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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)

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF JADE BIRD
FIRE ALARM ON THE SHENZHEN STOCK EXCHANGE
AND
POSSIBLE VERY SUBSTANTIAL DISPOSAL**

THE PROPOSED SPIN-OFF

Reference is made to the announcement of the Company dated 17 December 2012 on the Proposed Spin-off by way of a separate listing of the Fire Alarm Business under Jade Bird Fire Alarm, a subsidiary of the Company, on the SME Board of the Shenzhen Stock Exchange. The Company currently has a 51.02% equity interest in Jade Bird Fire Alarm and immediately upon the completion of the Proposed A Share Listing, Jade Bird Fire Alarm will cease to be a non-wholly owned subsidiary of the Company. The Company has obtained the confirmation of the Hong Kong Stock Exchange that the Company may proceed with the Proposed Spin-off.

The Proposed A Share Listing is subject to, among other things, approval by the relevant PRC regulators.

The Proposed Spin-off will constitute a very substantial disposal for the Company under Rule 19.06(4) of the GEM Listing Rules, and is subject to approval by the Shareholders of the Company at the SGM. As far as the Directors are aware, none of the Shareholders has a material interest in the Proposed Spin-off which is different from those of other Shareholders. As such, no Shareholder is required to abstain from voting in respect of the proposed resolution to approve the Proposed Spin-off at the SGM.

By reason of the legal restriction in offering PRC listed shares to foreign investors, including the proposed offering of the A shares of Jade Bird Fire Alarm to the Shareholders holding H Shares of the Company, the Board will propose a resolution for approval at the SGM by the minority Shareholders of a waiver of the assured entitlement under the Proposed Spin-off.

A circular including among other things, (1) information on the Proposed Spin-off and the proposal to waive the assured entitlement; (2) the financial information of Jade Bird Fire Alarm; (3) the unaudited financial information of the Remaining Group; (4) the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser regarding the Proposed Spin-off; and (5) a notice of the SGM, will be despatched to the Shareholders on or before 27 February 2013.

Shareholders and potential investors should note that the Proposed Spin-off and the Proposed A Share Listing are subject to, among other things, approvals by the Shareholders and the relevant PRC regulators, including the Shenzhen Stock Exchange. There is no assurance that the Proposed Spin-off will proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing with the H Shares of the Company.

INTRODUCTION

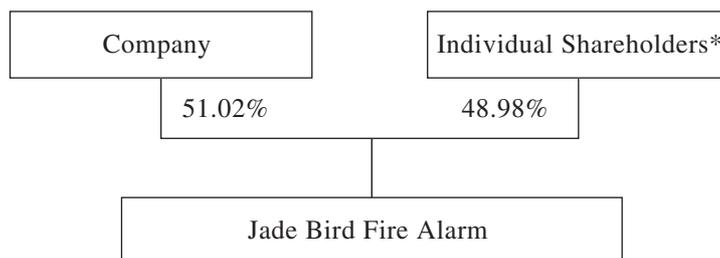
Reference is made to the announcement of the Company dated 17 December 2012 on the Proposed Spin-off by way of a separate listing of the Fire Alarm Business under Jade Bird Fire Alarm, a subsidiary of the Company, on the SME Board of the Shenzhen Stock Exchange. Jade Bird Fire Alarm is a 51.02% non-wholly owned subsidiary of the Company.

THE PROPOSED SPIN-OFF AND THE PROPOSED A SHARE LISTING

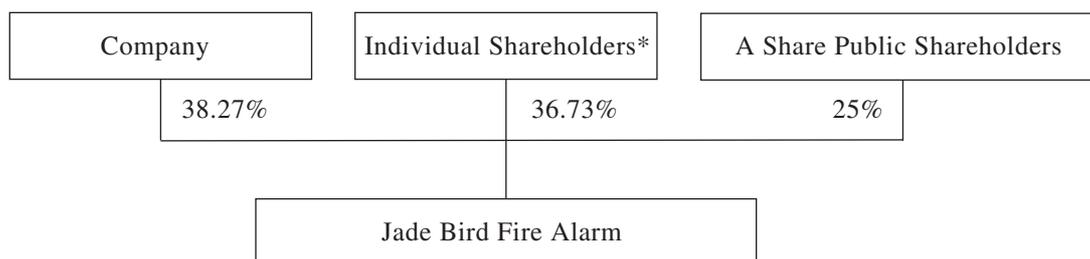
Subject to approvals by the Shareholders and the relevant PRC regulators, it is currently proposed that Jade Bird Fire Alarm will issue A shares by way of initial public offering in the PRC. The equity interest in Jade Bird Fire Alarm is currently held as to 51.02% by the Company and as to the remaining 48.98% by certain individuals who are the existing and former senior management and staff of Jade Bird Fire Alarm and other individual shareholders. Assuming that the A shares to be issued amount to 25% of the issued share capital of Jade Bird Fire Alarm, it is expected that immediately upon completion of the Proposed Spin-off and the Proposed A Share Listing, the interest of the Company in Jade Bird Fire Alarm will be diluted to approximately 38.27% and Jade Bird Fire Alarm will cease to be a non-wholly owned subsidiary of the Company. Subject to market conditions at the time of the Proposed A Share Listing, the offer price per A share of Jade Bird Fire Alarm will be determined in accordance with the relevant PRC laws and regulations relating to A share listing, which will be determined by a book-building process with reference to the prices quoted by target subscribers or by other methods to be determined between the issuer and the lead underwriter. In accordance with the requirements of the relevant PRC laws and regulations, there will not be a floor price for the Proposed A Share Listing.

In preparation for the Proposed A Share Listing, Jade Bird Fire Alarm has been converted from a limited liability company into a joint stock limited company on 26 December 2012 in the PRC. No formal application for the Proposed A Share Listing has been filed yet, and in accordance with the procedures for applying for A shares listing, the Company has filed the counselling materials for listing with the local CSRC bureau and has commenced the counselling period. Considering the long list of applicants for listing in the PRC and the regulatory approvals required to be obtained and assuming the PRC authorities resume public offering and listing on the domestic exchanges, the Directors expect that the Proposed A Share Listing may take place in late 2013 or early 2014.

Shareholding structure before the Proposed A Share Listing:



Shareholding structure after the Proposed A Share Listing:



* including existing and former senior management and staff of Jade Bird Fire Alarm and other individual shareholders

The amount of proceeds which could be raised by the Proposed A Share Listing will depend on the conditions of the PRC domestic market at the time of the initial public offering pursuant to the Proposed A Share Listing. It is expected that the proceeds raised from the Proposed A Share Listing will be used mainly for: (a) the construction of new production facilities to expand the existing production capacities of Jade Bird Fire Alarm; and (b) the research and development of fire alarm systems and products for overseas markets. The increase in production capacities will increase the market share of Jade Bird Fire Alarm in the domestic fire alarm products markets, whereas the development of the overseas market is expected to bring new sources of profits to Jade Bird Fire Alarm.

CONDITIONS

The Proposed Spin-off will be conditional upon, among other things, the following:

- approval by the Shareholders of the Proposed Spin-off;
- waiver by the minority Shareholders of the assured entitlement on the A shares to be issued by Jade Bird Fire Alarm;
- approval for listing by the SME Board of the Shenzhen Stock Exchange; and
- any other PRC regulatory approvals for the listing of and permission to deal in the A shares to be issued by Jade Bird Fire Alarm.

If any of the above conditions is not fulfilled, the Proposed Spin-off will not proceed and the Hong Kong Stock Exchange will be notified immediately and an announcement will be published by the Company as soon as practicable.

INFORMATION ON THE GROUP

The Group is principally engaged in the research, development, manufacture, marketing and sale of wireless electronic fire alarm systems and related products, development of travel and leisure and investment holding.

INFORMATION ON JADE BIRD FIRE ALARM

Jade Bird Fire Alarm is engaged in the research, development, manufacture, marketing and sale of wireless fire alarms and interactive control systems and the provision of related after-sales services. Its production factory, with a site area of approximately 86,000 sq.m., is located in Zhuolu, Hebei province, which is within an hour's drive from Beijing. It has its own research and development team and its headquarters are in Beijing. Jade Bird Fire Alarm has over 40 distributors covering various cities in the PRC, including Tianjin, Xian, Guangzhou, Qingdao, Taiyuan, Chongqing, Wuhan and Urumqi.

The unaudited net assets of Jade Bird Fire Alarm were approximately RMB105.9 million as at 31 December 2011. The unaudited consolidated net profits before and after taxation and extraordinary items of Jade Bird Fire Alarm were approximately RMB53.6 million and RMB46.9 million respectively for the year ended 31 December 2011 while the unaudited net profits before and after taxation and extraordinary items of Jade Bird Fire Alarm were approximately RMB42.0 million and RMB37.0 million respectively for the year ended 31 December 2010.

INFORMATION ON THE REMAINING GROUP

After completion of the Proposed Spin-off, the Remaining Group will continue to engage in tourism development, investment holding and other businesses.

Tourism development business

The Remaining Group will continue with the operation of the environmental tourist bus service business in Hengshan Mountain, Henyang, Hunan province. Hengshan Mountain is one of the five sacred mountains in China and is famous for its natural scenery and strong Buddhism and Taoist cultures. The Remaining Group is also engaged in property management of certain properties in the Hengshan Mountain scenic area.

Investment holding business

The Remaining Group is also engaged in fund, debt and equity investments. It has invested in two funds, namely, SBI &BDJB China Fund, L.P. and Beijing Beida Jade Bird Hengsheng Investment Fund (Limited Partnership), which have invested and will invest in non-public companies in the PRC. The Remaining Group has also invested in certain convertible bonds issued by a company listed on the Hong Kong Stock Exchange and in the equity interests in several companies.

Other businesses

The Remaining Group is engaged in provision of network security services and production and sales of wine and related products.

Upon completion of the Proposed Spin-off, the Company will continue with the businesses of the Remaining Group. Currently, the Directors do not have any specific plan for expansion or development of the business of the Remaining Group, but will formulate more specific plans when opportunities arise.

FINANCIAL EFFECTS OF THE PROPOSED SPIN-OFF ON THE GROUP

Upon the completion of the Proposed Spin-off and the Proposed A Share Listing, the interest of the Company in Jade Bird Fire Alarm will be diluted from 51.02% to approximately 38.27% and Jade Bird Fire Alarm will cease to be a non-wholly owned subsidiary of the Company. As a result, Jade Bird Fire Alarm will no longer be consolidated into the consolidated financial statements of the Remaining Group and the consolidated net assets and the results of Jade Bird Fire Alarm will be accounted for in the Group's consolidated financial statements under the equity method. It is expected that the consolidated net assets of the Remaining Group will be increased as a result of the issue of A shares by Jade Bird Fire Alarm at a price above their attributable underlying consolidated net asset value. The actual gain to be recognised by the Remaining Group will be determined based on the issue price of the A shares of Jade Bird Fire Alarm and the consolidated net asset value of Jade Bird Fire Alarm as of the completion of the Proposed Spin-off and the Proposed A Share Listing.

REASONS FOR AND BENEFITS OF THE PROPOSED SPIN-OFF

Jade Bird Fire Alarm specializes in the research, development, manufacture, marketing and sale of wireless fire alarms and interactive control systems as well as the provision of related after-sales services. The Proposed A Share Listing will have clear commercial benefits to both the Company and Jade Bird Fire Alarm and is in the interest of the Company and its Shareholders as a whole for the following reasons:

- **Enhanced domestic market profile and growth potential:** There is a great potential for electronic fire alarm system in the PRC domestic market, both in terms of the market size and potential for further growth. The Proposed A Share Listing will increase the profile and reputation of Jade Bird Fire Alarm in the domestic market, and would therefore enhance Jade Bird Fire Alarm's ability and chances to capture such potential market growth, which means a potential increase in the market share and sales of Jade Bird Fire Alarm. In addition, the increased profile and reputation due to the Proposed A Share Listing will also create more opportunities for Jade Bird Fire Alarm to participate in medium to large sized fire alarm projects in the domestic and international markets;
- **A focused and efficient business:** The Proposed A Share Listing will allow Jade Bird Fire Alarm to create a more defined business focus and efficient resource allocation, which in turn will help Jade Bird Fire Alarm develop into a first class professional fire alarm device company with its own integrated research and development, manufacture, sales and services;
- **Value accretive to the Company and its shareholders:** The separate listing of the Fire Alarm Business will unlock value for the Company's Shareholders and better identify and establish the fair value of the Fire Alarm Business. It is anticipated that this value will represent an enhancement to its existing value within the confines of the Company's listing, which will, in turn, increase the value of the shares in the Company to the benefit of all of the Company's Shareholders. In addition, A share listed companies on average trades at a higher valuation multiple, therefore the Proposed A Share Listing will likely to be value accretive to the Company and the Shareholders;
- **Greater flexibility to Jade Bird Fire Alarm's business operation:** The Proposed A Share Listing will deliver greater shareholder value to the Company and the Shareholders because (a) Jade Bird Fire Alarm will enjoy enhanced flexibility to grow its business and to further build on its reputation and be in a better position to negotiate and solicit more business; and (b) Jade Bird Fire Alarm will enjoy an increased ability to pursue its own business;

- **Broadening financing channels:** The Proposed A Share Listing will enable Jade Bird Fire Alarm to have direct access to the domestic capital market, thus widening the financing channels available and increasing the financing ability of Jade Bird Fire Alarm;
- **Greater business clarity:** The Proposed A Share Listing will provide investors, rating agencies and the market in general with greater clarity on the business and financial status of the Fire Alarm Business; and
- **Create own investor base for fire alarm business:** The Proposed A Share Listing will enable Jade Bird Fire Alarm to attract its own strategic and corporate investors, therefore creating its own investor base and market following.

ASSURED ENTITLEMENT

In accordance with the requirements of the GEM Listing Rules, the Board is required to give due regard to the interests of the existing Shareholders of the Company by providing the Shareholders with an assured entitlement to the A shares of Jade Bird Fire Alarm, if the Proposed A Share Listing proceeds. After due and careful consideration of the Proposed Spin-off and having taken into account the advice from the Company's PRC legal counsel, the Board has resolved not to provide assured entitlement to the Shareholders under the Proposed Spin-off for the following reasons:

- the A shares to be issued by Jade Bird Fire Alarm, if the Proposed Spin-off proceeds, will be offered by way of initial public offering in the PRC domestic market only and the A shares will only be listed and traded on the Shenzhen Stock Exchange and no other stock exchange for the time being; and
- as such, under the current PRC laws and regulations, foreign investors (other than qualified foreign institutional investors and some other exceptions) including Shareholders holding H Shares of the Company are restricted from subscribing for or trading in A shares listed on any of the PRC domestic stock exchanges.

By reason of the legal restriction in offering PRC listed shares to foreign investors, including the proposed offering of the A shares of Jade Bird Fire Alarm to the Shareholders holding H Shares of the Company, the Board will propose a resolution for approval by the minority Shareholders at the SGM of a waiver of the assured entitlement under the Proposed Spin-off.

LISTING RULES IMPLICATIONS

The Proposed Spin-off will constitute a very substantial disposal for the Company under Rule 19.06(4) of the GEM Listing Rules, and is subject to the approval by the Shareholders of the Company at the SGM. As far as the Directors are aware, none of the Shareholders has a material interest in the Proposed Spin-off which is different from those of other Shareholders. As such, no Shareholder is required to abstain from voting in respect of the proposed resolution to approve the Proposed Spin-off at the SGM.

The Independent Board Committee comprising all of the four independent non-executive Directors has been established to advise the Shareholders regarding the Proposed Spin-off. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Shareholders in the same regard.

A circular including among other things, (1) information on the Proposed Spin-off and the proposal to waive the assured entitlement; (2) the financial information of Jade Bird Fire Alarm; (3) the unaudited financial information of the Remaining Group; (4) the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser regarding the Proposed Spin-off; and (5) a notice of the SGM, will be despatched to the Shareholders on or before 27 February 2013.

The Company has recently obtained the confirmation by the Hong Kong Stock Exchange that the Company may proceed with the Proposed Spin-off.

Shareholders and potential investors should note that the Proposed Spin-off and the Proposed A Share Listing are subject to, among other things, approvals by the Shareholders and the relevant PRC regulators, including the Shenzhen Stock Exchange. There is no assurance that the Proposed Spin-off will proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing with the H Shares of the Company.

DEFINITIONS

“A shares”	the listed shares of an issuer, which are listed on a stock exchange on the PRC and in the case of Jade Bird Fire Alarm, refers to the shares to be issued by Jade Bird Fire Alarm, which are to be listed on the SME Board of the Shenzhen Stock Exchange
“Board”	the board of Directors
“Company”	Beijing Beida Jade Bird Universal Sci-Tech Limited, a joint stock limited company established in the PRC with limited liability, the H Shares of which are listed on GEM of the Hong Kong Stock Exchange
“CSRC”	the China Securities Regulatory Commission
“Directors”	the directors of the Company

“Fire Alarm Business”	the electronic fire alarm and interactive control system business owned and operated by Jade Bird Fire Alarm
“GEM”	The Growth Enterprise Market operated by the Hong Kong Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“H Shares”	the overseas listed foreign invested shares in the capital of the Company with a nominal value of RMB1.0 each, which are listed on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee of the Company comprising all independent non-executive Directors, namely Mr. Cai Chuanbing, Mr. Li Juncai, Mr. Shao Jiulin and Mr. Lin Yan, established to advise the Shareholders in respect of the terms of the Proposed Spin-off
“Independent Financial Adviser”	Quam Capital Limited, a corporation licensed under the SFO to conduct Type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Shareholders in relation to the Proposed Spin-off
“Jade Bird Fire Alarm”	北大青鳥環宇消防設備股份有限公司 (Beida Jade Bird Universal Fire Alarm Device Company Limited [#]) (previously know as 河北北大青鳥環宇消防設備有限公司 (Hebei Beida Jade Bird Universal Fire Alarm Device Company Limited [#])), a joint stock limited company converted from a limited liability company on 26 December 2012 in the PRC and a 51.02% non-wholly owned subsidiary of the Company before the Proposed A Share Listing

“PRC”	the People’s Republic of China, for the purpose of his announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed A Share Listing”	the proposed listing of the securities of Jade Bird Fire Alarm on the SME Board of the Shenzhen Stock Exchange
“Proposed Spin-off”	the proposed spin-off of the Fire Alarm Business of Jade Bird Fire Alarm for listing on the SME Board of the Shenzhen Stock Exchange
“Remaining Group”	the Group, excluding Jade Bird Fire Alarm
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened to approve the Proposed Spin-off and the proposal to waive the assured entitlements under the Proposed Spin-off
“Shareholders”	the shareholders of the Company, including the holders of H Shares and holders of the domestic shares of the Company
“Shenzhen Stock Exchange”	The Shenzhen Stock Exchange
“SME Board”	The Small and Medium Enterprises Board operated by the Shenzhen Stock Exchange
“%”	percent

English name is for reference only

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

Beijing, the PRC
1 February 2013

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