

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**CONNECTED TRANSACTION:
ACQUISITION OF PROPERTY UNDER CONSTRUCTION**

THE ACQUISITION

The Board announced that on 6 September 2019, after trading hours, Chuanqi Tourism, a direct non-wholly owned subsidiary of the Company, and the Vendor entered into the SP Agreement pursuant to which the Vendor has agreed to sell, and Chuanqi Tourism has agreed to acquire, the Property at the consideration of RMB39,655,700 (equivalent to approximately HK\$43,510,000).

The Property constitutes the entire block of building under construction, situated at Tianzishan Nanyue Legend Town, east of the intersection of Guangji North Road and Wenti Road, Nanyue District, Hengyang, Hunan, the PRC. The Property is currently intended to be used for administrative and office use of Chuanqi Tourism after completion of the Acquisition and construction of the Property.

IMPLICATIONS UNDER THE GEM LISTING RULES.

As at the date of this announcement, Chuanqi Tourism, a non-wholly owned subsidiary of the Company, is held as to 35% by Chuanqi Cultural. Chuanqi Cultural is a substantial shareholder of a subsidiary of the Company and thus a connected person of the Company under the GEM Listing Rules. As Chuanqi Cultural has an indirect 49% equity interest in the Vendor, the Vendor is an associate of Chuanqi Cultural. In addition, as Mr. Chen, a director of Chuanqi Tourism, is a controlling shareholder of Chuanqi Cultural, Chuanqi Cultural is also an associate of Mr. Chen (a connected person at the subsidiary level of the Company). As a result, the Vendor is a connected person of the Company and the transaction contemplated under the SP Agreement constitutes a connected transaction between a subsidiary of the Company and a connected person at the subsidiary level of the Company.

To the best of the Directors' knowledge, information and belief, no Director has a material interest in the Acquisition and no Director is required to abstain from voting on the board resolutions in relation to the approval of the Acquisition.

As the consideration for the Property is more than HK\$3,000,000 and the applicable percentage ratios are more than 0.1% but less than 5%, the SP Agreement is only subject to the reporting and announcement requirements under the GEM Listing Rules but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements pursuant to Rule 20.74 of the GEM Listing Rules.

THE ACQUISITION

The Board announced that on 6 September 2019, after trading hours, Chuanqi Tourism, a direct non-wholly owned subsidiary of the Company, and the Vendor entered into the SP Agreement pursuant to which the Vendor has agreed to sell, and Chuanqi Tourism has agreed to acquire, the Property at a consideration of RMB39,655,700 (equivalent to approximately HK\$43,510,000). The principal terms of the SP Agreement are set out below.

Date

6 September 2019

Parties

- (i) the Vendor as vendor; and
- (ii) Chuanqi Tourism as purchaser.

The Vendor is a limited liability company established in the PRC, and as at the date of this announcement, its equity interests are owned as to (i) 49% by Chuanqi Tourism, a non-wholly owned subsidiary of the Company; (ii) 49% by Zhongzhao Huitong, a wholly-owned subsidiary of Chuanqi Cultural; and (iii) 2% by an Independent Third Party. The Vendor is also an affiliated company of the Company and its principal activities include tourism attraction projects, construction of infrastructure and development of complementary facilities, development and operation of real estate, property management, tourism management, park and landscape management, hotel management, conference and exhibition services, retail sales, domestic and foreign trading, e-commerce, tourism project planning, consultation and market research on tourism information, advertisement production, tourism investment, real estate, hotel, transportation, entertainment and food and beverage business, etc..

Assets to be acquired

Pursuant to the terms contained in the SP Agreement, the Vendor has agreed to sell, and Chuanqi Tourism has agreed to acquire, the Property. The Property constitutes the entire block of building under construction, situated at Tianzishan Nanyue Legend Town, east of the intersection of Guangji North Road and Wenti Road, Nanyue District, Hengyang, Hunan, the PRC.

The Property is intended to be a building with four floors (one below ground level and three above ground level) and a steel-concrete structure. The Property will have a building area of 4,567.97 square meters and a floor area of 6,931 square meters. As at 31 May 2019, the book value of the Property was approximately RMB22,412,000 (equivalent to approximately HK\$24,590,000), which includes the book value of the land use rights of the land on which the Property is constructed of approximately RMB5,124,000 (equivalent to approximately HK\$5,622,000), but excludes the input tax of approximately RMB1,622,000 (equivalent to approximately HK\$1,780,000) and the unpaid construction fee incurred as at 31 May 2019 of approximately RMB4,469,000 (equivalent to approximately HK\$4,903,000). The original acquisition cost of the Property as at the date of the SP Agreement to the Vendor is approximately RMB27,347,000 (equivalent to approximately HK\$30,004,000), being the aggregate of (i) the book value of the Property as at 31 May 2019 in the amount of approximately RMB22,412,000 (equivalent to approximately HK\$24,590,000); (ii) the unpaid construction fee incurred as at 31 March 2019 of approximately RMB4,469,000 (equivalent to approximately HK\$4,903,000); and (iii) the construction fee incurred during the period from 31 May 2019 to the date of the SP Agreement in the amount of approximately RMB466,000 (equivalent to approximately HK\$511,000).

The construction of the Property commenced in October 2017 and the Property is still under construction as at the date of the announcement. The Property will be sold on an “as is” basis in the condition as at the date of the SP Agreement.

Delivery

The Vendor shall arrange for the registration of the transfer of the land use right of the land on which the Property is constructed and the transfer of property ownership of the Property to Chuanqi Tourism. The delivery of the Property will take place after the completion of construction of the Property and on the date of completion of the registration of the land use right of the land on which the Property is constructed and the property ownership of the Property under the name of Chuanqi Tourism (with the property ownership certificate being obtained).

Consideration

The consideration for the Property in the sum of RMB39,655,700 (equivalent to approximately HK\$43,510,000) was determined after arm's length negotiations between Chuanqi Tourism and the Vendor with reference to the valuation of the market value of the Property as at 31 May 2019 of RMB39,655,700 (equivalent to approximately HK\$43,510,000) (having taken into account of (i) the value of the land use rights of the land on which the Property is constructed; (ii) the paid construction fee incurred up to 31 May 2019; and (iii) the unpaid construction fee incurred as at 31 May 2019 of approximately RMB4,469,000 (equivalent to approximately HK\$4,903,000); but without taking into consideration (a) the construction fee incurred after 31 May 2019 and (b) the application fees for licenses) by an independent professional valuer, using market value and replacement cost method.

The Vendor shall be responsible for the amount incurred in relation to the Property payable by the Vendor due on or before the date of the SP Agreement, including but not limited to the unpaid construction fee incurred on or before 31 May 2019 of approximately RMB4,469,000 (equivalent to approximately HK\$4,903,000) and the construction fee incurred during the period from 31 May 2019 to the date of the SP Agreement in the amount of approximately RMB466,000 (equivalent to approximately HK\$511,000).

Payment of consideration

The consideration for the acquisition of the Property in the amount of RMB39,655,700 (equivalent to approximately HK\$43,510,000) shall be satisfied in the following manner:

- (a) within 15 Business Days from the date on which the Vendor has registered the transfer of the Property under the name of Chuanqi Tourism in advance pursuant to the Advance Notice Registration Procedures and obtained the relevant registration certificate with Bureau of Land and Resources of Nanyue District, Hengyang, 30% of the consideration, i.e. RMB11,896,710 (equivalent to approximately HK\$13,053,000) shall be paid by Chuanqi Tourism to the Vendor; and
- (b) within 15 Business Days from the date on which Chuanqi Tourism obtains the property ownership certificate of the Property, the remaining balance of the consideration of RMB27,758,990 (equivalent to approximately HK\$30,457,000) shall be paid by Chuanqi Tourism to the Vendor.

If Chuanqi Tourism fails to make the relevant payment according to the specified time limit in accordance with the SP Agreement without reason, for the amount due and unpaid, Chuanqi Tourism shall be liable to pay the Vendor interest calculated on a daily basis, according to the loan interest rate of the People's Bank of China for the same period from specified date of payment until the date of actual payment. If the amount is overdue for more than 30 days, the Vendor shall be entitled to terminate the SP agreement, and Chuanqi Tourism shall pay the Vendor an additional compensation of RMB1,000,000 (equivalent to approximately HK\$1,097,000).

Undertakings by the Vendor

The Vendor undertakes that it will remain to be responsible for the completion of the construction of the Property and be responsible for handling all relevant transfer and registration procedures within the specified time limit, including but not limited to the following:

- (a) the Vendor shall complete the registration of the transfer of the Property under the name of Chuanqi Tourism in advance pursuant to the Advance Notice Registration Procedures and obtain the relevant registration certificate (which shall state the Property has a land use area of 6,931 square meters) with Bureau of Land and Resources of Nanyue District, Hengyang for the purpose of protecting Chuanqi Tourism's rights in the Property within 10 Business Days after the signing of the SP Agreement;
- (b) the Vendor shall complete the project completion and acceptance procedures for the Property on or before 31 December 2019; and
- (c) the Vendor shall transfer the land use rights of the land on which the Property is constructed to Chuanqi Tourism and obtain the relevant certificate of land use right registered under the name of Chuanqi Tourism, as well as complete the application for and obtain the property ownership certificate registered under the name of Chuanqi Tourism on or before 31 January 2020.

If the Vendor fails to complete any of the above procedures by the specified time limit in accordance with the SP Agreement without reason, the Vendor shall be liable to pay compensation of RMB5,000 (equivalent to approximately HK\$5,000) for each day overdue. If the overdue period is more than 30 days, Chuanqi Tourism shall be entitled to terminate the SP Agreement and request the Vendor to return to it the monies paid by it and indemnify it against the construction cost of the Property incurred after the date of the SP Agreement paid by it; and the Vendor shall pay Chuanqi Tourism an additional compensation of RMB1,000,000 (equivalent to approximately HK\$1,097,000).

Further, if the Vendor fails to transfer the land use rights of the land on which the Property is constructed to Chuanqi Tourism and obtain the relevant certificate of land use right registered under the name of Chuanqi Tourism, as well as complete the application for and obtain the property ownership certificate registered under the name of Chuanqi Tourism by 31 January 2020, the SP Agreement shall terminate automatically without further notice on 1 February 2020. Within 5 Business Days after the termination of the SP Agreement, the Vendor shall (i) return to Chuanqi Tourism all the monies paid by Chuanqi Tourism (i.e. the consideration for the acquisition of the Property); (ii) indemnify Chuanqi Tourism against all the construction cost of the Property incurred after the date of the SP Agreement paid by Chuanqi Tourism; (iii) pay to Chuanqi Tourism the interest for the amounts referred to in (i) and (ii) above calculated at the bank's deposit interest rate for the same period from the date of payment of such amounts to the date on which such amounts are returned or indemnified by the Vendor; and (iv) pay to Chuanqi Tourism an additional compensation of RMB2,000,000 (equivalent to approximately HK\$2,194,000).

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is a joint stock company incorporated in the PRC with limited liability. Chuanqi Tourism is a company established in the PRC with limited liability. The Group is principally engaged in (i) manufacture and sale of electronic fire equipment business; (ii) tourism development; and (iii) investment holding of diversified portfolios.

To cope with the business development and expansion of the tourism businesses of the Group, the Group requires new premises for administrative and office use. The Directors consider that it is in the interest of the Group to acquire the Property for administrative and office use. It is expected that after the date of the SP Agreement, the Group will incur approximately RMB13,262,000 (equivalent to approximately HK\$14,551,000) for the completion of the construction of the Property. The payment of the consideration of the Property and the construction cost of the Property to be incurred after the date of the SP Agreement will be funded by internal resources of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the SP Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the date of this announcement, Chuanqi Tourism, a non-wholly owned subsidiary of the Company, is held as to 35% by Chuanqi Cultural. Chuanqi Cultural is a substantial shareholder of a subsidiary of the Company and thus a connected person of the Company under the GEM Listing Rules. As Chuanqi Cultural has an indirect 49% equity interest in the Vendor, the Vendor is an associate of Chuanqi Cultural. In addition, as Mr. Chen, a director of Chuanqi Tourism, is a controlling shareholder of Chuanqi Cultural, Chuanqi Cultural is also an associate of Mr. Chen (a connected person at the subsidiary level of the Company). As a result, the Vendor is a connected person of the Company and the transaction contemplated under the SP Agreement constitutes a connected transaction between a subsidiary of the Company and a connected person at the subsidiary level of the Company.

To the best of the Directors' knowledge, information and belief, no Director has a material interest in the Acquisition and no Director is required to abstain from voting on the board resolutions in relation to the approval of the Acquisition.

As the consideration for the Property is more than HK\$3,000,000 and the applicable percentage ratios are more than 0.1% but less than 5%, the SP Agreement is only subject to the reporting and announcement requirements under the GEM Listing Rules but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements pursuant to Rule 20.74 of the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Acquisition”	the acquisition of the Property pursuant to the terms of the SP Agreement
“Advance Notice Registration Procedures”	the registration procedures where a party to a property purchase agreement may register the ownership of such property under its name in advance and obtain an advance notice registration pursuant to the Property Law of the PRC to the effect that no effective transfer of the property can take place without the consent of such party
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules

“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday and public holiday) on which licensed banks in the PRC are open for business
“Chuanqi Cultural”	傳奇文化發展集團有限公司 (Chuanqi Cultural Development Group Co., Ltd.*), a limited liability company established in the PRC, and as at the date of this announcement, it is owned as to 38.73% by Mr. Chen and his associate, and it owns 35% equity interest in Chuanqi Tourism
“Chuanqi Tourism”	傳奇旅遊投資有限公司 (Chuanqi Tourism Investment Co., Ltd*), a non-wholly owned subsidiary of the Company established in the PRC with limited liability, with its registered capital owned as to 60%, 35% and 5% by the Company, Chuanqi Cultural and an Independent Third Party respectively 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 persons”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign invested shares in the ordinary share capital of the Company, with a nominal value of RMB0.1 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 PRC

“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Mr. Chen”	Mr. Chen Zongbing, a director of Chuanqi Tourism
“PRC”	the People’s Republic of China
“Property”	the entire block of building under construction as at the date of this announcement, situated at Tianzishan Nanyue Legend Town, east of the intersection of Guangji North Road and Wenti Road, Nanyue District, Hengyang, Hunan, the PRC
“RMB”	renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“SP Agreement”	the sale and purchase agreement dated 6 September 2019 entered into between Chuanqi Tourism and the Vendor in relation to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	傳奇(湖南)實業發展有限公司 (Chuanqi (Hunan) Enterprise Development Co., Ltd.*), a limited liability company established in the PRC, and as at the date of this announcement, its equity interests are owned as to (i) 49% by Chuanqi Tourism, a non-wholly owned subsidiary of the Company; (ii) 49% by Zhongzhao Huitong, a wholly-owned subsidiary of Chuanqi Cultural; and (iii) 2% by an Independent Third Party
“Zhongzhao Huitong”	北京中兆匯通旅遊投資有限公司 (Beijing Zhongzhao Huitong Tourism Investment Co., Ltd.*), a company established in the PRC with limited liability, being a wholly-owned subsidiary of Chuanqi Cultural
“%”	per cent.

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

In this announcement, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.097191. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

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

Beijing, the PRC
6 September 2019

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