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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)**

**DISCLOSEABLE AND CONNECTED TRANSACTION  
REGARDING  
DEEMED DISPOSAL OF A SUBSIDIARY**

Hebei Fire Alarm, Mr. Cai and New Independent Investors entered into an Agreement on 29 November 2010 pursuant to which Mr. Cai and New Independent Investors agreed to inject cash capital of RMB3 million and RMB6.6 million respectively into Hebei Fire Alarm. After Capital Injection, New Independent Investors will hold all together 14.97% equity interests in Hebei Fire Alarm. Mr. Cai's equity interests in Hebei Fire Alarm will increase from 8.70% to 13.61% while the Company's equity interests in Hebei Fire Alarm will decrease from 65.22% to 51.02%. Hebei Fire Alarm will remain a subsidiary of the Company subsequent to the Deemed Disposal.

Capital Injection reduces the equity interests of the Company in Hebei Fire Alarm. This reduction of percentage equity interests represents a deemed disposal of the Company. As size test ratios exceed 5% but are below 25%, Deemed Disposal constitutes a discloseable transaction of the Company pursuant to Rule 19.08 of the GEM Listing Rules. Since Mr. Cai is a director of Hebei Fire Alarm, capital injection by Mr. Cai constitutes a connected transaction of the Company pursuant to Rule 20.13 of the GEM Listing Rules. The Deemed Disposal and capital injection by Mr. Cai are subject to the notification, announcement and reporting requirements but exempted from independent shareholders' approval requirements pursuant to Rule 19.33, 20.32, 20.45 and 20.47 of the GEM Listing Rules.

## INTRODUCTION

Hebei Fire Alarm, Mr. Cai and New Independent Investors entered into an Agreement pursuant to which Mr. Cai and New Independent Investors agreed to inject cash capital of RMB3 million and RMB6.6 million respectively into Hebei Fire Alarm. After Capital Injection, New Independent Investors will hold 14.97% equity interests in Hebei Fire Alarm. Mr. Cai's equity interests in Hebei Fire Alarm will increase from 8.70% to 13.61% while the Company's equity interests in Hebei Fire Alarm will decrease from 65.22% to 51.02%.

## CAPITAL INJECTION AGREEMENT

### Date of the Agreement

29 November 2010

### Parties to the Agreement

Party A: 河北北大青鳥環宇消防設備有限公司(Hebei Beida Jade Bird Universal Fire Alarm Device Co., Ltd.)

Party B: 蔡為民先生(Mr. Cai Wei Min)

Parties C: New Independent Investors

### Details of capital injection

Pursuant to the Agreement, Mr. Cai will inject RMB3 million into Hebei Fire Alarm while New Independent Investors will inject RMB6.6 million. After Capital Injection, total registered capital of Hebei Fire Alarm will increase from RMB11.5 million to RMB14.7 million. The following table summarises the shareholding structure of Hebei Fire Alarm before and after Capital Injection:

	<b>Before Capital Injection</b> <i>% of equity interests</i>	<b>After Capital Injection</b> <i>% of equity interests</i>
The Company	65.22	51.02
Mr. Cai	8.70	13.61
New Independent Investors	—	14.97
Other investors	26.08	20.40
	<hr/>	<hr/>
Total	100.00	100.00

The capital injection amount is determined based on the ability of each investor and the need of Hebei Fire Alarm. Mr. Cai and New Independent Investors are required to pay up the capital within 10 days after signing the Agreement.

Capital Injection is subject to the approval by the board of directors and shareholders of Hebei Fire Alarm as well as the board of directors of the Company.

The Directors believe that Capital Injection can strengthen the capital base of Hebei Fire Alarm and provide fund to meet its growth. Hebei Fire Alarm intends to use the capital raised as working capital. The Directors (including independent non-executive Directors) believe that the terms of the Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

## **INFORMATION OF THE COMPANY, HEBEI FIRE ALARM, MR. CAI AND NEW INDEPENDENT INVESTORS**

### **The Company and Hebei Fire Alarm**

The Company is engaged in the marketing and sale of embedded system products, including network security products and related products. Hebei Fire Alarm is a non wholly-owned subsidiary of the Company and is engaged in technology research, development, manufacture and sale of fire alarm system products.

The following table details certain financial information of Hebei Fire Alarm:

	<b>As at 30 June 2010</b> (unaudited) <i>RMB million</i>	<b>As at 31 December 2009</b> (audited) <i>RMB million</i>
Total assets	125.7	115.5
Net assets	<u>60.8</u>	<u>49.0</u>
	<b>For the year ended 31 December 2009</b> (audited) <i>RMB million</i>	<b>2008</b> (audited) <i>RMB million</i>
Net profit before tax	30.1	6.4
Net profit after tax	<u>26.3</u>	<u>4.0</u>

Unaudited total asset value of Hebei Fire Alarm as at 30 June 2010 is also the value of total assets being the subject of the Deemed Disposal.

### **Mr. Cai**

Mr. Cai is a director and the general manager of Hebei Fire Alarm. He is also a vice president of the Company.

### **New Independent Investors**

New Independent Investors represent certain natural person investors. The Company confirms that, to the best of the Directors' (including the independent non-executive Directors') knowledge, information and belief having made all reasonable enquiry, New Independent Investors are third parties independent of the Company and connected persons of the Company.

## **IMPLICATION UNDER THE GEM LISTING RULES**

Capital Injection reduces the equity interests of the Company in Hebei Fire Alarm. This reduction of percentage equity interests represents a deemed disposal of the Company. Deemed Disposal is expected to have no effect on the profit and loss of the Group. Hebei Fire Alarm will remain a subsidiary of the Company subsequent to the Deemed Disposal.

As size test ratios exceed 5% but are below 25%, Deemed Disposal constitutes a discloseable transaction of the Company pursuant to Rule 19.08 of the GEM Listing Rules. Since Mr. Cai is a director of Hebei Fire Alarm, capital injection by Mr. Cai constitutes a connected transaction of the Company pursuant to Rule 20.13 of the GEM Listing Rules. Deemed Disposal and the capital injection by Mr. Cai are subject to the notification, announcement and reporting requirements but exempted from independent shareholders' approval requirements pursuant to Rule 19.33, 20.32, 20.45 and 20.47 of the GEM Listing Rules.

No Directors have a material interest in the Capital Injection.

## **DEFINITIONS**

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

“Agreement”	capital injection agreement entered into between Mr. Cai, New Independent Investors and Hebei Fire Alarm pursuant to which Mr. Cai and New Independent Investors agreed to inject aggregate cash of RMB9.6 million into Hebei Fire Alarm
“Board”	the board of Directors
“Capital Injection”	the act of RMB3 million cash capital injection into Hebei Fire Alarm by Mr. Cai and RMB6.6 million cash capital injection into Hebei Fire Alarm by New Independent Investors
“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 persons”	has the meaning ascribed in the GEM Listing Rules
“Deemed Disposal”	deemed disposal of the Company's 14.20% equity interests in Hebei Fire Alarm triggered by Capital Injection
“Director(s)”	directors of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange

“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Group”	Company and its subsidiaries
“Hebei Fire Alarm”	河北北大青鳥環宇消防設備有限公司(Hebei Beida Jade Bird Universal Fire Alarm Device Co., Ltd.), a non wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Mr. Cai”	蔡為民先生(Mr. Cai Wei Min), a director and the general manager of Hebei Fire Alarm. Mr. Cai is also a vice president of the Company
“New Independent Investors”	Several natural persons independent of the Company and its connected persons who will inject an aggregate amount of RMB6.6 million cash into Hebei Fire Alarm pursuant to the Agreement in exchange for 14.97% equity interests in it
“PRC”	People’s Republic of China. For the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan are excluded
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“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**  
**Chu Yu Guo**  
*Chairman*

Beijing, the PRC,  
29 November 2010

*As at the date of this announcement, Mr. Zhang Wan Zhong, Ms. Xue Li and Mr. Zhang Yong Li are executive Directors, Mr. Chu Yu Guo, Mr. Xu Zhi Xiang, Mr. Liu Yong Jin and Ms. Feng Ping are non-executive Directors and Professor Nan Xiang Hao, Mr. Cai Chuan Bing and Mr. Lin Yan are independent non-executive Directors.*

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