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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: 08095)

**DISCLOSABLE TRANSACTION
IN RELATION TO
PROVISION OF GUARANTEE TO AFFILIATED COMPANY**

In May 2011, Chuanqi Tourism, a direct non-wholly owned subsidiary of the Company, acquired 46.6% of equity interest in Songya Lake Construction; and in January 2013, in order to secure the obligations of Songya Lake Construction in respect of the facility of RMB986,000,000 provided by CDB and BOB, the Company provided a guarantee of RMB200,000,000 to the relevant banks. Due to the capital requirement of the construction projects, in January 2011, Songya Lake Construction also obtained a loan of RMB800,000,000 from CCB, which was secured by the land with a total area of 325 mu provided by the Changsha County Government. As the Changsha County Government now intends to transfer land of approximately 100 mu out of the charged land of 325 mu, it requests the discharge of the land charged and that Chuanqi Tourism shall provide a guarantee of RMB113,000,000 in substitution of the original land charged. On 29 August 2017, Chuanqi Tourism and CCB entered into the Guarantee Contract to replace the original land charged.

The amount of the guarantee provided by Chuanqi Tourism under the Guarantee Contract is RMB113,000,000, which is inclusive of the principal amount and the related interest (including compound and default interests), default fine, compensation, other payments due from Songya Lake Construction to CCB and expenses incurred in enforcing any claims.

GEM LISTING RULES IMPLICATIONS

As one or more of the size test ratios in relation to the provision of guarantee under the Guarantee Contract is more than 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company under Rule 19.08 of the GEM Listing Rules. In accordance with Rule 19.33 of the GEM Listing Rules, the transaction is subject to the reporting and announcement requirements.

In view of the relationship between Songya Lake Construction (being an affiliated company of the Company) and the Company and as the aggregate amount of financial assistance and guarantee provided by the Group to its affiliated companies exceeds 8% in the asset ratio, the provision of the guarantee under the Guarantee Contract also constitutes information discloseable under Rule 17.18 of the GEM Listing Rules.

BACKGROUND

In May 2011, Chuanqi Tourism, a direct non-wholly owned subsidiary of the Company, acquired 46.6% of equity interest in Songya Lake Construction; and in January 2013, in order to secure the obligations of Songya Lake Construction in respect of the facility of RMB986,000,000 provided by CDB and BOB, the Company provided a guarantee of RMB200,000,000 to the relevant banks. Due to the capital requirement of the construction projects, in January 2011, Songya Lake Construction also obtained a loan of RMB800,000,000 from CCB, which was secured by the land with a total area of 325 mu provided by the Changsha County Government. As the Changsha County Government now intends to transfer land of approximately 100 mu out of the charged land of 325 mu, it requests the discharge of the land charged and that Chuanqi Tourism shall provide a guarantee of RMB113,000,000 in substitution of the original land charged. On 29 August 2017, Chuanqi Tourism and CCB entered into the Guarantee Contract to replace the original land charged.

A summary of the principal terms of the Guarantee Contract and the Facility Agreement in relation to the loan from CCB of RMB800,000,000 is set out below.

GUARANTEE CONTRACT

The major terms of the Guarantee Contract are set out below:

Date : 29 August 2017

Parties

Lender : China Construction Bank Corporation; and

Guarantor : Chuanqi Tourism.

Scope and amount of the guarantee

The amount of the guarantee provided by Chuanqi Tourism is RMB113,000,000 which is inclusive of the principal amount and the related interest (including compound and default interests), default fine, compensation, other payments due from Songya Lake Construction to CCB and expenses incurred in enforcing any claims. The guarantee under the Guarantee Contract is a joint liability guarantee. If Songya Lake Construction fails to repay any amounts due under the facility covered by the Guarantee Contract in accordance with the terms of the Facility Agreement, Chuanqi Tourism shall assume guarantee liability within the scope of the Guarantee Contract.

Term of the guarantee

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

FACILITY AGREEMENT

The Facility Agreement was entered into between Songya Lake Construction (as the borrower) and CCB (as the lender) on 12 January 2011. The major terms of the Facility Agreement are set out below:

Type and term of the facility

The facility is a term loan facility with a term of 8 years commencing from the actual drawdown date as stated in the facility drawdown slip upon the first drawdown.

Amount of the facility

The aggregate amount of the facility is RMB800,000,000.

Interest rates

The interest rate under the Facility Agreement is the benchmark lending interest rate for loans of the same term published by The People's Bank of China from time to time, and is adjusted according to the benchmark lending interest rate every 12 months after the date of the initial amount being drawn down.

Repayment of the principal amount

In accordance with the schedules for repayment of the principal amount of the Facility Agreement and its respective supplementary agreements, a total sum of RMB60,000,000 of the aggregate principal amount has been settled and the remaining outstanding aggregated principal amount is RMB740,000,000.

Schedule for payment of interest

Interest on the loan under the Facility Agreement shall be settled quarterly. The date for calculation of interest is fixed on the 20th day of the last month of each quarter but the last interest payment date shall be the date on which the last principal amount is due under the Facility Agreement.

Purpose of the Facility

Pursuant of the Facility Agreement, the facility will be utilised for the Chenghu Project in Changsha County.

CHENGHU PROJECT IN CHANGSHA COUNTY

Songya Lake Construction was designated by the Changsha County Government to provide construction services for the Chenghu Project, which is an infrastructure project, and to provide development services for the Huanhu Project, which is a primary land development project. In respect of the Chenghu Project, Songya Lake Construction shall be responsible for the construction of landscape architectures surrounding 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 metres as well as funding the construction costs in connection therewith, which shall be arranged by the Changsha County Government through the income generated from the primary land development project (i.e. the Huanhu Project). Such construction costs shall be reimbursed to Songya Lake Construction and the Changsha County Government shall pay to Songya Lake Construction an annual construction service fee at an agreed percentage rate.

Songya Lake Construction has a registered capital of RMB105,150,000, which was contributed as to RMB49,000,000 by Chuanqi Tourism, representing 46.6% of the equity interests. The remaining was contributed as to RMB51,000,000 (representing 48.5% of the equity interests) by Star City Construction and as to RMB5,150,000 (representing 4.9% of the equity interests) by China Credit Trust.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE GUARANTEE

The purpose of obtaining the facility by Songya Lake Construction is to finance the Chenghu Project, while the execution of the Guarantee Contract is due to the intention of the Changsha County Government to transfer charged land of approximately 100 mu out of the charged land of 325 mu and its request for a discharge on the charged land, which has been used to secure the due and punctual performance of the obligations of Songya Lake Construction under the Facility Agreement upon request of CCB. The construction costs incurred by Songya Lake Construction in the Chenghu Project would be reimbursed to Songya Lake Construction and the Changsha County Government would pay to Songya Lake Construction an annual construction service fee at an agreed percentage rate.

Having considered that (i) the Company, through Chuanqi Tourism, indirectly owns 46.6% of the registered capital of Songya Lake Construction, (ii) the guarantee amount covered under the Guarantee Contract, i.e., RMB113,000,000 in respect of the principal amount already utilised under the Facility Agreement, represents approximately 14.1% of the total amount of the facility and such percentage is less than the percentage interest attributable to Chuanqi Tourism in the registered capital of Songya Lake Construction, i.e. approximately 46.6%, (iii) the reasons for the provision of the guarantee as mentioned above, and (iv) the terms of the Guarantee Contract were determined by the parties after arm's length negotiation, the Directors are of the view that the terms of the Guarantee Contract are on normal commercial terms and are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

INFORMATION ON THE COMPANY, THE BORROWER, THE LENDER AND THE GUARANTOR

The Company

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

The Borrower

Songya Lake Construction is a company established in the PRC with limited liability. For relevant information on the registered capital and shareholders of Songya Lake Construction, please refer to the section headed “Chenghu Project in Changsha County” above in this announcement. 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. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the remaining shareholders of Songya Lake Construction are Independent Third Parties.

The Lender

CCB is a company established in the PRC with limited liability and a state-owned licensed bank in the PRC. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, CCB and its ultimate beneficial owner are Independent Third Parties.

The Guarantor

Chuanqi Tourism is a company established in the PRC with limited liability. Chuanqi Tourism is a non-wholly owned subsidiary of the Company. The Company and Chuanqi Cultural Development Group Co., Ltd. (in which Mr. Chen Zongbing, a director of Chuanqi Tourism and his associate together indirectly beneficially hold 51.64% equity interest) hold 60% and 35% equity interests in Chuanqi Tourism, respectively, with the remaining 5% being held by another shareholder. Chuanqi Tourism is principally engaged in exploration and development of travel and leisure business. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the other shareholder of Chuanqi Tourism is an Independent Third Party.

GEM LISTING RULES IMPLICATIONS

As one or more of the size test ratios in relation to the provision of guarantee under the Guarantee Contract is more than 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company under Rule 19.08 of the GEM Listing Rules. In accordance with Rule 19.33 of the GEM Listing Rules, the transaction is subject to the reporting and announcement requirements.

DISCLOSURE UNDER RULE 17.18 OF THE GEM LISTING RULES

In addition, as at the date of this announcement, the aggregate amount of financial assistance provided by the Group to its affiliated companies, including (i) shareholder's loan to Songya Lake Construction; and (ii) guarantees provided by the Group in relation to bank facilities of Songya Lake Construction, which include the guarantee under the Guarantee Contract, is RMB346,400,000, representing approximately 11.93% of total assets of the Company, which exceeds 8% in the asset ratio as defined under Rule 19.08(1) of the GEM Listing Rules. In accordance with the requirements under Rule 17.18 of the GEM Listing Rules, details on such financial assistance and guarantee as at the date of this announcement are set out below:

Name of Affiliated Company	Aggregate Amount of Financial Assistance and Guarantee RMB'000
Songya Lake Construction	<u>346,400</u> ^(note)

Note:

The amount includes (i) a guarantee of RMB200,000,000 to CDB and BOB by the Company ; (ii) a guarantee of RMB113,000,000 to CCB by Chuanqi Tourism under the Guarantee Contract; and (iii) an interest-free and unsecured shareholder's loan of RMB33,400,000 from Chuanqi Tourism to Songya Lake Construction. The total amount of the facilities from CDB and BOB to Songya Lake Construction is RMB986,000,000, of which RMB591,000,000 has been utilised; and in respect of the total amount of the facilities from CCB to Songya Lake Construction of RMB800,000,000, a sum of RMB740,000,000 has been utilised.

DEFINITIONS

The following expressions have the following meanings in this announcement unless the content requires otherwise:

“Board”	the board of Directors
“BOB”	北京銀行股份有限公司 (Bank of Beijing Co., Ltd.#), a licensed bank in the PRC
“CCB”	China Construction Bank Corporation, a state-owned licensed bank in the PRC
“CDB”	China Development Bank Corporation, a state-owned licensed bank in the PRC
“Changsha County Government”	長沙縣人民政府 (Changsha County People’s Government#)
“China Credit Trust”	中誠信託有限責任公司 (China Credit Trust Co., Ltd.#), a company established in the PRC with limited liability
“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 which is held as to 60% of its registered capital 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 sino-foreign 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
“Director(s)”	the director(s) of the Company
“Facility Agreement”	the facility agreement entered into between Songya Lake Construction as the borrower and CCB as the lender on 12 January 2011 for the provision of a term loan facility to Songya Lake Construction in an aggregate amount of RMB800,000,000

“GEM”	the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Guarantee Contract”	the guarantee contract executed by Chuanqi Tourism and CCB on 29 August 2017 to secure the obligations of Songya Lake Construction under the Facility Agreement
“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the third party(ies) which is/are independent of the Company and its connected persons
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Songya Lake Construction”	長沙松雅湖建設投資有限公司 (Changsha Songya Lake Construction Investment Co., Ltd.#), a company established in the PRC with its registered capital owned as to 46.6% by Chuanqi Tourism, a non-wholly owned subsidiary of the Company

“Star City Construction”	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 being the holder of 48.5% of the registered capital of Songya Lake Construction
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Beijing, the PRC
29 August 2017

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

As at the date of this announcement, Mr. Zhang Wanzhong, Ms. Zheng Zhong and Mr. Ip Wing Wai are executive Directors, Mr. Ni Jinlei, Ms. Xue Li and Mr. Xiang Lei are non-executive Directors and Mr. Shao Jiulin, Mr. Li Juncai, Mr. Lin Yan and Mr. Li Chonghua 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”.