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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)**

## **TERMINATION OF DISCLOSEABLE TRANSACTION**

On 23 January 2008, Hebei Fire Alarm and Halma entered into a joint venture agreement pursuant to which both parties agreed to establish Apollo Universal for a term of 25 years. The JV Agreement was terminated with effect from 4 March 2011 after arbitration.

### **INTRODUCTION**

Reference is made to the circular of the Company dated 19 February 2008 regarding investment in Apollo Universal. The Company would like to inform that the JV Agreement was terminated with effect from 4 March 2011 after arbitration.

### **INFORMATION ABOUT THE INVESTMENT**

On 23 January 2008, Hebei Fire Alarm and Halma entered into a joint venture agreement pursuant to which both parties agreed to establish Apollo Universal for a term of 25 years for the purpose of research, development, manufacture, marketing and sale of fire detection, safety and surveillance products. Apollo Universal has a registered capital of RMB50 million in which Hebei Fire Alarm is originally required to inject RMB35 million by means of factory premise, land use right and certain plant and machinery. Apollo Universal was duly incorporated in June 2008.

## **ARBITRATION**

Hebei Fire Alarm originally planned to subcontract the manufacture of certain products to Apollo Universal. There was disagreement between both parties on the transfer price to be used, leading to a postponement in Apollo Universal's application for entering into the 消防產品生產企業名單 (list of firefighting product manufacturer) of 中華人民共和國公安部消防產品合格評定中心 (China Certification Centre for Fire Products of The Ministry of Public Security of the PRC) (the "List"), which is one of the conditions precedents to injection of registered capital into the joint venture company as stated in the JV Agreement. In September 2008, Halma delivered a written letter to Hebei Fire Alarm claiming that the JV Agreement had been automatically terminated owing to the failure of inclusion of Apollo Universal into the List within the time frame stated in the JV Agreement. Hebei Fire Alarm disagreed with the argument. After a year of negotiation without consensus, Hebei Fire Alarm requested an arbitration from China International Economic and Trade Arbitration Commission in August 2009.

China International Economic and Trade Arbitration Commission concluded arbitration award on 4 March 2010 and judged that the JV Agreement terminated with effect from date of the award. In addition, each of Hebei Fire Alarm and Halma is required to bear certain direct costs incurred by the counter party. Arbitration fees are to be shared by both parties.

Loss incurred by Hebei Fire Alarm under this investment, which mainly represents pre-operating expense, solicitor fee and arbitration fee, net of compensation receivable from Halma, is approximately RMB1 million. All assets scheduled to be injected into Apollo Universal remain in Hebei Fire Alarm without change.

## **DEFINITIONS**

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

“Apollo Universal”	Apollo Universal Fire Detection Products Ltd., a sino-foreign joint venture limited company established under the PRC and is the subject of the investment
“Arbitration Commission”	China International Economic and Trade Arbitration Commission
“Board”	the board of Directors
“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)

“Director(s)”	directors of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“Halma”	Halma International Limited
“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
“JV Agreement”	the joint venture agreement dated 23 January 2008 entered into between Hebei Fire Alarm and Halma in connection with the establishment of Apollo Universal
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Beijing, the PRC,  
25 March 2011

*As at the date of this announcement, Mr. Zhang Wanzhong, Ms. Xue Li and Mr. Zhang Yongli are executive Directors, Mr. Chu Yuguo, Mr. Xu Zhixiang, Mr. Liu Yongjin and Ms. Feng Ping are non-executive Directors and Professor Nan Xianghao, Mr. Cai Chuanbing and Mr. Lin Yan are independent non-executive Directors.*

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