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This announcement, 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 announcement 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 announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



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)

**DISCLOSEABLE TRANSACTION
RELATING TO
PLACING OF NEW H SHARES**

Sole Placing Agent



Tai Fook Securities Company Limited

On 27th June, 2002, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company agreed to appoint the Placing Agent as the sole agent for the placing, on a best effort basis, of an aggregate of up to 140,000,000 new H Shares at an issue price to be agreed between the Company and the Placing Agent. The final issue price will be determined with reference to the market price of the H Shares at the time when the new H Shares are placed to the placees but will not be less than the Minimum Issue Price.

The maximum number of 140,000,000 new H Shares to be placed pursuant to the Placing Agreement represents approximately 53.03% and 14.52% of the existing issued H Shares and the entire issued share capital of the Company respectively.

The Minimum Issue Price was determined after arm's length negotiation between the Company and the Placing Agent and with reference to the prevailing market prices of the H Shares. The Minimum Issue Price of HK\$1.20 per H Share represents a discount of approximately 4.0% to the closing price of HK\$1.25 per H Share quoted on GEM on 27th June, 2002, being the last trading date of the H Shares immediately preceding the date of this announcement and a discount of approximately 7.8% to the average closing price of approximately HK\$1.30 per H Share for the last 10 trading days ended 27th June, 2002.

Based on the Minimum Issue Price and the maximum number of 140,000,000 new H Shares that can be placed under the Placing Agreement, the net proceeds from the Placing will amount to approximately HK\$164 million and will be fully utilised for the repayment of the Bank Loan as announced in the circular of the Company dated 31st December, 2001 in relation to the Company's investment in Semiconductor Manufacturing International Corporation.

Investors should note that the final issue price of the new H Shares will be determined with reference to the market price of the H Shares at the time when the new H Shares are placed to the placees.

Investors should also be aware that the Placing is not underwritten but on a best efforts basis. There is no assurance that the Placing will be completed. Investors should therefore exercise caution when dealing in the H Shares.

Further announcement will be made by the Company upon determination of the number and the final issue price of the Placing Shares.

A circular containing details of the Placing will be despatched to Shareholders on or before 18th July, 2002.

Reference is made to the announcements of the Company dated 5th September, 2001 and 25th September, 2001 respectively and the circular of the Company dated 31st December, 2001 relating to the Company's investment in Semiconductor Manufacturing International Corporation and the Specific Mandate for the issue of not more than 140,000,000 new H Shares.

On 24th June, 2002, the Company obtained the approval for the issue of up to 140,000,000 new H Shares by the China Securities Regulatory Commission. On 27th June, 2002, the Company entered into the Placing Agreement for the placing of the Placing Shares.

THE PLACING AGREEMENT DATED 27TH JUNE, 2002

Parties

- (i) the Company as the issuer of the Placing Shares; and
- (ii) the Placing Agent as the sole placing agent for the placing of the Placing Shares

The Placing Agent is, and the placees to be procured by the Placing Agent under the Placing will be, independent from and not connected with any of the promoters, Directors, chief executive, supervisors, substantial shareholders or management shareholders of the Company or their respective associates.

The Placing Shares

Pursuant to the Placing Agreement, the Placing Agent agreed to place, on a best efforts basis, an aggregate of up to 140,000,000 new H Shares, which represents:

- approximately 53.03% of the existing issued H Shares;
- approximately 14.52% of the existing entire issued share capital of the Company;
- approximately 34.65% of the issued H Shares of Company as enlarged by the issue of the Placing Shares (assuming the maximum number of 140,000,000 new H Shares are placed pursuant to the Placing); and
- approximately 12.68% of the entire issued share capital of the Company as enlarged by the issue of the Placing Shares.

The Placing Shares will be placed by the Placing Agent to independent placees within the Placing Period by not more than 5 tranches.

The Placing Shares will be issued pursuant to the Specific Mandate.

The Placing Shares, when fully paid, will rank pari passu in all respects with all the H Shares in issue or to be issued prior to the date of completion of the Placing.

Issue Price

The final issue price for the Placing, which is yet to be agreed between the Company and the Placing Agent, will be determined with reference to the market price of the H Shares at the time when the new H Shares are placed to the placees but will not be less than the minimum issue price of HK\$1.20 per H Share. The Company will make an announcement once the final issue price is determined.

The Minimum Issue Price of HK\$1.20 represents:

- a discount of approximately 4.0% to the closing price of HK\$1.25 per H Share quoted on GEM on 27th June, 2002, being the last trading date of the H Shares immediately preceding the date of this announcement;
- a discount of approximately 7.8% to the average closing price of approximately HK\$1.30 per H Share quoted on GEM for the last 10 trading days prior to 27th June, 2002, being the date of the Placing Agreement;
- a premium of approximately 200% to the audited consolidated net tangible asset value of approximately RMB0.42 (or approximately HK\$0.40) per H Share as at 31st December, 2001; and
- a premium of approximately 200% to the unaudited consolidated net tangible asset value of approximately RMB0.42 (or approximately HK\$0.40) per H Share as at 31st March, 2002.

The Directors consider that the Minimum Issue Price, which was negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market prices of the H Shares, is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Condition of the Placing Agreement

Completion of the Placing Agreement is condition upon, among other things, the GEM Listing Committee granting the listing of and permission to deal in all of the Placing Shares. The Company will apply to the GEM Listing Committee for the listing and permission to deal in the Placing Shares. Completion of the Placing is expected to take place on or before 30th September, 2002, being the expiry date of the Placing Period.

REASON FOR THE PLACING AND USE OF PROCEEDS

Based on the Minimum Issue Price and the maximum number of 140,000,000 new H Shares that can be placed under the Placing, the net proceeds from the Placing will amount to approximately HK\$164 million. Pursuant to the Specific Mandate, the entire net proceeds from the Placing shall only be used to reduce the Bank Loan.

As explained in the Circular, the Directors consider that by utilizing the proceeds from the Placing to reduce the Bank Loan will significantly improve the financial position of the Company. In particular, the gearing ratio and the interest burden of the Company will be substantially reduced. The Directors further consider that the Placing will substantially strengthen the capital and shareholder base of the Company.

CHANGE IN SHARE CAPITAL AND SHAREHOLDING STRUCTURE

The share capital and shareholding structure of the Company immediately before and after completion of the Placing (assuming an aggregate of 140,000,000 new H Shares are placed pursuant to the Placing) are as follows:

Class of Shares	Note	Immediately before the Placing		Immediately after the Placing	
		Number of shares	%	Number of shares	%
<i>Promoter shares</i>					
Peking University	1	221,345,350	22.96	221,345,350	20.05
Dynamic Win Assets Limited	2	220,000,000	22.82	220,000,000	19.93
Other promoters		258,654,650	26.83	258,654,650	23.43
		700,000,000	72.61	700,000,000	63.41
H Shares		264,000,000	27.39	404,000,000	36.59
		<u>964,000,000</u>	<u>100.00</u>	<u>1,104,000,000</u>	<u>100.00</u>

Notes:

1. Peking University, through Jade Bird Software, Jade Bird, Yu Huan and Beijing Tianqiao, has effective interests in the Company comprising:
 - (a) 85,000,000 shares held by Beijing Beida Yu Huan Microelectronics System Engineering Company ("Yu Huan"), which is beneficially wholly-owned by Peking University;
 - (b) 110,000,000 shares held by Beijing Beida Jade Bird Software System Co. ("Jade Bird Software"), which is beneficially wholly-owned by Peking University;

- (c) 18,400,000 shares held through Beijing Beida Jade Bird Limited (“Jade Bird”) , which is approximately 46% owned by Peking University; and
 - (d) 7,945,350 shares held through Beijing Tianqiao Beida Jade Bird Sci-Tech Company Limited (“Beijing Tianqiao”), which is approximately 10.60% owned by Peking University.
2. Dynamic Win Assets Limited is owned as to approximately 6.63% and 93.37% by Gameraian Limited and Heng Huat Investments Limited (“Heng Huat”) respectively. Gameraian Limited is a wholly owned subsidiary of New World CyberBase Limited, the shares of which are listed on the Main Board of the Stock Exchange. The entire issued share capital of Heng Huat is held by three executive Directors as trustees for the benefits of the qualified employees of the Company, Jade Bird Software, Jade Bird, Yu Huan and Beijing Tianqiao and their respective subsidiaries and associated companies.

Investors should note that the final issue price of the new H Shares will be determined with reference to the market price of the H Shares at the time when the new H Shares are placed to the places.

Investors should also be aware that the Placing is not underwritten but on a best efforts basis. There is no assurance that the Placing will be completed. Investors should therefore exercise caution when dealing in the H Shares.

Further announcement will be made by the Company upon determination of the number and the final issue price of the Placing Shares.

A circular containing details of the Placing will be despatched to the Shareholders on or before 18th July, 2002.

APPLICATION FOR LISTING

The Company will apply to the GEM Listing Committee for the listing of and permission to deal in the Placing Shares.

DEFINITIONS

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

“associate”	has the meaning ascribed to it under the GEM Listing Rules
“Bank Loan”	the short-term bank loan of RMB390 million utilised by the Company to partially finance the payment of the consideration for the Company’s investment in Semiconductor Manufacturing International Corporation, the details of which are set out in the circular of the Company dated 31st December, 2001
“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 and a leading software developers and integrated circuit designer in the PRC
“Directors”	the directors of the Company

“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“H Shares”	overseas-listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB0.10 each, which are listed on GEM, and subscribed for and traded in Hong Kong dollars
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Minimum Issue Price”	the minimum issue price of HK\$1.20 per Placing Share
“Placing”	the placing of the Placing Shares on a best efforts basis pursuant to the Placing Agreement
“Placing Agent”	Tai Fook Securities Company Limited, a dealer registered under the Securities Ordinance (Chapter 333 of the laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 27th June, 2002 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Period”	the period commencing from the date of the Placing Agreement and expiring on 30th September, 2002
“Placing Shares”	up to 140,000,000 new H Shares to be issued by the Company pursuant to the Placing
“Shareholders”	holders of the H Shares and the promoter shares issued by the Company, with a nominal value of RMB0.10 per share
“Specific Mandate”	the specific mandate granted to the Directors pursuant to the special resolution of the Shareholders passed in the Shareholders’ meeting and class meetings of the holders of H Shares and promoter shares of the Company held on 20th February, 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

For the purpose of this announcement, unless otherwise indicated, conversion of Renminbi into HK dollars is calculated at the approximate exchange rate of HK\$0.94 to RMB1.00. The use of such rate of exchange is not a representation that the Renminbi or HK dollars can be exchanged at this rate or at any other rates at all.

By order of the Board
Xu Zhen Dong
Chairman

Beijing, the PRC, 27th June, 2002.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for 7 days from the date of its posting.