



**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)**

**FIRST QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE THREE MONTHS ENDED 31 MARCH 2011**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

**GEM has been positioned as a market designed to accommodate companies to which a high 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.**

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

## FIRST QUARTERLY RESULTS (UNAUDITED)

The Board announced the unaudited consolidated results of the Group for the three months ended 31 March 2011 together with the unaudited comparative figures for the corresponding period in 2010 as follows:

### Condensed Consolidated Statement of Comprehensive Income

For the three months ended 31 March 2011

	Note	2011 RMB'000	2010 RMB'000
<b>Turnover</b>	3	<b>40,920</b>	34,159
Cost of sales and services		<b>(24,186)</b>	(19,312)
<b>Gross profit</b>		<b>16,734</b>	14,847
Other gains and income	4	<b>5,651</b>	56,600
Distribution costs		<b>(4,586)</b>	(4,046)
Administrative expenses		<b>(15,469)</b>	(10,608)
Other expenses		<b>(4,320)</b>	(2,074)
Finance costs	5	<b>(1,733)</b>	(265)
Share of losses of jointly controlled entities		<b>(1,368)</b>	(1,322)
<b>(Loss)/profit before tax</b>		<b>(5,091)</b>	53,132
Income tax expense	6	<b>(977)</b>	(556)
<b>(Loss)/profit for the period</b>		<b>(6,068)</b>	52,576
<b>Other comprehensive income after tax:</b>			
Investment revaluation reserve reclassified to profit or loss on disposal of available-for-sale financial assets		<b>(1,699)</b>	–
Change in fair value of available-for-sale financial assets		<b>8,223</b>	88,776
Exchange differences on translating foreign operations		<b>(1,679)</b>	(117)
Income tax relating to change in fair value of available-for-sale financial assets		–	(878)
<b>Other comprehensive income for the period, net of tax</b>		<b>4,845</b>	87,781
<b>Total comprehensive income for the period</b>		<b>(1,223)</b>	140,357
<b>(Loss)/profit for the period attributable to:</b>			
Owners of the Company		<b>(7,961)</b>	51,647
Non-controlling interests		<b>1,893</b>	929
		<b>(6,068)</b>	52,576
<b>Total comprehensive income for the period attributable to:</b>			
Owners of the Company		<b>(2,437)</b>	138,375
Non-controlling interests		<b>1,214</b>	1,982
		<b>(1,223)</b>	140,357
<b>(Loss)/earnings per share</b>		<b>RMB</b>	<b>RMB</b>
Basic and diluted	7	<b>(0.67) cents</b>	4.4 cents

## Condensed Consolidated Statement of Changes in Equity

For the three months ended 31 March 2011

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Capital reserve	Reserve funds	Foreign currency translation reserve	Investment revaluation reserve	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2010	118,480	377,720	80,463	(55,613)	64,960	229,948	815,958	68,512	884,470
Total comprehensive income for the period	-	-	-	(117)	86,845	51,647	138,375	1,982	140,357
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(5,357)	(5,357)
Changes in equity for the period	-	-	-	(117)	86,845	51,647	138,375	(3,375)	135,000
At 31 March 2010	118,480	377,720	80,463	(55,730)	151,805	281,595	954,333	65,137	1,019,470
At 1 January 2011	118,480	377,720	85,489	(61,098)	49,072	302,664	872,327	71,496	943,823
Total comprehensive income for the period	-	-	-	(1,679)	7,203	(7,961)	(2,437)	1,214	(1,223)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	9,800	9,800
Deemed disposal of partial interest in a subsidiary	-	-	-	-	-	(4,458)	(4,458)	4,458	-
Changes in equity for the period	-	-	-	(1,679)	7,203	(12,419)	(6,895)	15,472	8,577
At 31 March 2011	118,480	377,720	85,489	(62,777)	56,275	290,245	865,432	86,968	952,400

Note:

## 1. PRINCIPAL ACTIVITIES

The Group is principally engaged in the research, development, manufacture, marketing and sale of wireless fire alarm systems and related products, the provision of network security outsource services and manufacture and sale of network security products, and the development of travel and leisure business.

## 2. BASIS OF PRESENTATION

### 2.1 Adoption of new and revised HKFRSs

In the current period, the Group has adopted all the new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for accounting period beginning on 1 January 2011. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period and prior periods except as stated below.

#### *Related Party Disclosures*

HKAS 24 (Revised) "Related Party Disclosures" revises the definition of a related party and provides a partial exemption of disclosing related party transactions for government-related entities.

A related party is a person or entity that is related to the Group.

(A) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(B) An entity is related to the Group (reporting entity) if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

HKAS 24 (Revised) exempts an entity from the disclosure requirements in relation to related party transactions and outstanding balances, including commitments, with

- a government that has control, joint control or significant influence over the entity; and
- another entity that is a related party because the same government has control, joint control or significant influence over both entities.

The entity that applies the exemption is required to disclose the followings:

- the name of the government and the nature of its relationship with the entity (i.e. control, joint control or significant influence); and
- the following information in sufficient detail to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements:
  - the nature and amount of each individually significant transaction; and
  - for other transactions that are collectively, but not individually, significant, a qualitative or quantitative indication of their extent.

HKAS 24 (Revised) has been applied retrospectively and did not result in any significant changes in the consolidated amounts disclosed in the financial statements.

The Group has not applied the following new HKFRSs that have been issued but are not yet effective:

Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets <sup>2</sup>
Amendments to HKFRS 1	First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters <sup>1</sup>
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfer of Financial Assets <sup>1</sup>
Amendments to HKFRS 9	Financial Instrument <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2011.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2012.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2013.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

## 2.2 Basis of preparation

These condensed financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and the applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance. These condensed financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments and derivatives which are carried at their fair values. These condensed financial statements are presented in RMB, which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

Save as aforesaid or as otherwise mentioned in this announcement, the accounting policies adopted in preparing these first quarterly condensed consolidated financial statements are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2010.

#### *Basis of consolidation*

The condensed consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of comprehensive income as an allocation of profit or loss and total comprehensive income for the period between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

### **3. TURNOVER**

The Group's turnover which represents the net invoiced value of goods sold and services rendered to customers, after allowances for returns and trade discounts and net of sales tax are as follows:

	<b>Three months ended 31 March</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Sale of embedded system products and related products	<b>30,795</b>	23,282
Sale of Computers	<b>–</b>	2,022
Rendering of travel and leisure services	<b>10,125</b>	8,855
	<b>40,920</b>	34,159

#### 4. OTHER GAINS AND INCOME

	<b>Three months ended 31 March</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Bank interest income	<b>697</b>	262
Gain on disposal of available-for-sale financial assets	<b>3,116</b>	56,266
Interest income from convertible bonds	<b>627</b>	–
Others	<b>1,211</b>	72
	<b>5,651</b>	56,600

#### 5. FINANCE COSTS

	<b>Three months ended 31 March</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Interest on bank loans	<b>142</b>	143
Interest on other loan	<b>61</b>	–
Net foreign exchange losses	<b>1,530</b>	122
	<b>1,733</b>	265

#### 6. INCOME TAX EXPENSE

	<b>Three months ended 31 March</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Current tax – PRC Enterprise Income Tax Provision for the period	<b>870</b>	556
Current tax – Hong Kong Profits Tax Provision for the period	<b>107</b>	–
	<b>977</b>	556

Hong Kong Profits Tax has been provided at a rate of 16.5% (2010:16.5%) on the estimated assessable profit of the Group for the three months ended 31 March 2011.

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

During the year ended 31 December 2009, the Company and two subsidiaries of the Company had been certified by the relevant PRC authorities as high technology enterprises. Pursuant to the Income Tax Law in the PRC, the Company and the two subsidiaries are subject to PRC Enterprise Income Tax at a rate of 15% effective for the year ending 31 December 2011.

Other subsidiaries of the Company established in the PRC are generally subject to income tax on their taxable income at a tax rate of 25% (2010: 25%).

#### 7. (LOSS)/EARNINGS PER SHARE

Basic and diluted (loss)/earnings per share

The calculation of basic and diluted loss (2010: earnings) per share attributable to owners of the Company is based on loss for the period attributable to owners of the Company of RMB7,961,000 (2010: profit of RMB51,647,000) and the weighted average number of ordinary shares of 1,184,800,000 (2010: 1,184,800,000) in issue during the period.

## DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2011 (2010: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### *Overview*

Benefited from the continuing growth in the firefighting industry and stable patronage of our green bus service, quarterly turnover climbed up 19.8% year-on-year to RMB40.920 million. Gross profits soared 12.7% year-on-year to RMB16.734 million but gross profit margin declined 2.6% year-on-year to 40.9% due to slow-down in growth speed and general inflation in material costs. Cost of sales and services increased 25.2% year-on-year to RMB24.186 million. Overall operating expenses, including distribution costs, administrative expenses and other expenses, increased 45.7% year-on-year to RMB24.375 million mainly due to surge in labour cost especially in research and development departments. Finance costs mainly consisted of exchange losses and increased to RMB1.733 million in the first quarter as a result of continuing depreciation of HK\$ and USD against RMB. Other gains and income, representing mainly gain on disposal of the Group's remaining interests in ZJJ Tourism and government grant, dropped 90.0% year-on-year to RMB5.651 million as there was a huge gain on disposal of partial interests in SMIC last year. As a result of drop in both the gross profit margin and gain on disposal of equity securities, the Group recorded a loss for the period of RMB6.068 million and loss attributable to owners of the Company of RMB7.961 million. Other comprehensive income declined 94.5% year-on-year to RMB4.845 mainly due to the period loss and the decrease in fair value change in available-for-sale financial assets as part of them had been disposed of in the first quarter of 2010.

#### *WFAS*

WFAS segment marked a 34.3% year-on-year turnover hike this quarter and reached RMB29.791 million, representing 72.8% of the Group's turnover for the first quarter. Demand remained strong despite the control measure on PRC real estate market impacted on the firefighting industry which resulted in a slow-down in growth velocity.

#### *NET*

Turnover decreased 8.2% year-on-year to RMB1.004 million, representing 2.5% of the Group's turnover for the first quarter. Beside continuing to pull its resources to serve existing clients, the Group started the product development of internet management software and operation and maintenance management software.

#### *Tourism Development*

Turnover increased 14.3% year-on-year to RMB10.125 million, representing 24.7% of the Group's turnover for the first quarter. Around 170,000 arrivals visited Hengshan during the reporting period, up 21.4% year-on-year resulting from natural growth. Besides operating environmental bus service, the Group began to generate income from property management.

#### *Other gains and income*

Other gains and income mainly represented gain on disposal of the Group's remaining interests in ZJJ Tourism and government grant.

#### *Investment in a jointly controlled entity – SBI China*

There was no new investment concluded in the first quarter. The three existing investments, being the vocational IT education, insurance and LED, are still in their preliminary stages.

#### *Investment in LED business*

The Group completed the capital injection in the first quarter. Production did not started yet as MOCVD equipment was under installation and testing processes.

#### *Available-for-sale financial assets – SMIC*

SMIC has not published its first quarterly results of 2011 up to date of this announcement.

#### *Available-for-sale financial assets – ZJJ Tourism*

The Group disposed of its remaining interests in ZJJ Tourism in the first quarter resulting in a gain of RMB3.1 million.



## MAJOR EVENTS

The Group entered into a limited partnership agreement in January 2011 to form an investment fund of RMB1 billion for a period of ten years. The Group is attributable to 40% of the fund. The fund targets to invest in unlisted PRC enterprises or growing entities to seek capital gains for the investors. The transaction was approved by Shareholders in March 2011.

Hebei Fire Alarm originally entered into agreement with Halma International Limited in January 2008 to establish a joint venture for manufacture and sale of firefighting equipments. However, there was disagreement between both parties and it was finally settled by arbitration. According to the arbitration award, the joint venture agreement was terminated with immediate effect. Loss incurred by the Group in this investment was approximately RMB1 million only which included mainly pre-operating expenses, solicitor fee and arbitration fee.

The Company was notified by Beida High Technology and JB Software about their changes in shareholding in the Company in April 2011. Beida High Technology agreed to transfer its entire interests to SZJB which is a connected person of the Company, representing 7.17% of the total issued share capital of the Company. JB Software agreed to transfer its entire direct interests to Grand East which is an independent third party, representing 9.28% of the total issued share capital of the Company. Interests of Peking University in the Company will reduce from 26.16% to 16.88% after completion of the changes.

## LIQUIDITY AND FINANCIAL RESOURCES

Group net assets reached RMB952.4 million at the end of reporting period, up 0.9% slightly since 31 December 2010. Current ratio (being the ratio of current assets to current liabilities) deteriorated from 3.6 to 2.6 mainly because of further capital injection into SBI China. Gearing ratio (being the ratio of total interest-bearing debts to total equity) remained stable at 1.6%. Cash and cash equivalents further increased by 10.0% to RMB708.4 million since last year end. Financial position are still strong.

## EXPOSURE TO FOREIGN CURRENCIES

The Group exposes to certain foreign currency risk as most of its business activities, assets and liabilities are denominated in USD, HK\$ and RMB. The Group does not formulate a foreign currency hedging policy at present as RMB, being the functional currency of the Group, is relatively strong. In addition, turnover and most of the production costs are denominated in RMB and they are automatically hedged, leaving limited currency risk. The Group continues to monitor its exposure and will take measures to lower the foreign currency risk when necessary.

## CAPITAL COMMITMENT

The Group had capital contribution commitments to available-for-sale financial assets and acquisition of machinery totaled approximately RMB123.0 million at the end of reporting period.

## HUMAN RESOURCES

The Group had a workforce of over 930 peoples at the end of the reporting period, up 8.4% since the end of 2010 as a result of organic growth of businesses. Among the staff, over 40% are graduates or above. The Group strictly complies with applicable labour law and regulations both in the PRC and Hong Kong. Competitive remuneration package with medical and travel insurance are offered to the staff. Adequate retirement fund and provident fund are contributed timely.

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

## OUTLOOK

Despite growth in firefighting industry is affected by the PRC control measure in real estate industry, the Group still foresees brilliant performance in WFAS segment in coming months as our products are still in demand. On the other hand, only steady growth in Tourism Development is expected owing to the stable number of pilgrims and potential further fare rise in attractions. Although the investments through SBI China are still in preliminary stages, the Group expects they will start contributing for the year 2011.

## DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2011, the interests (including interests in shares and short positions) of Directors, Supervisors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered into the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### Long Positions in Shares:

Name of Director	Capacity	Number of ordinary Shares			Approximate percentage of the Company's total number of issued promoters shares	Approximate percentage of the Company's total number of issued H shares	Approximate percentage of the Company's total issued share capital
		Personal interests in H Shares	Other interests in promoters Shares (Note a)	Total			
Mr. Zhang Wanzhong	Beneficial owner and beneficiary of trust	12,070,000	205,414,000	217,484,000	29.34%	2.49%	18.36%
Mr. Zhang Yongli	Beneficial owner and beneficiary of trust	13,200,000	205,414,000	218,614,000	29.34%	2.72%	18.45%
Mr. Chu Yuguo (Note b)	Beneficial owner	13,114,000	–	13,114,000	NA	2.71%	1.11%
Mr. Xu Zhixiang	Beneficial owner and beneficiary of trust	11,527,000	205,414,000	216,941,000	29.34%	2.38%	18.31%
Mr. Liu Yongjin	Beneficiary of trust	–	205,414,000	205,414,000	29.34%	NA	17.34%
Ms. Feng Ping (Note b)	Beneficial owner and beneficiary of trust	12,070,000	205,414,000	217,484,000	29.34%	2.49%	18.36%
<b>Name of Supervisor</b>							
Mr. Li Mingchun	Beneficiary of trust	–	205,414,000	205,414,000	29.34%	NA	17.34%
Ms. Zhou Min	Beneficiary of trust	–	205,414,000	205,414,000	29.34%	NA	17.34%

Remarks: NA represents "not applicable"

Note:

- (a) The above Directors and Supervisors are taken to be interested in the issued share capital of the Company through their respective interests as beneficiaries, among other beneficiaries, of Heng Huat trust ("Heng Huat Trust"). By a declaration of Heng Huat Trust made as a deed on 19 July 2000, Mr. Xu Zhendong (a former Director), Mr. Zhang Wanzhong and Ms. Liu Yue (who has been replaced by Mr. Xu Zhixiang since 9 May 2003 as a trustee) declared that they held the shares of Heng Huat Investments Limited ("Heng Huat") as trustees for the benefits of over 300 employees of JB Software, Beida Jade Bird and Yu Huan and their respective subsidiaries and associated companies and the Company. Heng Huat is beneficially interested in the entire issued share capital of Dynamic Win, and is taken to be interested in 205,414,000 shares of the Company which Dynamic Win is interested. Mr. Xu Zhendong, Mr. Zhang Wanzhong and Mr. Xu Zhixiang (who replaced Ms. Liu Yue as a trustee on 9 May 2003 upon Ms. Liu's resignation as a trustee on the same date) are trustees holding 60, 20 and 20 shares out of 100 shares in the issued share capital of Heng Huat.
- (b) Mr. Chu Yuguo and Ms. Feng Ping are interested in the Shares and promoters Shares respectively by virtue of the interests held by their spouse.

Save as disclosed above, none of the Directors, Supervisors and chief executive of the Company had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules as at 31 March 2011.

## DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in the Company granted to any Director and Supervisor or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors and Supervisors to acquire such rights in any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 March 2011, the following interests and short positions of the issued share capital of the Company were recorded in the register of interests required to be maintained by the Company pursuant to Section 336 of the SFO:

### Long positions in Shares:

Name	Note	Capacity and nature of interests	Number of Shares held	Approximate percentage of the Company's total number of issued promoters shares	Approximate percentage of the Company's total number of issued H shares	Approximate percentage of the Company's total issued share capital
1. Peking University	(a)	Through controlled corporations	310,000,000	44.29%	NA	26.16%
2. Beida Asset Management Co., Ltd.	(a)	Through controlled corporations	310,000,000	44.29%	NA	26.16%
3. Beijing Beida Jade Bird Software System Co., Ltd.	(a), (c)	Directly beneficially owned and through a controlled corporation	310,000,000	44.29%	NA	26.16%
4. Beijing Beida Jade Bird Limited	(a), (b)	Directly beneficially owned and through a controlled corporation	200,000,000	28.57%	NA	16.88%
5. Beijing Beida High Technology Investment Co., Ltd.	(a)	Directly beneficially owned	85,000,000	12.14%	NA	7.17%
6. Heng Huat Investments Limited	(d)	Through a controlled corporation	205,414,000	29.34%	NA	17.34%
7. Dynamic Win Assets Limited	(d)	Directly beneficially owned	205,414,000	29.34%	NA	17.34%
8. Mr. Xu Zhendong	(e)	Beneficial owner, trustee and beneficiary of trust	217,484,000	29.34%	2.49%	18.36%
9. Mongolia Energy Corporation Limited	(f)	Through a controlled corporation	84,586,000	12.08%	NA	7.14%
10. New View Venture Limited	(f)	Directly beneficially owned	84,586,000	12.08%	NA	7.14%
11. Asian Technology Investment Company Limited		Directly beneficially owned	50,000,000	7.14%	NA	4.22%

Remarks: NA represents "not applicable"

Notes:

- (a) Peking University is taken to be interested in 26.16% of the total issued share capital of the Company through the following companies:
- (i) 85 million Shares (representing approximately 7.17% of the Company's total issued share capital) held by Beida High Technology, which is beneficially owned by Peking University;
  - (ii) 110 million Shares (representing approximately 9.28% of the Company's total issued share capital) held by JB Software itself, which is 48% beneficially owned by Peking University; and
  - (iii) 115 million Shares (representing approximately 9.71% of the Company's total issued share capital) held by Beida Jade Bird itself, which is beneficially owned by Peking University.

Beida Asset Management Co., Ltd. is wholly owned by Peking University.

Subsequent to the year end, the Company was notified by Beida High Technology that it entered into a share transfer agreement with SZJB on 15 April 2011 pursuant to which Beida High Technology agreed to transfer to the latter 85 million Shares. On the same date, the Company was notified by JB Software that it entered into a share transfer agreement with Grand East pursuant to which JB Software agreed to transfer to the latter 110 million Shares. The transfers are subject to the approval by the Ministry of Commerce of the PRC.

The Company was notified by JB Software and Hang Zhou Beida Jade Bird Sci-Tech Co., Ltd. that the share transfer agreement signed between them on 18 January 2008 regarding transfer of 110 million promoter Shares by the former to the latter was terminated.

- (b) The interests of Beida Jade Bird comprise 115 million Shares held by it and 85 million Shares held by Beida High Technology.
- (c) The interests of JB Software comprise 110 million Shares held by it and 200 million Shares held by Beida Jade Bird, which is 46% beneficially owned by JB Software.
- (d) The Shares are held by Dynamic Win, which is beneficially wholly owned by Heng Huat.
- (e) Mr. Xu Zhendong is taken to be interested in the promoter Shares through his interests as trustee and beneficiary of Heng Huat Trust. Details of the nature of his interests are set out in note (a) of the section "Directors', Supervisors' and chief executive's interests and short position in Shares and underlying Shares" on page 10.
- (f) The Shares are held by New View Venture Limited, which is wholly-owned by Mongolia Energy Corporation Limited.

Save as disclosed above, no person, other than the Directors and Supervisors, whose interests are set out in the section "Directors', Supervisors' and chief executive's interests and short positions in Shares and underlying Shares" above, had registered interests or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO as at 31 March 2011.

## COMPETING INTERESTS

As at 31 March 2011, none of the Directors and Supervisors and their respective associates (as defined in the GEM Listing Rules) had interests in a business which competes or may compete with the businesses of the Group, or may have any conflicts of interest with the Group pursuant to the GEM Listing Rules.

## EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in section "Management Discussion and Analysis", the Group had no significant events after 31 March 2011 (2010: Nil).

## AUDIT COMMITTEE

The Company established its Audit Committee with terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee include monitoring the financial reporting system and internal control procedure of the Group, reviewing financial information and advising the Board on the engagement and independence of external auditors.

Audit Committee comprises three members. The chairman is Professor Nan Xianghao. The two members are Mr. Cai Chuanbing and Mr. Lin Yan. All of them are independent non-executive Directors. Audit Committee had held a meeting to review the Group first quarterly results report for the three months ended 31 March 2011 and concluded the meeting with agreement to the contents of the quarterly report.

## CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules during the three months ended 31 March 2011.

## PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the three months ended 31 March 2011 (2010: Nil).

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

Beijing, the PRC, 12 May 2011

## GLOSSARY

"Audit Committee"	audit committee of the Company
"Beida High Technology"	Beijing Beida High Technology Investment Co., Ltd.
"Beida Jade Bird"	Beijing Beida Jade Bird Limited
"Board"	Board of Directors
"Company"	Beijing Beida Jade Bird Universal Sci-Tech Company Limited
"Computers"	computer products of the Group
"Director(s)"	director(s) of the Company
"Dynamic Win"	Dynamic Win Assets Limited
"GEM"	The Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	Rules Governing the Listing of Securities on GEM
"Grand East"	Grand East (H.K.) Limited
"Group"	Company and its subsidiaries
"H Share(s)"	overseas-listed foreign Share(s) listed on GEM

“Hebei Fire Alarm”	Hebei Beida Jade Bird Fire Alarm Device Co., Ltd.
“HK\$”	Hong Kong dollars
“HKFRSs”	Hong Kong Financial Reporting Standards
“JB Software”	Beijing Beida Jade Bird Software System Co., Ltd.
“LED”	Light-emitting diode
“MOCVD”	Metalorganic chemical vapour deposition
“NET”	provision of network security outsource services and manufacture and sale of network security products by the Group
“PRC”	People’s Republic of China
“RMB”	Renminbi
“SBI China”	SBI & BDJB China Fund, L.P.
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (as amended from time to time)
“Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB0.10 each
“Shareholder(s)”	shareholder(s) of the Company
“SMIC”	Semiconductor Manufacturing International Corporation
“Supervisor(s)”	supervisor(s) of the Company
“SZJB”	Shenzhen Beida Jade Bird Sci-Tech Co., Ltd.
the “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tourism Development”	travel and leisure business of the Group
“USD”	United States dollars
“WFAS”	wireless fire alarm systems and related products of the Group
“Yu Huan”	Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd.
“ZJJ Tourism”	Zhang Jia Jie Tourism Development Co., Ltd.

*As at the date of this announcement, Mr. Zhang Wanzhong, Ms. Xue Li and Mr. Zhang Yongli are executive Directors, Mr. Chu Yuguo, Mr. Xu Zhixiang, Mr. Liu Yongjin and Ms. Feng Ping are non-executive Directors and Professor Nan Xianghao, Mr. Cai Chuanbing and Mr. Lin Yan are independent non-executive Directors.*

*This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*