青鸟环宇
JADE BIRD UNIVERSAL

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 2010

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange ("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 ("**Board**") hereby present the audited consolidated results and financial position of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2010, together with the comparative figures for the year ended 31 December 2009, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010

	Note	2010 RMB'000	2009 RMB'000
Turnover	3	**294,880**	230,723
Cost of sales and services		**(164,767)**	(138,657)
Gross profit		**130,113**	92,066
Other gains and income	4	**86,760**	13,474
Distribution costs		**(16,487)**	(12,997)
Administrative expenses		**(46,099)**	(34,358)
Other expenses		**(13,145)**	(4,366)
Finance costs	6	**(5,469)**	(62)
Change in fair value of derivative financial instruments		**(1,222)**	–
Share of losses of jointly controlled entities		**(5,167)**	(4,560)
Profit before tax		**129,284**	49,197
Income tax expense	7	**(19,805)**	(11,417)
Profit for the year	8	**109,479**	37,780
Other comprehensive income after tax:			
Investment revaluation reserve reclassified to profit or loss on disposal of available-for-sale financial assets		**(70,283)**	–
Change in fair value of available-for-sale financial assets		**51,165**	92,342
Exchange differences on translating foreign operations		**(5,485)**	46
Share of other comprehensive income of jointly controlled entities		**(2,762)**	–
Income tax relating to change in fair value of available-for-sale financial assets		**2,723**	(3,289)
Other comprehensive income for the year, net of tax		**(24,642)**	89,099
Total comprehensive income for the year		**84,837**	126,879
Profit for the year attributable to:			
Owners of the Company		**77,742**	21,395
Non-controlling interests		**31,737**	16,385
		109,479	37,780
Total comprehensive income for the year attributable to:			
Owners of the Company		**56,369**	98,489
Non-controlling interests		**28,468**	28,390
		84,837	126,879
Earnings per share			
Basic and diluted	9	**RMB6.6 cents**	RMB1.8 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2010

	Note	At 31 December 2010 RMB'000	At 31 December 2009 RMB'000 (restated)	At 1 January 2009 RMB'000 (restated)
Non-current assets				
Property, plant and equipment		**62,340**	62,251	51,880
Goodwill		**6,125**	6,125	6,125
Other intangible assets		**18,214**	22,508	26,801
Investment in an associate		**700**	–	–
Investments in jointly controlled entities		**167,402**	96,615	32,919
Available-for-sale financial assets		**162,489**	232,568	140,400
		417,270	420,067	258,125
Current assets				
Inventories		**42,422**	30,510	16,132
Trade receivables	*10*	**25,259**	21,608	19,166
Due from a shareholder		**47**	47	47
Due from related parties		**168**	147	402
Prepayments, deposits and other receivables		**15,456**	28,301	7,617
Financial assets at fair value through profit or loss		**–**	–	10,513
Derivative financial instruments		**1,992**	–	–
Non-pledged time deposits with original maturity of more than three months when acquired		**3,315**	3,425	46,873
Cash and cash equivalents		**643,845**	541,822	551,622
		732,504	625,860	652,372
Total assets		**1,149,774**	1,045,927	910,497
Current liabilities				
Trade payables	*11*	**27,798**	28,528	23,645
Advances from customers		**12,181**	9,866	9,917
Accruals and other payables		**55,375**	37,307	37,596
Due to a shareholder		**2,109**	2,076	2,120
Due to related parties		**3,337**	3,374	4,072
Due to non-controlling interests		**11,400**	–	–
Dividend payables		**–**	–	10,277
Bank and other loans		**15,000**	10,000	–
Current tax liabilities		**78,185**	67,017	65,279
		205,385	158,168	152,906
Net current assets		**527,119**	467,692	499,466
Total assets less current liabilities		**944,389**	887,759	757,591
Non-current liabilities				
Deferred tax liabilities		**566**	3,289	–
		566	3,289	–
NET ASSETS		**943,823**	884,470	757,591
Capital and reserves				
Share capital		**118,480**	118,480	118,480
Reserves		**753,847**	697,478	598,989
Equity attributable to owners of the Company		**872,327**	815,958	717,469
Non-controlling interests		**71,496**	68,512	40,122
TOTAL EQUITY		**943,823**	884,470	757,591

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2010

	Attributable to owners of the Company								
	Share capital *RMB'000*	Capital reserve *RMB'000*	Reserve funds *RMB'000*	Foreign currency translation reserve *RMB'000*	Investment revaluation (deficit)/ reserve *RMB'000*	Retained profits *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
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 year	–	–	–	46	77,048	21,395	98,489	28,390	126,879
Transfer	–	–	2,489	–	–	(2,489)	–	–	–
Changes in equity for the year	–	–	2,489	46	77,048	18,906	98,489	28,390	126,879
At 31 December 2009	118,480	377,720	80,463	(55,613)	64,960	229,948	815,958	68,512	884,470
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 year	–	–	–	(5,485)	(15,888)	77,742	56,369	28,468	84,837
Transfer	–	–	5,026	–	–	(5,026)	–	–	–
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	980	980
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(26,464)	(26,464)
Changes in equity for the year	–	–	5,026	(5,485)	(15,888)	72,716	56,369	2,984	59,353
At 31 December 2010	**118,480**	**377,720**	**85,489**	**(61,098)**	**49,072**	**302,664**	**872,327**	**71,496**	**943,823**

Notes:

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 services and manufacture and sale of network security products ("**NET**"), the trading of computer products ("**Computers**") and development of travel and leisure business ("**Tourism Development**").

2. **Basis of presentation**

2.1 Adoption of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has adopted all the new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") that are relevant to its operations and effective for accounting year beginning on 1 January 2010. 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 significant changes to the Group's accounting policies and amounts reported for the current year and prior years except as stated below.

a. Consolidation

HKAS 27 (Revised) "Consolidated and Separate Financial Statements" contains the following requirement:

Total comprehensive income is 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. The previous HKAS 27 requires excess losses to be allocated to the owners of the Company, except to the extent that the non-controlling shareholders have a binding obligation and are able to make an additional investment to cover the losses.

The above requirement of HKAS 27 (Revised) has been applied prospectively from 1 January 2010 and resulted in changes in the consolidated amounts reported in the financial statements as follows:

	2010	2009
	RMB'000	*RMB'000*
Increase in profit for the year attributable to non-controlling interests	**669**	–
Decrease in earnings per share	**RMB0.06 cent**	–

b. Classification of Land Leases

Amendments to HKAS 17 "Leases" deleted the guidance in HKAS 17 that when the land has an indefinite economic life, the land element is normally classified as an operating lease unless title is expected to pass to the lessee by the end of the lease term.

The Group reclassifies a land lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership to the Group e.g. at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the land.

Amendments to HKAS 17 has been applied retrospectively and resulted in changes in the consolidated amounts reported in the financial statements as follows:

	At 31 December 2010	At 31 December 2009	At 1 January 2009
	RMB'000	*RMB'000*	*RMB'000*
Increase in property, plant and equipment	**5,437**	5,523	5,608
Decrease in prepaid land lease payments	**(5,437)**	(5,523)	(5,608)
Increase in depreciation	**86**	85	85
Decrease in operating leases charges	**(86)**	(85)	(85)

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

Improvements to HKFRSs 2010	Improvements to HKFRSs 2010[2,3]
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets[5]
HKAS 24 (Revised)	Related Party Disclosures[3]
Amendments to HKAS 32	Financial Instruments: Presentation – Classification of Rights Issues[1]
Amendments to HKFRS 1	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters[2]
Amendments to HKFRS 1	First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters[4]
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfer of Financial Assets[4]
HKFRS 9	Financial Instruments[6]
Amendments to HK (IFRIC) – Int 14	Prepayments of a Minimum Funding Requirements[3]
HK (IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments[2]

1 Effective for annual periods beginning on or after 1 February 2010.
2 Effective for annual periods beginning on or after 1 July 2010.
3 Effective for annual periods beginning on or after 1 January 2011.
4 Effective for annual periods beginning on or after 1 July 2011.
5 Effective for annual periods beginning on or after 1 January 2012.
6 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 financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, 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 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. The 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.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. 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 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 year 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:

	2010	2009
	RMB'000	*RMB'000*
Sales of embedded system products and related products	**221,920**	159,245
Sales of Computers	**2,064**	18,425
Rendering of travel and leisure services	**70,896**	53,053
	294,880	230,723

4. Other gains and income

	2010	2009
	RMB'000	*RMB'000*
Bank interest income	**2,124**	2,085
Gain on disposal of available-for-sale financial assets	**77,244**	–
Gain on disposal of financial assets at fair value through profit or loss	**–**	6,961
Interest income from loans to others	**2,614**	–
Interest income from convertible bonds	**738**	–
Others	**4,040**	4,428
	86,760	13,474

5. Segment information

The Group has four reportable segments as follows:

NET – provision of network security outsource services and manufacture and sale of network security products

WFAS – research, development, manufacture, marketing and sale of wireless fire alarm systems and related products

Computers – trading of computer products

Tourism Development – development of travel and leisure business

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those applied by the Group in the financial statements. Segment profits or losses do not include dividend income, interest income, gains or losses from investments, unallocated other gains and income, finance costs, share of losses of jointly controlled entities and unallocated corporate expenses.

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

Information about reportable segment profit or loss:

	Revenue from external customers		Segment (loss)/profit	
	2010	2009	**2010**	2009
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
NET	**4,812**	4,361	**(714)**	538
WFAS	**217,108**	154,884	**41,733**	29,623
Computers	**2,064**	18,425	**1,704**	2,553
Tourism Development	**70,896**	53,053	**34,785**	23,090
	294,880	230,723	**77,508**	55,804
Interest income			**5,476**	2,085
Change in fair value of derivative financial instruments			**(1,222)**	–
Gain on disposal of available-for-sale financial assets			**77,244**	–
Gain on disposal of financial assets at fair value through profit or loss			**–**	6,961
Unallocated other gains and income			**4,040**	4,428
Finance costs			**(5,469)**	(62)
Share of losses of jointly controlled entities			**(5,167)**	(4,560)
Unallocated corporate expenses			**(23,126)**	(15,459)
Profit before tax			**129,284**	49,197

Other segment information:

	Depreciation and amortisation expenses	
	2010	2009
	RMB'000	*RMB'000*
NET	**33**	76
WFAS	**2,250**	1,755
Computers	**1**	1
Tourism Development	**9,276**	8,411
	11,560	10,243

Geographical information:

	Revenue		Non-current assets	
	2010	2009	**2010**	2009
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
The People's Republic of China (the "**PRC**") except Hong Kong	**293,235**	226,224	**283,337**	251,369
Hong Kong	**1,645**	4,499	**133,933**	168,698
	294,880	230,723	**417,270**	420,067

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

6. Finance costs

	2010	2009
	RMB'000	*RMB'000*
Interest on bank loans	**545**	430
Interest on other loans	**251**	5
Net foreign exchange losses/(gains)	**4,673**	(373)
	5,469	62

7. Income tax expense

	2010	2009
	RMB'000	*RMB'000*
Current tax – PRC Enterprise Income Tax		
Provision for the year	**20,174**	9,635
Over-provision in prior year	**(800)**	(5,163)
	19,374	4,472
Current tax – Hong Kong Profits Tax		
Provision for the year	**431**	1,149
Under-provision in prior year	**–**	5,796
	431	6,945
	19,805	11,417

Hong Kong Profits Tax has been provided at a rate of 16.5% (2009: 16.5%) on the estimated assessable profit of the Group for the year ended 31 December 2010.

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 a high technology enterprise. 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 two years 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% (2009: 25%).

8. Profit for the year

The Group's profit for the year is stated after charging/(crediting) the following:

	2010	2009
	RMB'000	*RMB'000*
		(restated)
Allowance for doubtful other receivables	**125**	30
Allowance for doubtful trade receivables	**1,815**	100
Allowance for obsolete and slow-moving inventories (included in cost of sales and services)	**22**	–
Amortisation of other intangible assets		
Included in cost of sales and services	**4,286**	4,286
Included in administrative expenses	**8**	7
Auditors' remuneration	**1,180**	1,180
Change in fair value of derivative financial instruments	**1,222**	–
Cost of inventories sold	**135,520**	115,218
Depreciation	**10,480**	8,151
Loss/(gain) on disposal of property, plant and equipment	**27**	(8)
Operating leases charges in respect of land and buildings	**3,569**	3,238
Reversal of allowance for doubtful other receivables	**(26)**	–
Reversal of allowance for doubtful trade receivables	**(203)**	(576)
Reversal of allowance for obsolete and slow-moving inventories (included in cost of sales and services)	**(14)**	(122)
Research and development expenditure	**9,529**	4,231
Staff costs (excluding directors' and supervisors' emoluments)		
Retirement benefits scheme contributions	**2,747**	2,366
Social security costs	**2,526**	2,092
Wages, salaries and bonuses	**37,079**	28,941
	42,352	33,399

Cost of inventories sold includes staff costs and depreciation of approximately RMB8,522,000 (2009: RMB6,511,000) which are included in the amounts disclosed separately above.

9. Earnings per share

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of RMB77,742,000 (2009: RMB21,395,000) and the weighted average number of ordinary shares of 1,184,800,000 (2009: 1,184,800,000) in issue during the year.

10. Trade receivables

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 generally ranges from 3 to 6 months, starting from the date on which the significant risks and rewards of ownership of products are transferred by the Group to customers or the date of completion of services provided or the payment due date as defined in the contracts, whichever is the latest. 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 large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

The ageing analysis of the trade receivables, based on the date on which the significant risks and rewards of ownership of products were transferred by the Group to customers or the date of completion of services provided or the payment due date as defined in the contracts, whichever is the latest, is as follows:

	2010	2009
	RMB'000	*RMB'000*
0 to 90 days	**16,458**	13,206
91 to 180 days	**1,455**	2,756
181 to 365 days	**2,545**	1,091
Over 365 days	**4,801**	4,555
	25,259	21,608

11. Trade payables

The ageing analysis of the trade payables, based on the date on which the significant risks and rewards of ownership of materials were transferred by the suppliers to the Group, is as follows:

	2010	2009
	RMB'000	*RMB'000*
0 to 90 days	**20,704**	21,414
91 to 180 days	**2,126**	918
181 to 365 days	**53**	498
Over 365 days	**4,915**	5,698
	27,798	28,528

DIVIDEND

The Board did not recommend the payment of final dividend for the year ended 31 December 2010 (2009: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

OUR OVERALL PERFORMANCE

The following table summarises the performance of the Group for the year ended 31 December 2010:

	2010	2009	Percentage change
	RMB million	RMB million	%
Turnover	**294.9**	230.7	27.8
Cost of sales and services	**(164.8)**	(138.7)	18.8
Gross profit	**130.1**	92.0	41.4
Other gains and income	**86.8**	13.5	543.0
Total expenses	**(75.7)**	(51.7)	46.4
Finance costs	**(5.5)**	(0.1)	5,400
Profit for the year	**109.5**	37.8	189.7
Total comprehensive income for the year	**84.8**	126.9	(33.2)
	%	%	
Gross profit margin	**44.1**	39.9	4.2
Net profit margin	**37.1**	16.4	20.7
Gearing ratio (being the ratio of total interest-bearing debts to total equity)	**1.6**	1.1	0.5
Current ratio (being the ratio of current assets to current liabilities)	**3.6**	4.0	(10.0)
	RMB cents	RMB cents	
Earnings per share	**6.6**	1.8	266.7

Turnover climbed up for 4 consecutive years and hit record high in 2010 since the Company listed on the Stock Exchange. Turnover reached RMB294.9 million, soared 27.8% year-on-year. Gross profit made a breakthrough and recorded at RMB130.1 million, boosted 41.4% year-on-year. Gross profit margin increased 4.2% to 44.1% mainly due to economy of scale. Total expenses, including distribution costs, administrative expenses and other expenses rose following the pace of growth. As a result of brilliant performance from WFAS and Tourism Development segments and the gains on disposal of certain long-term investments during the year, profit for the year boosted nearly twofold to RMB109.5 million.

OUR SEGMENTAL PERFORMANCE

The performance of the 4 segments are summarised as follows:

Segment revenue

	2010 RMB million	Percentage of total segment revenue %	2009 RMB million	Year-on-year percentage change %
NET	**4.8**	**1.6**	4.4	9.1
WFAS	**217.1**	**73.6**	154.9	40.2
Computers	**2.1**	**0.7**	18.4	(88.6)
Tourism Development	**70.9**	**24.1**	53.0	33.8
Total	**294.9**	**100.0**	230.7	27.8

Segment (loss)/profit

	2010 RMB million	Percentage of total segment profit %	2009 RMB million	Year-on-year percentage change %
NET	**(0.7)**	**(0.9)**	0.5	(240.0)
WFAS	**41.7**	**53.8**	29.6	40.9
Computers	**1.7**	**2.2**	2.6	(34.6)
Tourism Development	**34.8**	**44.9**	23.1	50.6
Total	**77.5**	**100.0**	55.8	38.9

WFAS

WFAS segment remains the most important pillar of the Group, accounting for over 73% of total turnover. Both segment revenue and profit show an immense growth in 2010. Following the recovery of global economy, market is getting strong. Increasing awareness of fire risk and accelerating urbanization stimulates demand, making it stay at high level throughout the year. After years of effort on quality assurance and market promotion, the Group's brand is now widely recognized all over the country. Number of new customers hikes.

The Group has carried out several measures to sustain growth. It expanded its workforce, especially in the production, sales and after-sales areas to deal with rising demand of quality product and high-level service. It has established an all-around systematic training system covering from macro-economic performance to product knowledge in order to train up both new comers and existing staffs. The Group kept on acquiring fast and productive automatic machinery to empower its production lines. Production flow as well as product specification were reviewed, adjusted and improved to enhance efficiency and improve product quality. The Group also strengthened research and development area, putting customer satisfaction at top priority when designing new products. Contribution from and cooperation with dealers are always the foundation stone of the Group's WFAS business. The Group has strengthened its support towards dealers including offering tailor-made benefits and privileges as well as assistance in market exploration.

NET

As compared to the others, NET segment remained a small one and is the only loss-making business in 2010. Although turnover rose 9.1% year-on-year, absolute amount remained tiny. The Group concentrated its resources on serving existing clients. Technicians were sent to clients' sites to understand their need which had enabled the Group to provide in-depth tailored-made services. Feedback from clients is positive. On the other hand, expansion pace stagnated as resources inclined towards existing business. The sluggish North America market also affected.

Computers

Revenue dropped tremendously during the year with nearly no transactions being carried out in the second half. The Group has basically stopped the business.

Tourism Development

Provision of environmental bus service is another profit generator of the Group at the heels of WFAS stream and accounted for nearly one-fourth of total turnover. Opening of Wu-Guang Express Railway shortened traveling time between Guangdong and Hengshan, igniting the interests of South China tourists. Alliance with local travel agencies and offering privileges to pilgrims also increased attractiveness. With the assistance of local government, the Group successfully fought against illegal operation in Hengshan. It also actively improved its management and service level. By the end of 2010, over 1.2 million man-times of tourists have visited Hengshan. Service utilisation rate grew to 95% as compared to 92% last year.

OUR INVESTMENT PERFORMANCE

SBI & BDJB China Fund, L.P. ("SBI China")

SBI China invested in a PRC insurance company in the third quarter of 2010. Based on the coastal areas, the target radiates its business all over the country. It has over 1,000 bases in 32 provinces. In November 2010, SBI China, the Company and 2 investors decided to invest in LED industry in the PRC through investing in a Shanghai company. Total cash investment amount is USD50 million in which the Group will account for USD11.25 million.

Semiconductor Manufacturing International Corporation ("SMIC")

SMIC has not released the latest figures about its results for the year 2010. According to the latest public information available, SMIC reported turnover of USD411.8 million for the fourth quarter of the year, up 0.4% as compared to the third quarter and 23.6% year-on-year respectively. Gross margin was 23.9% in the fourth quarter, dropped 0.6% slightly compared to the third quarter primarily due to increase in other manufacturing costs. Net cash flow from operations increased from USD125.2 million in the third quarter to USD248.6 million in the fourth quarter. Income attributable to holders of ordinary shares was USD68.6 million for the fourth quarter, rose 125.6% compared to the third quarter.

According to its report, SMIC achieved its first profitable year at both operational and net income levels after 5 years of loss. It recorded historical high annual revenue of more than USD1.55 billion for 2010, representing a year-on-year growth of 45.2%. SMIC received various awards during the year with five of the awards coming from its top ten customers.

In the near term, SMIC continues to ramp up 65/55 nanometer and to bring 45/40 nanometer into production by the end of 2011. With its planned build-up, it targets to outgrow the foundry industry in 2011.

Zhang Jia Jie Tourism Development Co., Ltd. ("ZJJ Tourism")

According to the latest public information available, ZJJ Tourism reported turnover of RMB95.2 million, rose 5.1% year-on-year. It recorded net profit of RMB18.7 million as compared with net loss of RMB47.3 million last year. The improvement in both the revenue and profit levels were attributed by pickup of PRC tourism market leading to increasing number of tourist, fare rise and revamp of attractions, effective cost control and recognition of other income after restructuring of long outstanding debts.

Following the end of the lock-up period, the Group disposed of 8 million shares of ZJJ Tourism in the last quarter of 2010, resulting in a gain of approximately RMB21.7 million. Remaining 1 million shares were finally disposed of in January 2011.

OUR MAJOR EVENTS

Apart from the principal activities, the Group had conducted the following activities during the year.

Beida Jade Bird Universal Sci-Tech (Cayman) Development Company Limited ("**BJBU Development**") entered into an agreement with Expert China Investments Limited in April 2010 pursuant to which the former agreed to make available a facility to the latter in a maximum aggregate amount of HK$110 million for a period of six month at an interest rate of 5% per annum. The borrower early repaid the facility in full.

The Company proposed a disposal mandate in May 2010 to seek shareholders' approval on a proposal to dispose of 243.2 million ordinary shares of SMIC in the open market. The mandate was approved at the end of June 2010. However, no disposal was made by the Group since approval as the Board opined that the market price of SMIC was not attractive.

BJBU Development subscribed for HK$24 million convertible bonds out of a total amount of HK$216 million due 2013 issued by Hong Kong Resources Holdings Company Limited. The convertible bonds bear interest at 5% per annum and are convertible into ordinary shares of the bond issuer at HK$1.58 per share. Hong Kong Resources Holdings Company Limited is a company whose shares are listed on the Stock Exchange.

The Company partnered SBI China and 2 investors and decided to invest in LED industry in the PRC in November 2010 with a total cash investment amount of USD50 million. The Company will account for USD11.25 million and will hold 18% equity capital of the target company after completion. The shareholders of the Company approved the investment subsequent to the year end.

The general manager of Hebei Beida Jade Bird Universal Fire Alarm Device Co., Ltd. ("**Hebei Fire Alarm**") and several new investors agreed to inject an aggregate cash amount of RMB9.6 million into Hebei Fire Alarm in November 2010 to strengthen its capital base and provide fund for it to meet its growth. After completion of the registration process in 2011, the Company's equity interests in Hebei Fire Alarm decrease to 51.02% and the Company continues to control Hebei Fire Alarm.

OUR LIQUIDITY AND FINANCIAL RESOURCES

Group net assets shot at RMB943.8 million at the end of 2010, up 6.7% year-on-year mainly coming from profits and disposal gain from certain available-for-sale financial assets during the year. Current ratio slid down from 4.0 last year to 3.6 at the end of 2010 as the percentage increase in current liabilities, which mainly included new loan borrowed, profits tax provided and general increase in other liabilities, was higher than current assets. Gearing ratio rose to 1.6% mainly because of the other loan borrowed during the year.

OUR 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 closely and will take measures to lower the foreign currency risk when necessary.

OUR CAPITAL COMMITMENTS

The Group had capital contribution commitments to jointly controlled entities and available-for-sale financial assets as well as acquisition of machinery totaled approximately RMB205.7 million at the end of reporting period.

OUR PEOPLE

The Group had a workforce of 858 people at the end of the year, up 31.0% year-on-year mainly due to expansion of WFAS production and establishment of property management division within Tourism Development segment. Among the staff, over 60% are graduates or above. The Group strictly complies with applicable labour laws 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.

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

OUTLOOK

Looking ahead to 2011, the Group will continue its pace of internationalization in fire alarm industry. Incorporation of North America branch is in progress. For the NET segment, the Group considers to resume product development targeting to internet management software and operation and maintenance management software. The Group will continue its environmental bus service but it expects a steady and moderate growth only owing to the stable number of pilgrims per year and potential further fare rise in attractions.

COMPETING INTERESTS

As at 31 December 2010, none of the Directors and supervisors of the Company 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.

AUDIT COMMITTEE

The Company established its Audit Committee with terms of reference in compliance with Rules 5.28 and 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's annual results for the year ended 31 December 2010 and concluded the meeting with agreement to the contents of this announcement.

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 year.

PURCHASE, REDEMPTION OR SALE OF 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 year ended 31 December 2010 (2009: Nil).

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

Beijing, the PRC, 23 March 2011

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 day of its posting.