



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 2013

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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 herein or this announcement misleading.

SECOND QUARTERLY RESULTS (UNAUDITED)

The Board announced the unaudited consolidated results of the Group for the six months ended 30 June 2013 together with the unaudited comparative figures for the corresponding period in 2012 as follows:

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the six months ended 30 June 2013

		Three months ended 30 June		Six months ended 30 June	
		2013	2012	2013	2012
	Note	RMB'000	RMB'000	RMB'000	RMB'000
Turnover	3	155,054	105,407	266,159	171,031
Cost of sales and services		(95,542)	(62,445)	(163,464)	(100,408)
Gross profit		59,512	42,962	102,695	70,623
Other gains and income	4	11,288	1,335	13,609	2,797
Distribution costs		(9,070)	(7,195)	(14,168)	(14,465)
Administrative expenses		(22,220)	(14,253)	(41,868)	(30,610)
Other expenses		(6,686)	(4,242)	(10,981)	(9,733)
Finance costs	6	(4,768)	20	(7,104)	(427)
Change in fair value of derivative financial instruments		–	(37)	–	(37)
Share of profits/(losses) of associates		1,161	(406)	745	(260)
Share of losses of jointly controlled entities		(1,078)	(1,085)	(2,340)	(2,322)
Profit before tax		28,139	17,099	40,588	15,566
Income tax expense	7	(4,858)	(3,355)	(8,478)	(4,423)
Profit for the period	8	23,281	13,744	32,110	11,143
Other comprehensive income after tax					
Investment revaluation reserve reclassified to profit or loss on disposal of available-for-sale financial assets		(5,149)	–	(5,149)	–
Change in fair value of available-for-sale financial assets		18,586	(25,433)	33,351	(23,446)
Exchange differences on translating foreign operations		(2,881)	781	(3,383)	787
Share of other comprehensive income of jointly controlled entities		128	–	128	–
Other comprehensive income for the period, net of tax		10,684	(24,652)	24,947	(22,659)
Total comprehensive income for the period		33,965	(10,908)	57,057	(11,516)

	Three months ended 30 June		Six months ended 30 June	
	2013	2012	2013	2012
<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the period attributable to:				
Owners of the Company	12,359	5,013	13,764	899
Non-controlling interests	10,922	8,731	18,346	10,244
	<u>23,281</u>	<u>13,744</u>	<u>32,110</u>	<u>11,143</u>
Total comprehensive income for the period attributable to:				
Owners of the Company	23,027	(19,640)	38,688	(21,773)
Non-controlling interests	10,938	8,732	18,369	10,257
	<u>33,965</u>	<u>(10,908)</u>	<u>57,057</u>	<u>(11,516)</u>
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Earnings per share				
Basic and diluted	<u>1.04 cents</u>	<u>0.42 cents</u>	<u>1.16 cents</u>	<u>0.08 cents</u>
	9			

Condensed Consolidated Statement of Financial Position

As at 30 June 2013

	<i>Note</i>	30 June 2013 (Unaudited) RMB'000	31 December 2012 (Audited) RMB'000
Non-current assets			
Property, plant and equipment	11	113,203	101,964
Investment property		7,745	8,436
Goodwill		9,777	9,821
Other intangible assets		13,532	16,221
Biological assets		7,188	7,269
Investments in associates		392,565	381,490
Investments in jointly controlled entities		240,587	246,967
Available-for-sale financial assets	12	169,296	152,964
Deferred tax assets		1,429	1,429
		<u>955,322</u>	<u>926,561</u>
Current assets			
Inventories		89,798	72,887
Trade receivables	13	141,187	84,682
Due from related parties		77	77
Due from associates		33,568	33,568
Prepayments, deposits and other receivables		145,197	82,209
Available-for-sale financial assets	12	20,705	20,242
Time deposits with original maturity of more than three months when acquired		1,080	1,166
Cash and cash equivalents		129,381	221,710
		<u>560,993</u>	<u>516,541</u>
Total assets		<u>1,516,315</u>	<u>1,443,102</u>
Current liabilities			
Trade payables	14	117,115	65,823
Advances from customers		9,019	20,945
Accruals and other payables		41,610	55,205
Due to a shareholder		329	268
Due to related parties		822	850
Bank and other loans		122,327	138,510
Finance lease payables		104	102
Current tax liabilities		11,280	24,587
		<u>302,606</u>	<u>306,290</u>
Net current assets		<u>258,387</u>	<u>210,251</u>
Total assets less current liabilities		<u>1,213,709</u>	<u>1,136,812</u>

		30 June 2013 (Unaudited) RMB'000	31 December 2012 (Audited) RMB'000
Non-current liabilities			
Finance lease payables		<u>106</u>	<u>166</u>
		<u>106</u>	<u>166</u>
NET ASSETS		<u>1,213,603</u>	<u>1,136,646</u>
Capital and reserves			
Share capital	<i>15</i>	118,480	118,480
Reserves		<u>894,586</u>	<u>855,898</u>
Equity attributable to owners of the Company		1,013,066	974,378
Non-controlling interests		<u>200,537</u>	<u>162,268</u>
TOTAL EQUITY		<u>1,213,603</u>	<u>1,136,646</u>

Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the six months ended 30 June 2013

	Attributable to owners of the Company									
	Share capital	Capital reserve	Reserve funds	Equity-settled share-based payment reserves	Foreign currency translation reserve	Investment revaluation reserve	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 2012	118,480	377,720	86,998	-	(69,049)	51,793	332,729	898,671	116,673	1,015,344
Total comprehensive income for the period	-	-	-	-	774	(23,446)	899	(21,773)	10,257	(11,516)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(9,796)	(9,796)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	624	624
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	3,629	3,629
Changes in equity for the period	-	-	-	-	774	(23,446)	899	(21,773)	4,714	(17,059)
At 30 June 2012	<u>118,480</u>	<u>377,720</u>	<u>86,998</u>	<u>-</u>	<u>(68,275)</u>	<u>28,347</u>	<u>333,628</u>	<u>876,898</u>	<u>121,387</u>	<u>998,285</u>
At 1 January 2013	118,480	377,720	89,840	10,969	(69,018)	83,969	362,418	974,378	162,268	1,136,646
Total comprehensive income for the period	-	-	-	-	(3,278)	28,202	13,764	38,688	18,369	57,057
Transfer	-	-	1,172	-	-	-	(1,172)	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	19,900	19,900
Changes in equity for the period	-	-	1,172	-	(3,278)	28,202	12,592	38,688	38,269	76,957
At 30 June 2013	<u>118,480</u>	<u>377,720</u>	<u>91,012</u>	<u>10,969</u>	<u>(72,296)</u>	<u>112,171</u>	<u>375,010</u>	<u>1,013,066</u>	<u>200,537</u>	<u>1,213,603</u>

Condensed Consolidated Statement of Cash Flows (Unaudited)*For the six months ended 30 June 2013*

	Six months ended 30 June	
	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash used in operating activities	(56,219)	(74,623)
Net cash used in investing activities	(39,470)	(64,452)
Net cash generated from/(used in) financing activities	<u>69</u>	<u>(10,720)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(95,620)	(149,795)
Effect of foreign exchange rate changes	3,291	(83)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>221,710</u>	<u>227,053</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>129,381</u>	<u>77,175</u>
Analysis of the balances of cash and cash equivalents:		
Cash and bank balances	129,381	77,175
Time deposits	<u>1,080</u>	<u>1,100</u>
	130,461	78,275
Less: Non-pledged time deposits with original maturity of more than three months when acquired	<u>(1,080)</u>	<u>(1,100)</u>
Cash and cash equivalents	<u>129,381</u>	<u>77,175</u>

Note:

1. GENERAL INFORMATION

The Company was incorporated in 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 Unit 7605, 76th Floor, The Center, 99 Queen's Road Central, Hong Kong respectively.

The Group is principally engaged in the research, development, manufacture, marketing and sale of wireless fire alarm systems and related products, the development of travel and leisure business and investment holding.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" and the applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance. These condensed financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments, derivatives and biological assets which are carried at their fair values. These condensed consolidated financial statements are presented in RMB, which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

In the current period, the Group has adopted all new/revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for accounting period beginning on 1 January 2013. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new/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 applied the new/revised HKFRSs that have been issued but are not yet effective.

The Group has already commenced an assessment of the impact of these new/revised HKFRSs but is not yet in a position to state whether these new/revised HKFRSs would have a material impact on its results of operations and financial position.

The condensed financial statements are unaudited but have been reviewed by the Audit Committee.

Save as aforesaid or as otherwise mentioned in this announcement, the accounting policies and method of computation used in preparing these unaudited condensed consolidated financial statements are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2012. These condensed consolidated financial statements should be read in conjunction with these mentioned audited financial statements.

3. TURNOVER

The Group's turnover which represents the net invoiced value of goods sold and services rendered to customers, after allowances for returns and trade discounts and net of sales tax are as follows:

	Three months ended 30 June		Six months ended 30 June	
	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Sale of embedded system products and related products	131,165	82,873	227,686	137,634
Rendering of travel and leisure services	21,347	19,364	34,751	29,218
Sales of wine and related products	2,542	3,170	3,722	4,179
	<u>155,054</u>	<u>105,407</u>	<u>266,159</u>	<u>171,031</u>

4. OTHER GAINS AND INCOME

	Three months ended 30 June		Six months ended 30 June	
	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Bank interest income	169	386	401	555
Gain on disposal of available-for-sale financial assets	8,246	–	8,246	–
Interest income from convertible bonds	706	655	1,415	1,305
Interest income from loans to others	509	–	1,494	–
Rental income	325	–	642	–
Write-back of trade and other payables	–	36	–	652
Others	1,333	258	1,411	285
	<u>11,288</u>	<u>1,335</u>	<u>13,609</u>	<u>2,797</u>

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:

Manufacture and sale of electronic fire equipment	–	research, development, manufacture, marketing and sale of electronic fire alarm systems and related products
Tourism development	–	development of travel and leisure business
Investment holding	–	holding of fund, debt and equity investment
All other segments	–	business activities and operating segments not separately reported, including provision of network security services and production and sales of wine and related products

For the six months ended 30 June 2012, the Group had three separate reportable segments for its investment holding business, namely equity fund investment, non-equity fund investment and LED business, which were categorised as a single reportable segment, namely investment holding for the six months ended 30 June 2013. The management considered that the change in reportable segments could better reflect the nature and financial effects of the business activities in which the Group engages. Corresponding information for the six months ended 30 June 2012 has been restated accordingly.

Save for the reorganisation of its investment holding business, 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 bank interest income, interest income from loans to others, unallocated other gains and income, finance costs and unallocated corporate expenses.

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

Information about reportable segment profit or loss:

	Manufacture and sale of electronic fire equipment <i>RMB'000</i>	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Six months ended					
30 June 2013					
Revenue from external customers	227,686	34,751	–	3,722	266,159
Segment profit	46,195	3,874	3,301	243	53,613
Bank interest income					401
Unallocated other gains and income					3,548
Finance costs					(7,104)
Unallocated corporate expenses					(9,870)
Profit before tax					<u>40,588</u>
Other segment information:					
Depreciation and amortisation expenses	2,736	6,750	12	749	10,247
Share of profits/(losses) of associates	–	1,268	(523)	–	745
Share of losses of jointly controlled entities	–	–	(2,340)	–	(2,340)
Six months ended					
30 June 2012					
Revenue from external customers	137,634	29,218	–	4,179	171,031
Segment profit/(loss), as restated	21,683	3,946	(3,911)	1,414	23,132
Bank interest income					555
Unallocated other gains and income					937
Finance costs					(427)
Unallocated corporate expenses					(8,631)
Profit before tax					<u>15,566</u>
Other segment information:					
Depreciation and amortisation expenses	1,698	5,168	10	134	7,010
Share of profits/(losses) of associates	–	447	(707)	–	(260)
Share of losses of jointly controlled entities	–	–	(2,322)	–	(2,322)

Information about reportable segment assets:

	Manufacture and sale of electronic fire equipment <i>RMB'000</i>	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
At 30 June 2013					
Segment assets	<u>402,993</u>	<u>257,317</u>	<u>773,596</u>	<u>33,810</u>	<u>1,467,716</u>
Unallocated corporate assets					<u>48,599</u>
Total assets					<u>1,516,315</u>
Segment assets including:					
Investments in associates	–	62,195	330,370	–	392,565
Investments in jointly controlled entities	–	–	240,587	–	240,587
Additions to non-current assets	<u>19,371</u>	<u>1,263</u>	<u>10,014</u>	<u>606</u>	<u>31,254</u>
At 31 December 2012					
Segment assets	<u>348,084</u>	<u>254,537</u>	<u>753,222</u>	<u>39,027</u>	<u>1,394,870</u>
Unallocated corporate assets					<u>48,232</u>
Total assets					<u>1,443,102</u>
Segment assets including:					
Investments in associates	–	60,593	320,897	–	381,490
Investments in jointly controlled entities	–	–	246,967	–	246,967
Additions to non-current assets (other than deferred tax assets)	<u>35,852</u>	<u>10,346</u>	<u>45,969</u>	<u>29,326</u>	<u>121,493</u>

Geographical information:

	Revenue		Non-current assets	
	Six months ended 30 June 2013 <i>RMB'000</i>	2012 <i>RMB'000</i>	30 June 2013 <i>RMB'000</i>	31 December 2012 <i>RMB'000</i>
PRC except Hong Kong	<u>262,437</u>	166,852	<u>826,894</u>	811,616
Hong Kong	–	–	<u>92,237</u>	75,926
The United States	<u>3,722</u>	4,179	<u>27,650</u>	28,286
Canada	–	–	<u>8,541</u>	9,304
	<u>266,159</u>	<u>171,031</u>	<u>955,322</u>	<u>925,132</u>

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

6. FINANCE COSTS

	Three months ended 30 June		Six months ended 30 June	
	2013	2012	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Interests on				
– bank loans	1,676	238	3,373	474
– other loans	107	243	250	307
Net foreign exchange losses/(gain)	2,985	(501)	3,481	(354)
	4,768	(20)	7,104	427

7. INCOME TAX EXPENSE

	Three months ended 30 June		Six months ended 30 June	
	2013	2012	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Current tax – PRC Enterprise Income Tax				
Provision for the period	4,858	3,247	8,399	4,208
Current tax – Hong Kong Profits Tax				
Provision for the period	–	108	79	215
	4,858	3,355	8,478	4,423

Hong Kong Profits Tax has been provided at a rate of 16.5% (2012: 16.5%) on the estimated assessable profit of the Group for the six months ended 30 June 2013.

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.

During the year ended 31 December 2009, the Company and two subsidiaries of the Company had been certified by the relevant PRC authorities as high technology enterprises. Pursuant to the Income Tax Law in the PRC, the Company and the two subsidiaries are subject to PRC Enterprise Income Tax at a rate of 15% effective for three years ended 31 December 2012. During the year ended 31 December 2012, one of the subsidiaries of the Company renewed the certificate and is continuously subject to the rate of 15% effective for another three years ending 31 December 2015.

Other subsidiaries of the Company established in the PRC are generally subject to income tax on their taxable income at a tax rate of 25% (2012: 25%).

8. PROFIT FOR THE PERIOD

The Group's profit for the period is stated at after charging/(crediting) the following:

	Three months ended 30 June		Six months ended 30 June	
	2013	2012	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Amortisation of other intangible assets				
Included in cost of sales and services	1,071	1,071	2,143	2,143
Included in administrative expenses	442	–	448	–
Depreciation	5,152	4,007	9,302	7,323
Loss/(gain) on disposal of property, plant and equipment	37	–	37	(18)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9. EARNINGS PER SHARE

Basis and diluted earnings per share

The calculation of basic and diluted earnings per share attributable to owners of the Company for the three months ended 30 June 2013 and 2012 are based on profit for the period attributable to owners of the Company of approximately RMB12,359,000 (2012: RMB5,013,000) and the weighted average number of ordinary shares of 1,184,800,000 (2012: 1,184,800,000) in issue during the period.

The calculation of basic and diluted earnings per share attributable to owners of the Company for the six months ended 30 June 2013 and 2012 are based on profit for the period attributable to owners of the Company of approximately RMB13,764,000 (2012: RMB899,000) and the weighted average number of ordinary shares of 1,184,800,000 (2012: 1,184,800,000) in issue during the period.

10. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2013 (2012: Nil).

11. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group had additions to property, plant and equipment of approximately RMB20,897,000 and disposed of property, plant and equipment with net book value of approximately RMB221,000.

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30 June 2013 RMB'000	31 December 2012 RMB'000
Equity securities, at fair value		
Listed in Hong Kong	<u>92,238</u>	<u>75,906</u>
Market value of listed securities	<u>92,238</u>	<u>75,906</u>
Equity securities, at cost		
Unlisted outside Hong Kong	250	250
Equity securities, at fair value		
Unlisted outside Hong Kong	76,808	76,808
Debt investments, at fair value		
Unlisted in Hong Kong (<i>note</i>)	<u>20,705</u>	<u>20,242</u>
	<u>190,001</u>	<u>173,206</u>
Analysed as:		
Current assets	20,705	20,242
Non-current assets	<u>169,296</u>	<u>152,964</u>
	<u>190,001</u>	<u>173,206</u>

Note:

The components of the debt investments are as follows:

	30 June 2013 RMB'000	31 December 2012 RMB'000
Unlisted convertible bonds*, at fair value	20,705	20,242
Embedded option derivatives, at fair value	<u>—</u>	<u>—</u>
	<u>20,705</u>	<u>20,242</u>

* Issued by Hong Kong Resources Holdings Company Limited (“Hong Kong Resources”) whose shares are traded on the Stock Exchange with stock code 02882.

At 30 June 2013, the Group held unlisted convertible bonds with a principal amount of HK\$24,000,000 (equivalent to RMB19,116,000) (31 December 2012: HK\$24,000,000 (equivalent to RMB19,459,000)). The convertible bonds are interest bearing at 5% per annum and due three years from 15 September 2010 convertible into ordinary shares of Hong Kong Resources at HK\$1.37 (equivalent to RMB1.09) per share.

The fair values of the convertible bonds and their components were determined with reference to the valuation report performed by Greater China Appraisal Limited by using Binominal Lattice Model. The major inputs used in the valuation include stock price, expected volatility, dividend yield and risk-free rate which can be obtained from observable markets.

13. TRADE RECEIVABLES

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 generally ranges from 3 to 6 months, starting from the date on which the significant risks and rewards of ownership of products are transferred by the Group to customers or the date of completion of services provided or the payment due date as defined in the contracts, whichever is the latest. 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 large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

The ageing analysis of the trade receivables, based on the date on which the significant risks and rewards of ownership of products were transferred by the Group to customers or the date of completion of services provided or the payment due date as defined in the contracts, whichever is the latest, is as follows:

	30 June 2013 RMB'000	31 December 2012 RMB'000
0 to 90 days	107,954	68,384
91 to 180 days	20,951	10,720
181 to 365 days	9,291	3,116
Over 365 days	2,991	2,462
	<u>141,187</u>	<u>84,682</u>

14. TRADE PAYABLES

The ageing analysis of trade payables, based on the date on which the significant risks and rewards of ownership of materials were transferred by the suppliers to the Group, is as follows:

	30 June 2013 RMB'000	31 December 2012 RMB'000
0 to 90 days	115,817	64,559
91 to 180 days	18	25
181 to 365 days	58	37
Over 365 days	1,222	1,202
	<u>117,115</u>	<u>65,823</u>

15. SHARE CAPITAL

	30 June	31 December
	2013	2012
	RMB'000	RMB'000
Registered, issued and fully paid:		
700,000,000 promoters shares of RMB0.10 each	70,000	70,000
484,800,000 H Shares of RMB0.10 each	48,480	48,480
	<u>118,480</u>	<u>118,480</u>

16. RELATED PARTY TRANSACTIONS

- (a) In addition to those related party transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following transactions with its related parties during the period:

	Six months	
	ended 30 June	
	2013	2012
	RMB'000	RMB'000
Sales of electronic fire alarm systems and related products to related companies controlled by Peking University	<u>5,552</u>	<u>4,029</u>
Rental expenses for office building charged by		
– a shareholder of the Company	246	460
– Peking University	<u>8</u>	<u>8</u>
	<u>254</u>	<u>468</u>

The Directors are of the opinion that the above transactions with related parties were conducted in the usual course of business.

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

	Six months	
	ended 30 June	
	2013	2012
	RMB'000	RMB'000
Short term employee benefits	2,870	2,458
Post-employment benefits	<u>118</u>	<u>124</u>
	<u>2,988</u>	<u>2,582</u>

17. CONTINGENT LIABILITY

In 2011, a subsidiary of the Company received an assessment demanding final tax for the year of assessment 2004/2005 from the IRD. The amount of this assessment was HK\$47,852,000 (equivalent to RMB38,114,000) in which HK\$47,748,000 (equivalent to RMB38,031,000) relating to a claim for gain on disposal of long term investment recognised during the year ended 31 December 2004. On 25 February 2013, the IRD issued a notice to the subsidiary informing that the case has been forwarded to the Appeals Section of the IRD for further processing. No provision was made as at 30 June 2013 as the directors opine that the subsidiary has strong grounds and sufficient evidence to defend the capital nature of the gain. Moreover, the IRD regarded the assessment as protective action and allowed those part of tax relating to the contended capital gain to be held over unconditionally pending the outcome of objection. The directors opine that the action of the IRD highly correlates with timing factor because the year of assessment 2004/2005 became statutorily time-barred by the end of March 2011.

Should the assessment regarding claim for the gain be finally judged against the subsidiary, the Group will have a cash outflow of HK\$47,748,000 (equivalent to RMB38,031,000), representing approximately 29% of cash and cash equivalents as at 30 June 2013. There will be no effect on the profit before tax.

18. CAPITAL COMMITMENTS

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

	30 June 2013 RMB'000	31 December 2012 RMB'000
Contracted but not provided for property, plant and equipment	709	14,480
Unpaid balance of capital contribution to an associate	<u>73,022</u>	<u>83,022</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

Overall performance

During the period under review, the Group's performance was benefited from active efforts in developing its main core business and expanding into diversified business operations over the past years. For the six months ended 30 June 2013, turnover totalled approximately RMB266.2 million (2012: RMB171.0 million), increased by approximately RMB95.2 million or 55.6% year-on-year. Improving performance of the Group was also marked by an overall increase in gross profit by 45.4% to approximately RMB102.7 million (2012: RMB70.6 million). The Group also disposed of certain available-for-sale financial assets and recognised a gain of approximately RMB8.2 million. The Group's total expenses, including distribution costs, administrative expenses and other expenses was increased by 22.3% to approximately RMB67.0 million (2012: RMB54.8 million), as a result of the continuous expansion of the Group's existing businesses. During the reporting period, the Group recorded the profit attributable to owners of the Company of approximately RMB13.8 million (2012: RMB0.9 million). Together with the increase in the fair value of the financial assets held by the Group, the total comprehensive income for the period attributable to the owners of the Company was approximately RMB38.7 million.

Manufacture and sale of electronic fire equipment

Revenue from manufacture and sale of electronic fire equipment business of approximately RMB227.7 million was recorded for the six months ended 30 June 2013 (2012: RMB137.6 million), which was increased by 65.4% year-on-year and accounted for 85.5% of the Group's total turnover. Uplift in sales was mainly attributable to the correct business strategies adopted by the Group to meet the strong market demand, including the increase in sales incentives to dealers and the continuous establishment of selling terminals. During the period under review, the Group conducted promotional campaigns in Beijing and Wuhan to enhance its brand recognition. The Group's performance was also benefited from the launch of new products during the reporting period.

Tourism development

Revenue from tourism development business increased 18.9% year-on-year to approximately RMB34.8 million during the period under review (2012: RMB29.2 million), which represented 13.1% of the Group's total turnover. Such increase was mainly attributable to the increase in visitors to Hengshan by 18%, while the service utilisation rate of the Group's environmental bus service in Hengshan remained steady during the period under review. In addition, revenue was also contributed by the Group's fine dining restaurant in Beijing, which was newly opened last year.

The Group also continued to diversify the tourism development business through participating in relating projects. On 25 January 2013, the Group entered into the cooperation agreement in relation to formation of a 70% non-wholly owned subsidiary in the PRC with total registered capital of RMB50 million for the purpose of joint development of the Changbai Mountain Culture Creative Park. On 25 April 2013, the shareholders agreement was entered into regarding formation of a 70% non-wholly owned subsidiary in the PRC namely Beijing Badaling Chuanqi Tourism Development Company Limited (“Badaling Chuanqi”) with total registered capital of RMB50 million for the purpose of development of travel and leisure business mainly within the Badaling Great Wall Scenic Area. On 24 June 2013, Badaling Chuanqi entered into the cooperation framework agreement with the local government in relation to the entrusted operation and management of the Chadao Ancient City, a famous tourist attraction at the Badaling Great Wall Scenic Area.

On 31 January 2013, the Company, as a guarantor, executed a guarantee in favour of two banks (the “Banks”), in relation to the provision of guarantee by the Company in favour of the Banks to secure obligations of the Group’s associate, Changsha Songya Lake Construction Investment Co., Ltd., under the facility agreement in respect of the aggregate principal amount of RMB986,000,000 (the “Guarantee”). The amount of the Guarantee provided by the Company is RMB200,000,000 in respect of the principal amount and the related interest, default interest, compound interest, compensation, default fine, compensation for damages and expenses incurred in enforcing the claims. Shareholders’ approval in respect of the Guarantee has been obtained at the special general meeting of the Company held on 25 March 2013.

Investment holding

As at 30 June 2013, the total assets of the Group’s investment holding business amounted to approximately RMB773.6 million (31 December 2012: RMB753.2 million), including investments in two private equity fund, namely SBI & BDJB China Fund, L.P. (“SBI China”) and Beijing Jade Bird Hengsheng Investment Fund (Limited Partnership) (“HS Fund”), the equity interest in Semiconductor Manufacturing International Corporation, a listed company in Hong Kong, the equity interest in Enraytek Optoelectronics Technology (Shanghai) Co. Ltd. which is engaged in LED business and the convertible bonds issued by a listed company in Hong Kong.

The investment areas of SBI China currently included the PRC enterprises with businesses ranging from the provision of information technology vocational education, insurance business, baby products retailing business and manufacturing of LED. HS Fund currently participated in several property development projects, including construction of certain luxurious residential apartments and commercial buildings in Beijing.

Outlook

Looking ahead, the Group will remain focus on the two directions of strengthening core businesses and exploring investment opportunities to diversify its business.

The predetermined strategies for the business of manufacturing and sale of electronic fire equipment, being dealer recruitment, selling terminal establishment and dealer coverage expansion will be continued to solidify market share. The Group will also focus on upgrading its sales force by provision of continuous trainings, building its brand recognition and expanding the production capacity. The Group will roll out new products in the markets across the country. The Group's continued efforts on offering product innovation will add fresh impetus to the enhancement of its results performance.

For the tourism development business, besides striving for high bus service utilisation rate, the Group will continue to move on diversification through participating in relating projects. The Group will be well-positioned to benefit from its participation in tourism development and the vigorous development in the PRC tourism industry.

Material acquisitions and disposals of subsidiaries and affiliated companies

The Company proposed the proposed spin-off of Beida Jade Bird Universal Fire Alarm Device Company Limited (“Jade Bird Fire Alarm”), a subsidiary of the Company, and a separate listing of the manufacture and sale of electronic fire equipment business owned and operated by Jade Bird Fire Alarm on The Small and Medium Enterprises Board of The Shenzhen Stock Exchange (the “Proposed Spin-off”). Shareholders' approval in respect of the Proposed Spin-off has been obtained at the special general meeting of the Company held on 26 April 2013.

Liquidity, financial resources and capital structure

During the six months ended 30 June 2013, the Group's major operations were financed mainly by the internal financial resources and by corporate borrowings. As at 30 June 2013, the Group had cash and bank balances of approximately RMB130.5 million, which were denominated mainly in RMB, HK\$ and USD.

As at 30 June 2013, the Group had net assets of approximately RMB1,213.6 million. The Group had total outstanding borrowings of approximately RMB122.5 million, comprising secured bank loans of approximately RMB91.9 million, unsecured and unguaranteed bank loans of approximately RMB0.1 million, a guaranteed finance lease payables of approximately RMB0.2 million and unguaranteed other loans of approximately RMB30.3 million. The bank loans were denominated in RMB, USD and CAD and bore interest rates ranging from 4.25% per annum to 7.68% per annum. The interest rates for other loans of approximately RMB9.0 million, which were denominated in RMB, were 6.00% per annum, while the remaining other loans of RMB21.3 million were denominated in RMB and USD and interest-free.

As at 30 June 2013, the Company's outstanding number of issued promoters shares and H shares of RMB0.10 each were 700,000,000 shares and 480,000,000 shares respectively. There was no change in share capital of the Company during the period.

The gearing ratio of the Group as at 30 June 2013, which is measured by total indebtedness to total equity, was 10.1% (31 December 2012: 12.2%). The increase in gearing ratio was mainly due to the increase in borrowings to cope with business expansion of the Group.

Significant investments held

Saved as disclosed herein this section, for the six months ended 30 June 2013, 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 2013.

Contingent liabilities

In 2011, a subsidiary of the Company received an assessment demanding final tax for the year of assessment 2004/2005 from the Hong Kong Inland Revenue Department. The amount of this assessment was approximately HK\$47.9 million (equivalent to approximately RMB38.1 million) in which approximately HK\$47.7 million (equivalent to approximately RMB38.0 million) was related to a claim for gain on disposal of long term investment recognised during the year ended 31 December 2004. No provision was made as at 30 June 2013.

Saved as disclosed above, the Group did not have any other significant nor contingent liabilities as at 30 June 2013.

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, CAD, HK\$ and RMB. The Group has not formulated a foreign currency hedging policy as RMB, being the functional currency of the Group, is comparatively strong. In addition, 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 2013, the Group's certain property, plant and equipment with carrying amount of approximately RMB20.9 million (31 December 2012: RMB19.8 million), investment property with carrying amount of approximately RMB7.7 million (31 December 2012: RMB8.4 million), other intangible assets with carrying amount of approximately RMB7.5 million (31 December 2012: RMB9.6 million) and bank deposit and bank balances of approximately RMB0.7 million (31 December 2012: RMB0.1 million) were pledged as securities for the Group's bank loans.

Employees and remuneration policy

The Group had a workforce of 1,455 people at the end of the period, up 12.6% since the end of 2012. The increase is in line with the growth of the Group. 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.

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 RMB42.9 million for the six months ended 30 June 2013 (2012: RMB35.0 million).

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

As at 30 June 2013, the interests (including interests in shares and short positions) of Directors, Supervisors, and chief executives of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of 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 ordinary shares			Approximate percentage of the Company's total number of issued promoters Shares	Approximate percentage of the Company's total number of issued H Shares	Approximate percentage of the Company's total issued share capital
		Interests in promoters Shares (Note)	Interests in H Shares	Total			
Director							
Mr. Xu Zhendong	Beneficial owner and beneficiary of trust	205,414,000	12,070,000	217,484,000	29.34%	2.49%	18.36%
Mr. Xu Zhixiang	Beneficial owner and beneficiary of trust	205,414,000	11,527,000	216,941,000	29.34%	2.38%	18.31%
Mr. Zhang Wanzhong	Beneficial owner and beneficiary of trust	205,414,000	12,070,000	217,484,000	29.34%	2.49%	18.36%
Mr. Zhang Yongli	Beneficial owner and beneficiary of trust	205,414,000	13,200,000	218,614,000	29.34%	2.72%	18.45%
Mr. Chen Zongbing	Beneficial owner	–	16,209,000	16,209,000	–	3.34%	1.37%
Supervisor							
Mr. Chen Shuxin	Beneficial owner	–	15,480,000	15,480,000	–	3.19%	1.31%
Ms. Zhou Min	Beneficiary of trust	205,414,000	–	205,414,000	29.34%	–	17.34%

Note:

The above Directors and Supervisors are taken to be interested in the issued share capital of the Company through their respective interests as beneficiaries, 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, Mr. Xu Zhendong, Mr. Zhang Wanzhong and Ms. Liu Yue (who has been replaced by Mr. Xu Zhixiang since 9 May 2003 as a trustee) declared that they held the shares of Heng Huat Investments Limited (“Heng Huat”) as trustees for the benefits of over 300 employees of Beijing Beida Jade Bird Software System Co., Ltd. (“JB Software”), Beida Jade Bird 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. Mr. Xu Zhendong, Mr. Zhang Wanzhong and Mr. Xu Zhixiang (who replaced Ms. Liu Yue as a trustee on 9 May 2003 upon Ms. Liu Yue’s resignation as a trustee on the same date) are trustees holding 60, 20 and 20 shares out of 100 shares in the issued share capital of Heng Huat.

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 2013.

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 2013, 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	Number of promoters Shares held	Approximate percentage of the Company's total number of issued promoters Shares	Approximate percentage of the Company's total issued share capital
1. Peking University	(a)	Through controlled corporations	200,000,000	28.57%	16.88%
2. Beida Asset Management Co., Ltd.	(a)	Through controlled corporations	200,000,000	28.57%	16.88%
3. Beijing Beida Jade Bird Software System Co., Ltd.	(a), (b)	Through a controlled corporation	200,000,000	28.57%	16.88%
4. Beijing Beida Jade Bird Limited	(a), (c)	Directly beneficially owned and through a controlled corporation	200,000,000	28.57%	16.88%
5. Shenzhen Beida Jade Bird Sci-Tech Co., Ltd.	(a)	Directly beneficially owned	85,000,000	12.14%	7.17%
6. Grand East (H.K.) Limited		Directly beneficially owned	110,000,000	15.71%	9.28%
7. Heng Huat Investments Limited	(d)	Through a controlled corporation	205,414,000	29.34%	17.34%
8. Dynamic Win Assets Limited	(d)	Directly beneficially owned	205,414,000	29.34%	17.34%
9. Mongolia Energy Corporation Limited	(e)	Through a controlled corporation	84,586,000	12.08%	7.14%
10. New View Venture Limited	(e)	Directly beneficially owned	84,586,000	12.08%	7.14%
11. Asian Technology Investment Company Limited		Directly beneficially owned	50,000,000	7.14%	4.22%

Notes:

- (a) Peking University is taken to be interested in 16.88% of the total issued share capital of the Company through the following companies:
- (i) 85 million Shares (representing approximately 7.17% of the Company's total issued share capital) held by Shenzhen Beida Jade Bird Sci-Tech Co., Ltd. ("SZ Jade Bird"), which is 90% beneficially owned by Beida Jade Bird;
 - (ii) 115 million Shares (representing approximately 9.71% of the Company's total issued share capital) held by Beida Jade Bird itself, which is 46% beneficially owned by JB Software.
- Beida Asset Management Co., Ltd. is wholly owned by Peking University.
- (b) The interests of JB Software comprise 200 million Shares held by Beida Jade Bird.
- (c) The interests of Beida Jade Bird comprise 115 million Shares held by it and 85 million Shares held by SZ Jade Bird.
- (d) The Shares are held by Dynamic Win, which is beneficially wholly-owned by Heng Huat.
- (e) The Shares are held by New View Venture Limited, which is wholly-owned by Mongolia Energy Corporation Limited.
- (f) Mr. Xu Zhendong is the chairman and a director of JB Software, Mr. Xu Zhixiang is a director of JB Software, a director and the chief executive officer of Beida Jade Bird and each of Mr. Zhang Wanzhong, Mr. Chen Zongbing and Ms. Zheng Zhong is a vice president of Beida Jade Bird.

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 2013.

COMPETING INTERESTS

As at 30 June 2013, 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 2013.

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 2013.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors' securities transactions on terms 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 2013.

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 primary duties of the Audit Committee include monitoring the financial reporting system and internal control procedure of the Group, reviewing financial information and advising the Board on the engagement and independence of external auditors.

The Audit Committee currently comprises four independent non-executive Directors, namely Mr. Shao Jinlin, Mr. Cai Chuanbing, Mr. Lin Yan and Mr. Li Juncai. Mr. Shao Jiulin 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 2013 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
Xu Zhendong
Chairman

Beijing, the PRC, 13 August 2013

GLOSSARY

“Audit Committee”	the audit committee of the Company
“Beida Jade Bird”	Beijing Beida Jade Bird Limited
“Board”	the board of Directors
“CAD”	Canadian dollars
“Company”	Beijing Beida Jade Bird Universal Sci-Tech Company Limited
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas-listed foreign Share(s) listed on GEM
“HK\$”	Hong Kong dollars
“HKFRSs”	Hong Kong Financial Reporting Standards
“LED”	light-emitting diode
“PRC”	the People’s Republic of China
“RMB”	Renminbi
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (as amended from time to time)
“Share(s)”	the ordinary share(s) issued by the Company with a nominal value of RMB0.10 each

“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“USD”	United States dollars
“%”	per cent.

As at the date of this announcement, Mr. Xu Zhendong, Mr. Xu Zhixiang and Mr. Zhang Wanzhong are executive Directors, Mr. Zhang Yongli, Mr. Chen Zongbing and Ms. Zheng Zhong are non-executive Directors and Mr. Cai Chuanbing, Mr. Li Juncai, Mr. Shao Jiulin and Mr. Lin Yan 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”.