



**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 2017**

**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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 RMB22,315,000 for the six months ended 30 June 2017 (2016: approximately RMB41,372,000), representing a decrease of approximately 46.06% as compared with that of the corresponding period in 2016.
- The Group recorded a loss attributable to owners of the parent of approximately RMB11,975,000 for the six months ended 30 June 2017 (2016: loss of approximately RMB12,032,000), representing a decrease of approximately 0.47% as compared with that of the corresponding period in 2016.
- The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2017 (2016: 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 2017, together with the unaudited comparative figures for the corresponding periods in 2016 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	<i>Notes</i>	For the three months ended 30 June		For the six months ended 30 June	
		2017 <i>RMB'000</i>	2016 <i>RMB'000</i>	2017 <i>RMB'000</i>	2016 <i>RMB'000</i>
Turnover	2	12,010	23,867	22,315	41,372
Cost of sales		<u>(9,564)</u>	<u>(22,428)</u>	<u>(17,965)</u>	<u>(38,520)</u>
Gross profit		2,446	1,439	4,350	2,852
Other revenue		120	403	157	472
Distribution expenses		(2,923)	(7,124)	(5,250)	(8,763)
Research and development expenses		(2,236)	(1,094)	(4,292)	(3,611)
Administrative expenses		<u>(1,037)</u>	<u>(65)</u>	<u>(6,127)</u>	<u>(1,082)</u>
Loss before tax	4	(3,630)	(6,441)	(11,162)	(10,132)
Share of losses of associates		<u>(32)</u>	<u>(277)</u>	<u>(813)</u>	<u>(1,900)</u>
Loss before taxation		(3,662)	(6,718)	(11,975)	(12,032)
Tax expenses	5	—	—	—	—
Loss for the period		<u>(3,662)</u>	<u>(6,718)</u>	<u>(11,975)</u>	<u>(12,032)</u>
Attributable to:					
— Owners of the parent		(3,661)	(6,718)	(11,974)	(12,031)
— Minority interests		<u>—</u>	<u>—</u>	<u>(1)</u>	<u>(1)</u>
Dividends	6	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
		<u>(3,662)</u>	<u>(6,718)</u>	<u>(11,975)</u>	<u>(12,032)</u>
Loss per share (in RMB)					
— Basic		<u>(0.0762)</u>	<u>(0.01399)</u>	<u>(0.02494)</u>	<u>(0.02506)</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)**

		30 June 2017	31 December 2016
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Audited)
Non-current assets			
Plant and equipment		514	621
Long-term equity investment		10,193	10,992
Intangible assets		300	450
Available-for-sale investments		1,916	1,916
		12,923	13,979
Current assets			
Inventories		9,203	8,834
Interest receivable		—	732
Trade receivables	8	15,091	16,652
Deposits, prepayments and other receivables		8,764	6,726
Amounts due from associates		—	—
Amount due from a shareholder		—	—
Other current assets		—	32
Bank balances and cash		49,949	55,955
		83,007	88,931
Current liabilities			
Trade payables	9	20,774	18,834
Other payables		3,213	2,696
Advances from customers		10,927	12,967
Payroll payable		1,157	1,506
Tax payables		406	314
		36,477	36,317
Net current assets		46,530	52,614
Total assets less current liabilities		59,453	66,593
Non-current liability			
Deferred income		—	—
Net assets		59,453	66,593
Capital and reserves			
Share capital	10	48,000	48,000
Reserves		11,476	23,335
Equity attributable to owners of the Company		59,476	71,335
Minority interests		(23)	(22)
Total equity		59,453	71,313

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Equity attributable to owners of the parent								
	Share capital	Share premium	Capital reserve	Statutory reserves	Translation reserve	Accumulated losses	Total	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2016	48,000	61,068	16,000	223	1,268	(55,200)	71,359	(17)	71,342
Net loss for the period	—	—	—	—	(147)	(12,031)	(12,178)	(1)	(12,179)
Exchange difference arising on translation of an overseas subsidiary	—	—	—	—	—	—	—	—	—
At 30 June 2016	<u>48,000</u>	<u>61,068</u>	<u>16,000</u>	<u>223</u>	<u>1,121</u>	<u>(67,231)</u>	<u>59,181</u>	<u>(18)</u>	<u>59,163</u>
At 1 January 2017	48,000	61,068	16,000	223	1,575	(55,531)	71,335	(22)	71,313
Net loss for the period	—	—	—	—	115	(11,974)	(11,859)	(1)	(11,860)
Exchange difference arising on translation of an overseas subsidiary	—	—	—	—	—	—	—	—	—
At 30 June 2017	<u>48,000</u>	<u>61,068</u>	<u>16,000</u>	<u>223</u>	<u>1,690</u>	<u>(67,505)</u>	<u>59,476</u>	<u>(23)</u>	<u>59,453</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

	For the six months ended 30 June	
	2017	2016
	RMB'000	RMB'000
Net cash used in operating activities	(10,851)	21,653
Net cash used in investing activities	127	(224)
Net cash used in financing activities	—	—
Net decrease in cash and cash equivalents	(10,724)	21,429
Cash and cash equivalents as at 1 January	<u>60,673</u>	<u>25,579</u>
Cash and cash equivalents as at 30 June	<u>49,949</u>	<u>47,008</u>

Notes:

1. BASIS OF PRESENTATION

The Financial statements has been prepared on the going-concern basis and transactions and events actually occurred in accordance with the “Accounting Standards for Business Enterprises” promulgated by the Ministry of Finance of the People’s Republic of China and relevant requirements (Collectively “Accounting Standards for Business Enterprises”), and China Securities Regulatory Commission’s “Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15-General Provisions on Financial Reports (2014 Revision)” and the provisions regarding disclosure pursuant to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies Ordinance of Hong Kong, as well as the accounting policies and estimation as stated in “4. Significant Accounting Policies and Accounting Estimation” under this section.

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	
	2017	2016	2017	2016
	RMB’000	RMB’000	RMB’000	RMB’000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Development and provision of:				
— Business application solutions	9,781	11,626	17,821	14,798
— Application software	622	352	1,427	367
— Installation and maintenance of network and data security products	1,136	1,376	2,130	3,573
Sales and distribution of computer and electrical products and accessories	471	10,513	937	22,634
	<u>12,010</u>	<u>23,867</u>	<u>22,315</u>	<u>41,372</u>

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	
	2017	2016	2017	2016	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment revenue						
Turnover from external customers	<u>21,378</u>	<u>18,738</u>	<u>937</u>	<u>22,634</u>	22,315	41,372
Unallocated other revenue					<u>156</u>	<u>472</u>
					<u>22,471</u>	<u>41,844</u>
Results						
Segment results	<u>410</u>	<u>(3,121)</u>	<u>(195)</u>	<u>2,835</u>	215	(286)
Unallocated operating expenses					<u>(11,376)</u>	<u>(9,845)</u>
Loss before tax					<u>(11,161)</u>	<u>(10,131)</u>
Share of losses of associates					(813)	(1,900)
Tax expenses of owners of the parent					<u>—</u>	<u>—</u>
Loss attributable to owners of the parent					<u>(11,974)</u>	<u>(12,031)</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	
	2017	2016	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(<i>unaudited</i>)	(<i>unaudited</i>)	(<i>unaudited</i>)	(<i>unaudited</i>)
Staff costs (including Directors' emoluments) comprises:				
Salaries, wages and other benefits	3,270	3,057	9,567	5,669
Contributions to retirement benefits scheme	1,479	662	2,871	1,473
	4,749	3,719	12,438	7,142
Auditors' remuneration	90	87	180	174
Cost of inventories recognised as an expense	9,564	22,428	17,965	38,520

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	
	2017	2016	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(<i>unaudited</i>)	(<i>unaudited</i>)	(<i>unaudited</i>)	(<i>unaudited</i>)
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 2016 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 2017 (2016: Nil).

6. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2017 (2016: Nil).

7. LOSS PER SHARE

The calculation of the basic loss per share for the six months ended 30 June 2017 is based on the unaudited net loss of approximately RMB11,975,000 (2016: net loss of approximately RMB12,032,000) and the weighted average number of shares during the six months ended 30 June 2017 was 480,000,000 shares (2016: 480,000,000 shares).

The calculation of the basic loss per share for the three months ended 30 June 2017 is based on the unaudited net loss of approximately RMB3,662,000 (2016: net loss of approximately RMB6,718,000) and the weighted average number of shares during the three months ended 30 June 2017 was 480,000,000 shares (2016: 480,000,000 shares).

Diluted loss per share is not presented for the six months and three months ended 30 June 2017 and 2016 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 2017 RMB'000 (Unaudited)	31 December 2016 RMB'000 (Audited)
Aged:		
Within 3 months (inclusive)	4,638	11,220
3 months to 6 months (inclusive)	1,124	306
7 months to 12 months (inclusive)	5,328	842
Over 1 year	<u>4,001</u>	<u>4,284</u>
	<u>15,091</u>	<u>16,652</u>

9. TRADE AND BILLS PAYABLE

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

	30 June 2017 <i>RMB'000</i> (Unaudited)	31 December 2016 <i>RMB'000</i> (Audited)
Aged:		
Within 1 year	17,320	14,920
Over 1 year	<u>3,454</u>	<u>3,914</u>
	<u>20,774</u>	<u>18,834</u>

10. SHARE CAPITAL

	30 June 2017 <i>RMB'000</i> (Unaudited)	31 December 2016 <i>RMB'000</i> (Audited)
Registered, issued and fully paid: 480,000,000 (2016: 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.

11. 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 2017, the Group recorded a turnover of approximately RMB22,315,000 (2016: approximately RMB41,372,000), representing a decrease of approximately RMB19,057,000, or 46.06% as compared to the corresponding period last year. Gross profit increased by RMB1,498,000 or 52.52% to RMB4,350,000. The Group recorded a loss of RMB11,975,000 which represents a decrease as compared with the loss of approximately RMB12,032,000 for the corresponding period in 2016.

For the six months ended 30 June 2017, the revenue for the Group has decreased from RMB41,372,000 to RMB22,315,000. The revenue are mainly consisting of the business solutions development which made up of 79.86% of the total sales or RMB17,821,000, and this is followed by 9.55% of total sales or RMB2,130,000 for installation and maintenance of network and data security products, 6.39% or RMB1,427,000 for application software, and 4.20% or RMB937,000 for sales and distribution of computer and electrical products and accessories.

Sales and distribution of computer and electrical products and accessories has decreased in revenue by RMB21,697,000 or 95.86%, as compared to RMB22,634,000 for the previous year. The revenue of business solutions development increased by RMB3,023,000 or 20.43%, as compared to RMB14,798,000 for the previous year. The revenue of application software business increased by RMB1,060,000 or 288.83% from RMB367,000 for the previous year. The revenue of installation and maintenance of network and data security products decreased by RMB1,443,000 or 40.39% from RMB3,573,000 for the previous year.

Gross profit increased by RMB1,498,000 or 52.52% from RMB2,852,000 to RMB4,350,000. Gross profit margin has increased to 19.49% for the year, as compared to 6.89% for the last corresponding year.

Administrative expenses increased by RMB5,045,000 or 466.27% to RMB6,127,000 from RMB1,082,000 for the corresponding period last year. Research and development expenses increased by RMB681,000 or 18.86% to RMB4,292,000, as compared to RMB3,611,000 for the previous year. Distribution expenses has decreased from RMB8,763,000 for the previous year to RMB5,250,000 for the current year.

During the first half of the year, the Company recorded a decline in cost of sales, resulting in a raise 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 enhancing the operational capability and imposing cost control, so as to further improve the Company's operational conditions.

Financial resources and liquidity

As at 30 June 2017, shareholders' funds of the Group amounted to approximately RMB59,476,000 (as at 31 December 2016: approximately RMB71,335,000). Current assets amounted to approximately RMB83,007,000 (as at 31 December 2016: approximately RMB88,931,000), of which approximately RMB49,949,000 (as at 31 December 2016: approximately RMB55,955,000) were bank balances and cash. The Group had no non-current liabilities and its current liabilities amounted to approximately RMB36,477,000 (as at 31 December 2016: approximately RMB36,317,000), which mainly comprised of trade and bill payables and accrued expenses. The Group's net assets per share are approximately RMB0.12 (as at 31 December 2016: approximately RMB0.14).

As at 30 June 2017, the Group has bank balances and cash amounting to approximately RMB49,949,000 with a current ratio of approximately 227.56%. The Directors believed that the Group's financial position is healthy.

As at 30 June 2017, the Group has a gearing ratio of approximately 38.02% (as at 31 December 2016 : approximately 35.29%).

Capital structure

There has been no change to the capital structure of the Company during the six months ended 30 June 2017.

Foreign exchange exposure

During the year ended 31 December 2016, 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 2017, the Group employed permanent staff of approximately 134 (2016 : 120). For the six months ended 30 June 2017, the remuneration for the employees (including the Directors emoluments) amounted to approximately RMB9,567,000 (2016: approximately RMB5,669,000). 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 2017, the Group had no material acquisitions and disposal of subsidiaries and affiliated companies.

Charges on Group's assets

As at 30 June 2017, the Group had no charges on Group's assets.

Details of future plans for material investments or capital assets

As at 30 June 2017, the Group had no future plans for material investments or capital assets.

Contingent liabilities

As at 30 June 2017, the Group had no material contingent liabilities (2016: Nil).

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

As at 30 June 2017, 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 2017, 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 2017, 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 2017, 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 Jiaotong University	Interest of a controlled corporation (Note 2)	114,000,000 domestic shares (L)	23.75%
Shanghai Jiada Industrial Investment Management (Group) Limited	Interest of a controlled corporation (Note 2)	114,000,000 domestic shares (L)	23.75%
Shanghai Jiada Science and Technology Park Limited	Beneficial owner	114,000,000 domestic shares (L)	23.75%
Shanghai Xin Xuhui (Group) Company 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 Jiaotong University, which owns 96.735% and Shanghai Jiaoda Enterprise Management Centre, which owns 3.265%, an entity wholly-owned by Shanghai Jiaotong University. Both Jiaoda Industrial and Shanghai Jiaotong 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) Company 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) Company 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 2017, 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 2017, 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 2017, 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 2017.

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 2017.

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 2017.

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 2017, 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.

As at the date of this announcement, the Directors of the Company are as follows:

Executive Directors	Liu Yuwen, Shuai Ge, Shang Ling, Zhou Re Qing, Zhu Kaiyong and Shen Zhimin
----------------------------	--

Independent Non-executive Directors	Yuan Shumin, Ni Jing and Chan Yan Chong
--	---

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

Shanghai, the PRC, 4 August 2017

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.

** For identification purpose only*