青鸟环宇
JADE BIRD UNIVERSAL

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 2012

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.

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.

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 2012 together with the unaudited comparative figures for the corresponding period in 2011 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2012

		Three months ended 30 June		Six months ended 30 June	
		2012	2011	**2012**	2011
	Note	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Turnover	*3*	**105,407**	73,651	**171,031**	114,571
Cost of sales and services		**(62,445)**	(36,632)	**(100,408)**	(60,818)
Gross profit		**42,962**	37,019	**70,623**	53,753
Other gains and income	*5*	**1,335**	14,293	**2,797**	19,944
Distribution costs		**(7,195)**	(3,850)	**(14,465)**	(8,436)
Administrative expenses		**(14,253)**	(12,729)	**(30,610)**	(28,198)
Other expenses		**(4,242)**	(3,853)	**(9,733)**	(8,173)
Finance costs	*6*	**20**	(2,276)	**(427)**	(4,009)
Change in fair value of derivative financial instruments		**(37)**	(1,736)	**(37)**	(1,736)
Share of losses of associates		**(406)**	(31)	**(260)**	(31)
Share of (losses)/profits of jointly controlled entities		**(1,085)**	3,750	**(2,322)**	2,382
Profit before tax		**17,099**	30,587	**15,566**	25,496
Income tax (expense)/credit	*7*	**(3,355)**	7,867	**(4,423)**	6,890
Profit for the period	*8*	**13,744**	38,454	**11,143**	32,386
Other comprehensive income after tax					
Investment revaluation reserve reclassified to profit or loss on disposal of available-for-sale financial assets		**—**	—	**—**	(1,699)
Change in fair value of available-for-sale financial assets		**(25,433)**	5,285	**(23,446)**	13,508
Exchange differences on translating foreign operations		**781**	(2,245)	**787**	(3,924)
Other comprehensive income for the period, net of tax		**(24,652)**	3,040	**(22,659)**	7,885
Total comprehensive income for the period		**(10,908)**	41,494	**(11,516)**	40,271

	Note	Three months ended 30 June 2012 RMB'000	2011 RMB'000	Six months ended 30 June 2012 RMB'000	2011 RMB'000
Profit for the period attributable to:					
Owners of the Company		**5,013**	29,171	**899**	21,210
Non-controlling interests		**8,731**	9,283	**10,244**	11,176
		13,744	38,454	**11,143**	32,386
Total comprehensive income for the period attributable to:					
Owners of the Company		**(19,640)**	32,212	**(21,773)**	29,775
Non-controlling interests		**8,732**	9,282	**10,257**	10,496
		(10,908)	41,494	**(11,516)**	40,271
		RMB cent	*RMB cent*	***RMB cent***	*RMB cent*
Earnings per share					
Basic and diluted	*9*	**0.42**	2.46	**0.08**	1.79

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2012

	Note	**30 June 2012 (Unaudited) *RMB'000***	31 December 2011 (Audited) *RMB'000*
Non-current assets			
Property, plant and equipment		**99,202**	68,285
Goodwill	*10*	**14,647**	7,058
Other intangible assets		**21,150**	13,928
Investment in associates	*11*	**379,089**	343,850
Investment in jointly controlled entities	*12*	**227,584**	226,674
Available-for-sale financial assets	*13*	**141,489**	163,199
		883,161	822,994
Current assets			
Inventories		**100,757**	71,419
Trade receivables	*14*	**81,247**	48,306
Due from related parties		**27**	77
Due from associates		**33,917**	33,520
Prepayments, deposits and other receivables		**65,169**	26,316
Derivative financial instruments		**48**	84
Non-pledged time deposits with original maturity of more than three months when acquired		**1,100**	1,091
Cash and cash equivalents		**77,175**	227,053
		359,440	407,866
Total assets		**1,242,601**	1,230,860

	Note	**30 June 2012 (Unaudited)** ***RMB'000***	31 December 2011 (Audited) *RMB'000*
Current liabilities			
Trade payables	*15*	**73,800**	67,878
Advances from customers		**23,089**	27,620
Accruals and other payables		**71,343**	46,270
Due to a shareholder		**198**	148
Due to related parties	*16*	**11**	4,222
Due to non-controlling interests		**1,837**	—
Bank and other loans	*17*	**55,023**	39,204
Current tax liabilities		**19,015**	30,174
		244,316	215,516
Net current assets		**115,124**	192,350
NET ASSETS		**998,285**	1,015,344
Capital and reserves			
Share capital	*18*	**118,480**	118,480
Reserves		**758,418**	780,191
Equity attributable to owners of the Company		**876,898**	898,671
Non-controlling interests		**121,387**	116,673
TOTAL EQUITY		**998,285**	1,015,344

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2012

	Attributable to owners of the Company								
	Share capital	**Capital reserve**	**Reserve funds**	**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*
At 1 January 2011	118,480	377,720	85,489	(61,098)	49,072	302,664	872,327	71,496	943,823
Total comprehensive income for the period	—	—	—	(3,924)	12,489	21,210	29,775	10,496	40,271
Capital contribution from non-controlling interests	—	—	—	—	—	—	—	9,800	9,800
Disposal of a subsidiary	—	—	—	—	—	—	—	(343)	(343)
Disposal of interests in a subsidiary without loss of control	—	—	—	—	—	(4,458)	(4,458)	4,458	—
Dividend paid to non-controlling interests	—	—	—	—	—	—	—	(1,000)	(1,000)
Changes in equity for the period	—	—	—	(3,924)	12,489	16,752	25,317	23,411	48,728
At 30 June 2011	118,480	377,720	85,489	(65,022)	61,561	319,416	897,644	94,907	992,551
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	**118,480**	**377,720**	**86,998**	**(68,275)**	**28,347**	**333,628**	**876,898**	**121,387**	**998,285**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2012

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Net cash (used in)/generated from operating activities	**(74,623)**	57,994
Net cash used in investing activities	**(64,452)**	(166,355)
Net cash (used in)/generated from financing activities	**(10,720)**	9,443
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(149,795)**	(98,918)
Effect of foreign exchange rate changes	**(83)**	(681)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	**227,053**	643,845
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD, REPRESENTED BY	**77,175**	544,246
Cash and bank balances	**77,175**	544,246
Time deposits	**1,100**	3,243
	78,275	547,489
Less: Non-pledged time deposits with original maturity of more than three months when acquired	**(1,100)**	(3,243)
CASH AND CASH EQUIVALENTS	**77,175**	544,246

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 Room 1002, 10th Floor, Bank of America Tower, 12 Harcourt 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 PRESENTATION

2.1 Adoption of new and revised HKFRSs

In the current period, the Group has adopted all the new and 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 2012. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period and prior periods.

The Group has not applied the following new HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 1	First-time Adoption of Hong Kong Financial Reporting Standards — Government Loans[2]
Amendments to HKFRS 7	Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities[2]
Amendments to HKAS 1	Presentation of Financial Statements — Presentation of Items of Other Comprehensive Income[1]
Amendments to HKAS 32	Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities[3]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
HKAS 19 (2011)	Employee Benefits[2]
HKAS 27 (2011)	Separate Financial Statements[2]
HKAS 28 (2011)	Investments in Associates and Joint Ventures[2]
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]
Annual Improvements 2009–2011 Cycle	

Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[2]

1 Effective for annual periods beginning on or after 1 July 2012.
2 Effective for annual periods beginning on or after 1 January 2013.
3 Effective for annual periods beginning on or after 1 January 2014.
4 Effective for annual periods beginning on or after 1 January 2015.

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

2.2 Basis of preparation

These condensed financial statements have been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong 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 and derivatives 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.

Save as aforesaid or as otherwise mentioned in this announcement, the accounting policies adopted in preparing these unaudited second quarterly condensed consolidated financial statements are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2011. These condensed consolidated financial statements should be read in conjunction with these mentioned audited financial statements.

Key sources of estimation uncertainty

In preparing these condensed consolidated financial statements, the significant judgment made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2011, except for changes in estimates that are required in determining the fair value of debt investments.

Basis of consolidation

The condensed consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 June. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the condensed consolidated statement of financial position and condensed consolidated statement of changes in equity within equity. Non-controlling interests are presented in the condensed consolidated statement of comprehensive income as an allocation of profit or loss and total comprehensive income for the period between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

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	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Sale of embedded system products and related products	**82,873**	56,320	**137,634**	87,115
Rendering of travel and leisure services	**19,364**	17,331	**29,218**	27,456
Others	**3,170**	—	**4,179**	—
	105,407	73,651	**171,031**	114,571

4. SEGMENT INFORMATION

In order to better reflect the current and future activities of the Group, the Group reorganized its segment information during the six months ended 30 June 2011. After reorganization, the Group has five (2011: five) reportable segments as follows:

Manufacture and sale of electronic fire equipment	—	research, development, manufacture, marketing and sale of WFAS and related products
Tourism development	—	development of travel and leisure business
Equity fund investment	—	investment in equity fund
Non-equity fund investment	—	investment in entity other than equity fund
LED business	—	investment in LED business
All other segments	—	business activities and operating segments not separately reported, including provision of network security services, sale of computer products and production and sale of wine and related product

The Group's reportable segments are strategic business units that are managed separately because each unit requires different technology, development and marketing strategies.

The accounting policies of operating segments are as same as those applied in the audited consolidated financial statements for the year ended 31 December 2011. 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 transfer were to third parties, i.e. at current market prices.

Information about reportable segment profit or loss:

	Revenue from external customers		Segment profit/(loss)	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
				(restated)
Manufacture and sale of electronic fire equipment	**137,634**	85,358	**21,683**	15,827
Tourism development	**29,218**	27,456	**3,946**	10,119
Equity fund investment	**—**	—	**(2,633)**	2,270
Non-equity fund investment	**—**	—	**(1,257)**	(685)
LED business	**—**	—	**(21)**	(19)
All other segments	**4,179**	1,757	**1,414**	(775)
	171,031	114,571	**23,132**	26,737
Bank Interest income			**555**	1,344
Interest income from loans to others			**—**	110
Unallocated other gains and income			**937**	14,134
Finance costs			**(427)**	(4,009)
Unallocated corporate expenses			**(8,631)**	(12,820)
Profit before tax			**15,566**	25,496

Information about reportable total assets:

	30 June 2012	31 December 2011
	(Unaudited)	(Audited)
	RMB'000	*RMB'000*
Manufacture and sale of electronic fire equipment	**264,527**	260,270
Tourism development	**164,245**	176,743
Equity fund investment	**583,532**	511,460
Non-equity fund investment	**71,750**	117,951
LED business	**72,071**	72,090
All other segments	**37,754**	190
	1,193,879	1,138,704
Unallocated corporate assets	**48,722**	92,156
	1,242,601	1,230,860

5. OTHER GAINS AND INCOME

	Three months ended 30 June		Six months ended 30 June	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Bank interest income	**386**	647	**555**	1,344
Gain on disposal of a subsidiary	**—**	12,601	**—**	12,601
Gain on disposal of available-for-sale financial assets	**—**	—	**—**	3,116
Interest income from convertible bonds	**655**	613	**1,305**	1,240
Interest income from loans to others	**—**	110	**—**	110
Write-back of trade and other payables	**36**	—	**652**	—
Others	**258**	322	**285**	1,533
	1,335	14,293	**2,797**	19,944

6. FINANCE COSTS

	Three months ended 30 June		Six months ended 30 June	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Interest on borrowings wholly repayable within five years				
— bank loans	**238**	152	**474**	294
— other loans	**243**	104	**307**	165
Net foreign exchange (gain)/losses	**(501)**	2,020	**(354)**	3,550
	(20)	2,276	**427**	4,009

7. INCOME TAX EXPENSE/(CREDIT)

	Three months ended 30 June		Six months ended 30 June	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Current tax — PRC Enterprise Income Tax				
Provision for the period	**3,247**	4,513	**4,208**	5,383
Over-provision in prior year	**—**	(12,380)	**—**	(12,380)
Current tax — Hong Kong Profits Tax				
Provision for the period	**108**	—	**215**	107
	3,355	(7,867)	**4,423**	(6,890)

Hong Kong Profits Tax has been provided at a rate of 16.5% (2011: 16.5%) on the estimated assessable profit of the Group for the six months ended 30 June 2012.

Tax charge on profits assessable elsewhere have 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 the year ending 31 December 2012.

The Company and 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% (2011: 25%).

8. PROFIT FOR THE PERIOD

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

	Three months ended 30 June		**Six months ended 30 June**	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Amortisation of other intangible assets				
Included in cost of sales and services	**1,071**	1,071	**2,143**	2,143
Included in administrative expenses	**—**	—	**—**	1
Depreciation	**4,007**	2,947	**7,323**	5,779
Gain an disposal of property, plant and equipment	**—**	7	**18**	7
Operating leases charges in respect of land and buildings	**1,015**	905	**3,200**	1,790
Research and development expenditure	**4,154**	3,902	**9,776**	8,240

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 2012 and 2011 are based on profit for the period attributable to owners of the Company of approximately RMB5,013,000 (2011: RMB29,171,000) and the weighted average number of ordinary shares of 1,184,800,000 (2011: 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 2012 and 2011 are based on profit for the period attributable to owners of the Company of approximately RMB899,000 (2011: RMB21,210,000) and the weighted average number of ordinary shares of 1,184,800,000 (2011: 1,184,800,000) in issue during the period.

10. GOODWILL

	30 June 2012 (Unaudited) ***RMB'000***	31 December 2011 (Audited) *RMB'000*
Cost		
At beginning of the period	**7,058**	7,867
Arising on acquisition of a subsidiary *(note 19)*	**7,574**	933
Disposal of a subsidiary	**—**	(1,742)
Exchange differences	**15**	—
At end of period	**14,647**	7,058
Accumulated impairment losses		
At beginning of the period	**—**	1,742
Disposal of a subsidiary	**—**	(1,742)
At end of period	**—**	—
Carrying amount		
At end of period	**14,647**	7,058

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from that business combination.

Before recognition of impairment losses, as at 30 June 2012, the carrying amount of goodwill of RMB6,125,000 (31 December 2011: RMB6,125,000) had been allocated to Manufacture and sale of electronic fire equipment segment and RMB933,000 (31 December 2011: RMB933,000) had been allocated to Beijing Heyuan Investment Company Limited of the Tourism development segment. The remaining amount of RMB7,589,000 (31 December 2011: Nil) was included in all other segments.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are referred to past experience and current market expectation and/or demand or based on long-term average economic growth rate of the geographical area in which the businesses of the CGUs operate whichever is applicable. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next two to five years.

Goodwill is not tested for impairment as no events or changes in circumstances indicated it might be impaired for the six months ended 30 June 2012.

During the year ended 31 December 2011, the rate used to discount the forecast cash flows from the Group's Manufacture and sale of electronic fire equipment segment and Tourism development segment were 16.2% and 19.8% respectively. The recoverable amounts of the goodwill arising on acquisition of the subsidiaries had been determined to be higher than its carrying amounts of the CGUs allocated and accordingly no impairment loss for goodwill was recognised during the year ended 31 December 2011.

11. INVESTMENT IN ASSOCIATES

	30 June 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *RMB'000*
Unlisted investment:		
Share of net assets	**379,089**	343,850

12. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

	30 June 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *RMB'000*
Unlisted investments:		
Share of net assets	**227,584**	226,674

13. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30 June 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *RMB'000*
Equity securities, at fair value		
Listed in Hong Kong	**50,548**	73,925
Equity securities, at cost		
Unlisted outside Hong Kong	**250**	250
Equity securities, at fair value		
Unlisted outside Hong Kong	**71,110**	71,109
Debt investments, at fair value		
Unlisted in Hong Kong *(note (i))*	**19,581**	17,915
	141,489	163,199

Note:

(i) The components of the debt investments are as follows:

	30 June 2012 (Unaudited) ***RMB'000***	31 December 2011 (Audited) *RMB'000*
Unlisted convertible bonds*, at fair value	**19,581**	17,915
Embedded option derivatives, at fair value	**48**	84
	19,629	17,999

* 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 2012, the Group held unlisted convertible bonds with a principal amount of HK$24,000,000 (equivalent to RMB19,565,000) (2011: HK$24,000,000 (equivalent to RMB19,958,000)). 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$1.58 (equivalent to RMB1.29) per share.

The fair values of the convertible bonds and their components were determined with reference to the valuation performed by Greater China Appraisal Limited by using Binomial 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.

14. 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 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *RMB'000*
0 to 90 days	**66,610**	39,747
91 to 180 days	**7,948**	3,464
181 to 365 days	**5,418**	1,722
Over 365 days	**1,271**	3,373
	81,247	48,306

15. 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 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *RMB'000*
0 to 90 days	**69,863**	65,603
91 to 180 days	**2,395**	113
181 to 365 days	**32**	—
Over 365 days	**1,510**	2,162
	73,800	67,878

16. DUE TO RELATED PARTIES

The amounts due to related parties are unsecured, interest-free and have no fixed terms of payment.

17. BANK AND OTHER LOANS

	30 June 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *RMB'000*
Bank loan, secured	**16,199**	10,000
Bank loan, unsecured	**152**	—
Other loans, unsecured	**38,672**	29,204
	55,023	39,204

Bank and other loans are repayable within one year or have no fixed repayment terms (shown under current liabilities).

The carrying amount of the Group's bank and other loans are denominated in RMB except for other loans of RMB36,023,000 which is denominated in USD.

As at 30 June 2012, the interest rates for bank loans of RMB10,000,000 (31 December 2011: RMB10,000,000), RMB6,199,000 (31 December 2011: Nil) and RMB152,000 (31 December 2011: Nil) were 7.87% (31 December 2011: 6.56%), 4.25% and 7.25% per annum respectively. The interest rates paid for other loans of RMB9,000,000 (31 December 2011: RMB4,000,000) and RMB4,373,000 (31 December 2011: Nil) were 6.56% (31 December 2011: 6.31%) and 8.00% respectively. The remaining other loan of RMB25,299,000 (31 December 2011: RMB25,204,000) was interest-free.

At 30 June 2012 and 31 December 2011, certain bank loans were secured by charges over certain property, plant and equipment of the Group.

18. SHARE CAPITAL

	30 June 2012 (Unaudited) *RMB'000*	31 December 2011 (Audited) *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
	118,480	118,480

19. ACQUISITION OF A SUBSIDIARY

On 27 January 2012, the Group acquired 75% of the equity interest in PWC Winery, LLC, a company incorporated in the United States, for a consideration of USD2,925,000 (equivalent to RMB18,461,000). PWC Winery, LLC is the owner of the Winery at la Grange at the State of Virginia, the United States which is engaged in the production and sales of wine and related products.

The fair value of the identifiable assets and liabilities of PWC Winery, LLC acquired as at its date of acquisition is as follows:

	RMB'000
Net assets acquired:	
Property, plant and equipment	12,270
Inventories	6,153
Other intangible asset	6,943
Cash and cash equivalents	177
Due to a shareholder	(2,178)
Other payables	6
Bank and other loans	(8,855)
	14,516
Non-controlling interests	(3,629)
Goodwill *(note 10)*	7,574
	18,461
Satisfied by:	
Cash	18,461
Net cash outflow arising on acquisition:	
Cash consideration paid	18,461
Cash and cash equivalents acquired	(177)
	18,284

The goodwill arising on the acquisition of PWC Winery, LLC is attributable to the anticipated profitability of the new business.

PWC Winery, LLC contributed turnover of RMB4,179,000 and profit of RMB1,674,000 to the Group's turnover and profit for the period respectively for the period between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 January 2012, total Group's turnover for the six months ended 30 June 2012 would have been RMB171,407,000, and profit for the six months ended 30 June 2012 would have been RMB11,168,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2012, nor is intended to be a projection of future results.

20. 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:

	Three months ended 30 June		**Six months ended 30 June**	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Sales of embedded systems products and WFAS to related companies controlled by Peking University	**2,266**	1,848	**4,029**	3,059
Rental expenses for office building charged by				
— a shareholder of the Company	**242**	196	**460**	361
— Peking University	**2**	4	**8**	8
	244	200	**468**	369

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:

	Three months ended 30 June		**Six months ended 30 June**	
	2012	2011	**2012**	2011
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Short term employee benefits	**1,452**	710	**2,458**	1,421
Post-employment benefits	**62**	56	**124**	107
	1,514	766	**2,582**	1,528

21. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in the section "Management Discussion and Analysis" below, the Group had no significant events after 30 June 2012 (2011: Nil).

22. CONTINGENT LIABILITY

During the year ended 31 December 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 RMB39,009,000) in which HK$47,748,000 (equivalent to RMB38,924,000) relating 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 2012 as responding to the tax claim is ongoing and 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 RMB38,924,000), representing approximately 50.4% of cash and cash equivalents as at 30 June 2012. There will be no effect on the profit before tax.

23. SEASONALITY OF OPERATIONS

Sales of WFAS products are subject to seasonal fluctuations with peak demand in the second half of a year which matches with normal peak season of completion of a construction work. In the year ended 31 December 2011, 29% and 71% of full-year turnover accumulated in the first and second half of the year respectively.

Rendering of travel and leisure service are also subject to seasonal fluctuation with peak demand in the second half of a year which matches with the peak season of tourism. In the year ended 31 December 2011, 35% and 65% of full-year turnover accumulated in the first and second half of the year respectively.

24. SIGNIFICANT EVENTS AND TRANSACTIONS

Significant events and transactions occurred during the six months ended 30 June 2012 are detailed in the section “Management Discussion and Analysis” below.

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2012 (2011: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overall performance

Turnover for the first half of 2012 totalled RMB171.0 million, increased by approximately RMB56.5 million or 49.3% year-on-year. Gross profit reached RMB70.6 million, increased by approximately RMB16.9 million or 31.4% year-on-year. With the backdrop of continuing good performance of core business especially the astounding growth in WFAS segment, distribution costs soared approximately RMB6.0 million or 71.5% year-on-year while administrative expenses and other expenses rose approximately RMB4.0 million or 10.9% in aggregate because the Group intensified market promotion and product development obviously. During the reporting period, the Group recorded profit for the period of RMB11.1 million. As the share price of SMIC being one of the available-for-sale financial assets of the Group dropped continuously, fair value of the available-for-sale financial assets decreased by RMB23.4 million. At the same time, the Company reduced its activities of disposing subsidiaries (disposal of subsidiaries resulted in a gain of RMB12.6 million last year), resulting in a total comprehensive loss for the period of RMB21.8 million attributable to the owners of the Company. Last year the Company recorded a corresponding gain of RMB29.8 million.

Manufacture and sale of electronic fire equipment

Turnover boosted 61.2% year-on-year and reached RMB137.6 million by the end of the June 2012, which accounted for 80.5% of the Group total turnover. Segment profit hit RMB21.7 million and continued to dominate overall profit. Uplift in sales relies not only on strong demand but also the Group's effort in building and consolidating its brand. Promotions were conducted in Dongguan, Suzhou and Langfang throughout the second quarter. The Group reinforced its research and development team with more talents being recruited to enhance product quality as well as to shorten R&D lead time. The Group continues to expand market share and search for more suitable dealers.

Tourism development

Turnover increased 6.4% year-on-year to RMB29.2 million during the first half of 2012, representing 17.1% of the Group total turnover for the first half of 2012. Segment profit dropped to RMB3.9 million year-on year. 542,000 arrivals, most of them being pilgrims, visited Hengshan during the reporting period, up 7.3% year-on-year. Service utilization rate maintained at 88% throughout the six month period in 2012. Growth was slow down as utilization rate reached its bottleneck and the cold weather during the first half of the year adversely affected the bus service.

Demolition and relocation process of Songya Lake Huanhu Project as mentioned in the previous quarterly report is still in progress.

Equity fund investment

SBI & BDJB China Fund L.P. ("SBI China")

The investees in the education sector continued to recover. During the first half of 2012, Occupational Skill Testing Authority ("OSTA") of Ministry of Human Resources and Social Security of the People's Republic of China agreed to certify all educational products of the investee. Recognition from this authority solidifies the leading role of the investee in the vocational training market.

After a short recovery in the first quarter, revenue from insurance sector slid down again and its underwriting business made loss for the six months ended 30 June 2012. Fortunately its investments performed well and produced more than adequate return to cover the loss. The insurance sector ended up with a net profit for the first half of 2012.

The baby product sector faced stiff price competition. Growth slowed down and margin shrank. The sector made loss during the first half of 2012.

Details of the LED business are set out in the section "LED business — Enraytek Optoelectronics Co. Ltd. ("Enraytek")" below.

Beijing Jade Bird Hengsheng Investment Fund (Limited Partnership) ("HS Fund")

HS Fund invested in another Beijing property development project during the first half of 2012. The first Beijing property development project is in process.

Non-equity fund investment

SMIC

According to the latest information available, SMIC recorded revenue of USD421.8 million for the second quarter of 2012, up 26.8% as compared to the first quarter of 2012 and jumped by 19.7% year-on-year. Gross margin doubled to 24.1% in this quarter from 12.0% in the previous quarter primarily due to a high utilisation rate and continued improvements in manufacturing efficiency. Net cash flow from operations tripled to USD109.4 million in this quarter from USD35.8 million in the previous quarter. Profit attributable to ordinary shareholders was USD7.1 million in this quarter while the first quarter recorded a loss of USD42.8 million.

SMIC has benefited from strong customer demand across the board and in particular an 87% quarter-to-quarter increase in its 65/55 nm revenue. It is also experiencing a strong demand increase for its specialty processes, including power management ICs, EEPROM, and others. As a result of industry demand improvement and internal efforts, overall fab utilization is good. It reached 95% in the second quarter as compared to 74% in the first quarter. China revenue continues to grow along with China's semiconductor market. In the second quarter of 2012, China revenue grew 28% quarter-over-quarter, equivalent to about 33% of total revenue in the second quarter of 2012.

LED business — Enraytek Optoelectronics Co., Ltd. (“Enraytek”)

After a sluggish performance in the first few months, Enraytek began to pick up near the end of the reporting period. However, market competition is increasing while product upgrade speed is accelerating. Enraytek had speeded up its product development process, searched for talents and undergone stringent cost control to increase its competitive power.

Major events

Save for the events mentioned in the 2012 first quarterly report of the Group, there were no major events occurred during the six months ended 30 June 2012.

Liquidity and financial resources

Net assets of the Group was RMB998.3 million at the end of June 2012, down 1.7% since the end of 2011. Current ratio (being the ratio of current assets to current liabilities) fell to 1.5. Gearing ratio (being the ratio of total interest-bearing debts to total equity) increased to 3.0%.

Exposure to foreign currencies

The Group exposes to certain foreign currency risk as most of its business activities, assets and liabilities are denominated in USD, HK$ and RMB. The Group does not formulate a foreign currency hedging policy at present 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 exposure and will take measures to lower the foreign currency risk when necessary.

Capital commitment

The Group had capital commitments to a jointly controlled entity and an associate totalled approximately RMB190.5 million at the end of the reporting period.

Human resources

The Group had a workforce of over 1,200 people at the end of June 2012, up 5.4% since the end of 2011 and 1.7% since the end of last quarter respectively. The increase is in line with the growth of the Group. Over 40% are graduates or above; a percentage comparable with the last quarter. The Group strictly complies with applicable labour law and regulations both in the PRC and Hong Kong. Competitive remuneration package with medical and travel insurance are offered to the staff. Adequate retirement fund and provident fund are contributed timely.

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

Outlook

Saying farewell to first half fiscal year, the Group expects a much challenging second half of 2012 is coming. The Group will remain focus on the two directions of strengthening core businesses and exploring investment opportunities. The predetermined strategies for the firefighting sector, being dealer recruitment, selling terminal establishment and dealer coverage expansion will be continued to solidify market share. Trainings will be continued to upgrade the sales workforce while promotions will be conducted to further strengthen customer trust. Research and development on UL standard accredited products for USA market is in full swing. Besides striving for high bus service utilization rate, the Group will continue to diversify the Tourism development segment through participating in relating projects. In particular, Songya Lake Project and the Changbai Mountain Culture Creative Park Project are the current icons. Although the past performance of the investment funds was weak, the Group believes they will improve in the second half of the year following proper restructuring process. At last, export of wine to the PRC started. As the industry moves to its peak season in the fall, remarkable growth in the business is expected.

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

As at 30 June 2012, the interests (including interests in shares and short positions) of Directors, Supervisors and chief executive 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) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered into the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long Positions in Shares:

		Number of ordinary shares					
	Capacity	Interests in promoters Shares *(Note a)*	Interests in H Shares	Total	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
Name of 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. Chen Zongbing	Beneficial owner	—	16,209,000	16,209,000	—	3.34%	1.37%
Name of Supervisor							
Mr. Zhang Yongli	Beneficial owner and beneficiary of trust	205,414,000	13,200,000	218,614,000	29.34%	2.72%	18.45%
Ms. Zhou Min	Beneficiary of trust	205,414,000	—	205,414,000	29.34%	—	17.34%

Note:

(a) 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 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, 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'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 executive 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 2012.

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 2012, 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 Shares:

Name	*Note*	Capacity and nature of interests	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), (c)*	Through a controlled corporation	200,000,000	28.57%	16.88%
4. Beijing Beida Jade Bird Limited	*(a), (b)*	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 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 Beida Jade Bird comprise 115 million Shares held by it and 85 million Shares held by SZ Jade Bird.

(c) The interests of JB Software comprise 200 million Shares held by Beida 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.

Save as disclosed above, no person, other than the Directors and Supervisors, whose interests are set out in the section "Directors', Supervisors' and chief executive's 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 2012.

COMPETING INTERESTS

As at 30 June 2012, 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.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in section "Management Discussion and Analysis", the Group had no significant events after 30 June 2012.

AUDIT COMMITTEE

The Company established its Audit Committee with terms of reference in compliance with Rules 5.28 to 5.29 of 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.

Audit Committee comprises four members. The chairman is Mr. Shao Jiulin. The three members are Mr. Cai Chuanbing, Mr. Lin Yan and Mr. Li Juncai. All of them are independent non-executive Directors. Audit Committee had held a meeting to review the Group second quarterly report for the six months ended 30 June 2012 and concluded the meeting with agreement to the contents of the report.

CODE ON CORPORATE GOVERNANCE PRACTICES

In order to allow new Directors to contribute to the nomination committee, the Company established its nomination committee until 21 June 2012 being the date appointment of new Directors were approved by Shareholders.

Save for the above deviation, the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in former Appendix 15 and Corporate Governance Code as set out in revised Appendix 15 to the GEM Listing Rules during the six months ended 30 June 2012.

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 2012 (2011: Nil).

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

Beijing, the PRC, 10 August 2012

GLOSSARY

"Audit Committee"	audit committee of the Company
"Beida Jade Bird"	Beijing Beida Jade Bird Limited
"Board"	Board of Directors
"Company"	Beijing Beida Jade Bird Universal Sci-Tech Company Limited
"Director(s)"	director(s) of the Company
"Dynamic Win"	Dynamic Win Assets Limited
"GEM"	the Growth Enterprise Market of The Stock Exchange
"GEM Listing Rules"	Rules Governing the Listing of Securities on GEM
"Group"	Company and its subsidiaries
"H Share(s)"	overseas-listed foreign Share(s) listed on GEM
"HK$"	Hong Kong dollars

"HKFRSs"	Hong Kong Financial Reporting Standards
"JB Software"	Beijing Beida Jade Bird Software System Co., Ltd.
"LED"	Light-emitting diode
"PRC"	People's Republic of China
"RMB"	Renminbi
"SFO"	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (as amended from time to time)
"Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB0.10 each
"Shareholder(s)"	shareholder(s) of the Company
"SMIC"	Semiconductor Manufacturing International Corporation
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	supervisor(s) of the Company
"SZ Jade Bird"	Shenzhen Beida Jade Bird Sci-Tech Co., Ltd.
"USD"	United States dollars
"WFAS"	wireless fire alarm systems and related products of the Group

As at the date of this announcement, Mr. Xu Zhendong, Mr. Xu Zhixiang and Mr. Zhang Wanzhong are executive Directors, Mr. Cai Weimin, 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 on the "Latest Company Announcements" page for at least 7 days from the date of its posting.