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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)

ANNOUNCEMENT

PROPOSED SPECIFIC MANDATE TO ISSUE NEW H SHARES

AND

PROPOSED CONSEQUENTIAL AMENDMENTS TO THE ARTICLES

PROPOSED SPECIFIC MANDATE TO ISSUE NEW H SHARES

On 9 December 2014, the Board resolved to convene the SGM and the Class Meetings for the Shareholders to consider and, if thought fit, approve the grant of the Specific Mandate to the Directors for the proposed New Issue i.e. to issue not more than 600,000,000 New H Shares, representing approximately 123.76% and 50.64% of the total issued H Shares and the total issued Shares of the Company, respectively, as at the date of this announcement or approximately 33.62% of the total issued Shares of the Company as enlarged by the proposed New Issue (assuming the maximum of 600,000,000 New H Shares are issued). The major terms of the proposed Specific Mandate are as follows:

- (i) to issue not more than 600,000,000 New H Shares;
- (ii) the New H Shares will be issued at a price to be determined by the Board and negotiated with placing agents based on the capital market conditions and other considerations;

- (iii) the Specific Mandate will be in force for a 12-month period from the date of passing of the relevant resolution(s) at the SGM and the Class Meetings, unless revoked or varied by a special resolution of the Shareholders in a general meeting or class meeting.

The proposed New Issue is subject to, among other things, the approvals of the relevant PRC regulatory authorities, including the CSRC. As at the date of this announcement, the Company has not made any applications to the CSRC for the proposed New Issue. It is intended that the relevant applications to the CSRC for the proposed New Issue will be made after the Shareholders' approval for the Specific Mandate is obtained. Depending on market conditions, the Directors may or may not exercise the Specific Mandate, if granted, to issue New H Shares.

PROPOSED CONSEQUENTIAL AMENDMENTS TO THE ARTICLES

The Directors intend to seek the grant of an authority by the Shareholders at the SGM and the Class Meetings to make necessary consequential amendments to the Articles to registered capital and capital structure of the Company subsequent to completion of the proposed New Issue.

GENERAL

A circular containing further information on the proposed Specific Mandate and the proposed consequential amendments to the Articles together with notices of the SGM and the Class Meetings, will be despatched to the Shareholders as soon as possible.

Investors should be aware that the Specific Mandate may or may not be granted by the Shareholders at the SGM and the Class Meetings and the proposed New Issue may or may not proceed. The proposed New Issue is subject to certain conditions, details of which are set out in the section headed "Conditions to the Proposed New Issue" of this announcement. There is uncertainty as to whether the conditions to the proposed New Issue will be fulfilled or whether the proposed New Issue will proceed. Investors should exercise caution when dealing in the H Shares.

PROPOSED SPECIFIC MANDATE

Proposed New Issue

On 9 December 2014, the Board resolved to convene the SGM and the Class Meetings for the Shareholders to consider and, if thought fit, approve the grant of the Specific Mandate to the Directors for the proposed New Issue i.e. to issue not more than 600,000,000 New H Shares, representing approximately 123.76% and 50.64% of the total issued H Shares and the total issued Shares of the Company, respectively, as at the date of this announcement or approximately 33.62% of the total issued Shares of the Company as enlarged by the proposed New Issue (assuming the maximum of 600,000,000 New H Shares are issued). The major terms of the proposed Specific Mandate are as follows:

- (i) to issue not more than 600,000,000 New H Shares;
- (ii) the New H Shares will be issued at a price to be determined by the Board and negotiated with placing agents based on the capital market conditions and other considerations;
- (iii) the Specific Mandate will be in force for a 12-month period from the date of passing of the relevant resolution(s) at the SGM and the Class Meetings unless revoked or varied by a special resolution of the Shareholders in a general meeting or class meeting.

The proposed New Issue is subject to, among other things, the approvals of the relevant PRC regulatory authorities, including the CSRC. As at the date of this announcement, the Company has not made any applications to the CSRC for the proposed New Issue. It is intended that the relevant applications to the CSRC for the proposed New Issue will be made after the Shareholders' approval for the Specific Mandate is obtained. Depending on market conditions, the Directors may or may not exercise the Specific Mandate, if granted, to issue New H Shares.

Upon the grant of the Specific Mandate, the Company may proceed to issue and allot the New H Shares to not less than seven but not more than ten institutional and/or individual investors, who are independent of the connected persons of the Company. As at the date of this announcement, the Company has not entered into any placing or underwriting agreement or fixed any terms with any placing agents or investors in connection with the proposed New Issue. In the event that the Company decides to proceed the proposed New Issue pursuant to the Specific Mandate, if granted, a separate announcement will be made.

Conditions to the Proposed New Issue

The proposed New Issue is conditional upon:

- (a) the grant of the Specific Mandate by the Shareholders to the Directors at the SGM and the Class Meetings;
- (b) the approval for the proposed New Issue pursuant to the Specific Mandate by the CSRC;
- (c) the entering into of a placing agreement by, among other parties, the Company and the placing agent(s) and the placing agreement not being terminated in accordance with any terms therein; and
- (d) the Listing Approval having been obtained before the time to be specified in the placing agreement to be entered into by the Company, and such permission not being withdrawn.

Under the GEM Listing Rules and the Articles, no Shareholders are required to abstain from voting at the SGM and the Class Meetings.

Ranking of New H Shares

The New H Shares, when issued and fully paid, will rank *pari passu* in all respects with the existing H Shares in issue on completion of the proposed New Issue.

POSSIBLE CHANGE IN SHARE CAPITAL AND SHAREHOLDING STRUCTURE

For reference and illustrative purposes only, the shareholding structure of the Company as at the date of this announcement and immediately after completion of the proposed New Issue (assuming the maximum number of the New H Shares will be issued and no new Shares are issued prior to the completion of the proposed New Issue) is as follows:

Class of Shares	As at the date of this announcement		Immediately after completion of the proposed New Issue	
	Number of Shares	Approximate percentage of issued share capital (%)	Number of Shares	Approximate percentage of issued share capital (%)
Promoters Shares	700,000,000	59.08	700,000,000	39.22
Dynamic Win Assets Limited (<i>Note 1</i>)	205,414,000	17.34	205,414,000	11.51
Beijing Beida Jade Bird Limited (<i>Note 2</i>)	115,000,000	9.71	115,000,000	6.44
Grand East (H.K.) Limited	110,000,000	9.28	110,000,000	6.16
Shenzhen Beida Jade Bird Sci-Tech Co., Ltd. (<i>Note 2</i>)	85,000,000	7.17	85,000,000	4.76
New View Venture Limited (<i>Note 3</i>)	84,586,000	7.14	84,586,000	4.74
Others	100,000,000	8.44	100,000,000	5.61
H Shares	484,800,000	40.92	1,084,800,000	60.78
– H Shares in issue (<i>Note 4</i>)	484,800,000	40.92	484,800,000	27.16
– New H Shares (<i>Note 5</i>)	–	–	600,000,000	33.62
Total	<u>1,184,800,000</u>	<u>100.00</u>	<u>1,784,800,000</u>	<u>100.00</u>

Notes:

- Dynamic Win Assets Limited (“Dynamic Win”) is beneficially wholly-owned by Heng Huat Investments Limited (“Heng Huat”). Mr. Xu Zhendong, Mr. Xu Zhixiang and Mr. Zhang Wanzhong, the executive Directors, Mr. Zhang Yongli, the non-executive Director, and Ms. Zhou Min, the Supervisor are taken to be interested in the issued share capital of the Company through their respective interests as beneficiaries, among other beneficiaries, of Heng Huat trust (“Heng Huat Trust”). By a declaration of Heng Huat Trust made as a deed on 19 July 2000, Mr. Xu Zhendong, Mr. Zhang Wanzhong and Ms. Liu Yue (who has been replaced by Mr. Xu Zhixiang since 9 May 2003 as a trustee) declared that they held the shares of Heng Huat as trustees for the benefits of over 300 employees of Beijing Beida Jade Bird Software System Co., Ltd. (“JB Software”), Beijing Beida Jade Bird Limited (“Beida Jade Bird”) and Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd. and their respective subsidiaries and associated companies and the Company. Heng Huat is beneficially interested in the entire issued share capital of Dynamic Win, and is taken to be interested in 205,414,000 Promoters Shares which

Dynamic Win is interested. Mr. Xu Zhendong, Mr. Zhang Wanzhong and Mr. Xu Zhixiang (who replaced Ms. Liu Yue as a trustee on 9 May 2003 upon Ms. Liu Yue'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;

2. Peking University, Beida Asset Management Co., Ltd., JB Software and Beida Jade Bird are deemed to be interested in 200,000,000 Promoters Shares through the following companies:
 - (i) 85,000,000 Promoters Shares held by Shenzhen Beida Jade Bird Sci-Tech Co., Ltd., which is 90% beneficially owned by Beida Jade Bird;
 - (ii) 115,000,000 Promoters Shares held by Beida Jade Bird itself, which is 46% owned by JB Software;
 - (iii) JB Software is 48% owned by Beida Asset Management Co., Ltd, a wholly-owned subsidiary of Peking University;
 - (iv) Mr. Xu Zhendong is a director of JB Software. Mr. Xu Zhixiang is a director of JB Software, a director and the executive president of Beida Jade Bird. Mr. Zhang Wanzhong is a vice president and supervisor of Beida Jade Bird. Ms. Zheng Zhong, the non-executive Director, is a vice president of Beida Jade Bird. Mr. Zhang Yongli, the non-executive Director, is the vice president and chief financial officer of Beida Jade Bird;
3. Mongolia Energy Corporation Limited is deemed to be interested in 84,586,000 Promoters Shares held by New View Venture Limited, its wholly-owned subsidiary;
4. Including 12,070,000 H Shares, 11,527,000 H Shares, 12,070,000 H Shares, 13,200,000 H Shares and 15,480,000 H Shares held by Mr. Xu Zhendong, Mr. Xu Zhixiang, Mr. Zhang Wanzhong, Mr. Zhang Yongli and Mr. Chen Shuxin, the Supervisor, respectively; and
5. Assuming a total of 600,000,000 New H Shares to be issued upon exercise of the Specific Mandate.

PROPOSED USE OF PROCEEDS

The proposed grant of the Specific Mandate and the proposed New Issue pursuant to the Specific Mandate, if granted, will enlarge the shareholder and capital bases of the Company and strengthen its financial position. The Company intends to use the net proceeds from the proposed New Issue, if completed, as follows:

- approximately 70% of the net proceeds will be applied to explore acquisition opportunities and development of new businesses. As at the date of this announcement no specific opportunities nor new businesses have been identified; and
- approximately 30% of the net proceeds will be used to repay existing indebtedness and replenish working capital of the Group.

APPLICATION FOR LISTING

The Company will apply to the GEM Listing Committee for the listing of and permission to deal in all of the New H Shares to be issued and placed pursuant to the proposed New Issue.

FUND RAISING IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities involving the issue of equity securities within the 12 months immediately prior to the date of this announcement.

PROPOSED CONSEQUENTIAL AMENDMENTS TO THE ARTICLES

The existing registered capital of the Company is set out in articles 17, 18 and 21 of the Articles. Upon the proposed New Issue, the number of H Shares in issue, the registered capital and the capital structure of the Company will change. Under the Company Law of the PRC and the Articles, to increase the registered capital and to make any material changes to the Articles are subject to the approval of the Shareholders. The Directors intend to seek the grant of an authority by the Shareholders at the SGM and the Class Meetings to make necessary consequential amendments to the Articles to the registered capital and capital structure of the Company subsequent to completion of the proposed New Issue.

The proposed consequential amendments to the Articles are subject to the approval of the Shareholders by passing the relevant special resolutions to be proposed at the SGM and the Class Meetings.

GENERAL

A circular containing further information on the proposed Specific Mandate the proposed consequential amendments to the Articles together with notices of the SGM and the Class Meetings, will be despatched to the Shareholders as soon as possible.

Investors should be aware that the Specific Mandate may or may not be granted by the Shareholders at the SGM and the Class Meetings and the proposed New Issue may or may not proceed. The New Issue is subject to certain conditions, details of which are set out in the section headed “Conditions to the Proposed New Issue” of this announcement. There is uncertainty as to whether the conditions to the proposed New Issue will be fulfilled or whether the proposed New Issue will proceed. Investors should exercise caution when dealing in the H Shares.

DEFINITIONS

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

“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Class Meetings”	the respective class meetings of the holders of H Shares and the holders of Promoters Shares to be convened to consider and, if thought fit, among other matters (if any), approve the proposed Specific Mandate and the proposed New Issue
“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 such term under the GEM Listing Rules
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign invested share(s) in the ordinary share capital of the Company, with a nominal value of RMB0.1 each and subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Approval”	the grant of permission for the listing of the New H Shares and permission to deal in the New H Shares on GEM
“New H Shares”	the maximum number of 600,000,000 H Shares proposed to be issued upon exercise of the Specific Mandate, if granted
“New Issue”	subject to fulfilment of certain conditions as set out in this announcement, the proposed issue of the New H Shares by way of placing upon exercise of the Specific Mandate, if granted
“PRC”	the People’s Republic of China which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Promoters Share(s)”	ordinary promoters share(s) in the ordinary share capital of the Company, with a nominal value of RMB0.1 and subscribed for in RMB
“RMB”	renminbi, the lawful currency of the PRC
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the grant of the Specific Mandate and proposed consequential amendments to the Articles, including any adjournment in respect thereof
“Shareholder(s)”	the shareholder(s) of the Company
“Shares”	Promoters’ Shares and H Shares of the Company
“Specific Mandate”	the specific mandate proposed to be granted to the Directors by the Shareholders at the SGM and the Class Meetings to issue not more than 600,000,000 New H Shares, representing not more than approximately 123.76% and 50.64% of the total issued H Shares and the total issued Shares of the Company, respectively, as at the date of this announcement, at any time during the period to be specified in the relevant resolution(s) to be set out in the notices of the SGM and the Class Meetings

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“Supervisor(s)” the supervisor(s) of the Company

“%” per cent.

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

Beijing, the PRC
9 December 2014

As at the date of this announcement, Mr. Xu Zhendong, Mr. Xu Zhixiang and Mr. Zhang Wanzhong are executive Directors, Mr. Zhang Yongli 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”.