



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)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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

**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.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*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.*

## RESULTS

The board of Directors (the “Board”) announces the annual consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2013, together with the comparative figures as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 December 2013

	<i>Note</i>	<b>2013</b> <i>RMB'000</i>	2012 <i>RMB'000</i>
<b>Turnover</b>	3	<b>749,481</b>	537,753
Cost of sales and services		<u>(431,271)</u>	<u>(287,507)</u>
<b>Gross profit</b>		<b>318,210</b>	250,246
Other gains and income	4	<b>21,571</b>	6,664
Distribution costs		<b>(40,278)</b>	(35,879)
Administrative expenses		<b>(99,719)</b>	(83,811)
Other expenses		<b>(36,530)</b>	(26,435)
Change in fair value of derivative financial instruments		<u>–</u>	<u>(85)</u>
<b>Profit from operations</b>		<b>163,254</b>	110,700
Finance costs	6	<b>(12,341)</b>	(2,745)
Share of profits/(losses) of associates		<b>5,926</b>	(5,373)
Share of losses of joint ventures		<b>(4,882)</b>	(5,198)
<b>Profit before tax</b>		<b>151,957</b>	97,384
Income tax expense	7	<b>(26,679)</b>	(8,595)
<b>Profit for the year</b>	8	<b>125,278</b>	88,789
<b>Other comprehensive income for the year: (after tax and reclassification adjustments)</b>			
Items that may be reclassified subsequently to profit or loss			
Investment revaluation reserve reclassified to profit or loss on disposal of available-for-sale financial assets		<b>(8,187)</b>	–
Change in fair value of available-for-sale financial assets		<b>38,705</b>	8,489
Exchange differences on translating foreign operations		<b>(1,746)</b>	(62)
Share of other comprehensive (loss)/income of joint ventures		<b>(29,511)</b>	23,769
<b>Other comprehensive (loss)/income for the year</b>		<b>(739)</b>	32,196
<b>Total comprehensive income for the year</b>		<b>124,539</b>	120,985
<b>Profit for the year attributable to:</b>			
Owners of the Company		<b>53,149</b>	32,531
Non-controlling interests		<b>72,129</b>	56,258
		<b>125,278</b>	88,789
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		<b>52,372</b>	64,738
Non-controlling interests		<b>72,167</b>	56,247
		<b>124,539</b>	120,985
<b>Earnings per share</b>		<i>RMB</i>	<i>RMB</i>
Basic and diluted	9	<b>4.5 cents</b>	2.7 cents

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2013

	<i>Note</i>	<b>2013</b> <i>RMB'000</i>	2012 <i>RMB'000</i>
<b>Non-current assets</b>			
Fixed assets		<b>129,582</b>	110,400
Goodwill		<b>20,242</b>	9,821
Other intangible assets		<b>10,711</b>	16,221
Biological assets		<b>7,719</b>	7,269
Interests in associates		<b>397,743</b>	381,490
Interests in joint ventures		<b>216,633</b>	246,967
Available-for-sale financial assets		<b>167,841</b>	152,964
Deposits paid for potential investments		<b>49,000</b>	–
Deferred tax assets		<b>2,176</b>	1,429
		<b>1,001,647</b>	926,561
<b>Current assets</b>			
Inventories		<b>79,612</b>	72,887
Trade receivables	<i>11</i>	<b>168,682</b>	84,682
Due from associates		<b>33,750</b>	33,568
Prepayments, deposits and other receivables		<b>87,830</b>	82,286
Available-for-sale financial assets		–	20,242
Derivative financial instruments		–	–
Time deposits with original maturity of more than three months when acquired		<b>1,069</b>	1,166
Cash and cash equivalents		<b>285,086</b>	221,710
		<b>656,029</b>	516,541
<b>Total assets</b>		<b>1,657,676</b>	1,443,102
<b>Current liabilities</b>			
Trade and other payables	<i>12</i>	<b>166,620</b>	143,091
Bank loans		<b>166,549</b>	92,754
Other loans		<b>17,960</b>	45,756
Finance lease payables		<b>94</b>	102
Current tax liabilities		<b>27,772</b>	24,587
		<b>378,995</b>	306,290
<b>Net current assets</b>		<b>277,034</b>	210,251

	<b>2013</b>	2012
	<b>RMB'000</b>	RMB'000
<b>Total assets less current liabilities</b>	<b>1,278,681</b>	1,136,812
<b>Non-current liabilities</b>		
Finance lease payables	<u>65</u>	<u>166</u>
	<u>65</u>	<u>166</u>
<b>NET ASSETS</b>	<b><u>1,278,616</u></b>	<b><u>1,136,646</u></b>
<b>Capital and reserves</b>		
Share capital	<b>118,480</b>	118,480
Reserves	<b><u>909,853</u></b>	<u>855,898</u>
Equity attributable to owners of the Company	<b>1,028,333</b>	974,378
Non-controlling interests	<b><u>250,283</u></b>	<u>162,268</u>
<b>TOTAL EQUITY</b>	<b><u>1,278,616</u></b>	<b><u>1,136,646</u></b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
*For the year ended 31 December 2013*

	Attributable to owners of the Company									
	Share capital	Capital reserve	Reserve funds	Foreign currency translation reserve	Investment revaluation reserve	Other 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
Balance at 1 January 2012	118,480	377,720	86,998	(69,049)	51,793	-	332,729	898,671	116,673	1,015,344
Profit for the year	-	-	-	-	-	-	32,531	32,531	56,258	88,789
Other comprehensive (loss)/income for the year										
Exchange differences on translating foreign operations	-	-	-	(51)	-	-	-	(51)	(11)	(62)
Change in fair value of available-for-sale financial assets	-	-	-	-	8,489	-	-	8,489	-	8,489
Share of other comprehensive income of joint ventures	-	-	-	82	23,687	-	-	23,769	-	23,769
	-	-	-	31	32,176	-	-	32,207	(11)	32,196
Total comprehensive income for the year	-	-	-	31	32,176	-	32,531	64,738	56,247	120,985
Transfer	-	-	2,842	-	-	-	(2,842)	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	5,743	5,743
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(178)	(178)
Equity-settled shared-based payments	-	-	-	-	-	10,969	-	10,969	-	10,969
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(16,217)	(16,217)
Balance at 31 December 2012 and 1 January 2013	118,480	377,720	89,840	(69,018)	83,969	10,969	362,418	974,378	162,268	1,136,646
Profit for the year	-	-	-	-	-	-	53,149	53,149	72,129	125,278
Other comprehensive (loss)/income for the year										
Exchange differences on translating foreign operations	-	-	-	(1,784)	-	-	-	(1,784)	38	(1,746)
Changes in fair value of available-for-sale financial assets	-	-	-	-	38,705	-	-	38,705	-	38,705
Share of other comprehensive loss of joint ventures	-	-	-	(6,905)	(22,606)	-	-	(29,511)	-	(29,511)
Investment revaluation reserve reclassified to profit or loss on disposal of available-for-sale financial assets	-	-	-	-	(8,187)	-	-	(8,187)	-	(8,187)
	-	-	-	(8,689)	7,912	-	-	(777)	38	(739)
Total comprehensive income for the year	-	-	-	(8,689)	7,912	-	53,149	52,372	72,167	124,539
Transfer	-	-	4,114	-	-	-	(4,114)	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	474	474
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(359)	(359)
Acquisition of additional interests in a subsidiary without change in control	-	-	-	-	-	1,583	-	1,583	(4,617)	(3,034)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	20,350	20,350
Balance at 31 December 2013	118,480	377,720	93,954	(77,707)	91,881	12,552	411,453	1,028,333	250,283	1,278,616

*Notes:*

## **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 the 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 Company is engaged in the marketing and sale of embedded system products and related products. The principal activities of its subsidiaries are the research, development, manufacture, marketing and sale of wireless fire alarm systems and related products, the development of travel and leisure business, investment holding and production and sales of wine and related products.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Statement of compliance**

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

### **(b) Basis of preparation of the financial statements**

The consolidated financial statements for the year ended 31 December 2013 comprise the company and its subsidiaries and the Group's interest in associates and joint ventures.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional and the Group's presentation currency, and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value:

- certain financial instruments classified as available-for-sale;
- derivative financial instruments; and
- biological assets.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**(c) Change in accounting policies**

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009–2011 Cycle
Amendments to HKFRS 1	First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

The Group has not applied any new HKFRS that is not yet effective for the current accounting period with the exception of the Amendments to HKAS 36 – Recoverable Amount Disclosures for Non-Financial Assets, which modify the disclosure requirements for impaired non-financial assets. The amendments are effective for annual periods beginning on or after 1 January 2014, but as permitted by the amendments, the Group has adopted the amendments early. The disclosures about the Group’s impaired non-financial assets have been conformed to the amended disclosure requirements.

Except as described below, the application of other new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

*Amendments to HKAS 1, Presentation of financial statements – Presentation of items of other comprehensive income*

The amendments require entities to present separately the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met from those that would never be reclassified to profit or loss.

The presentation of other comprehensive income in the consolidated statement of profit or loss and other comprehensive income in these financial statements has been modified accordingly. In addition, the Group has chosen to use the new titles “statement of profit or loss” and “statement of profit or loss and other comprehensive income” as introduced by the amendments in these financial statements.

*HKFRS 10, Consolidated financial statements*

HKFRS 10 replaces the requirements in HKAS 27, Consolidated and separate financial statements relating to the preparation of consolidated financial statements and HK-SIC 12 Consolidation – Special purpose entities. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013.



### *HKFRS 11, Joint arrangements*

HKFRS 11, which replaces HKAS 31, Interests in joint ventures, divides joint arrangements into joint operations and joint ventures. Entities are required to determine the type of an arrangement by considering the structure, legal form, contractual terms and other facts and circumstances relevant to their rights and obligations under the arrangement. Joint arrangements which are classified as joint operations under HKFRS 11 are recognised on a line-by-line basis to the extent of the joint operator's interest in the joint operation. All other joint arrangements are classified as joint ventures under HKFRS 11 and are required to be accounted for using the equity method in the Group's consolidated financial statements.

Proportionate consolidation is no longer allowed as an accounting policy choice.

As a result of the adoption of HKFRS 11, the Group has reclassified the investment from jointly controlled entity to joint venture. The investment continues to be accounted for using the equity method and therefore this reclassification does not have any material impact on the financial position and the financial result of the Group.

### *HKFRS 12, Disclosure of interests in other entities*

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in notes to the financial statements.

### *HKFRS 13, Fair value measurement*

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in notes to the 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:

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Sales of embedded system products and related products	<b>638,722</b>	432,393
Rendering of travel and leisure services	<b>98,290</b>	85,068
Sales of wine and related products	<b>9,543</b>	10,183
Management fee income	<b>2,926</b>	10,109
	<b><u>749,481</u></b>	<u>537,753</u>

### 4. OTHER GAINS AND INCOME

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Bank interest income	<b>719</b>	828
Gain on disposal of a subsidiary	<b>218</b>	86
Government grant ( <i>Note</i> )	<b>1,851</b>	–
Gain on disposal of available-for-sale financial assets	<b>8,187</b>	–
Gain from changes in fair value less cost to sell of biological assets	<b>802</b>	813
Interest income from loans to others	<b>2,788</b>	–
Interest income from convertible bonds	<b>2,024</b>	2,704
Rental income	<b>1,230</b>	633
Write-back of trade and other payables	–	1,592
Others	<b>3,752</b>	8
	<b><u>21,571</u></b>	<u>6,664</u>

*Note:* Government grants represented subsidy to the Group by the PRC government as incentives primarily to encourage the development of the Group and the contribution to the local economic development.

## 5. SEGMENT INFORMATION

The Group determines its operating segments based on its strategic business units, which are organized by business lines (products and services), that are managed separately by the chief operating decision-maker, the executive directors of the Group. Each strategic unit requires different technology, development and marketing strategies.

The Group has presented the following three 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 represent business activities and operating segments not separately reported, including provision of network security services and 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 financial statements. Segment assets include all tangible, intangible assets, interests in joint ventures, interests in associates and current assets, with exception of unallocated corporate assets. The measure used for reporting segment profit is “adjusted EBIT” i.e. adjusted earnings before interests and taxes. 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.

In addition to receiving segment information concerning adjusted EBIT, the executive directors are provided with segment information concerning revenue (including inter-segment sales), depreciation and amortization expenses, allowance for doubtful other receivables, allowance for doubtful trade receivables, allowance for obsolete and slow-moving inventories, impairment loss on goodwill and additions to non-current segment assets used by the segments in their operations.

Information about reportable segment profit or loss:

	<b>Manufacture and sale of electronic fire equipment</b> <i>RMB'000</i>	<b>Tourism development</b> <i>RMB'000</i>	<b>Investment holding</b> <i>RMB'000</i>	<b>Reportable segment total</b> <i>RMB'000</i>	<b>All other segments</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
<b>Year ended 31 December 2013</b>						
Revenue from external customers	<u>638,529</u>	<u>98,290</u>	<u>2,926</u>	<u>739,745</u>	<u>9,736</u>	<u>749,481</u>
Segment profit/(loss)	<u>150,161</u>	<u>30,604</u>	<u>(6,903)</u>	<u>173,682</u>	<u>(987)</u>	<u>172,875</u>
Bank interest income						719
Interest income from loans to others						2,788
Unallocated other gains and income						6,801
Finance costs						(12,341)
Unallocated corporate expenses						<u>(18,885)</u>
Profit before tax						<u>151,957</u>
<b>Other segment information:</b>						
Depreciation and amortisation expenses	7,523	13,607	6	21,136	1,624	22,760
Allowance for						
doubtful other receivables	95	–	–	95	–	95
doubtful trade receivables	4,976	–	–	4,976	–	4,976
obsolete and slow-moving inventories	1,478	–	–	1,478	–	1,478
Impairment loss on goodwill	–	933	–	933	–	933
Share of profits/(losses)						
of associates	–	13,890	(7,964)	5,926	–	5,926
Share of losses of joint ventures	<u>–</u>	<u>–</u>	<u>(4,882)</u>	<u>(4,882)</u>	<u>–</u>	<u>(4,882)</u>
<b>Year ended 31 December 2012</b>						
Revenue from external customers	<u>432,007</u>	<u>85,068</u>	<u>10,109</u>	<u>527,184</u>	<u>10,569</u>	<u>537,753</u>
Segment profit/(loss)	<u>98,952</u>	<u>24,554</u>	<u>(5,976)</u>	<u>117,530</u>	<u>(2,567)</u>	<u>114,963</u>
Bank interest income						828
Unallocated other gains and income						2,282
Finance costs						(2,745)
Unallocated corporate expenses						<u>(17,944)</u>
Profit before tax						<u>97,384</u>
<b>Other segment information:</b>						
Depreciation and amortisation expenses	3,531	12,459	21	16,011	1,631	17,642
Allowance for						
doubtful other receivables	530	–	–	530	–	530
obsolete and slow-moving inventories	428	–	–	428	–	428
Share of profits/(losses)						
of associates	–	489	(5,862)	(5,373)	–	(5,373)
Share of losses of joint ventures	<u>–</u>	<u>–</u>	<u>(5,198)</u>	<u>(5,198)</u>	<u>–</u>	<u>(5,198)</u>

Information about reportable total assets:

	Manufacture and sale of electronic fire equipment <i>RMB'000</i>	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	Reportable segment total <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
<b>At 31 December 2013</b>						
Segment assets	<u>551,561</u>	<u>315,253</u>	<u>720,133</u>	<u>1,586,947</u>	<u>32,287</u>	1,619,234
Unallocated corporate assets						<u>38,442</u>
Total assets						<u>1,657,676</u>
<b>Segment assets including:</b>						
Interests in associates	–	74,817	322,926	397,743	–	397,743
Interests in joint ventures	–	–	216,633	216,633	–	216,633
Additions to non-current segment assets	<u>26,164</u>	<u>65,148</u>	<u>10,017</u>	<u>101,329</u>	<u>992</u>	<u>102,321</u>
<b>At 31 December 2012</b>						
Segment assets	<u>348,084</u>	<u>254,537</u>	<u>753,222</u>	<u>1,355,843</u>	<u>39,027</u>	1,394,870
Unallocated corporate assets						<u>48,232</u>
Total assets						<u>1,443,102</u>
<b>Segment assets including:</b>						
Interests in associates	–	60,593	320,897	381,490	–	381,490
Interests in joint ventures	–	–	246,967	246,967	–	246,967
Additions to non-current segment assets	<u>35,852</u>	<u>10,346</u>	<u>45,969</u>	<u>92,167</u>	<u>29,326</u>	<u>121,493</u>

Geographical information:

The following table sets out information about the geographical location of the Group's revenue from external customers and the Group's fixed assets, other intangible assets, biological assets, deposits paid for potential investments, goodwill and interests in associates and joint ventures ("non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical location of the asset, in the case of fixed assets and biological assets, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of deposits paid for potential investments and interests in associates and joint ventures.

	Revenue		Non-current assets	
	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
PRC except Hong Kong (country of domicile)	<b>739,938</b>	530,021	<b>793,743</b>	734,557
Hong Kong	–	–	<b>2,780</b>	21
The United States	<b>9,543</b>	7,732	<b>27,388</b>	28,286
Canada	–	–	<b>7,719</b>	9,304
	<u><b>749,481</b></u>	<u>537,753</u>	<u><b>831,630</b></u>	<u>772,168</u>

## Revenue from major product and services

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Sales of embedded system products and related products	<b>638,722</b>	432,393
Rendering of travel and leisure services	<b>98,290</b>	85,068
Sales of wine and related products	<b>9,543</b>	10,183
Management fee income	<b>2,926</b>	10,109
	<b><u>749,481</u></b>	<u>537,753</u>

For the years ended 31 December 2013 and 2012, revenue from any single external customer does not amount to 10% or more of the Group revenue.

## 6. FINANCE COSTS

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Interest on bank loans		
Wholly repayable within five years	<b>6,850</b>	1,236
Not wholly repayable within five years	<b>246</b>	135
Interest on other loans wholly repayable within five years	<b>460</b>	718
Net foreign exchange losses	<b>4,785</b>	656
	<b><u>12,341</u></b>	<u>2,745</u>

The amount of finance costs includes bank loans which contain a repayment on demand clause, in accordance with the agreed scheduled repayments dates set out in the loan agreements. For the years ended 31 December 2013 and 2012, the interest on bank loans which contain a repayment on demand clause amounted to RMB6,079,000 and RMB1,371,000 respectively.

## 7. INCOME TAX EXPENSE

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Current tax – PRC Enterprise Income Tax		
Provision for the year	<b>26,526</b>	11,749
Under/(Over)-provision in prior year	<b>788</b>	(1,687)
	<u><b>27,314</b></u>	<u>10,062</u>
Current tax – Hong Kong Profits Tax		
Provision for the year	<b>112</b>	161
Over-provision in prior year	–	(199)
	<u><b>112</b></u>	<u>(38)</u>
Deferred tax	<u><b>(747)</b></u>	<u>(1,429)</u>
	<u><b>26,679</b></u>	<u>8,595</u>

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 year ended 31 December 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, 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 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 2012, the two subsidiaries renewed the certificates and are 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 YEAR

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

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Allowance for doubtful other receivables	<b>95</b>	530
Allowance for doubtful trade receivables	<b>4,976</b>	–
Allowance for obsolete and slow-moving inventories (included in cost of sales and services)	<b>1,478</b>	428
Amortisation of other intangible assets Included in cost of sales and services	<b>4,309</b>	4,295
Included in administrative expenses	<b>1,088</b>	605
Auditors' remuneration	<b>1,363</b>	1,320
Cost of inventories sold	<b>355,163</b>	243,936
Depreciation	<b>20,498</b>	16,209
Direct operating expenses of investment property that generate rental income	<b>507</b>	487
Loss on disposal of property, plant and equipment	<b>575</b>	51
Impairment loss on goodwill	<b>933</b>	–
Operating leases charges in respect of land and buildings	<b>6,952</b>	6,835
Reversal of allowance for doubtful trade receivables	<b>(182)</b>	(1,612)
Research and development expenditure	<b>29,307</b>	26,824
Staff costs (excluding directors' and supervisors' emoluments)		
Equity-settled share-based payments	–	2,243
Retirement benefits scheme contributions	<b>6,222</b>	5,920
Social security costs	<b>12,188</b>	5,433
Wages, salaries and bonuses	<b>79,673</b>	65,792
	<b><u>98,083</u></b>	<b><u>79,388</u></b>

Cost of inventories sold includes staff costs and depreciation of approximately RMB37,600,000 (2012: RMB17,200,000) which are included in the amounts disclosed separately above.

## 9. EARNINGS PER SHARE

### Basic and diluted earnings per share

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of RMB53,149,000 (2012: RMB32,531,000) and the weighted average number of ordinary shares of 1,184,800,000 (2012: 1,184,800,000) in issue during the year.

## 10. DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2013 (2012: Nil).



## 11. 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 invoice date which approximates the respective revenue recognition date is as follows:

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
0 to 90 days	<b>148,936</b>	68,384
91 to 180 days	<b>10,855</b>	10,720
181 to 365 days	<b>7,063</b>	3,116
Over 365 days	<b>1,828</b>	2,462
	<b><u>168,682</u></b>	<u>84,682</u>

## 12. TRADE AND OTHER PAYABLES

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade payables	<b>102,339</b>	65,823
Advances from customers	<b>10,042</b>	20,945
Accruals and other payables	<b>29,434</b>	30,459
Salaries and staff welfare payable	<b>23,594</b>	24,746
Due to shareholders	<b>348</b>	302
Due to related parties	<b>791</b>	816
Due to associates	<b>72</b>	–
	<b><u>166,620</u></b>	<u>143,091</u>

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:

	<b>2013</b>	2012
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
0 to 90 days	<b>97,783</b>	64,559
91 to 180 days	<b>510</b>	25
181 to 365 days	<b>15</b>	37
Over 365 days	<b>4,031</b>	1,202
	<b><u>102,339</u></b>	<u>65,823</u>

## **SUMMARY OF INDEPENDENT AUDITOR’S REPORT ON THE GROUP’S CONSOLIDATED FINANCIAL STATEMENTS**

A summary of the independent auditor’s report of the Group’s consolidated financial statements for the year ended 31 December 2013 is set out below:

### **“Emphasis of matter**

Without qualifying our opinion, we draw attention to note 10 to the financial statements. 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 “IRD”). The amount of this assessment was approximately HK\$47,852,000 (equivalent to RMB37,621,000) in which approximately HK\$47,748,000 (equivalent to RMB37,539,000) 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. The outcome of the tax claim cannot be readily ascertained up to the date of this report. Should the assessment regarding claim for the gain be finally judged against the subsidiary, the Group will have a cash outflow of approximately HK\$47,748,000 (equivalent to RMB37,539,000), representing approximately 13% of the cash and cash equivalents as at 31 December 2013.”

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Overall performance**

During the year under review, the Group's performance was benefited from active efforts in developing its main core businesses including the manufacture and sale of electronic fire equipment and the tourism development and expanding into diversified business operations over the past years. For the year ended 31 December 2013, turnover totalled approximately RMB749.5 million (2012: RMB537.8 million), increased by approximately RMB211.7 million or 39.4% year-on-year. Improving performance of the Group was also marked by an overall increase in gross profit by 27.2% to approximately RMB318.2 million (2012: RMB250.2 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 20.8% to approximately RMB176.5 million (2012: RMB146.1 million), as a result of the continuous expansion of the Group's existing businesses as well as consolidation of financial information of newly-acquired and newly-formed subsidiaries into the Group. Increase in the finance costs to approximately RMB12.3 million (2012: RMB2.7 million) was mainly due to the increase in borrowings used for business expansion. During the reporting year, the Group recorded the profit attributable to owners of the Company of approximately RMB53.1 million (2012: RMB32.5 million). Together with the increase in the fair value of the financial assets held by the Group and share of other comprehensive income of joint ventures, the total comprehensive income for the year attributable to the owners of the Company was approximately RMB52.4 million.

### **Manufacture and sale of electronic fire equipment**

Revenue from manufacture and sale of electronic fire equipment business of approximately RMB638.5 million was recorded for the year ended 31 December 2013 (2012: RMB432.0 million), which was increased by 47.8% year-on-year and accounted for 85.2% 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 effective management of dealer performance, increase in sales incentives to dealers, enhancement of brand recognition, the continuous establishment of selling terminals and the expansion of production capacity. The Group's performance was also benefited from the launch of new products rolled out in the market across the country including electrical fire products and gas fire products during the reporting year.

## **Tourism development**

Revenue from tourism development business increased 15.5% year-on-year to approximately RMB98.3 million during the year under review (2012: RMB85.1 million), which represented 13.1% of the Group's total turnover. The Group's tourism development business mainly included provision of environmental bus service and property management service in Hengshan Mountain scenic area. Such increase in revenue was mainly attributable to the opening of highways and high-speed railways in Nanyue surrounding areas, which brought more visitors to Hengshan. The Group's associate, Changsha Songya Lake Construction Investment Co., Ltd. ("Songya Lake Construction") continued to take part in the construction and land development project of landscape architectures centered on Songya Lake.

The Group also continued to diversify the tourism development business through participating in building new tourist attractions in the PRC. On 25 January 2013, Chuanqi Tourism Investment Co., Ltd. ("Chuanqi Tourism"), a direct non-wholly owned subsidiary of the Company, 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. For the purpose of development of travel and leisure business mainly within the Badaling Great Wall Scenic Area, on 25 April 2013, Chuanqi Tourism entered into the shareholders agreement 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. Upon its establishment, 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. Chuanqi Tourism also planned to participate in the development and construction of the new tourist attractions located at Tianzi Mountain, a famous scenic area located at Hunan Province and entered into the respective cooperation framework agreement with the local government on 19 November 2013.

## **Investment holding**

As at 31 December 2013, the total assets of the Group's investment holding business amounted to approximately RMB720.1 million (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 ("SMIC"), a listed company in Hong Kong, and the equity interest in Enraytek Optoelectronics Technology (Shanghai) Co. Ltd. ("Enraytek") which is engaged in LED business.

The investment areas of SBI China, which is a joint venture of the Group, 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, which is an associate of the Group, currently participated in several property development projects, including construction of certain luxurious residential apartments and commercial buildings in Beijing. During the year, the Group recorded share of losses of SBI China and HS Fund of approximately RMB4.9 million and RMB8.4 million respectively (2012: RMB5.2 million and RMB5.9 million respectively). The equity interests in SMIC and Enraytek were classified as available-for-sale financial assets of the Group.

## **Outlook**

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 building its brand recognition and upgrading its sales force and management by provision of continuous trainings. In order to meet the international demand, the Group will continue to provide financial and technical supports for its operation in the North America, which will concentrate on producing fire alarm products that can meet the commonly recognised international standards. 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.

## **EVENTS AFTER THE REPORTING PERIOD**

On 9 January 2014, the Company entered into the investment agreement in relation to the establishment of the joint venture company (the "Joint Venture") in the PRC which will be engaged in provision of life insurance products and services in the PRC. Pursuant to the investment agreement, the Company has conditionally agreed to subscribe for an aggregate of 200,000,000 shares of the Joint Venture by a total capital contribution of RMB200,000,000 with equivalent to 20% of the total registered capital of the Joint Venture. A special general meeting has been held on 10 March 2014 for the approval of the establishment of the Joint Venture.

On 7 March 2014, Beida Jade Bird Universal Fire Alarm Device Company Limited (a non-wholly own subsidiary of the company) (“Jade Bird Fire Alarm”) and Beijing Beida Jade Bird Security Systems Engineering Technology Company Limited (“Jade Bird Security Systems”) entered into (1) the software development agreement, pursuant to which Jade Bird Security Systems is engaged by Jade Bird Fire Alarm to develop the software used for the central management of fire safety systems at various locations at the consideration of RMB1,500,000 subject to and upon the terms contained in the software development agreement; and (2) the copyright transfer agreements, pursuant to which Jade Bird Security Systems would transfer to Jade Bird Fire Alarm (i) the ownership of the copyright of the system software designed for monitoring the operations of fire apparatus in the PRC; and (ii) the ownership of the copyright of the long distance fire monitoring system software in the PRC, at the considerations of RMB1,190,000 and RMB2,210,000 respectively subject to and upon the terms contained in the copyright transfer agreements. Jade Bird Security Systems is a connected person of the Company. Accordingly, the transactions contemplated under the software development agreement and the copyright transfer agreements constitute the connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

## **PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2013.

## **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 year ended 31 December 2013.

## **AUDIT COMMITTEE**

The Company has established the audit committee with written terms of reference in compliance with the requirements as set out in the GEM Listing Rules. The audit committee of the Company is accountable to the Board. Its primary duties include monitoring the financial reporting system and internal control procedure of the Group, reviewing financial information, and advising the Board on engagement and independence of external auditors. The audit committee of the Company currently comprises four independent non-executive Directors, namely Mr. Shao Jinlin, Mr. Cai Chuanbing, Li Juncai and Mr. Lin Yan. Mr. Shao Jiulin is the chairman of the audit committee of the Company.

The audit committee of the Company has reviewed and discussed the financial reporting matters including the annual results for the year ended 31 December 2013 with the management and the external auditors.

By order of the Board  
**Beijing Beida Jade Bird Universal  
Sci-Tech Company Limited**  
**Xu Zhendong**  
*Chairman*

Beijing, the PRC  
20 March 2014

*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, 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.*

*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”.*