



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

(Stock Code : 8095)

FIRST QUARTERLY RESULTS REPORT

For the three months ended 31 March 2007



北京北大青鸟环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: 8095)

**FIRST QUARTERLY RESULTS REPORT
FOR THE THREE MONTHS ENDED 31 MARCH 2007**

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The Stock Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

FIRST QUARTERLY RESULTS (UNAUDITED)

The board of directors (the "Board") of Beijing Beida Jade Bird Universal Sci-Tech Company Limited (the "Company") announced the unaudited consolidated results of the Company and its subsidiaries (collectively as the "Group") for the three months ended 31 March 2007 together with the unaudited comparative figures for the corresponding period in 2006 as follows:

CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2007

	Notes	2007 RMB'000	2006 RMB'000
REVENUE	3	27,007	11,172
Cost of sales		(25,203)	(10,767)
Gross profit		1,804	405
Other income	4	3,960	724
Distribution expenses		(5,129)	(5,913)
Administrative expenses		(3,546)	(3,667)
Other expenses		(901)	(1,163)
LOSS FROM OPERATIONS		(3,812)	(9,614)
Finance costs – interest on bank and other loans		(6,389)	(4,214)
Share of loss of an associate		(322)	(309)
LOSS BEFORE TAX		(10,523)	(14,137)
Income tax expense	5	–	–
LOSS FOR THE PERIOD		(10,523)	(14,137)
Attributable to:			
Equity holders of the Company		(9,571)	(13,422)
Minority interests		(952)	(715)
		(10,523)	(14,137)
LOSS PER SHARE			
– basic	6	(0.8) cent	(1.1) cents

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2007

	Attributable to equity holders of the Company								
	Share capital	Capital reserve	Reserve funds	Investment revaluation reserve	Retained profits	Foreign currency translation reserve	Total	Minority interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (restated)	RMB'000	RMB'000	RMB'000 (restated)	RMB'000
At 1 January 2006	118,480	377,720	53,787	68,711	208,568	(11,556)	815,710	4,105	819,815
Changes in fair value of available-for-sale financial assets	-	-	-	39,860	-	-	39,860	-	39,860
Translation differences	-	-	-	-	-	(2,709)	(2,709)	-	(2,709)
Net income/(expense) recognised directly in equity	-	-	-	39,860	-	(2,709)	37,151	-	37,151
Loss for the period	-	-	-	-	(13,422)	-	(13,422)	(715)	(14,137)
Total recognised income and expense for the period	-	-	-	39,860	(13,422)	(2,709)	23,729	(715)	23,014
At 31 March 2006	118,480	377,720	53,787	108,571	195,146	(14,265)	839,439	3,390	842,829
At 1 January 2007	118,480	377,720	53,787	53,288	168,934	(23,616)	748,593	4,279	752,872
Changes in fair value of available-for-sale financial assets	-	-	-	26,550	-	-	26,550	-	26,550
Translation differences	-	-	-	-	-	(4,761)	(4,761)	-	(4,761)
Net income/(expense) recognised directly in equity	-	-	-	26,550	-	(4,761)	21,789	-	21,789
Loss for the period	-	-	-	-	(9,571)	-	(9,571)	(952)	(10,523)
Total recognised income and expense for the period	-	-	-	26,550	(9,571)	(4,761)	12,218	(952)	11,266
Issue of ordinary shares to minority shareholders	-	-	-	-	-	-	-	1,500	1,500
Change in capital reserve	-	489	-	-	-	-	489	261	750
Transfer to/(from) reserve funds	-	-	(893)	-	197	-	(696)	696	-
At 31 March 2007	118,480	378,209	52,894	79,838	159,560	(28,377)	760,604	5,784	766,388

Note:

1. Principal Activities

The Group was principally engaged in the research, development, manufacturing, marketing and sale of embedded systems, including network security products ("NET"), wireless fire alarm systems and related products. The Group was also engaged in the sale of computer products ("Computer") and the provision of total solution services through application of its existing embedded system products.

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 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 periods beginning on or after 1 January 2007. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); 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 periods and prior periods.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group.

2.2 Basis of preparation

These financial statements have been prepared in accordance with HKFRSs issued by HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosure required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments which are carried at their fair values. These financial statements are presented in Renminbi ("RMB"), which is the same as the functional and presentation currency of the Company, and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The accounting policies adopted in preparing these first quarterly results are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2006.

Basis of consolidation

The 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 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 income statement 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 balance sheet and consolidated statement of changes in equity within equity. Minority interests are presented in the consolidated income statement as an allocation of profit or loss for the period between minority and shareholders 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. Revenue

The Group's revenue represents the net invoiced value of goods sold to customers after allowances for returns and trade discounts, and the value of services rendered, net of sales taxes.

An analysis of revenue is as follows:

	2007 RMB'000	2006 <i>RMB'000</i>
Sale of embedded systems and related products	7,414	4,400
Sale of computer products	19,498	6,764
Rendering of total solution services	95	8
	27,007	11,172

4. Other income

	2007 RMB'000	2006 <i>RMB'000</i>
Interest income	1,619	1,015
Net foreign exchange gain/(loss)	296	(347)
Others	2,045	56
	3,960	724

5. Income tax expense

Hong Kong profits tax has not been provided as the Group has no assessable profits arising in Hong Kong during the period (2006: RMB Nil). Tax charge on profits assessable elsewhere have 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.

The Company is registered in the Beijing New Technology Enterprise Development Zone and has been certified by the relevant People's Republic of China ("PRC") authorities as a high technology enterprise. Pursuant to the Income Tax Law in the PRC, the Company is subject to corporate income tax at a rate of 15%. In accordance with an approval document issued by the relevant tax bureau, the Company has been granted income tax exemption for the three years ended 31 December 2002 and 50% reduction in corporate income tax for the three years ended 31 December 2005. No provision for corporate income tax was made for the period as the Company incurred tax loss for the period ended 31 March 2007.

The subsidiaries of the Group established in the PRC are generally subject to income tax on their taxable income at a combined national and local tax rate of 33%. Certain subsidiaries enjoy tax preferential rights and subject to a tax rate of 15% during the period.

At 31 March 2007, there was no significant unrecognised deferred tax liability (2006: RMB 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.

6. Loss per share

The calculation of loss per share attributable to equity holders of the Company of RMB0.8 cent (2006: RMB1.1 cents) for the three months ended 31 March 2007 was based on loss attributable to equity holders of the Company of approximately RMB9,571,000 (2006: approximately RMB13,422,000) and the weighted average number of 1,184,800,000 ordinary shares (2006: 1,184,800,000 ordinary shares) in issue during the period.

DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2007 (2006: RMB Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Benefit from the general increase in profitability, companies were more generous to spend on new IT equipments and upgrade existing products. Demand for the Group's embedded system products increased obviously. The Group adjusted its sales policy to accept more risk-assessed credit orders to cope with the market change. Turnover for the first quarter of year 2007 ("1Q07") recorded a 141.7% increase up to approximately RMB27,007,000 as compared with the first quarter of year 2006 ("1Q06"). Computer product segment contributes the most as it recorded a remarkable boost of turnover by 188.3%. Profit margin improved also as a result of increase in selling price. Gross profit margin rosed up to 6.7% for 1Q07, representing over 85% increase from 1Q06.

Other income for 1Q07 mainly represented VAT tax refund and written off of over-accrued costs in previous years.

Loss for the period attributable for equity holders of the Company reduced by 25.6% to RMB10,523,000.

Available-for-sale financial assets – Semiconductor Manufacturing International Corporation (“SMIC”)
During 1Q07, sales of SMIC increased 1.2% to US\$388.3 million from US\$383.8 million in the fourth quarter of year 2006 (“4Q06”). SMIC recorded a decrease in capacity to 177,150 8-inch equivalent wafers per month and a utilization rate 86.2% in 1Q07. Gross margins were 9.5% in 1Q07 as compared to 5.1% in 4Q06. Net income was US\$8.8 million in 1Q07 as compared to a net loss of US\$9.6 million in 1Q06 and a net income of US\$0.1 million in 4Q06. During 1Q07, SMIC attained a significant growth in orders from the Chinese local design companies, which accounted for 12.8% of the revenue as compared to 8.8% in 4Q06.

Capital commitment

The Group did not have material capital commitments as at 31 March 2007 (2006: RMB Nil).

Contingent liabilities

Chengjian Donghua is currently a defendant in a civil litigation in Beijing involving the land use rights of a parcel of land (the “Land”) located in Beijing which is currently registered under the name of Chengjian Donghua. Shenzhen Development Bank (“SDB”) is the plaintiff in such civil proceedings. The Land is used for the development of a transportation terminal and a large-scale commercial and residential complex (the “Dongzhimen Project”). The development right of the Dongzhimen Project was vested in Chengjian Donghua from a joint venture company established by Chengjian Donghua and Strong Ground Investment Limited (“Strong Ground”) in 2002, namely 北京東華廣場置業有限公司 (“Beijing Donghua Company”), by the cancellation of the cooperation between Chengjian Donghua and Strong Ground.

Beijing Donghua Company is the guarantor of a principal sum of RMB1,500 million together with interest accrued thereon lent by SDB to Zhongcai State-owned Enterprise Investment Company Limited and Shouchuang Network Company Limited. Based on documents filed with the People’s High Court of Beijing, SDB alleges that the cancellation of the cooperation between Beijing Donghua Company and Strong Ground has infringed the right of SDB by removing such a main asset from Beijing Donghua Company and in turn has reduced the repaying power of Beijing Donghua Company and its claim comprised, among other things, an order that Beijing Donghua Company be adjudged liable as guarantor for the principal sum of RMB1,500 million (together with interest accrued thereon up to 31 October 2005 in the amount of RMB30.74 million) lent by SDB to Zhongcai State-owned Enterprise Investment Company Limited and Shouchuang Network Company Limited and an order for the transfer of the Land from Chengjian Donghua to Beijing Donghua Company.

On 17 November 2005, SDB obtained an order from the People’s High Court of Beijing to freeze the assets of Beijing Donghua Company and Chengjian Donghua for a value equivalent to RMB1,530 million. The assets forming the subject of the order included the Land.

On 21 August 2006, in view of the provision of a guarantee by 北大資產經營有限公司 (Peking University Asset Management Company Limited) (a company wholly owned by the Peking University which is the ultimate controlling shareholder of three existing promoters of the Company and is therefore a connected person of the Company under the GEM Listing Rules), the People's High Court of Beijing discharged the freeze order upon application by Chengjian Donghua on the ground that the guarantee was able to satisfy the requirements of the relevant laws and regulations relating to the provision of guarantees by small- to mid-sized enterprises.

Under the above circumstances, although the above claim by SDB against Beijing Donghua Company and Chengjian Donghua is still pending adjudication by the People's High Court of Beijing, the Directors are of the view that Chengjian Donghua has a valid defence against the aforesaid claim by SDB. Therefore, no provision for the above claim was made in the financial statements of Chengjian Donghua.

HUMAN RESOURCES

The Group employed around 239 staff as at 31 March 2007. Over 79% of them possess bachelor degree or above and 7 of them are doctorates. Research and development staff increased to 129 during the period. The sales and marketing team consisted of around 64 staff. The Group offered competitive remuneration package to its staff. Benefit in kinds including medical insurance and on-the-job training is also available.

OUTLOOK

The Group satisfies with the improvement in 1Q07. The Group will continue to enhance its product quality and strengthen its market force to face coming challenge in the remaining periods of year 2007.

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

At 31 March 2007, 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 will be required to be notified to the Company and the Stock Exchange pursuant to: (a) Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which each of them is taken or deemed to have taken under such provisions of the SFO); or (b) which will be required pursuant to section 352 of the SFO to be entered in the register referred to in that section; or (c) will be required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in ordinary shares of the Company:

			Number of shares held, capacity and nature of beneficiary interest of a trust	Approximate percentage of the Company's total issued domestic share capital	Approximate percentage of the Company's total issued share capital
	<i>Note</i>				
Name of director					
1.	Mr. Xu Zhen Dong	<i>(a)</i>	205,414,000	29.34%	17.34%
2.	Mr. Xu Zhi Xiang	<i>(a)</i>	205,414,000	29.34%	17.34%
3.	Mr. Zhang Wan Zhong	<i>(a)</i>	205,414,000	29.34%	17.34%
4.	Mr. Liu Yong Jin	<i>(a)</i>	205,414,000	29.34%	17.34%
Name of supervisor					
1.	Mr. Zhang Yong Li	<i>(a)</i>	205,414,000	29.34%	17.34%
2.	Ms. Dong Xiao Qing	<i>(a)</i>	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. By a declaration of trust ("Heng Huat Trust") made as a deed on 19 July 2000, Mr. Xu Zhen Dong, 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 477 employees of Beijing Beida Jade Bird Software System Company, Beijing Beida Jade Bird Limited, Beijing Beida Yu Huan Microelectronics System Engineering Company and 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 to 5.67 of the GEM Listing Rules.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the employee share option scheme below, 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. As at 31 March 2007, none of the directors or the supervisors had any rights to acquire H Shares in the Company.

EMPLOYEE SHARE OPTION SCHEME

The Company conditionally 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 to subscribe for shares in the Company, subject to a maximum of 30% of the Company's shares in issue at the date of grant. However, employees who are PRC nationals shall not be entitled to exercise the option until the current restrictions on PRC 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 31 March 2007, 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	Notes	Capacity and nature of interest	Number of ordinary shares held	Approximate percentage of the Company's domestic issued share capital	Approximate percentage of the Company's total number of issued H shares	Approximate percentage of the Company's issued share capital
1. Peking University	(a)	Through a controlled corporation	310,000,000	44.28%	Not applicable	26.16%
2. Beijing Beida Yu Huan Microelectronics System Engineering Company	(a)	Directly beneficially owned	85,000,000	12.14%	Not applicable	7.17%
3. Beijing Beida Jade Bird Software System Company	(a)	Directly beneficially owned	110,000,000	15.71%	Not applicable	9.28%
4. Beijing Beida Jade Bird Limited	(a)	Directly beneficially owned	115,000,000	16.43%	Not applicable	9.71%
5. Heng Huat Investments Limited	(b)	Through a controlled corporation	205,414,000	29.34%	Not applicable	17.34%
6. Dynamic Win Assets Limited	(b)	Directly beneficially owned	205,414,000	29.34%	Not applicable	17.34%
7. New World CyberBase Limited	(c)	Through a controlled corporation	84,586,000	12.08%	Not applicable	7.14%
8. New View Venture Limited	(c)	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. Tai Fook Securities Company Limited	(d)	Directly beneficially owned	80,800,000	Not applicable	16.67%	6.82%
11. Tai Fook Finance Company Limited	(d)	Through a controlled corporation	80,800,000	Not applicable	16.67%	6.82%
12. Tai Fook (BVI) Limited	(d)	Through a controlled corporation	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 share capital) held by Beijing Beida Yu Huan Microelectronics System Engineering Company, which is beneficially wholly-owned by Peking University;
 - (ii) 110,000,000 shares (representing approximately 9.28% of the Company's total share capital) held by Beijing Beida Jade Bird Software System Company, which is beneficially wholly-owned by Peking University; and
 - (iii) 115,000,000 shares (representing approximately 9.71% of the Company's total share capital) held by Beijing Beida Jade Bird Limited, which is approximately 46% owned by Peking University.

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- (b) The shares of the Company are held by Dynamic Win Assets Limited, which is wholly-owned by Heng Huat.
 - (c) The shares of the Company are held by New View Venture Limited, which is wholly-owned by New World CyberBase Limited.
 - (d) The shares are held by Tai Fook Securities Company Limited, which is directly wholly-owned by Tai Fook Finance Company Limited and indirectly wholly-owned by Tai Fook (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.

COMPETING INTERESTS

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.

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 review and supervision of the financial reporting process and internal control and corporate governance issues of the Company and make relevant recommendations to the Board.

The Audit Committee comprises three members, namely, Prof. Nan Xiang Hao, Prof. Chin Man Chung, Ambrose and Mr. Cai Chuan Bing, all are independent non-executive directors. Prof. Nan Xiang Hao is the chairman of the Audit Committee. An Audit Committee was held to review the Group's first quarterly results report for the three months ended 31 March 2007 and provide advice and recommendations to the Board of Directors.

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 period under review.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S H SHARES

For the three months ended 31 March 2007, the Company did not purchase, sell or redeem any of the Company's H shares.

By order of the Board
Beijing Beida Jade Bird Universal Sci-Tech Company Limited
Xu Zhen Dong
Chairman

Beijing, the PRC, 14 May 2007