comprehensive income for the period attributable to:					
	Owners of the Company	48,545	78,915	70,086	68,413
	Non-controlling interests	303	90	(214)	(4,119)
		<u>48,848</u>	<u>79,005</u>	<u>69,872</u>	<u>64,294</u>
		<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Earnings per share					
	Basic and diluted (cents per share)	3.65	3.44	4.93	2.62
		<u>3.65</u>	<u>3.44</u>	<u>4.93</u>	<u>2.62</u>

Condensed Consolidated Statement of Financial Position

At 30 June 2021

		30 June 2021	31 December 2020
		(Unaudited)	(Audited)
	<i>Notes</i>	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		376,071	235,136
Goodwill		204	204
Other intangible assets		535	408
Biological assets		2,437	2,462
Investments in associates		2,616,586	2,619,248
Investments in joint ventures		14,391	14,436
Investments in film productions		3,500	3,500
Financial assets at FVTOCI		173,812	172,839
Prepayment for potential investment		100,000	–
Deposit for purchase of property, plant and equipment		44,656	52,343
Deferred tax assets		6,334	6,334
		3,338,526	3,106,910
Current assets			
Inventories		142,145	5,817
Trade and other receivables	12	458,023	419,565
Pledged bank deposits		11,002	12,200
Cash and cash equivalents		153,762	118,020
		764,932	555,602
Total assets		4,103,458	3,662,512
Current liabilities			
Trade and other payables	13	130,269	57,141
Bank and other loans		129,115	122,867
Lease liabilities		2,365	2,769
Current tax liabilities		4,130	9,674
		265,879	192,451
Net current assets		499,053	363,151
Total assets less current liabilities		3,837,579	3,470,061

		30 June	31 December
		2021	2020
		(Unaudited)	(Audited)
	<i>Note</i>	RMB'000	RMB'000
Non-current liabilities			
Bank and other loans		497,690	290,870
Lease liabilities		61,900	62,185
Deferred tax liabilities		12,066	12,170
		<u>571,656</u>	<u>365,225</u>
NET ASSETS		<u>3,265,923</u>	<u>3,104,836</u>
Equity			
Share capital	<i>14</i>	151,446	137,872
Reserves		2,931,196	2,817,822
		<u>3,082,642</u>	<u>2,955,694</u>
Equity attributable to owners of the Company		3,082,642	2,955,694
Non-controlling interests		183,281	149,142
		<u>3,265,923</u>	<u>3,104,836</u>
TOTAL EQUITY		<u>3,265,923</u>	<u>3,104,836</u>

Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the six months ended 30 June 2021

	Attributable to owners of the Company									
	Share capital	Capital reserve	Reserve funds	Foreign currency translation reserve	Financial assets at FVTOCI reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2020	137,872	562,519	96,130	(38,230)	(176,965)	5,597	2,291,298	2,878,221	197,150	3,075,371
Total comprehensive income for the period	-	-	-	5,472	26,854	-	36,087	68,413	(4,119)	64,294
Appropriation of safety production fund	-	-	-	-	-	(227)	227	-	-	-
Transfer	-	-	(10)	-	-	-	10	-	-	-
Changes in equity for the period	-	-	(10)	5,472	26,854	(227)	36,324	68,413	(4,119)	64,294
At 30 June 2020	<u>137,872</u>	<u>562,519</u>	<u>96,120</u>	<u>(32,758)</u>	<u>(150,111)</u>	<u>5,370</u>	<u>2,327,622</u>	<u>2,946,634</u>	<u>193,031</u>	<u>3,139,665</u>
At 1 January 2021	137,872	562,519	107,494	(42,766)	(159,121)	5,694	2,344,002	2,955,694	149,142	3,104,836
Issue of shares	13,574	43,288	-	-	-	-	-	56,862	-	56,862
Total comprehensive income for the period	-	-	-	(4,486)	3,154	-	71,418	70,086	(214)	69,872
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	34,353	34,353
Appropriation of safety production fund	-	-	-	-	-	(438)	438	-	-	-
Share of transfer of gain on disposal of financial assets at FVTOCI in investments in associates	-	-	-	-	(2,250)	-	2,250	-	-	-
Changes in equity for the period	<u>13,574</u>	<u>43,288</u>	<u>-</u>	<u>(4,486)</u>	<u>904</u>	<u>(438)</u>	<u>74,106</u>	<u>126,948</u>	<u>34,139</u>	<u>161,087</u>
At 30 June 2021	<u>151,446</u>	<u>605,807</u>	<u>107,494</u>	<u>(47,252)</u>	<u>(158,217)</u>	<u>5,256</u>	<u>2,418,108</u>	<u>3,082,642</u>	<u>183,281</u>	<u>3,265,923</u>

Condensed Consolidated Statement of Cash Flows (Unaudited)*For the six months ended 30 June 2021*

	Six months ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash generated from/(used in) operating activities	3,622	(120,726)
Net cash used in investing activities	(73,976)	(5,396)
Net cash generated from financing activities	105,864	106,948
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	35,510	(19,174)
Effect of foreign exchange rate changes	232	1,203
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	118,020	156,511
CASH AND CASH EQUIVALENTS AT END OF PERIOD	153,762	138,540

Note:

1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") as a sino-foreign joint stock limited liability company. The Company's H shares are listed on GEM. The address of its registered office is 3rd Floor, Beida Jade Bird Building, Yanyuan District Area 3, No. 5 Haidian Road, Haidian District, Beijing 100080, the PRC. The addresses of its principal place of business in the PRC and Hong Kong are 3rd Floor, Beida Jade Bird Building, No. 207 Chengfu Road, Haidian District, Beijing 100871, the PRC and 17th Floor, V Heun Building, 138 Queen's Road Central, Central, Hong Kong respectively.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are the development of travel and leisure business, investment holding, production and sales of wine and related products and sales and purchases of metallic products.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). These consolidated financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2021. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period and prior periods.

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2021. The Directors anticipate that the new and revised HKFRSs will be adopted in the Group's consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

The condensed consolidated financial statements are unaudited but have been reviewed by the audit committee of the Company (the "Audit Committee").

The accounting policies adopted in preparing these unaudited second quarterly condensed consolidated financial statements are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2020. These condensed consolidated financial statements should be read in conjunction with these mentioned audited financial statements.

3. REVENUE

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the period is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS 15				
Disaggregated by major products or service lines				
– Rendering of travel and leisure services	30,969	16,240	53,328	22,174
– Sales of wine and related products	2,892	2,273	5,103	4,812
– Sales of metallic products	72,514	70,778	144,095	160,132
	106,375	89,291	202,526	187,118

The Group derives all revenue from the transfer of goods and services at a point in time except for the revenue from certain travel and leisure services which are recognised over the time.

4. OTHER GAINS AND INCOME

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bank interest income	605	93	834	341
Government grants	–	–	–	19
Financial guarantee income	2,385	–	4,743	–
Tax incentives	728	976	1,260	1,312
Gain on bargain purchase of a subsidiary	2	–	2	–
Others	555	15	1,052	15
	4,275	1,084	7,891	1,687

5. SEGMENT INFORMATION

The Group determines its operating segments based on its strategic business units that are managed separately by the chief operating decision-maker. Each strategic unit requires different technology, development and marketing strategies.

During the period, the Group had four reportable segments, which were managed separately based on their business nature:

- Tourism development – development of travel and leisure business
- Investment holding – holding of fund, debt and equity investment, including management fee income
- Trading of metallic products – sales and purchases of metallic products
- All other segments – business activities and operating segments not separately reported, including production and sales of wine and related products

The accounting policies of the operating segments are the same as those applied by the Group in the consolidated financial statements. Segment profits or losses do not include interest income, unallocated other gains and income, finance costs and unallocated corporate expenses. Segment assets do not include unallocated corporate assets. Segment non-current assets do not include financial assets at FVTOCI and deferred tax assets.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

Information about operating segment profit or loss:

	Tourism development	Investment holding	Trading of metallic products	All other segments	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Six months ended 30 June 2021					
Revenue from external customers	<u>53,328</u>	<u>–</u>	<u>144,095</u>	<u>5,103</u>	<u>202,526</u>
Segment profit	<u>17,447</u>	<u>72,910</u>	<u>3,057</u>	<u>427</u>	<u>93,841</u>
Interest income					834
Finance costs					(11,830)
Unallocated corporate expenses					<u>(8,880)</u>
Profit before tax					<u><u>73,965</u></u>
Other segment information:					
Depreciation and amortisation	5,435	4	–	405	5,844
Share of (losses)/profits of associates	(875)	75,086	–	–	74,211
Share of profits of joint ventures	<u>–</u>	<u>110</u>	<u>–</u>	<u>–</u>	<u>110</u>
Six months ended 30 June 2020					
Revenue from external customers	<u>22,174</u>	<u>–</u>	<u>160,132</u>	<u>4,812</u>	<u>187,118</u>
Segment (loss)/profit	<u>(4,126)</u>	<u>48,484</u>	<u>3,342</u>	<u>462</u>	<u>48,162</u>
Interest income					341
Finance costs					(10,077)
Unallocated corporate expenses					<u>(6,412)</u>
Profit before tax					<u><u>32,014</u></u>
Other segment information:					
Depreciation and amortisation	5,208	8	–	304	5,520
Share of (losses)/profits of associates	(2,515)	52,090	–	–	49,575
Share of losses of joint ventures	<u>–</u>	<u>(131)</u>	<u>–</u>	<u>–</u>	<u>(131)</u>

Information about operating segment assets:

	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	Trade of metallic products <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
At 30 June 2021					
Segment assets	<u>863,301</u>	<u>2,878,977</u>	<u>158,276</u>	<u>24,594</u>	<u>3,925,148</u>
Unallocated corporate assets					
Property, plant and equipment					5,442
Cash and cash equivalents					106,185
Others					<u>66,683</u>
					<u>178,310</u>
Total assets					<u><u>4,103,458</u></u>
Segment assets including:					
Investments in associates	64,743	2,551,843	–	–	2,616,586
Investments in joint ventures	–	14,391	–	–	14,391
Additions to non-current assets	<u>20,083</u>	<u>100,000</u>	<u>–</u>	<u>452</u>	<u>120,535</u>
At 31 December 2020					
Segment assets	<u>623,207</u>	<u>2,745,284</u>	<u>198,467</u>	<u>24,641</u>	<u>3,591,599</u>
Unallocated corporate assets					
Property, plant and equipment					5,689
Cash and cash equivalents					13,928
Others					<u>51,296</u>
					<u>70,913</u>
Total assets					<u><u>3,662,512</u></u>
Segment assets including:					
Investments in associates	99,970	2,519,278	–	–	2,619,248
Investments in joint ventures	–	14,436	–	–	14,436
Additions to non-current assets	<u>138,203</u>	<u>4</u>	<u>–</u>	<u>6,731</u>	<u>144,938</u>

Geographical information:

	Revenue		Non-current assets	
	Six months ended	30 June	30 June	31 December
	2021	2020	2021	2021
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
PRC except Hong Kong	197,423	182,306	3,139,878	2,909,098
The United States	5,103	4,812	18,502	18,639
	<u>202,526</u>	<u>187,118</u>	<u>3,158,380</u>	<u>2,927,737</u>

In presenting the geographical information, revenue from continuing operations is based on the locations of the customers.

Revenue from each of the major customers, which amounted to 10% or more of the Group's revenue is set out below:

	Six months ended	
	30 June	30 June
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A*	36,872	–
Customer B*	36,370	–
Customer C*	35,642	160,132
Customer D*	35,211	–
	<u>144,095</u>	<u>160,132</u>

* Revenue from four customers (2020: one) were all derived by the segment engaging in trading of metallic products.

6. FINANCE COSTS

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Interest on bank, other loans and lease liabilities	6,765	4,566	11,572	8,528
Net foreign exchange losses	863	126	258	1,549
	<u>7,628</u>	<u>4,692</u>	<u>11,830</u>	<u>10,077</u>

7. INCOME TAX EXPENSE

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Current tax				
Provision for the period				
PRC	1,164	53	2,712	76
The United States	23	–	25	2
	<u>1,187</u>	<u>53</u>	<u>2,737</u>	<u>78</u>

No provision for Hong Kong Profits Tax is required for the six months ended 30 June 2021 and 2020 since the Group had no assessable profit for both periods.

Tax charge on profits assessable elsewhere has been calculated at the rates of tax prevailing in the country in which the Group operates, based on existing legislation, interpretations, and practices in respect thereof.

The subsidiaries of the Company established in the PRC are generally subject to income tax on their taxable income at a tax rate of 25% (2020: 25%).

8. PROFIT FOR THE PERIOD

The Group's profit for the period is stated at after charging the following:

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Amortisation of other intangible assets	52	29	86	58
Depreciation	3,025	2,997	6,003	5,755
	<u>3,077</u>	<u>3,026</u>	<u>6,089</u>	<u>5,813</u>

9. EARNINGS PER SHARE

Basic and diluted earnings per share

The calculation of basic earnings per share attributable to owners of the Company for the three months ended 30 June 2021 is based on the profit for the period attributable to owners of the Company of RMB55,247,000 (2020: RMB47,422,000) and the weighted average number of ordinary shares of 1,514,460,000 (2020: 1,378,720,000) in issue during the period. No adjustment has been made to the basic earnings per share amounts presented for the three months ended 30 June 2021 and 2020. Therefore, the calculation of the diluted earnings per share is the same as basic earnings per share.

The calculation of basic earnings per share attributable to owners of the Company for the six months ended 30 June 2021 is based on the profit for the period attributable to owners of the Company of RMB71,418,000 (2020: RMB36,087,000) and the weighted average number of ordinary shares of 1,448,466,917 (2020: 1,378,720,000) in issue during the period. No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2021 and 2020. Therefore, the calculation of the diluted earnings per share is the same as basic earnings per share.

10. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2021 (2020: Nil).

11. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group had additions to property, plant and equipment of approximately RMB19,815,000 and disposed of property, plant and equipment with no net book value.

12. TRADE AND OTHER RECEIVABLES

	30 June 2021 RMB'000	31 December 2020 RMB'000
Trade and bills receivables	137,987	142,727
Less: allowance for doubtful debts	(15,814)	(15,814)
	122,173	126,913
Advances to staff	5,085	3,482
Deposits	2,646	2,610
Due from associates	26,000	27,450
Due from shareholders	190	185
Due from a related party	27	27
Loans and interest receivables	61,205	52,963
Other receivables	240,495	214,326
Less: allowance for doubtful debts	(34,550)	(34,550)
	301,098	266,493
Advances to suppliers	1,323	1,945
Prepayments	33,429	24,214
	458,023	419,565

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is sometimes required. The credit period was generally 3 months, starting from the date on which the goods are delivered or services are rendered as this is the point in time that the consideration is unconditional. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforesaid and the fact that the Group's trade receivables relate to a number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Trade receivables, based on the date on which the goods are delivered or services are rendered as this is the point in time that the consideration is unconditional, are aged less than 3 months (31 December 2020: 3 months).

13. TRADE AND OTHER PAYABLES

	30 June 2021 RMB'000	31 December 2020 RMB'000
Trade payables	36,858	164
Contract liabilities	10,650	32
Accruals and other payables	64,249	34,612
Salaries and staff welfare payables	10,894	14,126
Due to associates	1,300	1,300
Due to related parties	6,318	6,907
	<u>130,269</u>	<u>57,141</u>

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

	30 June 2021 RMB'000	31 December 2020 RMB'000
0 to 90 days	3,159	125
91 to 180 days	9,262	39
181 to 365 days	24,391	–
Over 365 days	46	–
	<u>36,858</u>	<u>164</u>

14. SHARE CAPITAL

	Number of shares			Amount		
	Non-listed shares '000	H shares '000	Total '000	Non-listed shares RMB'000	H shares RMB'000	Total RMB'000
Registered, issued and fully paid:						
Shares of RMB0.10 each						
At 1 January 2021	700,000	678,720	1,378,720	70,000	67,872	137,872
Issue of shares	–	135,740	135,740	–	13,574	13,574
	<u>700,000</u>	<u>814,660</u>	<u>1,514,460</u>	<u>70,000</u>	<u>81,446</u>	<u>151,446</u>
At 30 June 2021	<u>700,000</u>	<u>814,660</u>	<u>1,514,460</u>	<u>70,000</u>	<u>81,446</u>	<u>151,446</u>

15. ACQUISITION OF A SUBSIDIARY

In June 2021, the Group acquired a 2% equity interest in Chuanqi (Hunan) Cultural Tourism Company Limited (“Chuanqi Cultural”), a then associate of the Group, at a consideration of RMB1 in cash together with capital contribution commitment of RMB1,400,000 from an independent third party of the Company. Immediately after the acquisition, the Group owned a total of 51% indirect interest in Chuanqi Cultural; and Chuanqi Cultural ceased to be an associate of the Company and became a subsidiary of the Company. Chuanqi Cultural was participated in tourism development projects in Hunan Province.

The fair value of the identifiable assets and liabilities of Chuanqi Cultural acquired as at the date of acquisition are as follows:

	<i>RMB'000</i>
Net assets acquired:	
Property, plant and equipment	134,396
Deposit for purchase of property, plant and equipment	9,722
Inventories	107,584
Trade and other receivables	14,979
Cash and cash equivalents	694
Trade and other payables	(54,838)
Bank and other loans	(143,830)
	<hr/>
	68,707
Non-controlling interests	(34,353)
Fair value of investment in an associate, before the acquisition	(34,352)
Bargain purchase	(2)
	<hr/>
Consideration – satisfied by cash	–
	<hr/> <hr/>

16. MATERIAL RELATED PARTY TRANSACTIONS

- (a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following balances with related parties included in the consolidated statement of financial position:

	30 June 2021 RMB'000	31 December 2020 RMB'000
Due from associates	<u>26,000</u>	<u>27,450</u>
Due from shareholders	<u>190</u>	<u>185</u>
Due from a related company controlled by Peking University included in other receivables	<u>27</u>	<u>27</u>
Due to associates	<u>1,300</u>	<u>1,300</u>
Due to related companies controlled by Peking University	<u>6,318</u>	<u>6,907</u>

- (b) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Short term employee benefits	<u>1,809</u>	<u>1,612</u>
Post-employment benefits	<u>125</u>	<u>57</u>
	<u>1,934</u>	<u>1,669</u>

17. FINANCIAL GUARANTEE

As at 30 June 2021, the Group issued guarantees to several banks in respect of banking facilities granted to two associates and a former associate, which was disposed of in 2020.

At the end of the reporting period, the directors do not consider it probable that a claim will be made against the Group under the guarantee. The maximum liability of the Group at the end of the reporting period under the guarantee issued is the facility granted by bank amounted RMB490,000,000 (31 December 2020: RMB490,000,000). The Group has not recognised any deferred income in respect of the financial guarantee as its fair value was considered insignificant.

18. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

	30 June 2021 RMB'000	31 December 2020 RMB'000
Contracted but not provided for		
Property, plant and equipment	70,254	36,425
Unpaid balance of capital contribution to associates and joint ventures	90,706	91,569

MANAGEMENT DISCUSSION AND ANALYSIS

Overall performance

The Group is principally engaged in tourism development business, investment holding of diversified portfolios and other businesses including sales of metallic products and wine and related products.

During the period under review, the business and financial performance of the Group were improved when compared with the corresponding period of 2020, as a result of the stabilization of the novel coronavirus pneumonia (“COVID-19”) epidemic (the “Epidemic”) in the PRC. For the six months ended 30 June 2021, total revenue recorded by the Group amounted to approximately RMB202.5 million (2020: RMB187.1 million), representing an increase of 8.2% year-on-year. The gross profit was increased significantly to approximately RMB34.7 million (2020: RMB12.7 million), as the performance of the Group’s tourism development business during the corresponding period in 2020 was affected adversely by the initial outbreak of the Epidemic in the PRC. The Group’s total operating expenses, including distribution costs, administrative expenses and other expenses were increased by 43.4% to approximately RMB31.1 million (2020: RMB21.7 million), mainly due to the commencement of operations of entertainment performance and shows by the Group’s tourism development business during the period. The Group recorded an increase in profit attributable to owners of the Company by 97.9% to approximately RMB71.4 million for the six months ended 30 June 2021 (2020: RMB36.1 million). The increase was mainly attributable to the improvement in the businesses of the Group and the Group’s associates, which have gradually rebounded from the impact of the Epidemic since the second half of 2020, and continued through the first half of 2021.

Tourism development

The Company, through its subsidiaries and associates, is engaged in provision of environmental shuttle bus service and property management services, and operation of tourist facilities, entertainment performance, tourist service center and tourist souvenir shops in the tourist area at Nanyue District, Hunan Province, the PRC; and also participated in several tourism development projects in Hunan Province, including the development of tourist sight project located at Tianzi Mountain.

In June 2021, the Group acquired a 2% equity interest in Chuanqi Cultural, a then associate of the Group, at a consideration of RMB1 in cash together with capital contribution commitment of RMB1,400,000 from an independent third party of the Company. Immediately after the acquisition, the Group owned a total of 51% indirect interest in Chuanqi Cultural; and Chuanqi Cultural ceased to be an associate of the Company became a subsidiary of the Company. Chuanqi Cultural was participated in tourism development projects in Hunan Province.

During the period, fare revenue from tourists and pilgrims continued to be the main source of income of the Group's tourism development business. For the six months ended 30 June 2021, the number of tourists and pilgrims visiting Hengshan Mountain scenic area was increased by about 163%, and the Group's tourism development business recorded revenue of approximately RMB53.3 million (2020: RMB22.2 million), representing an increase by 140.5% when compared with the corresponding period of 2020. Such increase was mainly due to the stabilization of the Epidemic and the recovery of the tourism market from the Epidemic in the PRC since the second half of 2020 through the first half of 2021.

Investment holding

As at 30 June 2021, the Group's investment holding business mainly included investments in a subsidiary, the associates and joint ventures which are private equity funds with equity investments in private enterprises and property projects in the PRC, the investment in Jade Bird Fire Co., Ltd., a A share listed company in the PRC, and the investments in financial assets at fair value through other comprehensive income including listed companies in Hong Kong and private companies in the PRC and Hong Kong.

On 17 June 2021, the Company entered into a capital increase agreement with several investors and existing shareholders of Shanghai Xianyao Display Technology Co., Ltd. ("Shanghai Xianyao"), pursuant to which, among others, the Company, as investor, has agreed to inject RMB100 million into Shanghai Xianyao, of which (i) RMB2,947,183 shall be contributed to the registered capital of Shanghai Xianyao; and (ii) the remaining balance shall be contributed to the capital reserve of Shanghai Xianyao. Upon completion of the capital injection by all investors, the Company will hold approximately 6.80% equity interest in Shanghai Xianyao, which will become a financial asset at FVTOCI of the Company. Shanghai Xianyao is principally engaged in the technical research and development of display devices, optical components and accessories and digital devices; and the wholesale distribution of digital components, optoelectronic products, display devices, projecting devices and lightening devices. The Board considered that the transaction represented a good investment opportunity and is in line with the Group's vision to invest in target companies or businesses having promising outlooks and prospects. The transaction represented an endeavour of the Group to tap into the market of business activities engaged by Shanghai Xianyao.

The segment total assets of investment holding business increased by 4.9% to approximately RMB2,879.0 million as at 30 June 2021 (31 December 2020: RMB2,745.3 million). The increase was mainly attributable to the prepayment for capital injection of RMB100 million into Shanghai Xianyao during the period.

Trading of metallic products

For the six months ended 30 June 2021, revenue generated from the Group's trading of metallic products business amounted to approximately RMB144.1 million (2020: RMB160.1 million), representing a decrease by 10.0% year-on-year. The gross margin was 2.2% (2020: 2.7%) during the period.

Other businesses

The Group operated a winery, namely The Winery at la Grange, at the State of Virginia, the United States, which owned about 5.6 acres of vineyards and is principally engaged in the production and sales of wine and related products. Revenue generated from the winery amounted to approximately RMB5.1 million (2020: RMB4.8 million), which remained stable.

Outlook

Looking ahead, the performance of the tourism development business of the Group will still be affected in light of the evolving situation regarding the Epidemic. The tourist area at Nanyue District, the place of operation of the Group's tourism development business, has been temporarily closed with effect from 8 August 2021, due to the policies and measures implemented by the government of the PRC to deter the Epidemic in the PRC. It is currently expected that the business operation and financial performance of the Group's tourism development business would be adversely affected by such closure in the third quarter of 2021.

The Group would closely monitor the performance of its main businesses and the existing investment portfolio held by the Group. The Group would only explore investment projects with promising development potential in a prudent manner and carefully assess investment opportunities in the market in order to create a better return for its shareholders. The Group will keep continuous attention on the development and situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

Material acquisitions and disposals of subsidiaries and affiliated companies

Saved as disclosed herein this section, during the six months ended 30 June 2021, the Group did not effect any material acquisitions and disposals which would be required to be disclosed under the GEM Listing Rules.

Liquidity, financial resources and capital structure

During the six months ended 30 June 2021, the Group's major operations were financed mainly by the internal financial resources, by corporate borrowings and by net proceeds from placing of new H Shares of the Company during the period. As at 30 June 2021, the Group had cash and bank balances of approximately RMB164.8 million, which were denominated mainly in Renminbi ("RMB"), Hong Kong dollars ("HK\$") and US dollars ("USD").

As at 30 June 2021, the Group had net assets of approximately RMB3,265.9 million. The Group had total outstanding borrowings of approximately RMB626.8 million which consisted of secured bank and other loans of approximately RMB562.1 million, and unsecured other loans of approximately RMB64.7 million. The bank and other loans were denominated in RMB and USD and bore interest rates ranging from nil to 6.9% per annum.

As at 30 June 2021, the Company's outstanding number of issued non-listed shares and H shares of RMB0.10 each were 700,000,000 shares and 814,660,000 shares respectively.

The gearing ratio of the Group as at 30 June 2021, which is measured by total loans and lease liabilities to total equity, was 21.2% (31 December 2020: 15.4%). During the period, the total bank and other loans were increased for the continuous business expansion and development.

Significant investments held

As at 30 June 2021, the Group held financial assets at FVTOCI of approximately RMB173.8 million, representing 4.2% of the total assets of the Group.

Saved as disclosed herein this section, for the six months ended 30 June 2021, the Group had no significant investment held.

Future plans for material investments or capital assets

Saved as disclosed herein this section, the Group did not have any significant investment plans as at 30 June 2021.

Contingent liabilities

The Group had contingent liabilities in the sum of approximately RMB490 million in respect of guarantee for banking facilities granted to associates and a former associate of the Company.

Saved as disclosed above, the Group did not have any other significant contingent liabilities as at 30 June 2021.

Foreign exchange exposure

The Group is exposed to certain foreign currency risk as most of its business activities, assets and liabilities are denominated in USD, RMB, HK\$, Canadian dollars and Euro. The Group has not formulated a foreign currency hedging policy as turnover and most of the production costs are denominated in RMB and they are automatically matched, leaving limited currency risk. The Group continues to monitor its foreign exchange exposure and will take measures to lower the foreign currency risk when necessary.

Charge on assets

As at 30 June 2021, the Group's certain fixed assets with carrying amount of approximately RMB177.8 million (31 December 2020: RMB162.4 million), inventories of approximately RMB244.4 million (31 December 2020: Nil) and bank deposit of approximately RMB11.0 million (31 December 2020: RMB12.2 million) were pledged as securities for the Group's bank loans.

Employees and remuneration policy

The Group considers people as the valuable assets. The Directors are of the view that the Group maintains good working relations with its employees. The Group had stable workforce of 567 people situated mainly in the PRC, Hong Kong and the United States at the end of reporting year, up 19.9% since the end of 2020. The Group strictly complied with applicable labour law and regulations. Competitive remuneration package with medical and travel insurance are offered to the staff. Adequate retirement funds and provident funds are contributed on a timely basis. The Group emphasizes on working safety and sets out proper safety guidelines and provides adequate training to workers. Staffs are free to set up trade union according to applicable laws while the supervisory committee of the Company had representative from the workforce.

Director's emoluments consist of fees, salaries and allowances, and discretionary bonus determined according to the performance of individual Director.

The Group's staff costs, including directors' emoluments, employees' salaries and retirement benefits scheme contribution amounted to approximately RMB26.4 million for the six months ended 30 June 2021 (2020: RMB19.7 million). Increase was mainly attributable to the business expansion of the Group during the period.

PLACING OF NEW H SHARES UNDER GENERAL MANDATE

On 17 March 2021, the Company entered into a placing agreement with a third party placing agent pursuant to which the placing agent, as the agent of the Company, agreed to place on a best effort basis up to 135,744,000 new H shares to not less than six but not exceeding ten independent placees at placing price of HK\$0.50 (equivalent to approximately RMB0.42) (representing a discount of approximately 19.35% to the closing price of HK\$0.62 (equivalent to approximately RMB0.52) per H share on 17 March 2021). The placing was completed on 30 March 2021. An aggregate of 135,744,000 new H shares with aggregate nominal value of RMB13,574,400 were allotted and issued by the Company on 30 March 2021 pursuant to the general mandate and placed by the placing agent to six placees who are independent professional, institutional or other investors. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the six placees and their ultimate beneficial owners (where applicable) are independent third parties and none of the placees or their respective associates has become a substantial shareholder of the Company upon the completion of the placing. The net proceeds from the placing amounted to approximately HK\$67.3 million (equivalent to approximately RMB56.8 million) (representing a net placing price of approximately HK\$0.496 (equivalent to approximately RMB0.418) per placing H share). The Directors intended that approximately 80% of net proceeds from the placing would be applied to potential mergers and acquisitions and/or development of new businesses; and approximately 20% of the net proceeds from the placing would be applied as working capital of the Group.

Details of the above were disclosed in the announcements of the Company dated 17 March 2021 and 30 March 2021 (the "Announcements").

The net proceeds applied up to 30 June 2021 and in accordance with the proposed applications set out in the Announcements are as follows:

	Net proceeds (RMB in million)		
	Available	Utilised	Unutilised
Potential mergers and acquisitions and/or development of new business	45.4	–	45.4
Working capital of the Group	11.4	2.8	8.6
	<u>56.8</u>	<u>2.8</u>	<u>54.0</u>

The balance of the unutilised net proceeds amounting to approximately RMB54.0 million was placed as deposits in a bank, and the Group currently expects that the unutilised net proceeds will be used by December 2021.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2021, the interests (including interests in shares and short positions) of Directors, supervisors (the "Supervisors"), and chief executives of the Company in the shares (the "Shares") and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to rule 5.46 of the GEM Listing Rules, were as follows:

Long positions in ordinary shares and underlying shares of the Company

Name	Capacity	Number of non-listed Shares held	Number of H Shares held	Approximate percentage of the issued non-listed Shares	Approximate percentage of the issued H Shares	Approximate percentage of the issued Shares
Supervisor						
Ms. Zhou Min	Beneficiary of trust	205,414,000	–	29.34%	–	13.56%

Note: The above Supervisor is taken to be interested in the issued share capital of the Company through her interest as beneficiary, among other beneficiaries, of Heng Huat trust ("Heng Huat Trust"). By a declaration of Heng Huat Trust made as a deed on 19 July 2000, the shares of Heng Huat Investments Limited ("Heng Huat") were held as trustees for the benefits of over 300 employees of Beijing Beida Jade Bird Software System Co., Ltd., Beijing Beida Jade Bird Limited and Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd. and their respective subsidiaries and associated companies and the Company. Heng Huat is beneficially interested in the entire issued share capital of Dynamic Win Assets Limited ("Dynamic Win"), and is taken to be interested in 205,414,000 shares of the Company which Dynamic Win is interested.

Save as disclosed above, none of the Directors, Supervisors and chief executives of the Company had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to rule 5.46 of the GEM Listing Rules as at 30 June 2021.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in the Company granted to any Director and Supervisor or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors and Supervisors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2021, the following interests and short positions of the issued share capital of the Company were recorded in the register of interests required to be maintained by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares and underlying shares of the Company

Name of shareholder	Note	Capacity	Interest in non-listed Shares	Interest in H Shares	Approximate percentage of total number of issued non-listed Shares	Approximate percentage of total number of issued H Shares	Approximate percentage of total number of issued Shares
Peking University	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	13.21%
Beida Asset Management Co., Ltd.	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	13.21%
Beijing Beida Jade Bird Software System Co., Ltd.	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	13.21%
Beida Microelectronics Investment Limited	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	13.21%
Gifted Pillar Limited	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	13.21%
Rainbow Mountain Holdings Limited	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	13.21%
Beijing Rainbow Mountain Sci-Tech Development Co., Ltd.	(a)	Beneficial owner	200,000,000	–	28.57%	–	13.21%
Grand East (H.K.) Limited		Beneficial owner	110,000,000	–	15.71%	–	7.26%
Heng Huat Investments Limited	(b)	Interest of controlled corporation	205,414,000	–	29.34%	–	13.56%
Dynamic Win Assets Limited	(b)	Beneficial owner	205,414,000	–	29.34%	–	13.56%

Name of shareholder	Note	Capacity	Interest in non-listed Shares	Interest in H Shares	Approximate	Approximate	Approximate
					percentage of total number of issued non-listed Shares	percentage of total number of issued H Shares	percentage of total number of issued Shares
Mongolia Energy Corporation Limited	(c)	Interest of controlled corporation	84,586,000	–	12.08%	–	5.58%
New View Venture Limited	(c)	Beneficial owner	84,586,000	–	12.08%	–	5.58%
Asian Technology Investment Company Limited		Beneficial owner	50,000,000	–	7.14%	–	3.30%
Allied Properties (H.K.) Limited	(d)	Interest of controlled corporation	–	38,117,000	–	4.68%	2.52%
Asia Development Capital Co. Ltd.	(e)	Interest of controlled corporation	–	126,225,000	–	15.50%	8.33%
Asia Investment Fund Co. Ltd.	(e)	Beneficial owner	–	126,225,000	–	15.50%	8.33%

Notes:

- (a) Peking University is taken to be interested in 13.21% of the total issued share capital of the Company through 200 million non-listed Shares (representing approximately 13.21% of the Company’s total issued share capital) in which Beijing Rainbow Mountain Sci-Tech Development Co., Ltd. (“Beijing Rainbow Mountain”) is interested. Peking University owns 100% equity interest in Beida Asset Management Co., Ltd. which in turn owns 48% equity interest in Beijing Beida Jade Bird Software System Co., Ltd. which in turn owns 100% equity interest in Beida Microelectronics Investment Limited which in turn owns 46% equity interest in Gifted Pillar Limited which in turn owns 100% equity interest in Rainbow Mountain Holdings Limited which in turn owns 100% equity interest in Beijing Rainbow Mountain.
- (b) The non-listed Shares are held by Dynamic Win, which is beneficially wholly-owned by Heng Huat. Please refer to the note to the section “Directors, Supervisors’ and chief executives’ interests and short positions in shares and underlying shares” above for further details of Heng Huat.
- (c) The non-listed Shares are held by New View Venture Limited, which is wholly-owned by Mongolia Energy Corporation Limited.

- (d) The latest disclosure of interest notice filed by Allied Properties (H.K.) Limited has not taken into account the increase in the number of total issued H shares of the Company from 678,720,000 H shares to 814,464,000 H shares on 30 March 2021 due to the completion of placing of the new H shares of the Company. The percentage level of the deemed interest in the H shares of the Company through indirectly non-wholly owned subsidiary of Allied Property (H.K.) Limited was below 5% as at 30 June 2021.
- (e) The H Shares are held by Asia Investment Fund Co. Ltd., which is wholly-owned by Asia Development Capital Co. Ltd..

Save as disclosed above, no person, other than the Directors and Supervisors, whose interests are set out in the section “Directors’, Supervisors’ and chief executives’ interests and short positions in shares and underlying shares” above, had registered interests or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO as at 30 June 2021.

COMPETING INTERESTS

As at 30 June 2021, none of the Directors and Supervisors and their respective associates (as defined in the GEM Listing Rules) had interests in a business which competes or may compete with the businesses of the Group, or may have any conflicts of interest with the Group pursuant to the GEM Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Board is of the view that the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules during the six months ended 30 June 2021.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities during the six months ended 30 June 2021.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and required standard of dealings and its code of conduct regarding security transactions by the Directors throughout the six months ended 30 June 2021.

AUDIT COMMITTEE

The Company has established the Audit Committee with terms of reference in compliance with the requirements as set out in the GEM Listing Rules. The Audit Committee is accountable to the Board. Its primary duties include monitoring the financial reporting system and risk management and internal control systems of the Group, reviewing financial information and advising the Board on the engagement and independence of external auditors.

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Tang Xuan, Mr. Li Chonghua and Mr. Shen Wei. Mr. Tang Xuan is the chairman of the Audit Committee. The Audit Committee had held a meeting to review the Group's second quarterly results report for the six months ended 30 June 2021 and concluded the meeting with agreement to the contents of the second quarterly results report.

By order of the Board
Beijing Beida Jade Bird Universal Sci-Tech Company Limited
Ni Jinlei
Chairman

Beijing, the PRC, 9 August 2021

As at the date of this announcement, Mr. Ni Jinlei, Ms. Zheng Zhong, Mr. Wang Xingye and Ms. Guan Xueming are executive Directors, Mr. Xiang Lei is non-executive Director and Mr. Tang Xuan, Mr. Li Chonghua and Mr. Shen Wei are independent non-executive Directors.

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at “www.jbu.com.cn”.