



北京北大青鳥環宇科技股份有限公司

BEIJING BEIDA JADE BIRD UNIVERSAL SCI-TECH COMPANY LIMITED

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

(Stock Code: 08095)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

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

RESULTS

The board of Directors (the “Board”) announces the annual consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2014, together with the comparative figures as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 December 2014

	Note	2014 RMB'000	2013 RMB'000
Turnover	3	903,974	749,481
Cost of sales and services		(523,047)	(431,271)
Gross profit		380,927	318,210
Other revenue and net income	4	68,930	21,571
Distribution costs		(56,728)	(40,278)
Administrative expenses		(120,222)	(99,719)
Other operating expenses		(50,137)	(36,530)
Profit from operations		222,770	163,254
Finance costs	6	(16,333)	(12,341)
Share of (losses)/profits of associates		(6,049)	5,926
Share of losses of joint ventures		(3,774)	(4,882)
Profit before tax		196,614	151,957
Income tax expense	7	(29,512)	(26,679)
Profit for the year	8	167,102	125,278
Other comprehensive loss for the year: (after nil tax)			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		1,239	(1,746)
Available-for-sale financial assets			
Net gain arising on revaluation of available-for-sale financial assets during the year		43,852	38,705
Reclassification adjustments relating to available-for-sale financial assets disposed of during the year		(52,646)	(8,187)
		(8,794)	30,518
Share of other comprehensive loss of joint ventures		(33,882)	(29,511)
Other comprehensive loss for the year		(41,437)	(739)
Total comprehensive income for the year		125,665	124,539
Profit for the year attributable to:			
Owners of the Company		100,844	53,149
Non-controlling interests		66,258	72,129
		167,102	125,278
Total comprehensive income for the year attributable to:			
Owners of the Company		59,371	52,372
Non-controlling interests		66,294	72,167
		125,665	124,539
Earnings per share		RMB	RMB
Basic and diluted	9	8.5 cents	4.5 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2014

	<i>Note</i>	2014 RMB'000	2013 RMB'000
Non-current assets			
Fixed assets			
– Investment property		6,617	7,414
– Other property, plant and equipment		97,791	116,989
– Prepaid lease payment		5,094	5,179
		<u>109,502</u>	<u>129,582</u>
Goodwill		20,251	20,242
Other intangible assets		10,777	10,711
Biological assets		4,646	7,719
Interests in associates		483,317	397,743
Interests in joint ventures		198,564	216,633
Available-for-sale financial assets		122,070	167,841
Deposits paid for potential investments		20,000	49,000
Deferred tax assets		3,015	2,176
		<u>972,142</u>	<u>1,001,647</u>
Current assets			
Inventories		91,467	79,612
Trade and bills receivables	<i>11</i>	283,047	168,682
Amount due from an associate		33,498	33,750
Prepayments, deposits and other receivables		28,666	87,830
Time deposits with original maturity of more than three months when acquired		1,078	1,069
Cash and cash equivalents		365,688	285,086
		<u>803,444</u>	<u>656,029</u>
Assets of disposal groups classified as held for sale		<u>80,077</u>	<u>–</u>
		<u>883,521</u>	<u>656,029</u>
Total assets		<u>1,855,663</u>	<u>1,657,676</u>

	<i>Note</i>	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Current liabilities			
Trade and other payables	12	223,611	166,620
Bank loans		207,770	166,549
Other loans		–	17,960
Finance lease payables		59	94
Current taxation		22,322	27,772
		<u>453,762</u>	<u>378,995</u>
Liabilities of disposal groups classified as held for sale		<u>2,159</u>	–
		<u>455,921</u>	<u>378,995</u>
Net current assets		<u>427,600</u>	<u>277,034</u>
Total assets less current liabilities		1,399,742	1,278,681
Non-current liabilities			
Finance lease payables		–	65
		–	65
NET ASSETS		<u>1,399,742</u>	<u>1,278,616</u>
Capital and reserves			
Share capital		118,480	118,480
Reserves		969,049	909,853
Equity attributable to owners of the Company		<u>1,087,529</u>	1,028,333
Non-controlling interests		<u>312,213</u>	250,283
TOTAL EQUITY		<u>1,399,742</u>	<u>1,278,616</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Attributable to owners of the Company									
	Share capital <i>RMB'000</i>	Capital reserve <i>RMB'000</i>	Reserve funds <i>RMB'000</i>	Foreign currency translation reserve <i>RMB'000</i>	Investment revaluation reserve <i>RMB'000</i>	Other reserve <i>RMB'000</i>	Retained profits <i>RMB'000</i>	Total <i>RMB'000</i>	Non- controlling interests <i>RMB'000</i>	Total equity <i>RMB'000</i>
Balance at 1 January 2013	118,480	377,720	89,840	(69,018)	83,969	10,969	362,418	974,378	162,268	1,136,646
Profit for the year	-	-	-	-	-	-	53,149	53,149	72,129	125,278
Other comprehensive (loss)/income for the year										
Exchange differences on translating foreign operations	-	-	-	(1,784)	-	-	-	(1,784)	38	(1,746)
Net gain arising on revaluation of available-for-sale financial assets	-	-	-	-	38,705	-	-	38,705	-	38,705
Share of other comprehensive loss of joint ventures	-	-	-	(6,905)	(22,606)	-	-	(29,511)	-	(29,511)
Reclassification adjustments relating to available-of-sale financial assets disposed during the year	-	-	-	-	(8,187)	-	-	(8,187)	-	(8,187)
Total comprehensive income for the year	-	-	-	(8,689)	7,912	-	53,149	52,372	72,167	124,539
Transfer	-	-	4,114	-	-	-	(4,114)	-	-	-
Non-controlling interests arising on the acquisition of a subsidiary	-	-	-	-	-	-	-	-	474	474
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(359)	(359)
Acquisition of additional interests in a subsidiary without change in control	-	-	-	-	-	1,583	-	1,583	(4,617)	(3,034)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	20,350	20,350
Balance at 31 December 2013 and 1 January 2014	<u>118,480</u>	<u>377,720</u>	<u>93,954</u>	<u>(77,707)</u>	<u>91,881</u>	<u>12,552</u>	<u>411,453</u>	<u>1,028,333</u>	<u>250,283</u>	<u>1,278,616</u>
Profit for the year	-	-	-	-	-	-	100,844	100,844	66,258	167,102
Other comprehensive (loss)/income for the year										
Exchange differences on translating foreign operations	-	-	-	1,203	-	-	-	1,203	36	1,239
Net gain arising on revaluation of available-for-sale financial assets	-	-	-	-	43,852	-	-	43,852	-	43,852
Share of other comprehensive loss of joint ventures	-	-	-	154	(34,036)	-	-	(33,882)	-	(33,882)
Reclassification adjustments relating to available-for-sale financial assets disposed during the year	-	-	-	-	(52,646)	-	-	(52,646)	-	(52,646)
Total comprehensive income for the year	-	-	-	1,357	(42,830)	-	100,844	59,371	66,294	125,665
Transfer	-	-	15,000	-	-	-	(15,000)	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(347)	(347)
Change of equity interests in a subsidiary without change in control	-	-	-	27	-	-	(202)	(175)	175	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	15,400	15,400
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(19,592)	(19,592)
Balance at 31 December 2014	<u>118,480</u>	<u>377,720</u>	<u>108,954</u>	<u>(76,323)</u>	<u>49,051</u>	<u>12,552</u>	<u>497,095</u>	<u>1,087,529</u>	<u>312,213</u>	<u>1,399,742</u>

Notes:

1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") as a sino-foreign joint stock limited liability company. The Company's H shares are listed on the GEM of the Stock Exchange. The address of its registered office is 3rd Floor, Beida Jade Bird Building, Yanyuan District Area 3, No.5 Haidian Road, Haidian District, Beijing 100080, the PRC. The addresses of its principal place of business in the PRC and Hong Kong are 3rd Floor, Beida Jade Bird Building, No. 207 Chengfu Road, Haidian District, Beijing 100871, the PRC and Unit 7605, 76th Floor, The Center, 99 Queen's Road Central, Hong Kong respectively.

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

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. These financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2014 comprise the Company and its subsidiaries and the Group's interests in associates and joint ventures.

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

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

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

Disposal group held for sale are stated at the lower of carrying amount and fair value less costs to sell.

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

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

(c) Change in accounting policies

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the new or amended HKFRSs are discussed below:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) Investment Entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on these financial statements as the Company does not qualify to be an investment entity.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify the offsetting criteria in HKAS 32. The amendments do not have an impact on these financial statements as they are consistent with the policies already adopted by the Group.

Amendments to HKAS 36 Recoverable Amount Disclosures for Non-Financial Assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or CGU whose recoverable amount is based on fair value less costs of disposal. The Group early adopted the amendments in the annual financial statements for the year ended 31 December 2013.

Amendments to HKAS 39 Novation of Derivatives and Continuation of Hedge Accounting

The amendments to HKAS 39 provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The amendments do not have an impact on these financial statements as the Group does not have any derivatives that are subject to novation.

HK(IFRIC) – Int 21 Levies

The Interpretation provides guidance on when a liability to pay a levy imposed by a government should be recognised. The amendments do not have an impact on these financial statements as the guidance is consistent with the Group's existing accounting policies.

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:

	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Sales and contract works of embedded system products and related products	783,930	638,722
Rendering of travel and leisure services	106,462	98,290
Sales of wine and related products	11,293	9,543
Management fee income	2,289	2,926
	<u>903,974</u>	<u>749,481</u>

4. OTHER REVENUE AND NET INCOME

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Available-for-sale financial assets reclassified from equity on disposal	52,646	8,187
Bank interest income	800	719
Dividend income from unlisted security	126	–
Gain on disposal of a subsidiary	218	218
Government grants (<i>Note</i>)	8,404	1,851
Gain from changes in fair value less cost to sell of biological assets	–	802
Interest income from loans to others	–	2,788
Interest income from convertible bonds	–	2,024
Rental income	1,122	1,230
Reversal of allowance for trade receivables	1,899	182
Reversal of allowance for other receivables	240	119
Others	3,475	3,451
	<u>68,930</u>	<u>21,571</u>

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

5. SEGMENT INFORMATION

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

The Group has presented the following three reportable segments, which were managed separately based on their business nature:

Manufacture and sale of electronic fire equipment	– research, development, manufacture, marketing, contract work and sale of electronic fire alarm systems and related products
Tourism development	– development of travel and leisure business
Investment holding	– holding of fund and equity investment

All other segments represent business activities and operating segments not separately reported, including production and sales of wine and related products.

The accounting policies of the operating segments are the same as those applied by the Group in the financial statements. Segment assets include all tangible, intangible assets, interests in joint ventures, interests in associates, available-for-sale financial assets and current assets, with exception of unallocated corporate assets. The measure used for reporting segment profit is “adjusted EBIT” i.e. adjusted earnings before interests and taxes. Segment profits or losses do not include bank interest income, interest income from loans to others, unallocated other revenue and net income, finance costs and unallocated corporate expenses.

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

Information about reportable segment profit or loss:

	Manufacture and sale of electronic fire equipment <i>RMB'000</i>	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	Reportable segment total <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 31 December 2014						
Revenue from external customers	<u>783,734</u>	<u>106,462</u>	<u>2,289</u>	<u>892,485</u>	<u>11,489</u>	<u>903,974</u>
Segment profit/(loss)	<u>175,326</u>	<u>19,570</u>	<u>38,732</u>	<u>233,628</u>	<u>(2,052)</u>	<u>231,576</u>
Bank interest income						800
Unallocated other revenue and net income						84
Finance costs						(16,533)
Unallocated corporate expenses						<u>(19,513)</u>
Profit before tax						<u>196,614</u>
Other segment information:						
Depreciation and amortisation expenses	9,040	11,056	10	20,106	2,108	22,214
Allowance for						
doubtful other receivables	304	-	-	304	-	304
doubtful trade receivables	12,823	-	-	12,823	-	12,823
obsolete and slow-moving inventories	585	-	-	585	-	585
Share of profits/(losses) of associates	-	147	(6,196)	(6,049)	-	(6,049)
Share of losses of joint ventures	<u>-</u>	<u>-</u>	<u>(3,774)</u>	<u>(3,774)</u>	<u>-</u>	<u>(3,774)</u>

	Manufacture and sale of electronic fire equipment <i>RMB'000</i>	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	Reportable segment total <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 31 December 2013						
Revenue from external customers	<u>638,529</u>	<u>98,290</u>	<u>2,926</u>	<u>739,745</u>	<u>9,736</u>	<u>749,481</u>
Segment profit/(loss)	<u>150,161</u>	<u>30,604</u>	<u>(6,903)</u>	<u>173,862</u>	<u>(987)</u>	<u>172,875</u>
Bank interest income						719
Interest income from loans to others						2,788
Interest income from convertible bond						2,024
Unallocated other revenue and net income						4,777
Finance costs						(12,341)
Unallocated corporate expenses						<u>(18,885)</u>
Profit before tax						<u>151,957</u>
Other segment information:						
Depreciation and amortisation expenses	7,523	13,607	6	21,136	1,624	22,760
Allowance for						
doubtful other receivables	95	-	-	95	-	95
doubtful trade receivables	4,976	-	-	4,976	-	4,976
obsolete and slow-moving inventories	1,478	-	-	1,478	-	1,478
Impairment loss on goodwill	-	933	-	933	-	933
Share of profits/(losses) of associates	-	13,890	(7,964)	5,926	-	5,926
Share of losses of joint ventures	<u>-</u>	<u>-</u>	<u>(4,882)</u>	<u>(4,882)</u>	<u>-</u>	<u>(4,882)</u>

There are no inter-segment sales during the year (2013: nil).

Information about reportable total assets:

	Manufacture and sale of electronic fire equipment <i>RMB'000</i>	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	Reportable segment total <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
At 31 December 2014						
Segment assets	<u>681,891</u>	<u>292,208</u>	<u>743,017</u>	<u>1,717,116</u>	<u>29,907</u>	1,747,023
Unallocated corporate assets						
– Other property, plant and equipment						1,326
– Prepaid lease payment						5,094
– Cash and cash equivalents						100,640
– Other						<u>1,580</u>
Total assets						<u>1,855,663</u>
Segment assets including:						
Interests in associates	–	74,964	408,353	483,317	–	483,317
Interests in joint ventures	–	–	198,564	198,564	–	198,564
Additions to non-current segment assets	<u>14,242</u>	<u>28,023</u>	<u>111,395</u>	<u>153,660</u>	<u>366</u>	<u>154,026</u>
At 31 December 2013						
Segment assets	<u>551,561</u>	<u>315,253</u>	<u>720,133</u>	<u>1,586,947</u>	<u>32,287</u>	1,619,234
Unallocated corporate assets						
– Other property, plant and equipment						2,780
– Prepaid lease payment						5,179
– Cash and cash equivalents						29,192
– Other						<u>1,291</u>
Total assets						<u>1,657,676</u>
Segment assets including:						
Interests in associates	–	74,817	322,926	397,743	–	397,743
Interests in joint ventures	–	–	216,633	216,633	–	216,633
Additions to non-current segment assets	<u>26,164</u>	<u>65,148</u>	<u>10,017</u>	<u>101,329</u>	<u>992</u>	<u>102,321</u>

Geographical information:

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

	Revenue		Non-current assets	
	2014	2013	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
PRC except Hong Kong (country of domicile)	892,681	739,938	813,270	793,743
Hong Kong	–	–	6	2,780
The United States	11,293	9,543	22,966	27,388
Canada	–	–	10,815	7,719
	<u>903,974</u>	<u>749,481</u>	<u>847,057</u>	<u>831,630</u>

Revenue from major product and services

	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Sales and contract works of embedded system products and related products	783,930	638,722
Rendering of travel and leisure services	106,462	98,290
Sales of wine and related products	11,293	9,543
Management fee income	2,289	2,926
	<u>903,974</u>	<u>749,481</u>

For the years ended 31 December 2014 and 2013, revenue from any single external customer does not amount to 10% or more of the Group's revenue.

6. FINANCE COSTS

	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on bank loans		
Wholly repayable within five years	14,484	6,850
Not wholly repayable within five years	221	246
Interest on other loans wholly repayable within five years	424	460
Net foreign exchange losses	1,204	4,785
	<u>16,333</u>	<u>12,341</u>

The analysis shows the finance costs of bank loans, including interest on bank loans which contain a repayment on demand clause, in accordance with the agreed scheduled repayments dates set out in the loan agreements. For the years ended 31 December 2014 and 2013, the interest on bank loans which contain a repayment on demand clause amounted to RMB8,735,000 and RMB6,079,000 respectively.

7. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax – PRC Enterprise Income Tax		
Provision for the year	32,382	26,526
Under-provision in prior year	304	788
	<u>32,686</u>	<u>27,314</u>
Current tax – Hong Kong Profits Tax		
Provision for the year	–	112
Over-provision in prior year	(4,013)	–
	<u>(4,013)</u>	<u>112</u>
Deferred tax	839	(747)
	<u>29,512</u>	<u>26,679</u>

No provision for Hong Kong Profits Tax had been made in the consolidated financial statements as the Group has no assessable profit in Hong Kong for the year ended 31 December 2014 (2013: Hong Kong Profits Tax has been provided at a rate of 16.5% on the estimated assessable profit of the Group).

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

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

Pursuant to the relevant laws and regulations in the PRC, one of the Group's PRC subsidiaries is exempted from PRC income tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years.

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% (2013: 25%).

In 2011, a subsidiary of the Company received an assessment demanding final tax for the year of assessment 2004/2005 from The Hong Kong Inland Revenue Department ("IRD"). The amount of this assessment was HK\$47,852,000 (equivalent to RMB37,918,000) in which HK\$47,748,000 (equivalent to RMB37,836,000) relating to a claim for gain on disposal of long term investment recognised during the year ended 31 December 2004. On 25 February 2013, the IRD issued a notice to the subsidiary informing that the case has been forwarded to the Appeals Section of the IRD for further processing. No provision was made as at 31 December 2013 and 2014 as the directors opine that the subsidiary has strong grounds and sufficient evidence to defend the capital nature of the gain. Moreover, the IRD regarded the assessment as protective action and allowed those part of tax relating to the contended capital gain to be held over unconditionally pending the outcome of objection. The directors opine that the action of the IRD highly correlates with timing factor because the year of assessment 2004/2005 became statutorily time-barred by the end of March 2011.

Should the assessment regarding claim for the gain be finally judged against the subsidiary, the Group will have a cash outflow of HK\$47,748,000 (equivalent to RMB37,836,000), representing approximately 10% of cash and cash equivalents as at 31 December 2014. There will be no effect on the profit before tax but decrease in the profit after tax of HK\$47,748,000 (equivalent to RMB37,836,000).

8. PROFIT FOR THE YEAR

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

	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Allowance for doubtful other receivables	304	95
Allowance for doubtful trade receivables	12,823	4,976
Allowance for obsolete and slow-moving inventories (included in cost of sales and services)	585	1,478
Amortisation of other intangible assets Included in cost of sales and services	3,302	4,309
Included in administrative expenses	1,309	1,088
Auditors' remuneration	1,284	1,039
Cost of inventories sold (<i>note</i>)	474,995	355,163
Depreciation	19,926	20,498
Direct operating expenses of investment property that generate rental income	763	507
Loss on disposal of fixed assets	190	575
Impairment of goodwill	–	933
Operating leases charges in respect of land and buildings	7,823	6,952
Reversal of allowance for doubtful trade receivables	(1,899)	(182)
Reversal of allowance for doubtful other receivables	(240)	(119)
Research and development expenditure	33,412	29,307
Staff costs (excluding directors' and supervisors' emoluments)		
Retirement benefits scheme contributions	11,319	6,222
Social security costs	13,706	12,188
Wages, salaries and bonuses	113,664	79,673
	<u>138,689</u>	<u>98,083</u>

Note:

Cost of inventories sold includes staff costs and depreciation of approximately RMB38,176,000 (2013: RMB37,600,000) which are included in the amounts disclosed separately above.

9. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of RMB100,844,000 (2013: RMB53,149,000) and the weighted average number of ordinary shares of 1,184,800,000 (2013: 1,184,800,000) in issue during the year.

(b) Diluted earnings per share

No adjustment has been made to the basic profit per share amounts presented for the years ended 31 December 2014 and 2013. Therefore, the calculation of the diluted earnings per share is based on the profit for the year attributable to owners of the Company of RMB100,844,000 (2013: RMB53,149,000) and the weighted average number of ordinary shares of 1,184,800,000 (2013: 1,184,800,000) in issue during the year.

10. DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2014 (2013: Nil).

11. TRADE AND BILLS 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 and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade and bills receivables are non-interest-bearing.

The ageing analysis of the trade and bills receivables based on the invoice date which approximates the respective revenue recognition date is as follows:

	The Group	
	2014	2013
	RMB'000	RMB'000
0 to 90 days	228,902	148,936
91 to 180 days	36,290	10,855
181 to 365 days	14,993	7,063
Over 365 days	2,862	1,828
	283,047	168,682

12. TRADE AND OTHER PAYABLES

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Trade payables	133,301	102,339
Accruals and other payables	42,047	28,282
Salaries and staff welfare payable	26,827	24,746
Due to shareholders	798	348
Due to related parties	809	791
Due to associates	5,495	72
	<u>209,277</u>	<u>156,578</u>
Advances from customers	12,513	10,042
Gross amount due to customers for construction works	1,821	–
	<u>223,611</u>	<u>166,620</u>

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

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
0 to 90 days	121,497	97,783
91 to 180 days	1,529	510
181 to 365 days	1,313	15
Over 365 days	8,962	4,031
	<u>133,301</u>	<u>102,339</u>

SUMMARY OF INDEPENDENT AUDITOR'S REPORT ON THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

A summary of the independent auditor's report of the Group's consolidated financial statements for the year ended 31 December 2014 is set out below:

Emphasis of matter

Without qualifying our opinion, we draw attention to note 9 to the financial statements. In 2011, a subsidiary of the Company received an assessment demanding final tax for the year of assessment 2004/2005 from The Hong Kong Inland Revenue Department (the "IRD"). The amount of this assessment was approximately HK\$47,852,000 (equivalent to RMB37,918,000) in which approximately HK\$47,748,000 (equivalent to RMB37,836,000) relating to a claim for gain on disposal of long term investment recognised during the year ended 31 December 2004. On 25 February 2013, the IRD issued a notice to the subsidiary informing that the case has been forwarded to the Appeals Section of the IRD for further processing. The outcome of the tax claim cannot be readily ascertained up to the date of this report. Should the assessment regarding claim for the gain be finally judged against the subsidiary, the Group will have a cash outflow of approximately HK\$47,748,000 (equivalent to RMB37,836,000), representing approximately 10% of the cash and cash equivalents as at 31 December 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall performance

Benefited from the steady growth of economy in the PRC and the implementation of new fire safety standards which was favourable to the Group's manufacture and sale of electronic fire equipment business, the Group recorded the turnover of approximately RMB904.0 million (2013: RMB749.5 million) for the year ended 31 December 2014, increased by approximately RMB154.5 million or 20.6% year-on-year. Gross profit reached approximately RMB380.9 million (2013: RMB318.2 million), increased by approximately RMB62.7 million or 19.7% year-on-year, and as a result of the record high turnover for the year. Gross profit margin was approximately 42% (2013: 42%) which remained steady. Because of the continuous expansion of the Group's operations, the Group's total expenses, including distribution costs, administrative expenses and other expenses was increased by 28.7% to approximately RMB227.1 million (2013: RMB176.5 million). Increase in the interests on bank and other loans included in the finance costs to approximately RMB15.1 million (2013: RMB7.6 million) was mainly due to increase in borrowings used for business expansion. During the reporting period, the Group recorded the profit attributable to owners of the Company of approximately RMB100.8 million (2013: RMB53.1 million). Apart from the increase in profits generated from main core businesses, the Group disposed of certain equity interest in a listed company in Hong Kong, which is classified as an available-for-sale financial asset of the Group, and such disposals accrued a gain before tax of approximately RMB52.6 million for the year ended 31 December 2014. Together with the net decrease in the investment revaluation reserve of the Group mainly as a result of the disposal of certain available-for-sale financial assets of the Group and net decrease in fair values of the available-for-sale financial assets of a jointly-controlled entity of the Group, the total comprehensive income for the year attributable to the owners of the Company was approximately RMB59.4 million (2013: RMB52.4 million).

Manufacture and sale of electronic fire equipment

During the year ended 31 December 2014, turnover from manufacture and sale of electronic fire equipment business reached approximately RMB783.7 million (2014: RMB638.5 million), representing an increase of 22.7% year-on-year and 86.7% of the Group's total turnover. The continuous and robust growth in the aggregate amount of the contracts and orders was mainly attributable to the concerted effort of the Group and its dealers in expanding the market, the Group's emphasis on investment in human resource and provision of after-sale service, continuous brand buildings by conducting promotional campaigns, broadening product portfolio by launching new products continuously and strict control of product quality.

Tourism development

Turnover from tourism development business of approximately RMB106.5 million was recorded for the year ended 31 December 2014 (2013: RMB98.3 million), which was increased by 8.3% year-on-year and accounted for 11.8% of the Group's total turnover. The performance of the environmental bus service and the property management service operated by the Group in Hengshan Mountain scenic area remained steady. Such increase in turnover was mainly attributable to the increase in the bus fares during the year.

The Group continued to diversify the tourism development business through participating in building new tourist attractions in the PRC. On 16 December 2014, Chuanqi Tourism Investment Co., Ltd. ("Chuanqi Tourism"), a direct non-wholly owned subsidiary of the Company, entered into the shareholders agreement in relation to the formation of a joint venture company in the PRC for the purpose of investment and development of travel and leisure business mainly located at Tianzi Mountain, Nanyue District, Hengyang City, Hunan Province, the PRC, including, among others, construction and development of tourist attractions and infrastructure, property development and management, operation and management of tourist attractions and hotel facilities, provision of conference and exhibition services, tourism e-commerce services, tourist information consultancy services and market research services, and equity investments. The joint venture company is owned as to 49% by Chuanqi Tourism upon establishment. The registered capital of the joint venture company is RMB250,000,000 which will be contributed as to RMB122,500,000 by Chuanqi Tourism in proportion to its respective equity interests in the joint venture company. Tianzi Mountain is a famous scenic area located at Hunan Province, the PRC, and the local government of Nanyue District plans to build new tourist attractions to promote the tourism industry within the region. The formation of the joint venture company will enable the Company to participate tourism project with abundant opportunities and will benefit the Company by expanding its source of profits in the tourism development, which is one of the core businesses of the Company.

Investment holding

As at 31 December 2014, the Group's investment holding business mainly included investments in two private equity funds (the investment areas of which included private enterprises in the PRC with businesses ranging from the provision of information technology vocational education, insurance business, baby products retailing business, manufacturing and sale of light-emitting diode related products and property development), the equity interests in listed companies in Hong Kong, and the equity interest in a private enterprise in the PRC which

is principally engaged in manufacture and sale of light-emitting diode related products. As at 31 December 2014, the total assets of the Group's investment holding business amounted to approximately RMB743.0 million (2013: RMB720.1 million), representing an increase of 3.2%.

On 9 January 2014, the Company entered into the investment agreement in relation to the establishment of a joint venture in the PRC which will be engaged in provision of life insurance products and services in the PRC. Pursuant to the investment agreement, the Company has conditionally agreed to subscribe for an aggregate of 200,000,000 joint venture share by a total capital contribution of RMB200,000,000 which is equivalent to 20% of the total registered capital of the joint venture. An ordinary resolution has been passed by the shareholders of the Company on the special general meeting of the Company held on 10 March 2014 to approve the establishment of the joint venture.

During the year, the Group also acquired equity interests in a number of companies principally engaged in venture capital investment and asset management, in order to further develop the Company's existing private equity fund investment business portfolio.

Outlook

Looking ahead, the Group will further strengthen the performance of its manufacture and sale of electronic fire equipment business by having localised sales policies and effective dealer incentive plan, producing fire alarm system products that could meet the commonly recognised international standards, enhancing R&D capabilities in order to launch marketable new products. The Group will continue to put efforts on enhancing brand development, and building a professional team with an aim of solidifying its market share and increasing its competitiveness.

The Group's tourism development business will be further benefited by the fare increase of the environmental bus and the openings of new highways and airport around Nanyue area. The Group will enrich its tourism projects in order to be benefited from the continue booming of the tourism industry in the PRC.

EVENTS AFTER THE REPORTING PERIOD

On 13 February 2015, a subsidiary of the Company and a connected person of the Company entered into the equity interest transfer agreement (the “Agreement”), pursuant to which the subsidiary of the Company has conditionally agreed to acquire 20% equity interest in a venture capital company in the PRC at a consideration of RMB50,000,000. The Agreement and the transactions contemplated thereunder are subject to the approval of the independent shareholders of the Company through a special general meeting to be convened by the Company.

PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2014.

CORPORATE GOVERNANCE PRACTICES

The Board is of the view that the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules during the year ended 31 December 2014.

AUDIT COMMITTEE

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

The audit committee of the Company has reviewed and discussed the financial reporting matters including the annual results for the year ended 31 December 2014 with the management and the external auditors.

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

Beijing, the PRC
24 March 2015

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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