



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 2020**

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

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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.

SECOND QUARTERLY RESULTS (UNAUDITED)

The board of the Directors (the “Board”) announced the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2020 together with the unaudited comparative figures for the corresponding period in 2019 as follows:

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

For the six months ended 30 June 2020

	Notes	Three months ended 30 June		Six months ended 30 June	
		2020 RMB'000	2019 RMB'000 (re-presented)	2020 RMB'000	2019 RMB'000 (re-presented)
CONTINUING OPERATIONS					
Revenue	3	89,291	35,140	187,118	64,784
Cost of sales and services		<u>(77,485)</u>	<u>(12,364)</u>	<u>(174,445)</u>	<u>(24,033)</u>
Gross profit		11,806	22,776	12,673	40,751
Other gains and income	4	1,084	390	1,687	558
Impairment loss on trade and other receivables, net		–	–	(1)	–
Distribution costs		(120)	(234)	(265)	(496)
Administrative expenses		(10,208)	(11,831)	(21,347)	(24,344)
Other expenses		–	(423)	(100)	(529)
Profit/(Loss) from operations		2,562	10,678	(7,353)	15,940
Finance costs	6	(4,692)	(2,840)	(10,077)	(3,596)
Share of profits/(losses) of associates		49,708	(2,072)	49,575	(5,401)
Share of losses of joint ventures		(11)	(182)	(131)	(775)
Profit before tax		47,567	5,584	32,014	6,168
Income tax expense	7	(53)	(3,963)	(78)	(6,742)
Profit/(Loss) for the period from continuing operations	8	47,514	1,621	31,936	(574)

<i>Notes</i>	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	RMB'000	<i>RMB'000</i>	RMB'000	<i>RMB'000</i>
		(re-presented)		(re-presented)
DISCONTINUED OPERATIONS				
Profit for the period from discontinued operations	<u>–</u>	<u>84,701</u>	<u>–</u>	<u>134,237</u>
Profit for the period	<u>47,514</u>	<u>86,322</u>	<u>31,936</u>	<u>133,663</u>
Other comprehensive income after tax:				
<i>Items that will not be reclassified to profit or loss:</i>				
Fair value changes of financial assets at fair value through other comprehensive income (“FVTOCI”)	27,421	1,771	26,854	4,056
Share of other comprehensive income of associates	4,160	–	2,600	–
Share of other comprehensive income of joint ventures	<u>(17)</u>	<u>53</u>	<u>–</u>	<u>22</u>
	<u>31,564</u>	<u>1,824</u>	<u>29,454</u>	<u>4,078</u>
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences on translating foreign operations	<u>(73)</u>	<u>17,979</u>	<u>2,904</u>	<u>7,610</u>
	<u>(73)</u>	<u>17,979</u>	<u>2,904</u>	<u>7,610</u>
Other comprehensive income for the period, net of tax	<u>31,491</u>	<u>19,803</u>	<u>32,358</u>	<u>11,688</u>
Total comprehensive income for the period	<u>79,005</u>	<u>106,125</u>	<u>64,294</u>	<u>145,351</u>

	<i>Notes</i>	Three months ended		Six months ended	
		30 June		30 June	
		2020	2019	2020	2019
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(re-presented)		(re-presented)
Profit/(Loss) for the period attributable to:					
Owners of the Company					
Profit/(Loss) for the period from continuing operations		47,422	(1,656)	36,087	(5,539)
Profit for the period from discontinued operations		<u>–</u>	<u>43,191</u>	<u>–</u>	<u>69,889</u>
Profit for the period attributable to owners of the Company		<u>47,422</u>	<u>41,535</u>	<u>36,087</u>	<u>64,350</u>
Non-controlling interests					
Profit/(Loss) for the period from continuing operations		92	3,277	(4,151)	4,965
Profit for the period from discontinued operations		<u>–</u>	<u>41,510</u>	<u>–</u>	<u>64,348</u>
Profit/(Loss) for the period attributable to non-controlling interests		<u>92</u>	<u>44,787</u>	<u>(4,151)</u>	<u>69,313</u>
Total comprehensive income for the period attributable to:					
Owners of the Company		78,915	52,965	68,413	71,426
Non-controlling interests		<u>90</u>	<u>53,160</u>	<u>(4,119)</u>	<u>73,925</u>
		<u>79,005</u>	<u>106,125</u>	<u>64,294</u>	<u>145,351</u>
		<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Earnings/(Loss) per share from continuing operations					
Basic and diluted (cents per share)	9	<u>3.44</u>	<u>(0.12)</u>	<u>2.62</u>	<u>(0.40)</u>
Earnings per share from discontinued operations					
Basic and diluted (cents per share)	9	<u>–</u>	<u>3.13</u>	<u>–</u>	<u>5.07</u>

Condensed Consolidated Statement of Financial Position

At 30 June 2020

		30 June 2020	31 December 2019
	<i>Notes</i>	(Unaudited) RMB'000	(Audited) RMB'000
Non-current assets			
Property, plant and equipment	11	169,827	154,453
Goodwill		204	204
Other intangible assets		188	244
Biological assets		736	726
Investments in associates		2,671,051	2,731,853
Investments in joint ventures		73,213	72,273
Investments in film productions		8,594	8,594
Financial assets at FVTOCI		137,242	108,943
Deferred tax assets		7,211	7,211
		<u>3,068,266</u>	<u>3,084,501</u>
Current assets			
Inventories		7,124	6,845
Trade and other receivables	12	298,445	221,445
Pledged bank deposits		2,200	1,200
Cash and cash equivalents		138,540	156,511
		<u>446,309</u>	<u>386,001</u>
Assets classified as held for sale	15	132,953	–
		<u>579,262</u>	<u>386,001</u>
Total assets		<u>3,647,528</u>	<u>3,470,502</u>
Current liabilities			
Trade and other payables	13	61,428	59,402
Bank and other loans		106,247	80,708
Lease liabilities		2,982	3,165
Current tax liabilities		21,914	32,191
		<u>192,571</u>	<u>175,466</u>
Net current assets		<u>386,691</u>	<u>210,535</u>
Total assets less current liabilities		<u>3,454,957</u>	<u>3,295,036</u>

		30 June 2020 (Unaudited) RMB'000	31 December 2019 (Audited) RMB'000
Non-current liabilities			
Bank and other loans		241,920	151,050
Lease liabilities		69,711	64,954
Deferred tax liabilities		3,661	3,661
		<u>315,292</u>	<u>219,665</u>
NET ASSETS		<u>3,139,665</u>	<u>3,075,371</u>
Equity			
Share capital	<i>14</i>	137,872	137,872
Reserves		2,808,762	2,740,349
Equity attributable to owners of the Company		<u>2,946,634</u>	<u>2,878,221</u>
Non-controlling interests		193,031	197,150
TOTAL EQUITY		<u>3,139,665</u>	<u>3,075,371</u>

Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the six months ended 30 June 2020

	Attributable to owners of the Company									
	Share capital	Capital reserve	Reserve funds	Foreign currency translation reserve	Financial assets at FVTOCI reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2019	137,872	562,519	152,577	(44,090)	(45,827)	16,384	970,800	1,750,235	900,180	2,650,415
Total comprehensive income for the period	-	-	-	3,020	4,056	-	64,350	71,426	73,925	145,351
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	7,752	7,752
Appropriation of safety production fund	-	-	-	-	-	(139)	139	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	368	368	1,283	1,651
Transfer of gain on disposal of financial assets at FVTOCI	-	-	-	-	(3,820)	-	3,820	-	-	-
Changes in equity for the period	-	-	-	3,020	236	(139)	68,677	71,794	82,960	154,754
Balance at 30 June 2019	<u>137,872</u>	<u>562,519</u>	<u>152,577</u>	<u>(41,070)</u>	<u>(45,591)</u>	<u>16,245</u>	<u>1,039,477</u>	<u>1,822,029</u>	<u>983,140</u>	<u>2,805,169</u>
At 1 January 2020	137,872	562,519	96,130	(38,230)	(176,965)	5,597	2,291,298	2,878,221	197,150	3,075,371
Total comprehensive income for the period	-	-	-	5,472	26,854	-	36,087	68,413	(4,119)	64,294
Appropriation of safety production fund	-	-	-	-	-	(227)	227	-	-	-
Transfer	-	-	(10)	-	-	-	10	-	-	-
Changes in equity for the period	-	-	(10)	5,472	26,854	(227)	36,324	68,413	(4,119)	64,294
At 30 June 2020	<u>137,872</u>	<u>562,519</u>	<u>96,120</u>	<u>(32,758)</u>	<u>(150,111)</u>	<u>5,370</u>	<u>2,327,622</u>	<u>2,946,634</u>	<u>193,031</u>	<u>3,139,665</u>

Condensed Consolidated Statement of Cash Flows (Unaudited)*For the six months ended 30 June 2020*

	Six months ended 30 June	
	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash used in operating activities	(120,726)	(263,551)
Net cash used in investing activities	(5,396)	(8,750)
Net cash generated from financing activities	106,948	98,540
NET DECREASE IN CASH AND CASH EQUIVALENTS	(19,174)	(173,761)
Effect of foreign exchange rate changes	1,203	4,641
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	156,511	684,448
CASH AND CASH EQUIVALENTS AT END OF PERIOD	138,540	515,328

Note:

1. GENERAL INFORMATION

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

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

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

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

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2020. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period and prior periods.

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2020. The Directors anticipate that the new and revised HKFRSs will be adopted in the Group's consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

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

The accounting policies adopted in preparing these unaudited second quarterly condensed consolidated financial statements are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2019. These condensed consolidated financial statements should be read in conjunction with these mentioned audited financial statements.

3. REVENUE

Disaggregation of revenue

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

	Three months ended 30 June		Six months ended 30 June	
	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
		(Re-presented)		(Re-presented)
Revenue from contracts with customers within the scope of HKFRS 15				
Disaggregated by major products or service lines				
– Rendering of travel and leisure services	16,240	32,153	22,174	59,836
– Sales of wine and related products	2,273	2,987	4,812	4,948
– Sales of metal products	70,778	–	160,132	–
	<u>89,291</u>	<u>35,140</u>	<u>187,118</u>	<u>64,784</u>

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

4. OTHER GAINS AND INCOME

	Three months ended 30 June		Six months ended 30 June	
	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
		(Re-presented)		(Re-presented)
Bank interest income	93	130	341	165
Government grants	–	42	19	42
Others	991	218	1,327	351
	<u>1,084</u>	<u>390</u>	<u>1,687</u>	<u>558</u>

5. SEGMENT INFORMATION

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

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

Tourism development	–	development of travel and leisure business
Investment holding	–	holding of fund, debt and equity investment, including management fee income
All other segments	–	business activities and operating segments not separately reported, including production and sales of wine and related products and sales and purchases of metal products
Manufacture and sale of electronic fire equipment	–	research, development, manufacture, marketing, contract work and sale of electronic fire alarm systems and related products. This segment was discontinued in 2019

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

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

Information about operating segment profit or loss:

	Continuing operations				Discontinued operations	
	Tourism development RMB'000	Investment holding RMB'000	All other segments RMB'000	Total RMB'000	Manufacture and sale of electronic fire equipment RMB'000	Total RMB'000
Six months ended 30 June 2020						
Revenue from external customers	22,174	–	164,944	187,118	–	187,118
Segment (loss)/profit	(4,126)	48,484	3,804	48,162	–	48,162
Interest income	11	13	317	341	–	341
Finance costs				(10,077)	–	(10,077)
Unallocated corporate expenses				(6,412)	–	(6,412)
Profit before tax				32,014	–	32,014
Other segment information:						
Depreciation and amortisation	5,208	8	304	5,520	–	5,520
Share of profits/(losses) of associates	(2,515)	52,090	–	49,575	–	49,575
Share of losses of joint ventures	–	(131)	–	(131)	–	(131)
Six months ended 30 June 2019						
Revenue from external customers	59,836	–	4,948	64,784	908,265	973,049
Segment profit/(loss)	26,622	(8,991)	293	17,924	163,178	181,102
Interest income	128	12	25	165	1,371	1,536
Finance costs				(3,596)	(3,309)	(6,905)
Unallocated corporate expenses				(8,325)	–	(8,325)
Profit before tax				6,168	161,240	167,408
Other segment information:						
Depreciation and amortisation	3,367	10	829	4,206	13,625	17,831
Share of losses of associates	(2,267)	(3,134)	–	(5,401)	(1,922)	(7,323)
Share of losses of joint ventures	–	(775)	–	(775)	–	(775)

Information about operating segment assets:

	Continuing operations				Discontinued operations	
	Tourism development RMB'000	Investment holding RMB'000	All other segments RMB'000	Total RMB'000	Manufacture and sale of electronic fire equipment RMB'000	Total RMB'000
At 30 June 2020						
Segment assets	<u>571,508</u>	<u>2,853,036</u>	<u>160,202</u>	<u>3,584,746</u>	<u>-</u>	<u>3,584,746</u>
Unallocated corporate assets						
Property, plant and equipment						5,986
Cash and cash equivalents						5,609
Others						51,187
						<u>62,782</u>
Total assets						<u><u>3,647,528</u></u>
Segment assets including:						
Investments in associates	<u>95,958</u>	<u>2,575,093</u>	<u>-</u>	<u>2,671,051</u>	<u>-</u>	<u>2,671,051</u>
Investments in joint ventures	<u>-</u>	<u>73,213</u>	<u>-</u>	<u>73,213</u>	<u>-</u>	<u>73,213</u>
Additions to non-current assets	<u>17,935</u>	<u>-</u>	<u>3,039</u>	<u>20,974</u>	<u>-</u>	<u>20,974</u>
At 31 December 2019						
Segment assets	<u>474,769</u>	<u>2,769,775</u>	<u>75,622</u>	<u>3,320,166</u>	<u>-</u>	<u>3,320,166</u>
Unallocated corporate assets						
Property, plant and equipment						6,280
Cash and cash equivalents						102,946
Others						41,110
						<u>150,336</u>
Total assets						<u><u>3,470,502</u></u>
Segment assets including:						
Investments in associates	<u>184,594</u>	<u>2,547,259</u>	<u>-</u>	<u>2,731,853</u>	<u>-</u>	<u>2,731,853</u>
Investments in joint ventures	<u>-</u>	<u>72,273</u>	<u>-</u>	<u>72,273</u>	<u>-</u>	<u>72,273</u>
Additions to non-current assets	<u>69,144</u>	<u>27</u>	<u>400</u>	<u>69,571</u>	<u>37,299</u>	<u>106,870</u>

Geographical information:

	Revenue		Non-current assets	
	Six months ended 30 June 2020 <i>RMB'000</i>	30 June 2019 <i>RMB'000</i>	30 June 2020 <i>RMB'000</i>	31 December 2019 <i>RMB'000</i>
		(Re-presented)		
PRC except Hong Kong	182,306	59,836	2,909,297	2,956,855
The United States	4,812	4,948	14,394	11,492
	<u>187,118</u>	<u>64,784</u>	<u>2,923,691</u>	<u>2,968,347</u>

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

Revenue from continuing operations of approximately RMB160,132,000 (2019: Nil) was derived from sales of metal products by other segments to a single customer for the six months ended 30 June 2020.

6. FINANCE COSTS

	Three months ended 30 June 2020 <i>RMB'000</i>		Six months ended 30 June 2020 <i>RMB'000</i>	
	2019 <i>RMB'000</i>	(Re-presented)	2019 <i>RMB'000</i>	(Re-presented)
Interest on bank, other loans and lease liabilities	4,566	1,404	8,528	2,812
Net foreign exchange losses	126	1,436	1,549	784
	<u>4,692</u>	<u>2,840</u>	<u>10,077</u>	<u>3,596</u>

7. INCOME TAX EXPENSE

	Three months ended 30 June 2020 <i>RMB'000</i>		Six months ended 30 June 2020 <i>RMB'000</i>	
	2019 <i>RMB'000</i>	(Re-presented)	2019 <i>RMB'000</i>	(Re-presented)
Current tax				
Provision for the period				
PRC	53	3,961	76	6,740
The United States	–	2	2	2
	<u>53</u>	<u>3,963</u>	<u>78</u>	<u>6,742</u>

No provision for Hong Kong Profits Tax is required for the six months ended 30 June 2020 and 2019 since the Group had no assessable profit for both periods.

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

The subsidiaries of the Company established in the PRC are generally subject to income tax on their taxable income at a tax rate of 25% (2019: 25%).

8. PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS

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

	Three months ended 30 June		Six months ended 30 June	
	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
	(Re-presented)		(Re-presented)	
Amortisation of other intangible assets	29	263	58	572
Depreciation	2,997	1,964	5,755	3,916
Loss on disposal of property, plant and equipment	-	-	-	4
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9. EARNINGS PER SHARE

Basic and diluted earnings/(loss) per share

The calculation of basic earnings/(loss) per share from continuing operations and discontinued operations attributable to owners of the Company for the three months ended 30 June 2020 is based on the profit for the period attributable to owners of the Company of RMB47,422,000 (2019: loss of RMB1,656,000) and a profit of RMBNil (2019: RMB43,191,000) respectively and the weighted average number of ordinary shares of 1,378,720,000 (2019: 1,378,720,000) in issue during the period. No adjustment has been made to the basic earnings/(loss) per share amounts presented for the three months ended 30 June 2020 and 2019. Therefore, the calculation of the diluted earnings/(loss) per share is the same as basic earnings per share.

The calculation of basic earnings/(loss) per share from continuing operations and discontinued operations attributable to owners of the Company for the six months ended 30 June 2020 is based on the profit for the period attributable to owners of the Company of RMB36,087,000 (2019: loss of RMB5,539,000) and a profit of RMBNil (2019: RMB69,889,000) respectively and the weighted average number of ordinary shares of 1,378,720,000 (2019: 1,378,720,000) in issue during the period. No adjustment has been made to the basic earnings/(loss) per share amounts presented for the six months ended 30 June 2020 and 2019. Therefore, the calculation of the diluted earnings/(loss) per share is the same as basic earnings per share.

10. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2020 (2019: Nil).

11. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group had additions to property, plant and equipment of approximately RMB20,974,000 and disposed of property, plant and equipment with no net book value.

12. TRADE AND OTHER RECEIVABLES

	30 June 2020 RMB'000	31 December 2019 RMB'000
Trade and bills receivables	125,365	33,678
Less: allowance for doubtful debts	(15,814)	(33,678)
	109,551	–
Advances to staff	2,552	1,477
Deposits	2,643	1,165
Dividend receivable from an associate	26,856	–
Due from associates	33,760	67,160
Due from shareholders	191	187
Loans and interest receivables	1,000	1,000
Other receivables	137,440	132,422
Less: allowance for doubtful debts	(35,214)	(35,921)
	169,228	167,490
Advances to suppliers	28	31,398
Prepayments	19,638	22,557
	298,445	221,445

The Group's trading terms with its customers were mainly on credit, except for new customers, where payment in advance was sometimes required. The credit period generally ranged from 3 to 6 months, starting from the date on which the goods were delivered or services were rendered as this was the point in time that the consideration was unconditional. Each customer had a maximum credit limit. The Group sought to maintain strict control over its outstanding receivables and had a credit control department to minimise the credit risk. Overdue balances were reviewed regularly by senior management. Trade receivables were non-interest-bearing.

The ageing analysis of the trade and bills receivables, based on the date on which the goods were delivered or services were rendered as this was the point in time that the consideration was unconditional, was as follows:

	30 June 2020 RMB'000	31 December 2019 RMB'000
Less than 3 months	80,084	–
3 to 6 months	29,467	–
	109,551	–

13. TRADE AND OTHER PAYABLES

	30 June 2020 RMB'000	31 December 2019 RMB'000
Trade payables	1,309	226
Contract liabilities	62	37
Accruals and other payables	34,954	41,173
Salaries and staff welfare payables	8,654	11,390
Security deposit received	10,000	–
Due to associates	4,060	4,000
Due to a shareholder	2,389	2,576
	<u>61,428</u>	<u>59,402</u>

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

	30 June 2020 RMB'000	31 December 2019 RMB'000
0 to 90 days	1,175	222
91 to 180 days	130	–
181 to 365 days	–	–
Over 365 days	4	4
	<u>1,309</u>	<u>226</u>

14. SHARE CAPITAL

	Number of shares			Amount		
	Non-listed shares '000	H shares '000	Total '000	Non-listed shares RMB'000	H shares RMB'000	Total RMB'000
Registered, issued and fully paid:						
Shares of RMB0.10 each						
At 1 January 2020 and at 30 June 2020	<u>700,000</u>	<u>678,720</u>	<u>1,378,720</u>	<u>70,000</u>	<u>67,872</u>	<u>137,872</u>

15. ASSETS CLASSIFIED AS HELD FOR SALE

On 15 May 2020, the Company entered into the sale and purchase agreement (the “SP Agreement”) with an independent third party and Chuanqi Tourism Investment Co., Ltd. (“Chuanqi Tourism”), a non-wholly owned subsidiary of the Company, for the disposal of the 60% equity interest in Chuanqi Tourism held by the Company at the consideration of RMB172,028,880 (equivalent to approximately HK\$187,889,943); and for the guarantee fee arrangement in relation to the release of the guarantee agreement (the “Guarantee Agreement”) executed by the Company and the banks dated 31 January 2013 which secured the obligations of Changsha Songya Lake Construction Investment Co., Ltd. (“Songya Lake Construction”), an associate of the Group which is held as to 46.6% of its registered capital by Chuanqi Tourism, under a facility agreement. Chuanqi Tourism, through Songya Lake Construction, is principally engaged in participation in tourism development projects and its principal asset is the investment in Songya Lake Construction. Details were disclosed in the announcements of the Company dated 15 May 2020 and 26 June 2020 and the circular of the Company dated 30 June 2020. The approvals of the shareholders of the Company in respect of the SP Agreement and the transactions contemplated; and the continuing provision of the guarantee in accordance with the Guarantee Agreement after the completion of the sale and purchase of the 60% equity interest in Chuanqi Tourism, have been obtained at the special general meeting of the Company on 21 July 2020.

The major classes of assets and liabilities of Chuanqi Tourism classified as held for sale as at 30 June 2020 are as follows:

	<i>RMB'000</i>
Assets	
Investment in an associate	86,121
Due from an associate	33,400
Prepayments	13,432
	<hr/>
	132,953
	<hr/>
Liabilities	–
	<hr/>
Net assets	132,953
	<hr/> <hr/>

16. DISCONTINUED OPERATIONS

References are made to the announcement of the Company dated 1 February 2013 and the circular of the Company dated 27 February 2013 on the proposed spin-off of Jade Bird Fire Co., Ltd (“Jade Bird Fire”), a then subsidiary of the Group, and a separate listing of the manufacture and sale of electronic fire equipment business owned and operated by Jade Bird Fire on The Small and Medium Enterprises Board (the “SME Board”) of the Shenzhen Stock Exchange (the “Proposed A Share Listing”). On 19 July 2019, Jade Bird Fire received a written approval issued by the China Securities Regulatory Commission in respect of the initial public offering of Jade Bird Fire (the “Approval”). Pursuant to the Approval, Jade Bird Fire was approved to publicly issue no more than 60 million new shares within 12 months from the date of the Approval. On 8 August 2019, Jade Bird Fire issued the Announcement on the Listing of the Shares Offered under Initial Public Offering, pursuant to which, 60,000,000 shares at a price of RMB17.34. The shares of Jade Bird Fire were listed on the SME Board of the Shenzhen Stock Exchange on 9 August 2019, with stock code 002960. Details were disclosed in the announcement of the Company dated 19 July 2019, 29 July 2019 and 8 August 2019.

Following the completion of the Proposed A Share Listing on 9 August 2019, Jade Bird Fire ceased to be a non-wholly owned subsidiary of the Company and the Group discontinued its business of manufacture and sale of electronic fire equipment. Jade Bird Fire became associate of the Group with effect from the same date and has since been accounted for using the equity method of accounting. Accordingly, Jade Bird Fire was presented as discontinued operations in the condensed consolidated financial statements of the Company for the six months ended 30 June 2019. The comparative figures for the six months ended 30 June 2019 in these condensed consolidated financial statements have been re-presented to present Jade Bird Fire as discontinued operations. Financial information relating to the discontinued operations for the six months ended 30 June 2019 is set out below.

	Three months ended 30 June 2019	Six months ended 30 June 2019
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	545,722	908,265
Cost of sales and services	<u>(337,747)</u>	<u>(550,856)</u>
Gross profit	207,975	357,409
Other gains and income	4,698	8,218
Impairment loss on trade and other receivables	(16,977)	(25,283)
Distribution costs	(44,247)	(78,338)
Administrative expenses	(21,779)	(42,725)
Other expenses	(27,820)	(52,810)
Finance costs	(1,072)	(3,309)
Share of losses of associates	<u>(531)</u>	<u>(1,922)</u>
Profit before tax	100,247	161,240
Income tax expense	<u>(15,546)</u>	<u>(27,003)</u>
Profit after period from discontinued operations	<u><u>84,701</u></u>	<u><u>134,237</u></u>

17. MATERIAL 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 material transactions with its related parties during the period:

	Six months ended 30 June	
	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Management fee income from associates		
Lease expenses for office buildings charged by		
– a shareholder of the Company	–	1,251
– a non-controlling interest of a subsidiary	–	525
	<u>–</u>	<u>1,776</u>
	<u><u>–</u></u>	<u><u>1,776</u></u>

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

- (b) Included in the condensed consolidated statement of financial position are the following material balances with related parties:

	30 June	31 December
	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Dividend receivable from an associate	<u>26,856</u>	<u>–</u>
Due from associates	<u>33,760</u>	<u>67,160</u>
Due from shareholders	<u>191</u>	<u>187</u>
Due to associates	<u>4,060</u>	<u>4,000</u>
Due to a shareholder	<u>–</u>	<u>2,576</u>
Due to non-controlling interests of subsidiaries included in other payables	<u>94</u>	<u>2,149</u>
	<u><u>94</u></u>	<u><u>2,149</u></u>

(c) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Short term employee benefits	1,612	1,558
Post-employment benefits	57	138
	<u>1,669</u>	<u>1,696</u>

18. FINANCIAL GUARANTEE

As at 30 June 2020, the Group issued guarantees to several banks in respect of banking facilities granted to three associates.

At the end of the reporting period, the directors do not consider it probable that a claim will be made against the Group under the guarantee. The maximum liability of the Group at the end of the reporting period under the guarantee issued is the facility granted by bank amounted RMB490,000,000 (31 December 2019: RMB490,000,000). At the end of reporting period, facility drawn down by the associates amounted RMB490,000,000 (31 December 2019: RMB490,000,000). The Group has not recognised any deferred income in respect of the financial guarantee as its fair value was considered insignificant.

19. CAPITAL COMMITMENTS

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

	30 June	31 December
	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Contracted but not provided for		
Property, plant and equipment	27,824	48,424
Unpaid balance of capital contribution to associates and joint ventures	98,954	97,579
	<u>98,954</u>	<u>97,579</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Overall performance

The Group is principally engaged in tourism development business and investment holding of diversified portfolios.

During the period, the outbreak of novel coronavirus pneumonia (“COVID-19”) had impact on the business environment in the PRC, and the operating results of the Group were affected. For the six months ended 30 June 2020, the Group commenced sales and purchases of metal products, which expanded the Group’s source of revenue, and the Group recorded total revenue of approximately RMB187.1 million (2019: RMB64.8 million), representing an increase of 188.7% compared with the corresponding period of 2019. The gross profit was decreased by 68.9% to approximately RMB12.7 million (2019: RMB40.8 million), as the gross profit general from the Group’s tourism development business was affected by temporary closure of Hengshan Mountain scenic area during first quarter in 2020 which led to decrease in fare revenue of the environmental shuttle bus service. The Group’s total operation expenses, including distribution costs, administrative expenses and other expenses, remained steady at approximately RMB21.7 million (2019: RMB25.4 million). During the reporting period, profit attributable to the owners of the Company decreased 43.9% year-on-year to approximately RMB 36.1 million (2019: RMB 64.4 million), mainly because of the impact on the financial performance of the Group’s tourism development business and associates by the outbreak of COVID-19; and the decrease in profit contribution from Jade Bird Fire proportionally as a result of the decrease in equity interest in Jade Bird Fire held by the Company after the completion of the Proposed A Share Listing in August 2019.

Tourism development

The Company, through its subsidiaries and associates, is engaged in provision of environmental shuttle bus service and property management services, and operation of tourist service center and tourist souvenir shops in Hengshan Mountain scenic area, the PRC; and also participated in several tourism development projects in Hunan Province, including the construction and development of landscape architectures and primary land development of land around the Sonya Lake region at Changsha County, and the development of tourist sight project located at Tianzi Mountain.

Hengshan Mountain scenic area was temporarily closed from 25 January 2020 to 26 February 2020 due to the policies and measures implemented by the government of the PRC to deter the spread of COVID-19 epidemic in the PRC (the “Epidemic”). For the six months ended 30 June 2020, the number of tourists and pilgrims visiting Hengshan Mountain scenic area was decreased by about 67%, and the Group’s tourism development business recorded revenue of approximately RMB22.2 million (2019: RMB59.8 million), representing a decrease by 62.9% when compared with the corresponding period of 2019.

References are made to the announcements of the Company dated 15 May 2020 and 26 June 2020 and the circular of the Company dated 30 June 2020. On 15 May 2020, the Company entered into the SP Agreement with an independent third party and Chuanqi Tourism, a non-wholly owned subsidiary of the Company, for the disposal of the 60% equity interest in Chuanqi Tourism held by the Company at the consideration of RMB172,028,880 (equivalent to approximately HK\$187,889,943); and for the guarantee fee arrangement in relation to the release of the Guarantee Agreement executed by the Company and the banks dated 31 January 2013 which secured the obligations of Songya Lake Construction, under a facility agreement. The release of the Guarantee Agreement shall be arranged within 12 months from the equity transfer date through negotiation with the banks. The principal asset of Chuanqi Tourism is the investment in 46.6% equity interest in Songya Lake Construction, and Songya Lake Construction is principally engaged in the construction and development of landscape architectures and primary land development of land around the Sonya Lake Region at Changsha County. Having considered the operating environment and the prevailing market condition in the PRC, in particular, there being uncertainty in the domestic real estate market as a result of the global economic slowdown, including China, in recent years, and the projects carried out by Sonya Lake Construction being undertaken in slow progress because of the softening of the domestic demand, and the increase in difficulty in obtaining funding for the projects as well as the outbreak of COVID-19, the Company is of the view that the disposal of the 60% equity interest in Chuanqi Tourism could allow the Group to realize its investment in Sonya Lake Construction and could enable the Group to improve its liquidity and free up capital for its operations and any potential new investment opportunities that can potentially give a better return so as to enhance the shareholder value. The approvals of the shareholders of the Company in respect of the SP Agreement and the transactions contemplated; and the continuing provision of the guarantee by the Company in accordance with the Guarantee Agreement after the completion of the sale and purchase of the 60% equity interest in Chuanqi Tourism, have been obtained at the special general meeting of the Company on 21 July 2020.

Investment holding

As at 30 June 2020, the Group's investment holding business mainly included investments in a subsidiary, the associates and joint ventures which are private equity funds with equity investments in private enterprises and property projects in the PRC, the investment in Jade Bird Fire, the investments in financial assets at fair value through other comprehensive income including listed companies in Hong Kong and a private enterprise in the PRC, and the investment in co-production of films and television dramas in the PRC. During the period, the Group did not effect any material additional new investments. This segment total assets increased from approximately RMB2,769.8 million as at 31 December 2019 to approximately RMB2,853.0 million as at 30 June 2020, representing an increase of 3.0%.

Outlook

Looking ahead, in light of the evolving situation regarding the Epidemic, it is expected that the total number of visitors and the performance of the tourism development business of the Group will be affected.

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

Disclosure under Rule 17.24 of the GEM Listing Rules

As at 30 June 2020, the aggregate amount of financial assistance provided by the Group to its affiliated companies, including (i) shareholder's loan provided to an affiliated company; and (ii) guarantees provided by the Group in relation to bank facilities of its affiliated companies is RMB523,400,000 in total, which exceeds 8% in the asset ratio as defined under Rules 19.07(1) of the GEM Listing Rules. Details on the financial assistance and guarantee as at 30 June 2020 are set out below:

Name of affiliated company	<i>Notes</i>	Aggregate amount of financial assistance and guarantee RMB'000
Songya Lake Construction	<i>1</i>	233,400
Chuanqi (Hunan) Enterprise Development Co., Ltd. ("Chuanqi Enterprise")	<i>2</i>	190,000
Jade Bird Fire	<i>3</i>	100,000
		<hr/>
		523,400
		<hr/> <hr/>

Notes:

1. The amount includes (i) a guarantee of RMB200,000,000 to two banks by the Company; and (ii) an interest-free unsecured shareholder's loan of RMB33,400,000 with no fixed repayment terms from Chuanqi Tourism, a non-wholly owned subsidiary of the Company to Songya Lake Construction. The total amount of the facilities from the two banks to Songya Lake Construction is RMB786,000,000.
2. The amount includes a guarantee of RMB190,000,000 to a bank by Chuanqi Tourism. The total amount of the facilities from the bank to Chuanqi Enterprise is RMB190,000,000.
3. The amount includes a guarantee of RMB100,000,000 to a bank by the Company. The total amount of the facilities from the bank to Jade Bird Fire is RMB100,000,000.

The unaudited combined statement of financial position of the above affiliated companies and the Group's attributable interests in the above affiliated companies based on its unaudited consolidated financial statements for the period ended 30 June 2020 prepared in accordance with the generally accepted accounting principles in the PRC, adjusted for any differences in accounting policies, are presented below:

	Combined statement of financial position <i>RMB'000</i>	Group's attributable interests <i>RMB'000</i>
Assets	8,041,834	2,642,472
Liabilities	<u>(3,781,153)</u>	<u>(1,149,059)</u>
Net assets	<u><u>4,260,681</u></u>	<u><u>1,493,413</u></u>

Material acquisitions and disposals of subsidiaries and affiliated companies

Saved as disclosed herein this section, during the six months ended 30 June 2020, the Group did not effect any material acquisitions and disposals which would be required to be disclosed under the GEM Listing Rules.

Liquidity, financial resources and capital structure

During the six months ended 30 June 2020, the Group's major operations were financed mainly by the internal financial resources and by corporate borrowings. As at 30 June 2020, the Group had cash and bank balances of approximately RMB140.7 million, which were denominated mainly in Renminbi ("RMB"), Hong Kong dollars ("HK\$") and US dollars ("USD").

As at 30 June 2020, the Group had net assets of approximately RMB3,139.7 million. The Group had total outstanding borrowings of approximately RMB348.2 million which consisted of secured bank loans of approximately RMB146.7 million, secured other loans of approximately RMB150.0 million and unsecured other loans of approximately RMB51.5 million. The bank and other loans were denominated in RMB and USD and bore interest rates ranging from nil to 7.2% per annum.

As at 30 June 2020, the Company's outstanding number of issued promoters shares and H shares of RMB0.10 each were 700,000,000 shares and 678,720,000 shares respectively.

The gearing ratio of the Group as at 30 June 2020, which is measured by total interest-bearing debts to total equity, was 13.4% (31 December 2019: 9.8%). During the period, the total bank and other loans were increased for the continuous business expansive and development.

Significant investments held

As at 30 June 2020, the Group held financial assets at FVTOCI of approximately RMB137.2 million, representing 3.8% of the total assets of the Group.

Saved as disclosed herein this section, for the six months ended 30 June 2020, the Group had no significant investment held.

Future plans for material investments or capital assets

Saved as disclosed herein this section, the Group did not have any significant investment plans as at 30 June 2020.

Contingent liabilities

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

Saved as disclosed above, the Group did not have any other significant contingent liabilities as at 30 June 2020.

Foreign exchange exposure

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

Charge on assets

As at 30 June 2020, the Group's certain fixed assets with carrying amount of approximately RMB61.8 million (31 December 2019: RMB10.4 million) and bank deposit of approximately RMB2.2 million (31 December 2019: RMB1.2 million) were pledged as securities for the Group's bank loans.

Employees and remuneration policy

The Group considers people as the valuable assets. The Directors are of the view that the Group maintains good working relations with its employees. The Group had stable workforce of 485 people situated mainly in the PRC, Hong Kong and the United States at the end of reporting year, up 8.5% since the end of 2019. The Group strictly complied with applicable labour law and regulations. Competitive remuneration package with medical and travel insurance are offered to the staff. Adequate retirement funds and provident funds are contributed on a timely basis. The Group emphasizes on working safety and sets out proper safety guidelines and provides adequate training to workers. Staffs are free to set up trade union according to applicable laws while the supervisory committee of the Company had representative from the workforce.

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

The Group's staff costs, including directors' emoluments, employees' salaries and retirement benefits scheme contribution amounted to approximately RMB19.7 million for the six months ended 30 June 2020 (2019: RMB149.6 million).

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

As at 30 June 2020, the interests (including interests in shares and short positions) of Directors, supervisors (the “Supervisors”), and chief executives of the Company in the shares (the “Shares”) and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to rule 5.46 of the GEM Listing Rules, were as follows:

Long positions in ordinary shares and underlying shares of the Company

Name	Capacity	Interest in non-listed Shares	Interest in H Shares	Approximate percentage of total number of issued non-listed Shares	Approximate percentage of total number of issued H Shares	Approximate percentage of total number of issued Shares
Director						
Mr. Zhang Wanzhong	Beneficial owner and beneficiary of trust	205,414,000	–	29.34%	–	14.90%
Supervisor						
Ms. Zhou Min	Beneficiary of trust	205,414,000	–	29.34%	–	14.90%

Note: The above Director and Supervisor 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. Zhang Wanzhong, the Director, Mr. Xu Zhendong and Mr. Xu Zhixiang declared that they held the shares of Heng Huat Investments Limited (“Heng Huat”) as trustees for the benefits of over 300 employees of Beijing Beida Jade Bird Software System Co., Ltd. (“Jade Bird Software”), Beijing Beida Jade Bird Limited (“Beida Jade Bird”) and Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd. and their respective subsidiaries and associated companies and the Company. Heng Huat is beneficially interested in the entire issued share capital of Dynamic Win Assets Limited (“Dynamic Win”), and is taken to be interested in 205,414,000 shares of the Company which Dynamic Win is interested. Mr. Zhang Wanzhong is one of the trustees holding 20 shares out of 100 shares in the issued share capital of Heng Huat.

Save as disclosed above, none of the Directors, Supervisors and chief executives of the Company had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to rule 5.46 of the GEM Listing Rules as at 30 June 2020.

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 2020, the following interests and short positions of the issued share capital of the Company were recorded in the register of interests required to be maintained by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares and underlying shares of the Company

Name of shareholder	Note	Capacity	Interest in non-listed Shares	Interest in H Shares	Approximate	Approximate	Approximate
					percentage of total number of issued non-listed Shares	percentage of total number of issued H Shares	percentage of total number of issued Shares
Peking University	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	14.50%
Beida Asset Management Co., Ltd.	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	14.50%
Beijing Beida Jade Bird Software System Co., Ltd.	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	14.50%
Beida Microelectronics Investment Limited	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	14.50%
Gifted Pillar Limited	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	14.50%
Rainbow Mountain Holdings Limited	(a)	Interest of controlled corporation	200,000,000	–	28.57%	–	14.50%
Beijing Rainbow Mountain Sci-Tech Development Co., Ltd.	(a)	Beneficial owner	200,000,000	–	28.57%	–	14.50%
Grand East (H.K.) Limited		Beneficial owner	110,000,000	–	15.71%	–	7.98%

Name of shareholder	Note	Capacity	Interest in non-listed Shares	Interest in H Shares	Approximate		
					percentage of total number of issued non-listed Shares	Approximate percentage of total number of issued H Shares	Approximate percentage of total number of issued Shares
Heng Huat Investments Limited	(b)	Interest of controlled corporation	205,414,000	–	29.34%	–	14.90%
Dynamic Win Assets Limited	(b)	Beneficial owner	205,414,000	–	29.34%	–	14.90%
Mongolia Energy Corporation Limited	(c)	Interest of controlled corporation	84,586,000	–	12.08%	–	6.13%
New View Venture Limited	(c)	Beneficial owner	84,586,000	–	12.08%	–	6.13%
Asian Technology Investment Company Limited		Beneficial owner	50,000,000	–	7.14%	–	3.63%
Sun Hung Kai Structured Finance Limited	(d)	Person having a security interest in shares	–	38,117,000	–	5.61%	2.76%
Shipshape Investments Limited	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%
Sun Hung Kai & Co. Limited	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%
Allied Properties (H.K.) Limited	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%
Allied Group Limited	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%
Lee Seng Hui	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%
Lee Su Hwei	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%
Lee Seng Huang	(d)	Interest of controlled corporation	–	38,117,000	–	5.61%	2.76%

Notes:

- (a) Peking University is taken to be interested in 14.50% of the total issued share capital of the Company through 200 million non-listed Shares (representing approximately 14.50% of the Company's total issued share capital) in which Beijing Rainbow Mountain Sci-Tech Development Co., Ltd. ("Beijing Rainbow Mountain") is interested. Peking University owns 100% equity interest in Beida Asset Management Co., Ltd. which in turn owns 48% equity interest in Beijing Beida Jade Bird Software System Co., Ltd. which in turn owns 100% equity interest in Beida Microelectronics Investment Limited which in turn owns 46% equity interest in Gifted Pillar Limited which in turn owns 100% equity interest in Rainbow Mountain Holdings Limited which in turn owns 100% equity interest in Beijing Rainbow Mountain.
- (b) The non-listed Shares are held by Dynamic Win, which is beneficially wholly-owned by Heng Huat. Please refer to the note to the section "Directors, Supervisors' and chief executives' interests and short positions in shares and underlying shares" above for further details of Heng Huat.
- (c) The non-listed Shares are held by New View Venture Limited, which is wholly-owned by Mongolia Energy Corporation Limited.
- (d) Sun Hung Kai Structured Finance Limited was a wholly-owned subsidiary of Shipshape Investments Limited, a wholly-owned subsidiary of Sun Hung Kai & Co. Limited, which in turn was a non wholly-owned subsidiary of Allied Properties (H.K.) Limited. Allied Properties (H.K.) Limited was a non wholly-owned subsidiary of Allied Group Limited in which Lee Seng Hui, Lee Su Hwei and Lee Seng Huang were the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 74.95% of the total number of issued shares of Allied Group Limited (inclusive of Lee Seng Hui's personal interests) as at 30 June 2020. Accordingly, all these parties were deemed to have the same long position as Sun Hung Kai Structured Finance 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 executives' interests and short positions in shares and underlying shares" above, had registered interests or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO as at 30 June 2020.

COMPETING INTERESTS

As at 30 June 2020, none of the Directors and Supervisors and their respective associates (as defined in the GEM Listing Rules) had interests in a business which competes or may compete with the businesses of the Group, or may have any conflicts of interest with the Group pursuant to the GEM Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Board is of the view that the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules during the six months ended 30 June 2020.

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 2020.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and required standard of dealings and its code of conduct regarding security transactions by the Directors throughout the six months ended 30 June 2020.

AUDIT COMMITTEE

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

The Audit Committee currently comprises four independent non-executive Directors, namely Mr. Tang Xuan, Mr. Li Juncai, Mr. Li Chonghua and Mr. Shen Wei. Mr. Tang Xuan is the chairman of the Audit Committee. The Audit Committee had held a meeting to review the Group's second quarterly results report for the six months ended 30 June 2020 and concluded the meeting with agreement to the contents of the second quarterly results report.

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

Beijing, the PRC, 7 August 2020

As at the date of this announcement, Mr. Ni Jinlei, Mr. Zhang Wanzhong and Ms. Zheng Zhong are executive Directors, Ms. Xue Li, Mr. Xiang Lei and Mr. Ip Wing Wai are nonexecutive Directors and Mr. Tang Xuan, Mr. Li Juncai, Mr. Li Chonghua and Mr. Shen Wei are independent non-executive Directors.

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