



**SHANGHAI JIAODA WITHUB
INFORMATION INDUSTRIAL COMPANY LIMITED***

上海交大慧谷信息產業股份有限公司

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

(Stock Code: 8205)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

**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 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 SHANGHAI JIAODA WITHUB INFORMATION INDUSTRIAL COMPANY LIMITED (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange 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.

** For identification purposes only*

HIGHLIGHTS

- The Group recorded a turnover of approximately RMB42,146,000 for the six months ended 30 June 2015 (2014: approximately RMB51,545,000), representing a decrease of approximately 18.23% as compared with that of the corresponding period in 2014.
- The Group recorded a loss attributable to owners of the parent of approximately RMB3,050,000 for the six months ended 30 June 2015 (2014: loss of approximately RMB10,055,000), representing a decrease of approximately 69.67% as compared with that of the corresponding period in 2014.
- The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2015 (2014 : Nil).

INTERIM RESULTS

The board of directors (the “Board”) of Shanghai Jiaoda Withub Information Industrial Company Limited (the “Company”) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months and three months ended 30 June 2015, together with the unaudited comparative figures for the corresponding periods in 2014 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

		For the three months ended		For the six months ended	
		30 June		30 June	
		2015	2014	2015	2014
	Notes	RMB'000	RMB'000	RMB'000	RMB'000
Turnover	2	23,029	23,200	42,146	51,545
Cost of sales		(19,868)	(21,817)	(37,594)	(51,144)
Gross profit		3,161	1,383	4,552	401
Other revenue		1,854	44	2,305	118
Distribution expenses		(2,052)	(1,436)	(4,672)	(3,308)
Research and development expenses		(1,947)	(1,618)	(4,173)	(3,333)
Administrative expenses		(1,093)	(2,356)	(2,178)	(4,002)
Loss before tax	4	(77)	(3,983)	(4,166)	(10,124)
Share of losses of associates		657	1,099	1,116	69
Loss before taxation		580	(2,884)	(3,050)	(10,055)
Tax expenses	5	-	-	-	-
Loss for the period		<u>580</u>	<u>(2,884)</u>	<u>(3,050)</u>	<u>(10,055)</u>
Attributable to:					
- Owners of the parent		580	(2,884)	(3,050)	(10,055)
- Non-controlling interests		-	-	-	-
		<u>580</u>	<u>(2,884)</u>	<u>(3,050)</u>	<u>(10,055)</u>
Dividends	6	-	-	-	-
Loss per share (in RMB)	7				
- Basic		<u>0.0012</u>	<u>(0.00605)</u>	<u>(0.00636)</u>	<u>(0.02095)</u>
- Diluted		<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)**

	For the three months ended 30 June		For the six months ended 30 June	
	2015	2014	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Loss for the period	580	(2,884)	(3,050)	(10,055)
Other comprehensive income:				
Exchange difference arising on translation of foreign operations	-	-	-	-
Total comprehensive income for the period	580	(2,884)	(3,050)	(10,055)
Attributable to:				
Owners of the parent	580	(2,884)	(3,050)	(10,055)
Non-controlling interests	-	-	(15)	(12)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

		30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
	Notes		
Non-current assets			
Plant and equipment		957	991
Interests in associates		9,561	9,300
Intangible assets		983	1,050
Available-for-sale investments		<u>1,916</u>	<u>2,416</u>
		<u>13,417</u>	<u>13,757</u>
Current assets			
Inventories		346	5,685
Amounts due from customers for contract works		11,035	5,318
Trade receivables	8	15,187	14,017
Deposits, prepayments and other receivables		11,375	11,884
Amounts due from associates		60	228
Amount due from a shareholder		-	-
Restricted bank deposits	9	2,879	300
Bank balances and cash		<u>44,686</u>	<u>49,582</u>
		<u>85,568</u>	<u>87,014</u>
Current liabilities			
Trade payables	10	24,969	12,167
Other payables and accrued expenses		8,676	19,323
Amount due to a shareholder		-	176
Amount due to a related company		-	664
Amount due to associate		<u>-</u>	<u>51</u>
		<u>33,645</u>	<u>32,381</u>
Net current assets		<u>51,923</u>	<u>54,633</u>
Total assets less current liabilities		<u>65,340</u>	<u>68,390</u>
Non-current liability			
Deferred income		<u>-</u>	<u>-</u>
Net assets		<u>65,340</u>	<u>68,390</u>
Capital and reserves			
Share capital	11	48,000	48,000
Reserves		<u>17,355</u>	<u>20,405</u>
Equity attributable to owners of the Company		65,355	68,405
Non-controlling interest		<u>(15)</u>	<u>(15)</u>
Total equity		<u>65,340</u>	<u>68,390</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Equity attributable to owners of the parent						Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Statutory reserves	Translation reserve	Accumulated losses		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2014	48,000	61,068	16,000	223	936	(44,586)	81,641	81,629
Net loss for the period	-	-	-	-	-	(10,055)	(10,055)	(10,055)
Exchange difference arising on translation of an overseas subsidiary	-	-	-	-	-	-	-	-
At 30 June 2014	<u>48,000</u>	<u>61,068</u>	<u>16,000</u>	<u>223</u>	<u>936</u>	<u>(54,641)</u>	<u>71,586</u>	<u>71,574</u>
At 1 January 2015	48,000	61,068	16,000	223	932	(57,818)	68,405	68,390
Net loss for the period	-	-	-	-	-	(3,050)	(3,050)	(3,050)
Exchange difference arising on translation of an overseas subsidiary	-	-	-	-	-	-	-	-
At 30 June 2015	<u>48,000</u>	<u>61,068</u>	<u>16,000</u>	<u>223</u>	<u>932</u>	<u>(60,868)</u>	<u>65,355</u>	<u>65,340</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

	For the six months ended	
	30 June	
	2015	2014
	RMB'000	RMB'000
Net cash used in operating activities	(8,136)	(8,012)
Net cash used in investing activities	2,181	(513)
Net cash used in financing activities	<u>1,059</u>	<u>(271)</u>
Net decrease in cash and cash equivalents	(4,896)	(8,796)
Cash and cash equivalents as at 1 January	<u>11,158</u>	<u>27,393</u>
Cash and cash equivalents as at 30 June (Note 9)	<u>6,262</u>	<u>18,597</u>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances (Note 9)	<u>6,262</u>	<u>18,597</u>
	<u>6,262</u>	<u>18,597</u>

Notes:

1. BASIS OF PRESENTATION

The Group's unaudited condensed consolidated results have been prepared in accordance with the Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and interpretations issued by the Hong Kong Institute of Certified Public Accountants. The unaudited condensed consolidated results have been prepared on the historical cost basis. The accounting policies adopted in preparing the unaudited condensed consolidated results for the six months ended 30 June 2015 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014. The condensed consolidated results are unaudited but have been reviewed by the Company's audit committee.

2. TURNOVER

Turnover represents revenue from the development and provision of business application solutions, application software, installation and maintenance of network and data security products, and the sales and distribution of computers and electrical products and accessories.

An analysis of the Group's revenue for the period is as follows:

	For the three months ended 30 June		For the six months ended 30 June	
	2015	2014	2015	2014
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Development and provision of:				
- Business application solutions	7,648	12,102	15,637	14,570
- Application software	5,021	49	6,773	329
- Installation and maintenance of network and data security products	444	794	929	1,222
Sales and distribution of computer and electrical products and accessories	9,916	10,255	18,807	35,424
	23,029	23,200	42,146	51,545

All of the Group's activities are conducted in the PRC. Turnover as disclosed above is net of applicable PRC tax.

3. SEGMENT INFORMATION

Business segments

For management reporting purpose, business segment information is chosen as the primary reporting format. The principal business segments of the Group comprise the followings:

Business application solutions: Develop and provide business application solutions services which include business solutions development, application software, network and data security products.

Sales of goods: Sales and distribution of computer and electrical products and accessories.

Segment information about these businesses is presented below.

	Business application solutions for the six months ended 30 June		Sales of goods for the six months ended 30 June		Consolidated for the six months ended 30 June	
	2015	2014	2015	2014	2015	2014
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment revenue						
Turnover from external customers	<u>23,339</u>	<u>16,121</u>	<u>18,807</u>	<u>35,424</u>	<u>42,146</u>	<u>51,545</u>
Unallocated other revenue					<u>2,305</u>	<u>118</u>
					<u>44,451</u>	<u>51,663</u>
Results						
Segment results	<u>2,227</u>	<u>(599)</u>	<u>457</u>	<u>(2,215)</u>	<u>2,684</u>	<u>(2,814)</u>
Unallocated operating expenses					<u>(6,850)</u>	<u>(7,310)</u>
Loss before tax					<u>(4,166)</u>	<u>(10,124)</u>
Share of losses of associates					<u>1,116</u>	<u>69</u>
Tax expenses of owners of the parent					<u>-</u>	<u>-</u>
Loss attributable to owners of the parent					<u>(3,050)</u>	<u>(10,055)</u>

Geographical segment

The Group's business and assets are generated from and situated in the PRC. Accordingly, no geographical segment information has been presented.

4. LOSS BEFORE TAX

Loss before tax has been arrived after charging:

	For the three months ended 30 June		For the six months ended 30 June	
	2015	2014	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Staff costs (including Directors' emoluments) comprises:				
Salaries, wages and other benefits	2,548	2,123	5,814	5,098
Contributions to retirement benefits scheme	779	854	1,473	1,713
	3,327	2,977	7,287	6,811
Auditors' remuneration	87	87	174	174
Cost of inventories recognised as an expense	19,868	21,817	37,594	51,144

5. TAX EXPENSES

(a) The amount of tax expenses in the consolidated income statement represents:

	For the three months ended 30 June		For the six months ended 30 June	
	2015	2014	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current tax - PRC				
- tax for the period	-	-	-	-
- over-provision in respect of prior years	-	-	-	-
Tax expenses for the period	-	-	-	-

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company and its PRC subsidiaries is 25% from 1 January 2008 onwards.

No provision for Enterprise Income Tax has been made for three years ended 31 December 2014 since the assessable profits of the companies within the Group are wholly absorbed by tax losses brought forward.

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in nor is derived from Hong Kong.

(b) There is no significant unprovided deferred tax for the six months ended 30 June 2015 (2014: Nil).

6. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2015 (2014: Nil).

7. LOSS PER SHARE

The calculation of the basic loss per share for the six months ended 30 June 2015 is based on the unaudited net loss of approximately RMB3,050,000 (2014: net loss of approximately RMB10,055,000) and the weighted average number of shares during the six months ended 30 June 2015 was 480,000,000 shares (2014: 480,000,000 shares).

The calculation of the basic earnings per share for the three months ended 30 June 2015 is based on the unaudited net earnings of approximately RMB580,000 (2014: net loss of approximately RMB2,884,000) and the weighted average number of shares during the three months ended 30 June 2015 was 480,000,000 shares (2014: 480,000,000 shares).

Diluted loss per share is not presented for the six months and three months ended 30 June 2015 and 2014 as there were no potential dilutive shares in issue during the relevant periods.

8. TRADE RECEIVABLES

The normal credit terms of the Group are 30-90 days. The aged analysis of trade receivables net of allowance for bad and doubtful debts is as follows:

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Aged:		
0-90 days	7,751	8,712
91-180 days	2,016	285
181-365 days	281	307
Exceeding 365 days	5,139	4,713
	15,187	14,017

9. RESTRICTED BANK DEPOSITS AND BANK BALANCES

Restricted bank deposits

Restricted bank deposits represent guarantee deposits placed to bank for certain subcontracting projects in relation to business solutions development. As at 30 June 2015, the restricted bank deposits carried interest at a market rate of 0.35% (2014: 0.35%) per annum. Deposits of RMB2,879,000 (corresponding period of 2014: RMB330,000) will be settled 12 months after the end of the reporting period and are therefore classified as current assets (corresponding period of 2014: current assets).

Bank balances

Bank balances comprise short-term deposits with an original maturity of six months or less (2014: six months or less). The bank balances and deposits carry interest at market rates which range from 0.01% to 2.05% per annum.

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Cash and cash equivalents for the purpose of the consolidated statement of financial position	44,686	49,582
Time deposits with an original maturity of more than three months when acquired	<u>(38,424)</u>	<u>(38,424)</u>
Cash and cash equivalents for the purpose of the consolidated statement of cash flows	<u>6,262</u>	<u>11,158</u>

10. TRADE AND BILLS PAYABLE

The aged analysis of trade and bills payable is as follows:

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Aged:		
0 - 90 days	21,359	6,134
91 - 180 days	223	1,280
181 - 365 days	1,816	93
Exceeding 365 days	<u>1,571</u>	<u>4,660</u>
	<u>24,969</u>	<u>12,167</u>

11. SHARE CAPITAL

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Registered, issued and fully paid: 480,000,000 (2014: 480,000,000) shares of RMB0.1 each	<u>48,000</u>	<u>48,000</u>

The Company has conditionally adopted a share option scheme which enables the Company to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors may, at their discretion but on the basis of their contribution to the development and growth of the Group, make an offer to certain persons to subscribe for the Company's H shares.

During the period, no option was granted by the Company.

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation for current accounting period.

MANAGEMENT DISCUSSION AND ANALYSIS

Results and financial review

For the six months ended 30 June 2015, the Group recorded a turnover of approximately RMB42,146,000 (2014: approximately RMB51,545,000), representing a decrease of approximately RMB9,399,000, or 18.23% as compared to the corresponding period last year. Gross profit increased by RMB4,151,000 or 1035.16% to RMB4,552,000. The Group recorded a loss of RMB3,050,000 which represents a decrease as compared with the loss of approximately RMB10,055,000 for the corresponding period in 2014.

For the six months ended 30 June 2015, the revenue for the Group has decreased from RMB51,545,000 to RMB42,146,000. The revenue are mainly consisting of the sales and distribution of computer and electrical products and accessories which made up of 44.62% of the total sales or RMB18,807,000, and this is followed by 37.10% of total sales or RMB15,637,000 for business solutions development, 16.07% or RMB6,773,000 for application software, and 2.21% or RMB929,000 for installation and maintenance of network and data security products.

Sales and distribution of computer and electrical products and accessories has decreased in revenue by RMB16,617,000 or 46.91%, as compared to RMB35,424,000 for the previous year. The revenue of business solutions development increased by RMB10,067,000 or 7.32%, as compared to RMB14,570,000 for the previous year. The revenue of application software business increased by RMB6,444,000 or 1958.66% from RMB329,000 for the previous year. The revenue of installation and maintenance of network and data security products decreased by RMB293,000 or 23.98% from RMB1,222,000 for the previous year.

Gross profit increased by RMB4,151,000 or 1035.16% from RMB401,000 to RMB4,552,000. Gross profit margin has increased to 10.8% for the year, as compared to 0.78% for the previous financial year.

Administrative expenses decreased by RMB1,824,000 or 45.58% to RMB2,178,000 from RMB4,002,000 for the corresponding period last year. Research and development expenses increased by RMB840,000 or 25.20% to RMB4,173,000, as compared to RMB3,333,000 for the previous year. Distribution expenses has increased from RMB3,308,000 for the previous year to RMB4,672,000 for the current year.

During the first half of the year, the Company recorded a decline in cost of sales, resulting in a growth of the overall gross profit of its businesses. The loss of the Company for the first half of the year has decreased from that of the corresponding period last year. The Company is committed to enhance the operational capability and impose cost control, so as to further improve the Company's operational conditions.

Financial resources and liquidity

As at 30 June 2015, shareholders' funds of the Group amounted to approximately RMB65,355,000 (as at 31 December 2014: approximately RMB68,405,000). Current assets amounted to approximately RMB85,568,000 (as at 31 December 2014: approximately RMB87,014,000), of which approximately RMB44,686,000 (as at 31 December 2014: approximately RMB49,582,000) were bank balances and cash. The Group had no non-current liabilities and its current liabilities amounted to approximately RMB33,645,000 (as at 31 December 2014: approximately RMB32,381,000), which mainly comprised of creditors and bill payables and accrued expenses. The Group's net assets per share are approximately RMB0.14 (as at 31 December 2014: approximately RMB0.14).

As at 30 June 2015, the Group has bank balances and cash amounting to approximately RMB44,686,000 with a current ratio of approximately 254%. The Directors believed that the Group's financial position is healthy.

As at 30 June 2015, the Group has a gearing ratio of approximately 33.99% (as at 31 December 2014 : approximately 32.13%).

Capital structure

There has been no change to the capital structure of the Company during the six months ended 30 June 2015.

Foreign exchange exposure

During the year ended 31 December 2014, the Group's monetary assets and transactions are mainly denominated in RMB, HKD and USD. Though the exchange rates between RMB, HKD and USD are not pegged, there are relatively low level of fluctuation in exchange rates among RMB, HKD and USD. The Management noted that the recent appreciation in the exchange rate of RMB to HKD and USD and is of the opinion that it does not currently have a material adverse impact on the Group's financial position. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Employee information and remuneration policies

As at 30 June 2015, the Group employed permanent staff of approximately 119 (2014 : 118). For the six months ended 30 June 2015, the remuneration for the employees (including the Directors emoluments) amounted to approximately RMB5,814,000 (2014: approximately RMB5,098,000). The Group's remuneration and bonus policies are principally determined with reference to the qualification, experience and performance of individual employee.

Material acquisitions or disposals

During the six months ended 30 June 2015, the Group had no material acquisitions and disposal of subsidiaries and affiliated companies.

Charges on Group's assets

As at 30 June 2015, the Group had no charges on Group's assets.

Details of future plans for material investments or capital assets

As at 30 June 2015, the Group had no future plans for material investments or capital assets.

Contingent liabilities

As at 30 June 2015, the Group had no material contingent liabilities (2014 : Nil).

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

As at 30 June 2015, none of the Directors, the supervisors of the Company (as if the requirements applicable to the Directors under the Securities and Futures Ordinance ("SFO") had applied to the supervisors) or chief executives of the Company have any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the Company's register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE H SHARES

As at 30 June 2015, none of the Directors, supervisors and chief executives of the Company was granted options to subscribe for H shares of the Company. As at 30 June 2015, none of the Directors, supervisors and chief executives of the Company had any rights to acquire H shares in the Company.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES IN THE COMPANY

A. Substantial shareholders

As at 30 June 2015, the following shareholders (other than the Directors and the Supervisors (as if the requirements applicable to the Directors under the SFO had applied to the Supervisors)) had an interest or a short position in the Shares and underlying shares in the Company as recorded in the register required to be kept under section 336 of the SFO and were directly or indirectly interested in 10% or more of the Shares:

Name of shareholders	Capacity and nature	Number and class of shares (Note 1)	Approximate percentage of interest
Shanghai Jiao Tong University	Interest of a controlled corporation (Note 2)	114,000,000 domestic shares (L)	23.75%
Shanghai Jiaoda Industrial Investment Management (Group) Limited	Interest of a controlled corporation (Note 2)	114,000,000 domestic shares (L)	23.75%
Shanghai Jiaoda Science and Technology Park Limited	Beneficial owner	114,000,000 domestic shares (L)	23.75%
Shanghai Xin Xuhui (Group) Limited	Beneficial owner	60,000,000 domestic shares (L)	12.50%
Xuhui District Industrial Association	Interest of a controlled corporation (Note 3)	60,000,000 domestic shares (L)	12.50%
Shanghai Huixin Investment Operation Company Limited	Beneficial owner	57,000,000 domestic shares (L)	11.88%
Shanghai Technology Venture Capital Management Company	Beneficial owner	57,000,000 domestic shares (L)	11.88%

Notes:

1. The letter “L” represents the entity’s interest in the shares of the Company.
2. These 114,000,000 domestic Shares are registered and owned by Shanghai Jiaoda Science and Technology Park Limited (“Jiaoda S&T Park”). The major shareholder of Jiaoda S&T Park is Shanghai Jiaoda Industrial Investment Management (Group) Limited (“Jiaoda Industrial”) which owns 55.42% of registered capital in Jiaoda S&T Park. Shareholders of Jiaoda Industrial are Shanghai Jiao Tong University, which owns 100%. Both Jiaoda Industrial and Shanghai Jiao Tong University are deemed to be interested in the aggregate of 114,000,000 domestic Shares held by Jiaoda S&T Park under the SFO.
3. These 60,000,000 domestic Shares are registered and owned by Shanghai Xin Xuhui (Group) Limited, the registered capital of which will be owned as to approximately 74.58% by Xuhui District Industrial Association after the completion of certain capital reorganisation as referred to in the Prospectus. Xuhui District Industrial Association is deemed to be interested in the 60,000,000 domestic Shares held by Shanghai Xin Xuhui (Group) Limited under the SFO.

B. Other persons who are required to disclose their interests pursuant to Division 2 and 3 of Part XV of the SFO

As at 30 June 2015, save for the persons/entities disclosed in sub-section A above, the following person/entity had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of shareholder	Capacity and nature	Number and class of shares (Note)	Approximate percentage of interest
Chen Jianbo	Beneficial owner	24,300,000 domestic shares (L)	5.06%

Note: The letter “L” represents the entity’s interest in the shares of the Company.

Save as disclosed above, as at 30 June 2015, the Directors are not aware of any other person (other than the Directors and chief executive of the Company) who has interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

COMPETING INTERESTS

None of the Directors or the management shareholders (as defined under the GEM Listing Rules) of the Company had any interest in a business which competes or may compete with the business of the Group.

PRACTICE AND PROCEDURES OF THE BOARD

Throughout the six months ended 30 June 2015, the Company was in compliance with the Board Practices and Procedures as set out in Rule 5.34 of the GEM Listing Rules.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company had adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had made specific enquiry of all Directors and the Company was not aware of any non-compliance with the Exchange's required standard of dealings and its code of conduct regarding securities transactions by the Directors throughout the six months ended 30 June 2015.

AUDIT COMMITTEE

The Company established an audit committee on 7 July 2002 with written terms of reference for the purpose of reviewing and supervising the Group's financial reporting and internal control procedures. The audit committee comprises three independent non-executive Directors, Mr. Yuan Shumin, Dr. Ni Jing and Dr. Chan Yan Chong. The audit committee has reviewed the unaudited results of the Company for the six months ended 30 June 2015.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2015.

CORPORATE GOVERNANCE

The Board considers that the Company has complied with the code provisions of the Code on Corporate Governance as set out in Appendix 15 of the GEM Listing Rules (the "CG Code") throughout the period for the six months ended 30 June 2015, except that the Company has not disclosed the terms of reference of audit committee and remuneration committee by including such information on the Company's website. The Company will take appropriate actions to comply with the CG Code.

Executive Directors Liu Yuwen, Chen Xin, Shuai Ge, Shang Ling,
Zhu Kaiyong and Shen Zhimin

By Order of the Board
Shanghai Jiaoda Withub Information Industrial Company Limited*
Liu Yuwen
Chairman

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

– 19 –