



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 2024

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

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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 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 2024, together with the comparative figures as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
Revenue	4	498,972	566,375
Cost of sales and services		<u>(442,055)</u>	<u>(441,995)</u>
Gross profit		56,917	124,380
Other gains, income and losses, net	5	1,616	13,838
Impairment loss on trade and other receivables		(77,294)	(210,678)
Distribution costs		(3,895)	(4,428)
Administrative expenses		(80,988)	(84,935)
Other expenses		(7,795)	(45,978)
Loss on deemed partial disposal of an associate		(5,190)	(23,268)
Loss on disposal of a subsidiary		–	(593)
Gain on partial disposal of an associate		–	365,535
Loss on disposal of an associate		<u>–</u>	<u>(29,495)</u>
(Loss)/profit from operations		(116,629)	104,378
Finance costs, net	7	(43,442)	(53,857)
Share of profit of associates		119,209	149,991
Share of profit/(loss) of joint ventures		<u>163,361</u>	<u>(3,877)</u>
Profit before income tax		122,499	196,635
Income tax expense	8	<u>(35,438)</u>	<u>(17,935)</u>
Profit for the year	9	<u>87,061</u>	<u>178,700</u>
Other comprehensive income after tax:			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value changes of financial assets at fair value through other comprehensive income (“FVTOCI”)		51,339	16,640
Share of other comprehensive income of associates		26,078	(29,034)
Share of other comprehensive income of joint ventures		<u>–</u>	<u>2,771</u>
		<u>77,417</u>	<u>(9,623)</u>

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>244</u>	<u>(2,103)</u>
		<u>244</u>	<u>(2,103)</u>
Other comprehensive income for the year, net of tax		<u>77,661</u>	<u>(11,726)</u>
Total comprehensive income for the year		<u>164,722</u>	<u>166,974</u>
Profit/(loss) for the year attributable to:			
Owners of the Company		99,305	195,207
Non-controlling interests		<u>(12,244)</u>	<u>(16,507)</u>
		<u>87,061</u>	<u>178,700</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		170,249	188,152
Non-controlling interests		<u>(5,527)</u>	<u>(21,178)</u>
		<u>164,722</u>	<u>166,974</u>
		<i>RMB</i>	<i>RMB</i>
Earnings per share			
Basic and diluted (cents per share)	<i>10</i>	<u>6.6</u>	<u>12.9</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Notes</i>	2024 RMB'000	2023 RMB'000
Non-current assets			
Property, plant and equipment		344,923	346,736
Investment properties		327,136	199,121
Goodwill		5,535	4,965
Other intangible assets		68,824	81,941
Biological assets		–	–
Investments in associates		2,597,989	2,613,581
Investments in joint ventures		264,212	101,073
Financial assets at FVTOCI		731,838	256,039
Financial assets at fair value through profit and loss ("FVTPL")		28,888	28,998
Deposit for purchase of property, plant and equipment		2,615	1,987
Deposits for potential investments		–	30,000
Deferred tax assets		42,904	24,179
		4,414,864	3,688,620
Current assets			
Inventories		14,803	15,938
Trade and other receivables	12	938,976	1,122,742
Pledged bank deposits		–	1,344
Cash and cash equivalents		147,634	156,494
		1,101,413	1,296,518
Total assets		5,516,277	4,985,138
Current liabilities			
Trade and other payables	13	370,031	252,174
Bank and other loans		634,248	689,142
Lease liabilities		1,876	1,705
Current tax liabilities		30,954	19,200
		1,037,109	962,221
Net current assets		64,304	334,297
Total assets less current liabilities		4,479,168	4,022,917

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Non-current liabilities			
Bank and other loans		355,100	191,450
Lease liabilities		1,404	3,279
Deferred tax liabilities		157,861	52,219
		514,365	246,948
NET ASSETS		3,964,803	3,775,969
Equity			
Share capital		151,446	151,446
Reserves		3,558,354	3,475,791
Equity attributable to owners of the Company		3,709,800	3,627,237
Non-controlling interests		255,003	148,732
TOTAL EQUITY		3,964,803	3,775,969

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to owners of the Company								Non-controlling interests	Total equity
	Share capital	Capital reserve	Reserve funds	Foreign currency translation reserve	Financial asset at FVTOCI reserve	Other reserve	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	151,446	605,810	107,494	(53,426)	(16,708)	(18,516)	2,781,468	3,557,568	170,896	3,728,464
Total comprehensive income for the year	-	-	-	2,408	(9,463)	-	195,207	188,152	(21,178)	166,974
Acquisition of additional interests in a subsidiary without change in control	-	-	-	-	-	(17,014)	-	(17,014)	(986)	(18,000)
Appropriation of safety production fund	-	-	-	-	-	(480)	480	-	-	-
Interim dividend	-	-	-	-	-	-	(101,469)	(101,469)	-	(101,469)
Transfer of gain on disposal of financial assets at FVTOCI	-	-	-	-	(21,597)	-	21,597	-	-	-
Transfer upon deemed disposal/partial disposal of an associate	-	-	-	417	(465)	-	48	-	-	-
Transfer upon disposal of associates	-	-	-	-	29,902	-	(29,902)	-	-	-
Transfer upon disposal of a subsidiary	-	-	-	-	73,447	-	(73,447)	-	-	-
Transfer upon loss on disposal of financial assets at FVTOCI in investment in joint ventures	-	-	-	-	35,246	-	(35,246)	-	-	-
Changes in equity for the year	-	-	-	2,825	107,070	(17,494)	(22,732)	69,669	(22,164)	47,505
At 31 December 2023	151,446	605,810	107,494	(50,601)	90,362	(36,010)	2,758,736	3,627,237	148,732	3,775,969

	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>	Financial asset at FVTOCI 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>
At 1 January 2024	151,446	605,810	107,494	(50,601)	90,362	(36,010)	2,758,736	3,627,237	148,732	3,775,969
Total comprehensive income for the year	-	-	-	(6,355)	77,299	-	99,305	170,249	(5,527)	164,722
Acquisition of additional interests in subsidiaries without change in control	-	-	-	-	-	(87,686)	-	(87,686)	(20,146)	(107,832)
Appropriation of safety production fund	-	-	-	-	-	201	(201)	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	4,600	4,600
Acquisition of a subsidiary	-	-	-	-	(123,153)	-	123,153	-	127,344	127,344
Transfer upon loss on disposal of financial assets at FVTOCI	-	-	-	-	1	-	(1)	-	-	-
Changes in equity for the year	-	-	-	(6,355)	(45,853)	(87,485)	222,256	82,563	106,271	188,834
At 31 December 2024	<u>151,446</u>	<u>605,810</u>	<u>107,494</u>	<u>(56,956)</u>	<u>44,509</u>	<u>(123,495)</u>	<u>2,980,992</u>	<u>3,709,800</u>	<u>255,003</u>	<u>3,964,803</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 17th Floor, V Heun Building, 138 Queen's Road Central, Central, Hong Kong, respectively.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the development of travel and leisure business, investment holding, production and sales of wine and related products, sales and purchases of metallic products and sales and production of LED devices.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of HKFRSs – first effective on 1 January 2024

In the current year, the Group has applied for the first time the following new/revised HKFRSs and amendments issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which is relevant to and effective for the Group's financial statements for annual period beginning on 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-Current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HK Interpretation 5 (Revised)	Presentation of Financial Statements –Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

None of these amended HKFRSs has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 21 and HKFRS 1	Lack of exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³

Notes:

¹ Effective for annual periods beginning on or after 1 January 2025.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

The Directors anticipate that the application of these new or amended HKFRSs will have no material impact on the Group's consolidated financial performance and positions and/or the disclosures to the consolidated financial statements of the Group.

3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA (hereinafter collectively referred to as the “HKFRS Accounting Standards”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules.

The consolidated financial statements have been prepared under historical cost basis except for certain financial instruments and biological assets, which are measured at fair values.

4. REVENUE

Disaggregation of revenue

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

	2024 RMB'000	2023 RMB'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
– Income from infrastructure facilities, other than financial income from service concession arrangements		
– shuttle bus service	114,416	15,473
– construction income	–	27,541
– Travel and leisure services	–	144,364
– Metallic products	319,389	320,638
– LED devices	56,166	49,619
– Wine and related products	9,001	8,740
	<u>498,972</u>	<u>566,375</u>

The Group derives all revenue from the transfer of goods and services at a point in time except for the revenue from construction income which is recognised at over time.

5. OTHER GAINS, INCOME AND LOSSES, NET

	2024 RMB'000	2023 RMB'000
Bank interest income	1,083	6,456
Government grants (<i>note</i>)	5,300	6,201
Gain on disposal and write-off of property, plant and equipment	160	7,679
Refund of value-added tax	320	993
Financial guarantee income	–	527
Penalty income	1	1,834
Others	(5,248)	(9,852)
	<u>1,616</u>	<u>13,838</u>

Note: Government grants in 2024 mainly represented the subsidy to the Group from the PRC government as to the contribution for the leisure and culture development in Hunan Province. For 2023, it mainly represented the subsidy to the Group from the PRC government as to compensate the reallocation of certain property, plant and equipment and subsidy to the Group by local government in the United States for satisfying certain conditions for employee retention during COVID-19 epidemic.

6. SEGMENT INFORMATION

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

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

Tourism development	–	development of travel and leisure business
Investment holding	–	holding of fund, debt and equity investment, including management fee income
Trading of metallic products	–	sales and purchases of metallic products
Sales and production of LED devices	–	development, manufacture and sale of high-end ceramic high-power LED devices and modules
All other segments	–	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 as applied by the Group to the consolidated financial statements. Segment profits or losses do not include interest income, unallocated other gains and income, finance costs and unallocated corporate expenses. Segment assets do not include unallocated corporate assets. Segment non-current assets do not include financial assets at FVTOCI, financial assets at FVTPL and deferred tax assets.

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

Information about operating segment profit or loss:

	Tourism development RMB'000	Investment holding RMB'000	Trading of metallic product RMB'000	Sales and production of LED devices RMB'000	All other segments RMB'000	Total RMB'000
2024						
Revenue from external customers	114,416	–	319,389	56,166	9,001	498,972
Segment profit/(loss)	51,996	149,035	5,004	(15,460)	(2,037)	188,538
Interest income						1,083
Finance costs						(43,442)
Unallocated corporate expenses						(23,680)
Profit before income tax						122,499
Other segment information:						
Impairment loss on trade and other receivables	41,743	(118,803)	–	(234)	–	(77,294)
Depreciation and amortisation	(10,384)	(2)	–	(9,365)	(1,466)	(21,217)
Share of (loss)/profit of associates	(20)	119,229	–	–	–	119,209
Share of profit of joint ventures	–	163,361	–	–	–	163,361
2023						
Revenue from external customers	187,378	–	320,638	49,619	8,740	566,375
Segment profit/(loss)	7,719	310,730	4,738	(53,626)	(1,258)	268,303
Interest income						6,456
Finance costs						(53,857)
Unallocated corporate expenses						(24,267)
Profit before income tax						196,635
Other segment information:						
Impairment loss on trade and other receivables	(66,476)	(144,322)	–	120	–	(210,678)
Depreciation and amortisation	(18,675)	(4)	–	(9,249)	(1,299)	(29,227)
Share of (loss)/profit of associates	(3,354)	153,345	–	–	–	149,991
Share of loss of joint ventures	–	(3,877)	–	–	–	(3,877)

Information about operating segment assets:

	Tourism development <i>RMB'000</i>	Investment holding <i>RMB'000</i>	Trading of metallic products <i>RMB'000</i>	Sales and production of LED devices <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
At 31 December 2024						
Segment assets	<u>917,306</u>	<u>4,270,633</u>	<u>164,933</u>	<u>76,659</u>	<u>20,956</u>	<u>5,450,487</u>
Unallocated corporate assets						
Property, plant and equipment						5,914
Cash and cash equivalents						57,738
Others						<u>2,138</u>
						<u>65,790</u>
Total assets						<u><u>5,516,277</u></u>
Segment assets including:						
Investments in associates	60,912	2,537,077	–	–	–	2,597,989
Investments in joint ventures	–	264,212	–	–	–	264,212
Additions to non-current assets	<u>145,379</u>	<u>172</u>	<u>–</u>	<u>2,338</u>	<u>–</u>	<u>147,889</u>
At 31 December 2023						
Segment assets	<u>869,770</u>	<u>3,738,164</u>	<u>166,495</u>	<u>82,359</u>	<u>21,878</u>	<u>4,878,666</u>
Unallocated corporate assets						
Property, plant and equipment						6,355
Cash and cash equivalents						96,399
Others						<u>3,718</u>
						<u>106,472</u>
Total assets						<u><u>4,985,138</u></u>
Segment assets including:						
Investments in associates	60,912	2,552,669	–	–	–	2,613,581
Investments in joint ventures	–	101,073	–	–	–	101,073
Additions to non-current assets	<u>113,057</u>	<u>1,497</u>	<u>–</u>	<u>2,254</u>	<u>–</u>	<u>116,808</u>

Geographical information:

	Revenue		Non-current assets	
	2024	2023	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
PRC except Hong Kong	482,029	550,855	3,596,161	3,363,705
Hong Kong	7,414	6,780	1	–
The United States	9,529	8,740	15,072	15,699
	498,972	566,375	3,611,234	3,379,404

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

Revenue from each of the major customers, which amounted to 10% or more of the Group's revenue is set out below:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	114,053	115,304
Customer B (<i>Note (i)</i>)	65,136	N/A
Customer C (<i>Note (ii)</i>)	N/A	187,516
	179,189	302,820

Revenue from the customers were all derived by the segment engaging in trading of metallic products.

- (i) This customer did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2023.
- (ii) This customer did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2024.

7. FINANCE COSTS, NET

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest on bank and other loans	43,490	56,978
Interest on lease liabilities	253	3,360
	<hr/>	<hr/>
Total interest expense on financial liabilities		
not at fair value through profit or loss	43,743	60,338
Less: Interest capitalised	(252)	(5,317)
	<hr/>	<hr/>
	43,491	55,021
Net foreign exchange gain	(49)	(1,164)
	<hr/>	<hr/>
	43,442	53,857
	<hr/>	<hr/>

8. INCOME TAX EXPENSE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current tax		
Provision for the year		
– PRC	25,166	23,385
– USA	2	2
Over-provision in prior year		
– PRC	–	(10)
	<hr/>	<hr/>
	25,168	23,377
	<hr/>	<hr/>
Deferred tax	10,270	(5,442)
	<hr/>	<hr/>
	35,438	17,935
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For the year ended 31 December 2024, Hong Kong Profits Tax has not been provided as there is no estimated assessable profits arising in Hong Kong (2023: Nil).

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

Subsidiaries of the Group established in the PRC are generally subject to income tax on their taxable income at a tax rate of 25% (2023: 25%).

9. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging the followings:

	2024 RMB'000	2023 RMB'000
Auditors' remuneration		
– audit services	2,360	2,021
– non-audit services	842	423
Amortisation of other intangible assets	13,543	3,828
Cost of inventories sold	442,055	441,995
Depreciation charge:		
– Plant and equipment owned	22,808	23,290
– Right-of-use assets	2,161	7,408
– Investment properties	4,398	4,709
Impairment loss of goodwill	–	34,847
Short-term leases charges	1,876	1,075

Cost of inventories sold includes staff costs and depreciation of approximately RMB50,705,000 (2023: RMB62,968,000) which are included in the amounts disclosed separately above.

10. EARNINGS PER SHARE

Basic and diluted earnings per share

The calculation of basic earnings per share attributable to owners of the Company for the year ended 31 December 2024 is based on the profit for the year attributable to owners of the Company of RMB99,305,000 (2023: RMB195,207,000) and the weighted average number of ordinary shares of 1,514,464,000 (2023: 1,514,464,000) in issue during the year. No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2024 and 2023. There were no potential ordinary shares outstanding during the years ended 31 December 2024 and 2023, and hence the diluted earnings per share is the same as basic earnings per share.

11. DIVIDENDS

No interim dividend was paid during the year ended 31 December 2024 (2023: RMB0.067 per ordinary share (inclusive of applicable tax) amounting to approximately RMB101.5 million (inclusive of applicable tax)). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

12. TRADE AND OTHER RECEIVABLES

	2024 RMB'000	2023 RMB'000
Trade and bills receivables	169,623	157,703
Less: allowance for doubtful debts	(1,021)	(717)
	<u>168,602</u>	<u>156,986</u>
Advances to staff	3,944	3,486
Deposits	910	906
Due from associates	390	120
Due from shareholders	293	273
Due from related parties	27	2,527
Loans and interest receivables	1,057	49,629
Other receivables	1,123,506	1,117,907
Less: allowance for doubtful debts	(372,888)	(297,739)
	<u>757,239</u>	<u>877,109</u>
Advances to suppliers	11,058	86,237
Prepayments	2,077	2,410
	<u>938,976</u>	<u>1,122,742</u>

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 was generally 3 months, starting from the date on which the goods are delivered or services are rendered as this is the point in time that the consideration is unconditional. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforesaid and the fact that the Group's trade receivables relate to a number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

The aging analysis of the trade receivables, based on the date on which the goods are delivered or services are rendered as this is the point in time that the consideration is unconditional, was as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
Less than 3 months	118,720	156,986
3 to 6 months	49,356	–
6 to 12 months	526	–
	<u>168,602</u>	<u>156,986</u>

The carrying amounts of the Group's trade receivables are all denominated in RMB as at 31 December 2024.

13. TRADE AND OTHER PAYABLES

	2024 RMB'000	2023 <i>RMB'000</i>
Trade payables	107,384	92,635
Contract liabilities	1,236	1,018
Accruals and other payables	219,538	100,895
Dividend payables	21,313	30,949
Salaries and staff welfare payables	11,439	16,554
Due to associates	2,794	3,796
Due to related parties	6,327	6,327
	<u>370,031</u>	<u>252,174</u>

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

	2024 RMB'000	2023 <i>RMB'000</i>
0 to 90 days	38,769	60,719
91 to 180 days	966	89
181 to 360 days	1,918	573
Over 1 years	65,731	31,254
	<u>107,384</u>	<u>92,635</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in tourism development business, investment holding of diversified portfolios, sales of metallic products, sales and production of LED devices and other businesses including wine and related products.

Tourism development

The Company, through its subsidiaries and associates, is engaged in provision of environmental shuttle bus service and property management services, and operation of tourist facilities, entertainment performance, tourist service center and tourist souvenir shops in the tourist area at Nanyue District, Hunan Province, the PRC; and also participated in several tourism development projects in Hunan Province, including the development of tourist sight project located at Tianzishan.

As a result of the increase in number of days with extreme weather and heavy rainfall during the first half of 2024, the number of tourists and pilgrims visiting Hengshan Mountain scenic area was decreased by about 18.0% year-on-year for the year ended 31 December 2024.

Reference is made to the announcements of the Company dated 15 May 2020, 26 June 2020 and 3 September 2021 and the circular of the Company dated 30 June 2020. On 15 May 2020, the Company entered into the sale and purchase agreement (the “SP Agreement”) with an independent third party (“Chuanqi Purchaser”) and Chuanqi Tourism Investment Co., Ltd (“Chuanqi Tourism”), a then non-wholly owned subsidiary of the Company, for the disposal of the 60% equity interest in Chuanqi Tourism (the “Chuanqi Sale Interest”) held by the Company at the consideration of RMB172,028,880 (the “Chuanqi Disposal”). The completion of the Chuanqi Disposal took place on 3 September 2020.

As at 31 December 2024, the remaining balance of the consideration of approximately RMB142.0 million (the “Consideration Balance”) remained outstanding. Taking into account that (i) the Chuanqi Purchaser has pledged the Chuanqi Sale Interest in favour of the Company and the Chuanqi Tourism has pledged all shares in its associate in favour of the Company; and (ii) the Chuanqi Purchaser has been paying the interest accrued on the Consideration Balance overdue in accordance with the SP Agreement, the Company currently has no intention to terminate the SP Agreement. However, the Company will closely monitor the status of payment of the Consideration Balance and will make further announcement(s) to update the Shareholders and the investors of the Company of any material development as and when appropriate.

Reference is made to the announcements of the Company dated 9 October 2024 and 18 October 2024. On 9 October 2024, Chuanqi Tourism Investment (Hunan) Co., Ltd. (“Chuanqi Tourism (Hunan)”), a non-wholly owned subsidiary of the Company, entered into the equity transfer agreement (the “Equity Transfer Agreement”) with a vendor (the “Vendor”) and Chuanqi (Hunan) Culture Tourism Co., Ltd. (“Chuanqi Culture Tourism”), an indirectly non-wholly owned subsidiary of the Company, for the acquisition (the “Acquisition”) of 49% equity interest in Chuanqi Culture Tourism at the consideration of RMB98,880,187. Upon the completion taken place in October 2024, Chuanqi Culture Tourism’s equity interest in Chuanqi Culture Tourism was increased from 51% to 100%; and Chuanqi Culture Tourism remained as an indirect non-wholly owned subsidiary of the Company and its financial results continued to be consolidated with the results of the Group.

Chuanqi Culture Tourism is principally engaged in the investment and development of tourism projects in Hunan Province, the PRC, namely Tianzhishan Fire Cultural Park, comprising cultural and art shopping streets, fine arts museum, flying theater, tourist service center and tourist resort area offering immersive experiences with classic scenes of Hengyang, Hunan Province, the PRC. In view of the geographical advantages of Nanyue District, Hengyang City, Hunan Province, the PRC and the enhancement of cultural and tourism supporting facilities by the local government, the Board considered that the Acquisition represented a good opportunity to increase Chuanqi Tourism (Hunan)’s interest in Chuanqi Culture Tourism, which could enhance the Group’s investment and development in tourism projects as well as the expansion of the Group’s tourism businesses, so as to broaden the source of operating income of the Group and bring returns to the Shareholders.

The Vendor is a substantial shareholder of Chuanqi Tourism (Hunan) and another subsidiary of the Company and thus a connected person of the Company under the GEM Listing Rules. The Board has approved the Acquisition; and the independent non-executive Directors have confirmed that the terms of the equity transfer agreement were fair and reasonable, the Acquisition was on normal commercial terms and in the ordinary and usual course of business of the Group, and was in the interests of the Company and the Shareholders as a whole. The transaction contemplated under the Equity Transfer Agreement constituted a connected transaction between a subsidiary of the Company and a connected person at the subsidiary level of the Company; and the Equity Transfer Agreement is only subject to the notification and announcement requirements under the GEM Listing Rules but is exempt from the circular (including independent financial advice) and the independent shareholders’ approval requirements pursuant to Rule 20.99 of the GEM Listing Rules.

Investment holding

As at 31 December 2024, the Group's investment holding business mainly included investments in a subsidiary, the associates and joint ventures which are private equity funds with equity investments in private enterprises in the PRC and are private enterprises principally engaged in semiconductor materials and display devices businesses, the investment in Jade Bird Fire Co., Ltd. ("Jade Bird Fire"), a A share listed company in the PRC and the investments in financial assets at FVTOCI and at FVTPL including listed companies in Hong Kong and private companies in the PRC and Hong Kong and a close-end segregated portfolio of an investment fund.

Reference is made to the announcement of the Company dated 9 January 2024, the Company made a successful bid for the 25% equity interest of Shanghai Shengjin Venture Capital Co., Ltd. ("Shanghai Shengjin") in the public auction at a consideration of RMB106,690,000. Shanghai Shengjin is principally engaged in investment holding, focusing on investment in innovative and high-growth enterprises in industries of new materials, energy conservation, environmental protection and high-end equipment manufacturing, and in provision of investment consultancy and enterprise management services. The Board considered that the acquisition represented a good investment opportunity and was in line with the Group's vision to invest in target companies or businesses with promising outlook and prospects. Upon the completion taken place in April 2024, the aggregate equity interest of Shanghai Shengjin held by the Group increased from 45% to 70%. Shanghai Shengjin became a non-wholly owned subsidiary of the Company and its financial results was consolidated into the results of the Group.

Reference is made to the announcements of the Company dated 21 November 2022 and 13 May 2024, and the circulars of the Company dated 10 March 2023 and 23 July 2024. On 21 November 2022, the Company and Mr. Cai Weimin ("Mr. Cai"), who is an independent third party of the Company, entered into the share transfer agreement (the "Share Transfer Agreement"), pursuant to which the Company has conditionally agreed to sell, and Mr. Cai has conditionally agreed to purchase, 44,900,000 shares of Jade Bird Fire, representing then 7.49% of equity interests in Jade Bird Fire at the consideration of RMB1,101,846,000 (the "Consideration"). The transfer of the 44,900,000 shares of Jade Bird Fire was completed on 5 May 2023. Mr. Cai has only settled 20% of the Consideration (i.e. RMB220,369,200) and RMB881,476,800 of the Consideration (the "Outstanding Consideration Balance") remained outstanding. On 13 May 2024, the Company, Mr. Cai and Mr. Tsang Desheng (the "Transfer Party"), an independent third party, entered into the supplemental agreement (the "Supplemental Agreement") to amend certain terms of the Share Transfer Agreement, pursuant to which the Company and Mr. Cai have conditionally agreed to amend the payment terms of the Consideration so that the outstanding Consideration, the related interests and liquidated damages, shall be settled by way of transfer to the Company of the shares of Jade Bird Fire by Mr. Cai and the Transfer Party and/or by way of cash on the revised payment dates. Pursuant to the Supplemental Agreement, Mr. Cai and the Transfer Party shall sign and

deliver to the Company the securities non-trading transfer registration forms (the “Relevant Transfer Document”); and Mr. Cai shall pledge 26,100,000 shares of Jade Bird Fire in favour of the Company. The transfer of the shares of Jade Bird Fire from Mr. Cai and the Transfer Party to the Company under the Supplemental Agreement constituted a very substantial acquisition of the Company under the GEM Listing Rules; and the approval of the Shareholders in respect of the Supplemental Agreement and the transactions contemplated thereafter was obtained at a special general meeting of the Company held on 15 August 2024.

Reference is made to the announcements of the Company dated 30 September 2024 and 14 November 2024, due to regulatory requirements, the transfer of the shares of Jade Bird Fire from Mr. Cai and the Transfer Party to the Company under the Supplemental Agreement could not be effected and the Supplemental Agreement was incapable of being performed by the parties thereto. As a result, on 30 September 2024, the Company and Mr. Cai agreed to terminate the Supplemental Agreement with effect from 30 September 2024; and the Company served a termination notice on Mr. Cai to terminate the Share Transfer Agreement and claim Mr. Cai for compensation for his default. The Company has requested Mr. Cai to (a) return to the Company 58,370,000 shares of Jade Bird Fire (“Sale Shares”); (b) return to the Company the dividend income in the aggregate amount of RMB33,899,500 attributable to the Sale Shares paid by the Target Company in May 2023 and April 2024; and (c) pay to the Company compensation in the sum equal to 20% of the Consideration (i.e. RMB220,369,200). Upon the termination of the Share Transfer Agreement, the Company shall return to Mr. Cai such part of the Consideration paid by Mr. Cai without interest (i.e. RMB220,369,200).

On 14 November 2024, the Company made application for arbitration with the Beijing Arbitration Commission (the “Arbitration”) for, among others, the return of Sales Shares by Mr. Cai to the Company through judicial transfer, in order to resolve the issues in relation to the termination of the Share Transfer Agreement.

On 14 November 2024, Mr. Cai has executed a deed of undertaking (the “Undertaking Letter”) in favour of the Company, pursuant to which, among others, (1) Mr. Cai has undertaken with the Company not to dispose of the Sale Shares before the Sale Shares are returned to the Company unless with the prior written approval of the Company; and (2) the Relevant Transfer Document which is required for the transfer of the Sale Shares to the Company previously signed and delivered to the Company pursuant to the Supplemental Agreement shall still be effective and be kept by the Company. Mr. Cai further undertook with the Company that if there is any change in the total share capital of the Target Company as a result of share bonus, transfer of undistributed profits to share capital, share split or merger, share reduction (the “Capital Change Event”) after the date of the Undertaking Letter, the Purchaser shall sign and deliver to the Company new Relevant Transfer Document within three working days after the Capital Change Event. The Company believed that the above measures would assist the Company to get back the Sale Shares upon the grant of the arbitration award under the Arbitration.

Reference is made to the announcements of the Company dated 25 November 2024 and 21 January 2025 and the circular of the Company dated 30 December 2024. The Company has obtained approval from the Shareholders in respect of the general and conditional mandate (the “Disposal Mandate”) from the Shareholders for the possible disposal of up to 20,000,000 shares of Jade Bird Fire (the “Possible Disposal”), through (i) open market on the Shenzhen Stock Exchange and/or (ii) block trade(s) on the Shenzhen Stock Exchange by entering into placing agreement(s) with placing agent(s) during the 12-month period from the date of the Shareholders’ approval obtained (i.e. 21 January 2025) (the “Mandate Period”). The Possible Disposal constituted a very substantial disposal of the Company under Chapter 19 of the GEM Listing Rules.

Pursuant to the requirements of the Disposal Mandate, the selling price (excluding transaction costs) of each shares of Jade Bird Fire under the Possible Disposal shall be the then market price of the shares of Jade Bird Fire at the relevant time, provided that (a) whereas the shares of Jade Bird Fire are to be disposed of through a block trade on the Shenzhen Stock Exchange, the selling price (excluding transaction costs) of each share of Jade Bird Fire under the Possible Disposal shall not be less than the higher of (i) RMB8.24 (the “Minimum Selling Price”); and (ii) 95% of the average closing price of the Target Shares for the 5 trading days immediately before the placing agreement(s); and (b) whereas the shares of Jade Bird Fire are to be disposed of through the open market of the Shenzhen Stock Exchange, the selling price (excluding transaction costs) of each share of Jade Bird Fire under the Possible Disposal shall not be less than the Minimum Selling Price. The Directors proposed that the net proceeds from the Possible Disposal would be used for repayment of the bank and other borrowings of the Group, which would enhance the liquidity of the Group.

During the period from the grant of the Disposal Mandate by the Shareholders on 21 January 2025 to the date of this announcement, the Company had disposed of a total of 11,468,000 shares of Jade Bird Fire through block trades on the Shenzhen Stock Exchange by entering into the placing agreements with CITIC Securities Company Limited (“CITIC Securities”) on 6 February 2025, and China International Capital Corporation Limited (“CICC”) on 6 March 2025, as placing agents, each of which is reputable investment bank, holder of securities business licence issued by the China Securities Regulatory Commission which allows it to deal in securities and advise on securities listed on the Shenzhen Stock Exchange and had placed shares listed on the Shenzhen Stock Exchange during the past 36 months, pursuant to the Disposal Mandate, with the total proceeds in cash of RMB139.1 million and the selling prices (excluding transaction costs) ranging from RMB12.06 to RMB12.23 per share of Jade Bird Fire. Such selling prices are higher than the higher of (i) the Minimum Selling Price (i.e. RMB8.24) and (ii) 95% of the average closing prices of the shares of Jade Bird Fire for the 5 trading days immediately before the relevant placing agreements entered with CITIC Securities and CICC (i.e. RMB10.87 and RMB12.00 respectively). The total net proceeds of the above disposals pursuant to the Disposal Mandate amounted to approximately RMB137.9 million.

The persons to whom the shares in Jade Bird Fire which had been disposed of pursuant to the Disposal Mandate and (if applicable) their respective ultimate beneficial owners, are, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, third parties which are independent of the Company and its connected persons (which have the meaning ascribed to it under the GEM Listing Rules). The disposals of shares in Jade Bird Fire pursuant to the Disposal Mandate mentioned above complied with all relevant applicable laws and regulations, including any applicable trading regulations in Hong Kong and the PRC; and were conducted on normal commercial terms and fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole. Upon completion of the disposals of the shares in Jade Bird Fire pursuant to the Disposal Mandate mentioned above and as at the date of this announcement, the Group held 164,006,469 shares in Jade Bird Fire, representing approximately 22.3% of equity interests in Jade Bird Fire.

Sales and production of LED devices

The Company, through its non-wholly owned subsidiary, is principally engaged in the development, manufacture and sale of high-end ceramic high-power LED devices and modules, focusing on the research and development and manufacturing of special light sources such as automotive, stage, curing, flash and plant growth. The products manufactured include car lamp series, mobile lighting series, color light series, etc..

Trading of metallic products

During the year, the Group is engaged in sales and purchases of metallic products in the PRC.

Other businesses

The Group operated a winery, namely The Winery at la Grange, at the State of Virginia, the United States, which owned a vineyard and is principally engaged in the production and sales of wine and related products.

Reference is made to the announcements of the Company dated 25 June 2024 and 20 December 2024, the Company entered into the equity transfer agreement with independent third parties, pursuant to which the Company has conditionally agreed to acquire 70% equity interest in Beijing Jade Bird Vocational Education Technology Development Co., Ltd. ("Jade Bird Vocational Education") at the consideration of RMB13,054,150. Jade Bird Vocational Education is principally engaged in the development and provision of educational programmes comprising syllabus, teaching manuals, student books, teaching guides, PowerPoints for teaching, coursework, etc. through collaboration with educational institutes. The Board considered that the acquisition represented a good opportunity to diversify the Group's business into the development of the vocational education business, in view of the promising future prospect of the vocational education industry, taking into account the strong demand from the large number of high school and college graduates in the PRC each year for vocational education for enhancing their employability, which could further expand the source of the Group's operating income and bring returns to the Shareholders. Upon the completion to be taken place, Jade Bird Vocational Education will become a non-wholly owned subsidiary of the Company and its financial results would be consolidated into the results of the Group.

Outlook

Looking ahead, it is expected that the global growth will continue to be sluggish in 2025, during which the overall prospects of the industry and the operating environment of the Group will be full of challenges. It is expected that the Group will encounter reduced domestic consumer spending and lower demand for its products and services. To cope with such challenges, the Group would implement measures, including closely monitoring and controlling its costs and improving its operating efficiency; and expanding its businesses into new customer segments and product portfolios, to maintain its profitability and competitive edge in the market. For the year ending 31 December 2025, it is expected that the level of the bank and other borrowings of the Group would be reduced upon the completion of the Possible Disposal, and the above measures will have a positive impact on the performance of the Group's business. The Group would continue to exercise prudence in exploring potential and favorable investments with the objective of balancing and diversifying the Group's investment portfolio and bringing about capital appreciation with the view to maximizing the value to the Shareholders.

FINANCIAL REVIEW

Tourism development

During the year, fare revenue from tourists and pilgrims continued to be the main source of income of the Group's tourism development business. For the year ended 31 December 2024, the Group's tourism development business recorded revenue of approximately RMB114.4 million (2023: RMB187.4 million), representing a decrease by 38.9% when compared with the corresponding period of 2023. Such decrease was mainly attributable to the increase in number of days with extreme weather and heavy rainfall during the year under review; and the implementation of fare arrangement under the current operating concession and discounted fare policy for children, retired and active military personnel and their families etc..

Investment holding

The segment total assts of the investment holding business of the Group increased by 14.2% to approximately RMB4,270.6 million as at 31 December 2024 (2023: RMB3,738.2 million). Such increase was mainly attributable to the consolidation of the financial results of Shanghai Shengjin into the Group's results since the completion of the acquisition of the 25% equity interest of Shanghai Shengjin in April 2024.

Sales and production of LED devices

During the year months ended 31 December 2024, revenue generated from the Group's sales and production of LED devices business amounted to approximately RMB56.2 million (2023: RMB49.6 million), representing an increase by 13.2% year-on-year.

Trading of metallic products

For the year ended 31 December 2024, revenue generated from the Group's trading of metallic products business amounted to approximately RMB319.4 million (2023: RMB320.6 million), representing a slight decrease by 0.4% year-on-year. The gross margin was 1.8% (2023: 2.2%) during the year.

Other businesses

For the year ended 31 December 2024, revenue generated from Group's winery business amounted to approximately RMB9.0 million (2023: RMB8.7 million), which remained stable.

Revenue and gross profit

For the year ended 31 December 2024, total revenue recorded by the Group amounted approximately RMB499.0 million (2023: RMB566.4 million), representing a decrease of 11.9% compared with the corresponding period of 2023, and the gross profit was decreased by 54.2% to approximately RMB56.9 million (2023: RMB124.4 million). Such decrease in the Group's total revenue and gross profit was mainly attributable to the performance of the Group's tourism development business affected by the extreme weather during the year under review and the implementation of fare arrangement under the current operating concession and discounted fare policy.

Impairment loss on trade and other receivables

It mainly comprised of the impairment loss on the Outstanding Consideration Balance of approximately RMB117.0 million (2023: RMB144.3 million) in relation to the disposal of the Sale Shares of Jade Bird Fire in 2023, net of reversal of the impairment loss on the receivables of approximately RMB44.0 million (2023: RMB0.1 million). Details of the disposal of the Sale Shares of Jade Bird Fire are set out in the section "Business Review – Investment holding" above.

As the Outstanding Consideration Balance remained outstanding as at 31 December 2024, the Company was required to assess the expected credit losses ("ECL") in relation to the Outstanding Consideration Balance pursuant to Hong Kong Financial Reporting Standard ("HKFRS") 9 Financial Instruments and determine whether a loss allowance for the ECL was required to be recognised for the year ended 31 December 2024. The assessment (the "Assessment") on the ECL in relation to the Outstanding Consideration Balance as at 31 December 2024 was performed by an independent qualified professional valuer. The valuer adopted the general approach in undertaking the Assessment as such approach shall be adopted for the Outstanding Consideration Balance that is categorised as other receivable under the requirements of HKFRS 9 Financial Instruments and in accordance with the accounting policies of the Company. The values of significant inputs/assumptions adopted in the Assessment included (i) ECL staging classifications (stage 1, 2 or 3) of the other receivables; (ii) exposure at default of RMB881,476,800; (iii) probability of default of 100%; and (iv) loss given default of 29.6%. No change was made to the valuation methods or the inputs used in the assessment on the ECL in relation to other receivables for the year ended 31 December 2024 as compared with those used for the year ended 31 December 2023.

Loss on deemed partial disposal of an associate

Loss on deemed partial disposal of an associate of approximately RMB5.2 million (2023: RMB23.3 million) was recognized by the Group for the year ended 31 December 2024 mainly as a result of issue of new shares under its share rewards and option schemes by Jade Bird Fire, the associate of the Group.

Gain on partial disposal of an associate

During the year ended 31 December 2023, the Group recognized a gain of approximately RMB365.5 million upon the completion of the disposal of the Sale Shares of Jade Bird Fire, an associate of the Group in May 2023.

Loss on disposal of associates

During the year ended 31 December 2023, the Group recognized loss on disposal of associates of approximately RMB29.5 million mainly as a result of the disposal of its 40% equity interest in Beijing Jade Bird Hengsheng Investment Fund (Limited Partnership), a then associate of the Group.

Finance costs, net

Finance costs were approximately RMB43.4 million (2023: RMB53.9 million), which mainly represented interest on bank and other loans raised by the Group, the interest on lease liabilities in relation to various offices and plant leased by the Group and net foreign exchange difference.

Share of profit of associates

For the year ended 31 December 2024, the Group's share of profit of associates amounted to approximately RMB119.2 million (2023: RMB150.0 million), representing a decrease of 20.5% years-on-year. Such decrease was mainly attributable to the unsatisfactory financial performance of the Group's associates affected by the sluggish domestic demand and the decrease in the Group's proportional share of the results of Jade Bird Fire after the disposal of the Sale Shares of Jade Bird Fire held by the Company which was completed in May 2023.

Share of profit/loss of joint ventures

For the year ended 31 December 2024, the Group's share of profit of joint ventures amounted to approximately RMB163.4 million (2023: loss of RMB3.9 million). Such turnaround from loss to profit was mainly attributable to the increase in fair value of the investment held by a joint venture of the Company, which is a private equity fund with equity investments in private enterprise in the PRC, during the year.

Income tax expense

Income tax expense was approximately RMB35.4 million (2023: RMB17.9 million) during the year. It mainly represented the net provision of corporate income tax of approximately RMB25.2 million (2023: RMB23.3 million) and the deferred tax of approximately RMB10.3 million (2023: credit of RMB5.4 million) recognized by the Group in the PRC.

Profit attributable to the owners of the Company

The Group recorded a profit attributable to the owners of the Company of approximately RMB99.3 million for the year ended 31 December 2024 (2023: RMB195.2 million), representing a decrease by 49.1% year-on-year. Such decrease was mainly attributable to the combined effects of the following: (i) the gain on partial disposal of an associate of approximately RMB365.5 million recorded for the year ended 31 December 2023 as a result of the Group's disposal of the Sale Shares of Jade Bird Fire, which was absent in the year ended 31 December 2024; (ii) the share of profit of joint ventures of approximately RMB163.4 million recorded for the year ended 31 December 2024 as compared with the share of loss of joint ventures of approximately RMB3.9 million for the year ended 31 December 2023, as a result of the increase in fair value of the investment held by the joint venture of the Group; and (iii) the decrease in the impairment loss on trade and other receivables to approximately RMB77.2 million as compared with that for the year ended 31 December 2023 of approximately RMB210.7 million.

Financial position

As at 31 December 2024, the Group's current ratio (being ratio of current assets and current liabilities) and the gearing ratio (being measured by total loans to total equity), which are the key position and financial leverage, were 1.06 (2023: 1.35) and 25.0% (2023: 23.3%) respectively. Decrease in the current ratio was mainly due to increase in the current liabilities as a result of the increase in trade and other payables as at 31 December 2024. Increase in the gearing ratio was mainly due to the raise of additional bank and other loans for business operations during the year. The Group has been actively negotiating with banks and other borrowers for new loans and renewal of current existing loans in order to cope with the business operations and expansion.

EVENT AFTER THE REPORTING DATE

On 21 January 2025, the Company obtained approval from the Shareholders in respect of the Disposal Mandate from the Shareholders for the possible disposal of up to 20,000,000 shares of Jade Bird Fire, an associate of the Company, through (i) open market on the Shenzhen Stock Exchange and/or (ii) block trade(s) on the Shenzhen Stock Exchange by entering into placing agreement(s) with placing agent(s) during the 12-month period from the date of the Shareholders' approval obtained (i.e. 21 January 2025). During the period from the grant of the Disposal Mandate by the Shareholders on 21 January 2025 to the date of this announcement, the Company had disposed of a total of 11,468,000 shares of Jade Bird Fire through block trades on the Shenzhen Stock Exchange pursuant to the Disposal Mandate with the total proceeds in cash of RMB139.1 million. The details of this transaction have been set out in the announcement of the Company dated 25 November 2024 and the circular of the Company dated 30 December 2024.

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 2024.

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 Part 2 of Appendix C1 of the GEM Listing Rules during the year ended 31 December 2024.

AUDIT COMMITTEE

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

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Tang Xuan, Mr. Shen Wei and Ms. Liu Zhangchi. Mr. Tang Xuan is the chairman of the Audit Committee.

The Audit Committee has reviewed and discussed the financial reporting matters including the annual results for the year ended 31 December 2024 with the management and the independent auditor.

SCOPE OF WORK OF BDO LIMITED ON THIS PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, BDO Limited ("BDO"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO on this announcement.

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

Beijing, the PRC
28 March 2025

As at the date of this announcement, Ms. Zheng Zhong, Mr. Wang Xingye and Ms. Guan Xueming are executive Directors, Mr. Liu Ziyi is non-executive Director and Mr. Tang Xuan, Mr. Shen Wei and Ms. Liu Zhangchi are independent non-executive Directors.

This announcement will remain on the Stock Exchange's website at "www.hkexnews.hk" on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the website of the Company at "www.jbu.com.cn".