



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)**

## **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2009**

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

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### THIRD QUARTERLY RESULTS (UNAUDITED)

The board of directors (the “**Board**”) of Beijing Beida Jade Bird Universal Sci-Tech Company Limited (the “**Company**”) was delighted to announce the unaudited consolidated results of the Company and its subsidiaries (collectively as the “**Group**”) for the nine months ended 30 September 2009 together with the unaudited comparative figures for the corresponding period in 2008 as follows:

#### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the nine months ended 30 September 2009*

		Three months ended 30 September		Nine months ended 30 September	
		2009	2008	2009	2008
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Note	RMB'000	RMB'000	RMB'000	RMB'000
			Restated		Restated
<b>Turnover</b>	3	<b>75,754</b>	53,902	<b>151,350</b>	113,869
Cost of sales and services		<b>(38,712)</b>	(37,321)	<b>(88,302)</b>	(82,314)
<b>Gross profit</b>		<b>37,042</b>	16,581	<b>63,048</b>	31,555
Other gain	4	<b>475</b>	10,978	<b>4,728</b>	38,466
Distribution costs		<b>(3,294)</b>	(3,754)	<b>(9,467)</b>	(11,917)
Administrative expenses		<b>(6,981)</b>	(6,646)	<b>(22,192)</b>	(23,640)
Other operating expenses		<b>(1,411)</b>	(1,544)	<b>(3,255)</b>	(7,686)
<b>Profit from operations</b>		<b>25,831</b>	15,615	<b>32,862</b>	26,778
Finance costs	5	<b>(241)</b>	(1,700)	<b>129</b>	(37,161)
Change in fair value of derivative financial instruments		–	234	–	6,375
Share of losses of jointly controlled entities		<b>(1,330)</b>	(381)	<b>(3,453)</b>	(385)

	<i>Note</i>	<b>Three months ended 30 September</b>		<b>Nine months ended 30 September</b>	
		<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
		<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Profit/(loss) before tax</b>		<b>24,260</b>	13,768	<b>29,538</b>	(4,393)
Income tax expense	6	<u>(7,229)</u>	<u>(1,498)</u>	<u>(10,134)</u>	<u>(1,498)</u>
<b>Profit/(loss) for the period</b>		<b>17,031</b>	12,270	<b>19,404</b>	(5,891)
<b>Other comprehensive income</b>					
Change in fair value of available-for-sale financial assets		(441)	(85,820)	44,825	(248,366)
Translation differences		(15)	(487)	93	(12,239)
Income tax related to other comprehensive income		<u>(2,003)</u>	–	<u>(2,794)</u>	–
<b>Other comprehensive income for the period, net of tax</b>		<u>(2,459)</u>	<u>(86,307)</u>	<u>42,124</u>	<u>(260,605)</u>
<b>Total comprehensive income for the period</b>		<u><b>14,572</b></u>	<u>(74,037)</u>	<u><b>61,528</b></u>	<u>(266,496)</u>
<b>Profit/(loss) for the period attributable to:</b>					
Owners of the Company		8,575	9,115	8,649	(7,993)
Minority interests		<u>8,456</u>	<u>3,155</u>	<u>10,755</u>	<u>2,102</u>
		<u><b>17,031</b></u>	<u>12,270</u>	<u><b>19,404</b></u>	<u>(5,891)</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		4,031	(71,054)	39,363	(247,973)
Minority interests		<u>10,541</u>	<u>(2,983)</u>	<u>22,165</u>	<u>(18,523)</u>
		<u><b>14,572</b></u>	<u>(74,037)</u>	<u><b>61,528</b></u>	<u>(266,496)</u>
		<i>RMB cent</i>	<i>RMB cent</i>	<i>RMB cent</i>	<i>RMB cent</i>
<b>Earnings/(loss) per share</b>					
– basic and diluted	7	<u><b>0.72</b></u>	<u>0.77</u>	<u><b>0.73</b></u>	<u>(0.67)</u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
*For the nine months ended 30 September 2009*

	Attributable to owners of the Company									
	Share capital	Capital reserve	Reserve funds	Foreign currency translation reserve	Investment revaluation reserve/ (deficit)	Retained profits	Proposed final dividend	Total	Minority interests	Total equity
	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000
At 1 January 2008	118,480	378,209	77,974	(44,167)	4,728	403,545	23,696	962,465	58,126	1,020,591
Total comprehensive income for the period	-	-	-	(12,239)	(227,741)	(7,993)	-	(247,973)	(18,523)	(266,496)
Dividend paid	-	-	-	-	-	-	(23,696)	(23,696)	-	(23,696)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	884	884
Capital contribution from minority interests	-	-	-	-	-	-	-	-	245	245
Other gain	-	-	-	-	-	-	-	-	489	489
At 30 September 2008	<u>118,480</u>	<u>378,209</u>	<u>77,974</u>	<u>(56,406)</u>	<u>(223,013)</u>	<u>395,552</u>	<u>-</u>	<u>690,796</u>	<u>41,221</u>	<u>732,017</u>
At 1 January 2009	118,480	377,720	77,974	(55,659)	(12,088)	211,042	-	717,469	40,122	757,591
Total comprehensive income for the period	-	-	-	93	30,621	8,649	-	39,363	22,165	61,528
At 30 September 2009	<u>118,480</u>	<u>377,720</u>	<u>77,974</u>	<u>(55,566)</u>	<u>18,533</u>	<u>219,691</u>	<u>-</u>	<u>756,832</u>	<u>62,287</u>	<u>819,119</u>

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 (“WFAS”), the provision of network security outsource service (“NET”), the sale of computer products (“Computer”) and the development of travel and leisure business.

## 2. Basis of Presentation

### 2.1 Adoption of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current period, the Group has adopted the following new and revised HKFRSs, which comprise Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards (“HKAS”) and Interpretations, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are relevant to its operations and effective for accounting period beginning on or after 1 January 2009:

HKAS 1 (Revised)	Presentation of Financial Statements
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HKAS 1 (Revised) introduces a number of changes to the presentation and disclosure of financial statements. Accordingly, the Group renames its Income Statement as “Statement of Comprehensive Income”, its Balance Sheet as “Statement of Financial Position” and its Cash Flow Statement as “Statement of Cash Flows”. All transactions with owners of the Company in their capacity as owners are presented in the “Statement of Changes in Equity”. All income and expenses arising from transactions with non-owners are presented under the Statement of Comprehensive Income whereas the total is carried to the Statement of Changes in Equity.

Save as disclosed above, the adoption of this new and revised HKAS did not result in substantial changes to the Group’s accounting policies and amounts reported for the current period and prior periods.

The Group has not applied the following new HKFRSs including Hong Kong (International Financial Reporting Interpretations Committee) – Interpretations (“HK(IFRIC) – Int”), that have been issued but are not yet effective in the current period:

HKFRS 1 (Revised)	First-time Adoption of HKFRSs <sup>1</sup>
HKFRS 3 (Revised)	Business Combinations <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>1</sup>
Amendments to HKAS 32	Financial Instruments: Presentation – Classification of Rights Issues
Amendments to HKAS 39	Eligible Hedged Items <sup>1</sup>
Amendments to HK(IFRIC)-Int 9 and HKAS 39	Embedded Derivatives <sup>2</sup>
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners <sup>1</sup>
Annual Improvements Project	Improvements to HKFRSs 2009 <sup>3</sup>
Amendments to HKFRS 1	First-time Adoption of HKFRSs – Additional Exemptions for First-time Adopters <sup>3</sup>
Amendments to HKFRS 2	Share-based Payment – Group Cash-settled Share-based Payment Transaction <sup>3</sup>

<sup>1</sup> Effective for annual periods begun on or after 1 July 2009

<sup>2</sup> Effective for annual periods ended on or after 30 June 2009

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2010 (unless otherwise specified)

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 consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and the applicable disclosure required by the GEM Listing Rules. These condensed consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments which are carried at their fair values. These condensed consolidated financial statements are presented in Renminbi (“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 for the new and revised HKFRSs adopted, the accounting policies and method of computation adopted in preparing these unaudited condensed consolidated financial statements are consistent with those used in the Company’s annual audited consolidated financial statements for the year ended 31 December 2008. These condensed consolidated financial statements should be read in conjunction with these mentioned audited financial statements.

### Basis of consolidation

These condensed consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 September. 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 fully 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 represents the difference between the proceeds of the sale and the Group’s share of its net assets together with any goodwill relating to the subsidiary which was not previously charged or recognised in the consolidated statement of comprehensive income and also any related accumulated foreign currency translation reserve.

Inter-company transactions, balances and unrealised profits on transactions between Group companies 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.

Minority interests represent the interests of minority shareholders in the operating results and net assets of subsidiaries. Minority interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Minority interests are presented in the consolidated statement of comprehensive income as an allocation of profit or loss for the period between minority and owners of the Company. Losses applicable to the minority in excess of the minority’s interests in the subsidiary’s equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. If the subsidiary subsequently reports profits, such profits are allocated to the interests of the Group until the minority’s share of losses previously absorbed by the Group has been recovered.

### 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 is as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000
Sale of embedded system products and related products	48,436	29,552	98,143	64,589
Sale of Computer	3,620	11,803	15,170	31,777
Rendering of travel and leisure services	23,698	12,547	38,037	17,503
	<u>75,754</u>	<u>53,902</u>	<u>151,350</u>	<u>113,869</u>

### 4. Other gain

	Three months ended 30 September		Nine months ended 30 September	
	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000 (Restated)	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000 (Restated)
Bank interest income	602	2,540	1,457	9,891
Interest income from loans receivable	-	14,458	-	32,821
Change in fair value of financial assets at fair value through profit or loss	(762)	(6,211)	1,959	(6,727)
Others	635	191	1,312	2,481
	<u>475</u>	<u>10,978</u>	<u>4,728</u>	<u>38,466</u>

### 5. Finance costs

	Three months ended 30 September		Nine months ended 30 September	
	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000
Interest on bank loans	149	1	287	44
Interest on other loan	-	1,063	-	2,186
Net foreign exchange (gain)/losses	92	636	(416)	34,931
	<u>241</u>	<u>1,700</u>	<u>(129)</u>	<u>37,161</u>

## 6. Income tax expense

	Three months ended 30 September		Nine months ended 30 September	
	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000
Charge for the period				
Current tax – Mainland China	7,229	1,498	9,500	1,498
Overprovision – Mainland China	(5,457)	–	(4,823)	–
Underprovision – Hong Kong	5,457	–	5,457	–
	<u>7,229</u>	<u>1,498</u>	<u>10,134</u>	<u>1,498</u>

No provision for Hong Kong profits tax has been made for the periods ended 30 September 2009 and 2008 as the Group did not generate any assessable profits arising in Hong Kong during the periods.

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 nine months ended 30 September 2008, the Company was registered in the Beijing New Technology Enterprise Development Zone and certified by the relevant People's Republic of China ("PRC") authorities as a high technology enterprise. High technology enterprise certificate was expired during the year ended 31 December 2008. The certificate was renewed for a period of three years with effective from 27 May 2009.

The subsidiaries of the Group established in the PRC are generally subject to income tax on their taxable income at a tax rate of 25% (2008: 25%).

The new PRC enterprise income tax law passed by the Tenth National People's Congress on 16 March 2007 introduces various changes which include the unification of the corporate income tax rate for domestic and foreign enterprises at 25%. The new tax law has been effective from 1 January 2008. The impact of the new tax law on the Group's consolidated financial statements is not material.

At 30 September 2009, there was no significant unrecognised deferred tax liability (2008: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, as the directors do not have intention to remit such earnings to the Company in the foreseeable future.

## 7. Earnings/(loss) per share

### *Basic and diluted earnings/(loss) per share*

The calculation of basic and diluted earnings per share attributable to owners of the Company for the three months ended 30 September 2009 is based on profit for the period attributable to owners of the Company of approximately RMB8,575,000 (2008: approximately RMB9,115,000) and the weighted average number of 1,184,800,000 ordinary shares (2008: 1,184,800,000 ordinary shares) in issue during the period.

The calculation of basic and diluted earnings per share attributable to owners of the Company for the nine months ended 30 September 2009 is based on profit for the period attributable to owners of the Company of approximately RMB8,649,000 (2008: loss of approximately RMB7,993,000) and the weighted average number of 1,184,800,000 ordinary shares (2008: 1,184,800,000 ordinary shares) in issue during the period.



## 8. Comparative figures

Presentation of financial statements for the prior period has been changed to confirm with current period after the adoption of HKAS1 (Revised). Change in fair value of financial assets at fair value through profit or loss has been presented under other gain as the Directors consider that this presentation reflects nature of the change better in the financial statements.

## DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2009 (2008: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

#### *Overview*

WFAS business continues to be the bellwether of the Group. Benefited from this flourishing segment, Group turnover soared to RMB151.4 million in the nine months ended 30 September 2009 (“**9M09**”), up 32.9% year-on-year (“**YoY**”). Gross profit doubled to RMB63.0 million YoY while overall margin increased from 27.7% to 41.7% YoY due to the contribution from high margin travel and leisure business. Cost of sales and services increased by 7.3% YoY to RMB88.3 million. Overall operating expenses, including distribution costs, administrative expenses and other operating expenses, dropped 19.3% YoY to RMB34.9 million mainly because of reduction in research and development after fade-out of the original network security product manufacture and sales business. Other gain dropped 87.7% YoY to RMB4.7 million following the collection of loans receivable while finance costs dropped drastically mainly after full repayment of cash collateral under the securities lending arrangement. The Group made a profit of RMB19.4 million for 9M09.

#### *WFAS*

Sales continued to boost following a growing recognition of brand and confidence on the products. Turnover soared drastically and reached RMB95.2 million for 9M09, up 63.0% YoY. Sales showed an linear growth quarter-on-quarter from the second quarter of this year (“**QoQ**”). Production facilities have been enhanced to cope with increasing demand.

#### *NET*

Outsource business was on track for the third quarter of the year. Turnover increased gradually from the second quarter and reached RMB2.6 million. It decreased by 54.6% YoY as the Group faded out the original network security product manufacture and sales business. The Group was serving two major outsource clients. It had started discussion with several sizable enterprises and would strive for expansion of customer base in the coming months.

### *Computer*

Business remained in the doldrums as demand was shrinking. Sales decreased by 52.3% YoY to RMB15.2 million. Profit contribution was limited.

### *Tourism Development*

Turnover from environmental bus fare reached RMB38.0 million for 9M09, soared almost 1.2 times YoY as the number of passengers increased resulting from the effort Hengyang City Government had put in prohibition against illegal transportation business in the scenic spot area and the benefits offered by it to tourists. Also, comparative figures included six month results only instead of nine months because the business started in April last year.

### *Other gain*

Other gain mainly represented bank interest income and fair value gain on financial assets. The amount dropped significantly YoY as all loan receivables had been collected in 2008.

### *Investment in a jointly control entity – SBI & BDJB China Fund, L. P. (“SBI China”)*

SBI China invested in a sizable PRC vocational IT education service provider during the third quarter of the year. The target company is recognizable in IT education industry in the country. SBI China is searching for other opportunities but has not concluded any project save for the above-mentioned investment as at 30 September 2009.

### *Available-for-sale financial assets – Semiconductor Manufacturing International Corporation (“SMIC”)*

According to the latest published information available, total revenue was USD323.4 million, up 20.9% QoQ but down 14.0% YoY. Significant growth was exhibited in consumer sales which grew 40.6% QoQ. Greater China revenue grew by 33.5% QoQ while North America sales increased by 16.7%. Gross margin improved to 0.8% in the third quarter as compared with gross loss margin of 4.8% in the second quarter due to an increase in wafer shipments and fab utilization. Utilisation rose further to 87.3% in the third quarter compared to 75.4% in the second quarter. Loss attributable to owners of SMIC reduced to USD69.3 million as compared with USD98.2 million last quarter.

### *Available-for-sale financial assets – Zhang Jia Jie Tourism Development Co., Ltd. (“ZJJ Tourism”)*

According to the latest published information available, ZJJ Tourism reported a turnover of RMB71.3 million for 9M09, up 5.6% slightly YoY. ZJJ Tourism recorded net loss of RMB9.7 million for 9M09, reduced by 51.0% as compared with net loss before reversal of accruals for contingent debts of RMB19.8 million last year. Economy recovery and stock market rebound stimulated conation, resulting in an upsurge in tourist number in the third quarter. Tourism business is warming up.

ZJJ Tourism proposed to acquire an environmental transportation business and a real estate business for the sake of improving its asset quality and profitability. The transactions are subject to approvals and yet to be concluded.

## **Material Events**

### *Receipt of court order regarding freeze of a substantial shareholder's interests in the share capital of the Company*

The Company was requested by 北京市第一中級人民法院 (Beijing No. 1 Intermediate People's Court) to freeze and not to register without approval any transfer, sale or pledge or other action of similar effect of 115,000,000 ordinary shares of the Company held by Beijing Beida Jade Bird Limited for a period of two years commencing on 31 July 2009 to 30 July 2011. The Directors do not expect this court order to have any material adverse impact on the Group. Details of the incident are set out in the Company announcement dated 27 August 2009.

### *Notification of change in shareholding from a substantial shareholder*

The Company had been notified by 杭州北大青鳥科技有限公司 (Hang Zhou Beida Jade Bird Sci-Tech Co., Ltd.) ("**HZ Jade Bird**") that it had entered into a share transfer agreement with 北京北大高科技產業投資有限公司 (Beijing Beida High Technology Investment Co., Ltd.) ("**Beida High Tech**") on 3 November 2009 pursuant to which HZ Jade Bird agreed to transfer 85,000,000 promoters shares of the Company to Beida High Tech, representing 12.14% of the promoters shares or 7.17% of the total issued share capital of the Company at date of agreement, for a consideration of RMB20 million. Details of the transfer are set out in the Company announcement dated 3 November 2009.

## **Liquidity and Financial Resources**

Net assets of the Group reached RMB819.1 million as at 30 September 2009, increased by 8.1% since 31 December 2008 mainly resulting from profitability improvement of the Group as well as rise in fair values of the Group's equity securities investments following stock market turnaround in Hong Kong and Mainland China. Cash and bank balances decreased by 11.2% from the past year end to RMB531.2 million as at 30 September 2009 due to further capital injected into SBI China. Current ratio (being the ratio of current assets to current liabilities) improved to 3.6 from the past year end. Gearing ratio (being the ratio of total interest-bearing debts to total equity) slightly increased to 1.2% since 31 December 2008. Financial position is healthy.

## **Exposure to Foreign Currencies**

The Group exposes to certain foreign currency risk as most of its business activities, assets and liabilities are denominated in United States dollars, Hong Kong dollars 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 and stable. The Group will closely monitor its exposure and take suitable measures to lower the foreign currency risk when necessary.

## Human Resources

The Group employed around 640 staff members as at 30 September 2009, dropped by 3% since 31 December 2008 mainly after the restructuring of NET business. The Group offers competitive remuneration package to its staff including medical insurance and travel insurance. The Group strictly follows the requirements regarding mandatory provident fund in Hong Kong and state-managed pension scheme in PRC respectively.

## Outlook

Nine months passed and the Group posted improving results month by month. Signs of recovery have emerged and global economic activities are leveling out in the aftermath of crisis. The giant stimulus package has reactivated the PRC economy. Mission to retain 8% annual GDP growth rate is unquestionable. The Group expects a stable business performance with moderate growth in the remaining months. The Group will continue to enhance WFAS production line and consider overseas expansion. For the outsource business, it is going to expand the customer base having gained experience over the past months. It will continue to cooperate with Hengyang City Government and provide quality environmental bus service. The Group has started its planning for next year and will get ready to seize the emerging opportunities following gradual economic recovery.

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

At 30 September 2009, the interests (including interests in shares and short positions) of the Directors, supervisors and chief executive in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

### Long positions:

			<b>Number of shares held, capacity and nature of beneficiary interests of a trust</b>	<b>Approximate percentage of the Company's total number of issued promoters shares</b>	<b>Approximate percentage of the Company's total issued share capital</b>
<b>Name of director</b>					
1. Mr. Xu Zhi Xiang	(a)		205,414,000	29.34%	17.34%
2. Mr. Zhang Wan Zhong	(a)		205,414,000	29.34%	17.34%
3. Mr. Liu Yong Jin	(a)		205,414,000	29.34%	17.34%
<b>Name of supervisor</b>					
1. Mr. Zhang Yong Li	(a)		205,414,000	29.34%	17.34%
2. Ms. Dong Xiao Qing	(a)		205,414,000	29.34%	17.34%

*Note:*

- (a) The above directors and supervisors of the Company 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 Zhen Dong (a former Director), Mr. Zhang Wan Zhong and Ms. Liu Yue (who has been replaced by Mr. Xu Zhi Xiang 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 北京北大青鳥軟件系統有限公司 (Beijing Beida Jade Bird Software System Co., Ltd.), 北京北大青鳥有限責任公司 (Beijing Beida Jade Bird Limited), 北京北大宇環微電子系統有限公司 (Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd.) and 北京天橋北大青鳥科技股份有限公司 (Beijing Tianqiao Beida Jade Bird Sci-Tech Company Limited) and their respective subsidiaries and associated companies and the Company. Heng Huat is beneficially interested in the entire issued share capital of Dynamic Win Assets Limited (“**Dynamic Win**”), and is taken to be interested in 205,414,000 shares of the Company which Dynamic Win is interested. Mr. Xu Zhen Dong, Mr. Zhang Wan Zhong and Mr. Xu Zhi Xiang (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.

Save as disclosed above, none of the Directors, supervisors and chief executive 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 Rules 5.46 of the GEM Listing Rules as at 30 September 2009.

## **DIRECTORS’ AND SUPERVISORS’ RIGHTS TO ACQUIRE SHARES**

Save as disclosed in the employee share option scheme below, at no time during the nine months ended 30 September 2009 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. As at 30 September 2009, none of the Directors or the supervisors had any rights to acquire H shares (“**H Shares**”) of the Company.

The Company had adopted Code of Conduct for Securities Transactions by Directors of the Company (the “**Securities Code**”) on terms no less exacting than the required standard of dealing as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries, all Directors confirm that they have complied with the Securities Code for the nine months ended 30 September 2009.

## **EMPLOYEE SHARE OPTION SCHEME**

The Company approved a share option scheme on 5 July 2000, pursuant to which the Board may, at its discretion, grant share option to any full-time employees of the Group (including directors of the Company and its subsidiaries) to subscribe for H Shares of the Company, subject to a maximum aggregate of 30% of the Company’s total number of shares in issue from time to time. However, employees who are Mainland China nationals shall not be entitled to exercise the option until the current restrictions on Mainland China nationals from subscribing for or dealing in H Shares imposed by the relevant PRC law and regulations have been abolished or removed. No options have been granted by the Company to any employees of the Group since the date of establishment of the share option scheme.

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

At 30 September 2009, the following interests and short positions of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

### Long positions:

Name	Note	Capacity and nature of interests	Number of ordinary 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%	Not applicable	26.16%
2. Beijing Beida Jade Bird Software System Co., Ltd.	(a), (c)	Directly beneficially owned and through a controlled corporation	310,000,000	44.29%	Not applicable	26.16%
3. Hang Zhou Beida Jade Bird Sci-Tech Co., Ltd.	(a)	Directly beneficially owned	85,000,000	12.14%	Not applicable	7.17%
4. Beijing Beida Jade Bird Limited	(a), (b)	Directly beneficially owned and through a controlled corporation	200,000,000	28.57%	Not applicable	16.88%
5. Heng Huat Investments Limited	(d)	Through a controlled corporation	205,414,000	29.34%	Not applicable	17.34%
6. Dynamic Win Assets Limited	(d)	Directly beneficially owned	205,414,000	29.34%	Not applicable	17.34%
7. Mongolia Energy Corporation Limited	(e)	Through a controlled corporation	84,586,000	12.08%	Not applicable	7.14%
8. New View Venture Limited	(e)	Directly beneficially owned	84,586,000	12.08%	Not applicable	7.14%
9. Asian Technology Investment Company Limited		Directly beneficially owned	50,000,000	7.14%	Not applicable	4.22%
10. Taifook Securities Company Limited	(f)	Directly beneficially owned	80,800,000	Not applicable	16.67%	6.82%
11. Taifook Finance Company Limited	(f)	Through a controlled corporation	80,800,000	Not applicable	16.67%	6.82%
12. Taifook (BVI) Limited	(f)	Through controlled corporations	80,800,000	Not applicable	16.67%	6.82%

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) 85,000,000 shares (representing approximately 7.17% of the Company's total issued share capital) held by HZ Jade Bird, which is beneficially owned by Peking University;
  - (ii) 110,000,000 shares (representing approximately 9.28% of the Company's total issued share capital) held by 北京北大青鳥軟件系統有限公司 (Beijing Beida Jade Bird Software System Co., Ltd.) ("**JB Software**"), which is 48% beneficially owned by Peking University; and
  - (iii) 115,000,000 shares (representing approximately 9.71% of the Company's total issued share capital) held by 北京北大青鳥有限責任公司 (Beijing Beida Jade Bird Limited) ("**Beida Jade Bird**"), which is beneficially owned by Peking University.

On 21 January 2008, the Company had been notified by JB Software that it had entered into a share transfer agreement with HZ Jade Bird on 18 January 2008 whereas it agreed to transfer to HZ Jade Bird 110,000,000 shares of the Company subject to approvals by 國務院國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the State Council). The transfer was still pending for approval as at 30 September 2009.

On 3 November 2009, the Company had been notified by HZ Jade Bird that it had entered into a share transfer agreement with Beida High Tech on the same date whereas it agreed to transfer to Beida High Tech 85,000,000 shares of the Company.

- (b) The interests of Beida Jade Bird comprise 115,000,000 shares held by Beida Jade Bird itself and 85,000,000 shares held by HZ Jade Bird, which is 80% beneficially owned by Beida Jade Bird.
- (c) The interests of JB Software comprises 110,000,000 shares held by JB Software itself and 200,000,000 shares beneficially held by Beida Jade Bird, which is 46% beneficially owned by JB Software.
- (d) The shares of the Company are held by Dynamic Win, which is wholly-owned by Heng Huat.
- (e) The shares of the Company are held by New View Venture Limited, which is wholly-owned by Mongolia Energy Corporation Limited.
- (f) The shares are held by Taifook Securities Company Limited, which is directly wholly-owned by Taifook Finance Company Limited and indirectly wholly-owned by Taifook (BVI) Limited.

Save as disclosed above, no person, other than the directors and supervisors of the Company, 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 an interest 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 30 September 2009.

## COMPETING INTERESTS

As at 30 September 2009, none of the directors, supervisors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had an interest 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 – Material Events”, the Group does not have significant events after 30 September 2009 (2008: Nil).

## **AUDIT COMMITTEE**

The Company established its audit committee (the “**Audit Committee**”) with terms of reference in compliance with Rules 5.28 and 5.33 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.

The Audit Committee comprises three members. The chairman is Professor Nan Xiang Hao. The two members are Mr. Lin Yan and Mr. Cai Chuan Bing. All of them are independent non-executive Directors. The Audit Committee had held a meeting to review the Group’s third quarterly results report for the nine months ended 30 September 2009 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 nine months ended 30 September 2009.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S H SHARES**

Neither the Company nor any of its subsidiaries purchased redeemed or sold any of the Company’s H Shares during the nine months ended 30 September 2009.

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

Beijing, the PRC, 11 November 2009

*As at the date of this announcement, Mr. Zhang Wan Zhong, Ms. Xue Li and Mr. Li Ming Chun are executive Directors, Mr. Chu Yu Guo, Mr. Xu Zhi Xiang, Mr. Liu Yong Jin and Ms. Feng Ping are non-executive Directors and Professor Nan Xiang Hao, Mr. Cai Chuan Bing 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.*