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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)

**MAJOR TRANSACTION
IN RELATION TO THE PROVISION OF GUARANTEE TO BANKS
AND GUARANTEE TO AFFILIATED COMPANY**

PROVISION OF THE GUARANTEE TO THE BANKS

On 31 January 2013, the Company, as a guarantor, executed the Guarantee in favour of the Banks to secure the obligations of Songya Lake Construction under the Facility Agreement in respect of the aggregate principal amount of RMB986 million. Songya Lake Construction is an associated company of the Company of which 46.6% of its registered capital is owned by the Company's non-wholly owned subsidiary, Chuanqi Tourism.

The Guarantee is to secure the repayment of RMB200 million out of the principal amount under the Facility and the related interest, default interest, compound interest, compensation, default fine, compensation for damages and expenses incurred in enforcing the claims.

Pursuant to the Facility Agreement, the Facility will be utilised by Songya Lake Construction for the payment of construction costs of the flood prevention and drainage and water ecological restoration and construction in Changsha County, Hunan Province, the PRC, which is part of the Chenghu Project.

Details of the Facility Agreement are set out below.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the provision of the Guarantee is 25% or more and all of the applicable percentage ratios are less than 100%, the provision of the Guarantee constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules. Therefore, the provision of the Guarantee is subject to the notification, announcement, circular and shareholders' approval requirements under the GEM Listing Rules. The SGM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the provision of the Guarantee and other transactions contemplated under the Guarantee.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interests in the provision of the Guarantee. As such, no Shareholders would be required under the GEM Listing Rules to abstain from voting at the SGM in respect of resolutions relating to the provision of the Guarantee and other transactions contemplated under the Guarantee.

A circular containing further details of the provision of the Guarantee and other information required to be disclosed under the GEM Listing Rules and the notice of the SGM will be despatched to Shareholders on or before 26 February 2013.

In view of the relationship between Songya Lake Construction and the Company and the asset ratio in respect of the provision of the Guarantee exceeds 8%, the provision of the Guarantee also constitutes information discloseable under Rule 17.18 of the GEM Listing Rules.

PROVISION OF THE GUARANTEE TO THE BANKS

On 31 January 2013, the Company, as a guarantor, executed the Guarantee in favour of the Banks to secure the obligations of Songya Lake Construction under the Facility Agreement in respect of the aggregate principal amount of RMB986 million. Songya Lake Construction is an associated company of the Company of which 46.6% of its registered capital is owned by the Company's non wholly-owned subsidiary, Chuanqi Tourism.

A summary of the principal terms of the Guarantee and the Facility Agreement are set out below.

The Guarantee

The major terms of the Guarantee are set out below:

Date: 31 January 2013

Parties:

- (1) Lenders:
- (i) China Development Bank Co. Ltd., a company established in the PRC with limited liability and a state-owned licensed bank in the PRC which together with its ultimate beneficial owner(s), to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are Independent Third Parties; and
 - (ii) Bank of Beijing Co. Ltd., a company established in the PRC with limited liability and a licensed bank in the PRC which together with its ultimate beneficial owner(s), to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are Independent Third Parties;
- (2) Security agent: China Development Bank Co. Ltd.; and
- (3) Guarantor: the Company.

Scope and amount of the Guarantee

The amount of the Guarantee provided by the Company is RMB200 million in respect of the principal amount and the related interest, default interest, compound interest, compensation, default fine, compensation for damages and expenses incurred in enforcing the claims.

Where Songya Lake Construction fails to repay any amounts due under the Facility in accordance with the terms of the Facility Agreement covered under the Guarantee, the security agent, China Development Bank Co. Ltd., with the authorization of the Banks, shall have the right to demand the Company to assume liability under the Guarantee in respect of such amounts. In such event, the Company shall perform its obligations under the Guarantee within 15 days after receipt of the written demand.

On 31 January 2013, Songya Lake Construction has executed an undertaking (“**Undertaking**”) to the Company that in case Songya Lake Construction fails to repay any amount utilised under the Facility in accordance with the Facility Agreement, Songya Lake Construction shall (a) request and procure the Banks to enforce the charge of the collateral provided by Songya Lake Construction pursuant to the Facility Agreement first and (b) in the event that the Company is demanded by the Banks to assume the liability under the Guarantee before the collateral provided by Songya Lake Construction is realized in full, the Company shall have the right to claim against Songya Lake Construction for any amount paid by the Company under the Guarantee in full.

The Directors noted that Changsha Star City, the owner of 48.5% of the registered capital of Songya Lake Construction, has also executed a guarantee in favour the Banks on 31 January 2013 to secure the obligations of Songya Lake Construction under the Facility Agreement. Pursuant to the guarantee provided by Changsha Star City, where the collateral provided by Songya Lake Construction under the Facility Agreement as set out below and the amount covered under the Guarantee are insufficient to cover the amount outstanding and not duly repaid by Songya Lake Construction under the Facility Agreement, including any utilised principal amount of the Facility, interest, default interest, compound interest, compensation, default fine, compensation for damages payable by Songya Lake Construction under the Facility Agreement and expenses incurred by the Banks in enforcing the claims under the Facility Agreement, the difference will be borne by Changsha Star City.

Duration of the Guarantee

The obligations of the Company under the Guarantee will expire on the date which is two years after the relevant liability under the Facility Agreement has been performed.

Effectiveness of the Guarantee

The Guarantee shall become effective after it has been executed by the parties thereof and upon the approval of it by the Shareholders at the SGM.

The Facility Agreement

The Facility Agreement was entered into between Songya Lake Construction as the borrower and the Banks as lenders on 31 January 2013.

Songya Lake Construction is a company established in the PRC with limited liability and as at the date of this announcement, Songya Lake Construction has a registered capital of RMB105.15 million which is owned as to 46.6% by Chaunqi Tourism, a non-wholly owned subsidiary of the Company, 48.5% by Changsha Star City which is under the supervision of County Government and the remaining 4.9% by another Independent Third Party. Songya Lake Construction has an approved business scope including, among others, investment and development in harbour, airport and traffic projects, investment in tourism and high technology industries, land development under the PRC laws and regulations, urban infrastructure project development and hotel business. As at the date of this announcement, Songya Lake Construction is mainly designated by County Government to provide construction service under the Chenghu Project and to provide primary land development service under the Huanhu Project, details of which were disclosed in the Company's announcement date 30 May 2011 ("**Acquisition Announcement**") in respect of the acquisition of the 46.6% registered of Songya Lake Construction by Chaunqi Tourism from Beida High Technology.

The major terms of the Facility Agreement are briefly set out below:

Facility type and duration

The Facility is a term loan facility with a term of 10 years commencing from the date on which the initial utilised amount is drawn down with an extension period of three years during which Songya Lake Construction may choose to repay only the interest accrued on the utilised and outstanding amounts.

Amount of the Facility

The aggregate amount of the Facility is RMB986 million which will be provided by the Banks in the following manner:

- (a) an amount of RMB586 million will be provided by China Development Bank Co. Ltd.;
and
- (b) the remaining amount of RMB400 million will be provided by Bank of Beijing Co., Ltd.

Drawdown of the Facility

Subject to fulfillment of the conditions precedent to the drawdown of the Facility (which includes the Guarantee having become effective), an initial amount of RMB200 million shall be drawn down by Songya Lake Construction on 26 March 2013 and the schedule for the draw down of the remaining amount of the Facility shall be subject to the further agreement between Songya Lake Construction and the Banks.

Interest rates

The initial interest rate under the Facility Agreement will be 10% above the benchmark lending interest rate for loans of the same term published by The People's Bank of China on the date of the initial amount being drawn down. The interest rate under the Facility Agreement during the term will be adjusted according to the adjustments of the benchmark lending interest rate for loans of the same term published by The People's Bank of China from time to time and the adjustment of the interest rate under the Facility Agreement will be effective on the date on which the adjustment of the benchmark lending interest rate for loans of the same term published by The People's Bank of China.

Schedule for repayment of the principal amount

Songya Lake Construction shall repay the principal amounts under the Facility on 26 March 2016, 20 November 2016 and thereafter on 20 May and 20 November of each calendar year from 2017 to 2022 and the amount of each repayment shall be RMB65 million and the last repayment shall be repaid on 25 March 2023 and the amount of the last repayment shall be RMB76 million.

Schedule for payment of interest

Songya Lake Construction shall pay the interest accrued on the utilised and outstanding principal amount on 20 March, 20 June, 20 September and 20 December of each calendar year during the term of the Facility but the last interest payment date shall be the date on which the last principal amount is due under the Facility Agreement.

Collateral provided as security

Pursuant to the Facility Agreement, apart from the Guarantee and the guarantee provided by Changsha Star City, Songya Lake Construction has also executed on 31 January 2013 (a) a mortgage contract whereby the land use rights of three parcels of land situated in Changsha County with an aggregate gross area of approximately 300,000 square meters held by Songya Lake Construction were mortgaged to the Banks and (b) a pledge contract whereby all the rights, interests and the receivables to which it is entitled under the Project were pledged to the Banks as security.

Purpose of the Facility

The Facility shall be utilised by Songya Lake Construction for the payment of construction costs of the Project, i.e., the flood prevention and drainage and water ecological restoration and construction project located in Changsha County, Hunan Province, the PRC.

The Project

The Project is part of the Chenghu Project as described below.

The Chenghu Project

As disclosed in the Acquisition Announcement, Songya Lake construction was designated by the County Government to provide construction service for an infrastructure project, the Chenghu Project (as defined in the Acquisition Announcement), and the primary land development service, the Huanhu Project (as defined in the Acquisition Announcement), according to a cooperation agreement (“**Cooperation Agreement**”) entered into between Beida High Technology and County Government on 28 November 2009. In respect of the Chenghu Project, under the Cooperation Agreement, Songya Lake Construction shall be responsible for the construction of landscape architectures centered on the Songya Lake located at Xing Sha, Changsha County, Hunan Province, the PRC, and the construction of roads in relation thereto with a total length of 8,700 meters and funding the construction cost in connection therewith which shall be borne by County Government through the income generated from the Huanhu Project (as defined in the Acquisition Announcement). Such cost shall be paid back to Songya Lake Construction and County Government shall pay to Songya Lake Construction a construction service fee annually which shall be equal to 5% of the audited actual construction cost incurred in the immediately preceding year.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE GUARANTEE

The Company, through its subsidiaries, is principally engaged in the research, development, manufacture, marketing and sale of wireless fire alarm systems and related products, development of travel and leisure business and investment holding. Chuanqi Tourism is principally engaged in exploration and development of travel and leisure business.

The purpose of the obtaining the Facility by Songya Lake Construction is to finance the payment of construction costs of the Project, i.e., the flood prevention and drainage and water ecological restoration and construction project located in Changsha County, Hunan Province, the PRC, which is part of the Chenghu Project and the purpose of the Guarantee, together the guarantee provided by Changsha Star City executed separately, is to secure the due and punctual performance of the obligations of Songya Lake Construction under the Facility Agreement as requested by the Banks.

As disclosed in the Acquisition Announcement, in the Chenghu Project, the construction costs incurred by Songya Lake Construction would be paid back to Songya Lake Construction and County Government would pay to Songya Lake Construction a construction service fee annually which shall be equal to 5% of the audited actual construction cost incurred in the immediately preceding year.

After considering that (i) the Company, through its non-wholly owned subsidiary, Chuanqi Tourism with 60% of its registered capital being owned by the Company, indirectly owns 46.6% of the registered capital of Songya Lake Construction, (ii) the amount covered under the Guarantee, i.e., RMB200 million in respect of the principal amount utilized under the Facility, is equivalent to approximately 20.28% of the total principal amount of the Facility and such percentage is less than the percentage interest in the registered capital of Songya Lake Construction attributable to the Company, i.e., approximately 28%, (iii) the Undertaking provided by Songya Lake Construction as mentioned above, (iv) the reason for the provision of the Guarantee as mentioned above, (v) the terms of the Guarantee were negotiated on arm's length basis, and (vi) the economic benefits to which Songya Lake Construction is entitled under the Chenghu Project as mentioned above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Guarantee are on normal commercial terms and are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the provision of the Guarantee is 25% or more and all of the applicable percentage ratios are less than 100%, the provision of the Guarantee constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules. Therefore, the provision of the Guarantee is subject to the notification, announcement, circular and shareholders' approval requirements under the GEM Listing Rules. The SGM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the provision of the Guarantee and other transactions contemplated under the Guarantee.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interests in the provision of the Guarantee. As such, no Shareholders would be required under the GEM Listing Rules to abstain from voting at the SGM in respect of resolutions relating to the provision of the Guarantee and other transactions contemplated under the Guarantee.

A circular containing further details of the provision of the Guarantee and other information required to be disclosed under the GEM Listing Rules and the notice of the SGM will be despatched to Shareholders on or before 26 February 2013.

In view of the relationship between Songya Lake Construction and the Company and the asset ratio thereof exceeds 8%, the provision of the Guarantee also constitutes information discloseable under rule 17.18 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the meanings as set out below:

“Banks”	means China Development Bank Co. Ltd. and Bank of Beijing Co. Ltd. collectively
“Beida High Technology”	北京北大高科技產業投資有限公司 (Beijing Beida High Technology Investment Co., Ltd. [#]), a limited liability company established in the PRC
“Changsha Star City”	長沙縣星城建設投資有限公司 (Changsha Star City Construction Investment Co., Ltd. [#]), a company established in the PRC with limited liability which is under the supervision of the County Government and holder of 48.5% of the registered capital of Songya Lake Construction
“Chuanqi Tourism”	傳奇旅遊投資有限公司 (Chuanqi Tourism Investment Co., Ltd. [#]), a direct non-wholly owned subsidiary of the Company with its registered capital owned as to 60% by the Company as at the date of this announcement
“Company”	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 PRC with limited liability with its H Shares listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“County Government”	長沙縣人民政府 (Changsha County People’s Government [#])
“Director(s)”	the director(s) of the Company

“Facility”	a term loan facility in an aggregate amount of RMB986 million granted by the Banks to Songya Lake Construction pursuant to the Facility Agreement
“Facility Agreement”	the facility agreement entered into between Songya Lake Construction as the borrower and the Banks as a lender for the provision of a term loan facility to Songya Lake Construction by the Banks in the aggregate amount of RMB986 million
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Guarantee”	the guarantee executed by the Company and the Banks dated 31 January 2013 to secure the obligations of Songya Lake Construction under the Facility Agreement
“H Share(s)”	overseas-listed foreign invested shares in the ordinary share capital of the Company, with a nominal value of RMB0.1 and subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of the Company and connected persons of the Company and “Independent Third Parties” shall be construed accordingly
“PRC”	the People’s Republic of China which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	renminbi, the lawful currency of the PRC
“SGM”	a special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the provision of the Guarantee and other transactions contemplated under the Guarantee
“Shareholder(s)”	holder(s) of the Share(s)

“Songya Lake Construction” 長沙松雅湖建設投資有限公司 (Changsha Songya Lake Construction Investment Co., Ltd[#]), a limited liability company established in the PRC with 46.6% of its registered capital owned by Chuanqi Tourism

“Stock Exchange” The Stock Exchange of Hong Kong Limited

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

Beijing, the PRC, 31 January 2013

As at the date of this announcement, Mr. Xu Zhendong, Mr. Xu Zhixiang and Mr. Zhang Wanzhong are executive Directors, Mr. Cai Weimin, Mr. Chen Zongbing and Ms. Zheng Zhong are non-executive Directors and Mr. Cai Chuanbing, Mr. Li Juncai, Mr. Shao Jiulin and Mr. Lin Yan are independent non-executive Directors.

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

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at “www.jbu.com.cn”.

[#] Denotes English translation of a Chinese company or entity name and is provided for identification purpose only