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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)**

**MAJOR TRANSACTION:  
DISPOSAL OF 60% INTEREST IN THE TARGET**

**THE TRANSACTION**

The Board announced that on 15 May 2020, after trading hours, the Company as vender, the Purchaser as purchaser and the Target entered into the SP Agreement in respect of (i) the sale and purchase of the Sale Interest at the consideration of RMB172,028,880 (equivalent to approximately HK\$187,889,943); and (ii) the Guarantee Fee Arrangement.

**IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Transaction is more than 25% but less than 75%, the Transaction constitutes a major transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification, announcement and the Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The SGM will be convened for the purposes of, among other matters, considering and, if thought fit, approving the SP Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the SP Agreement and the transactions contemplated thereunder; (ii) other information as required to be disclosed under the GEM Listing Rules; and (iii) notice to convene the SGM, will be despatched to the Shareholders on or before 15 June 2020 as more time is required to prepare such circular.

## **THE TRANSACTION**

The Board announced that on 15 May 2020, after trading hours, the Company as vender, the Purchaser as purchaser and the Target entered into the SP Agreement in respect of (i) the sale and purchase of the Sale Interest at the consideration of RMB172,028,880 (equivalent to approximately HK\$187,889,943); and (ii) the Guarantee Fee Arrangement. The principal terms of the SP Agreement are set out below.

### **Date**

15 May 2020

### **Parties**

- (i) the Company as vendor;
- (ii) the Purchaser as purchaser; and
- (iii) the Target.

The Purchaser is a company established in the PRC and is principally engaged in enterprise management services, smart city planning services, conference services, public relations event planning services, corporate image design and planning, marketing, online marketing planning, market research, etc. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties as at the date of this announcement.

### **Asset to be disposed of**

The Sale Interest, representing 60% of the equity interest in the Target.

### **Guarantee Fee Arrangement**

On 31 January 2013, the Company, as a guarantor, executed the Guarantee Agreement in favour of the Banks to secure the obligations of Songya Lake Construction, 46.6% equity interest of which is held by the Target, under the Facility Agreement in respect of the provision of a loan facility in the aggregate principal amount of RMB786,000,000. The amount of the Guarantee provided by the Company was RMB200,000,000 in respect of the principal amount and the related interest, default interest, compound interest, compensation, default fine, compensation for damages and expenses incurred in enforcing the claims. Please refer to the circular of the Company dated 22 February 2013 for further details.

In connection with the sale and purchase of the Sale Interest, it is agreed by the parties to the SP Agreement that the release of the Guarantee Agreement shall be arranged by the Purchaser within 12 months from the Equity Transfer Date through negotiation with the Banks. The continuing provision of the Guarantee by the Company after the Equity Transfer Date shall be subject to the Guarantee Fee (which, exclusive of any damages payable in respect of it, is capped at RMB47,500,000 (equivalent to approximately HK\$51,879,500)) calculated by multiplying the remaining amount of the Guarantee obligations under the Guarantee Agreement by an annual rate of 5% (based on the actual number of days for the period from the Equity Transfer Date to the date of release of the Guarantee Agreement).

If the Purchaser fails to complete the release of the Guarantee Agreement within the specified period, it shall pay damages for each overdue day for its breach at the rate of 0.0005% of the sum of the amount of the Guarantee provided by the Company. Such damages shall be paid in addition to the Guarantee Fee. Further, the Company has the right to unilaterally terminate the SP Agreement if the Purchaser fails to complete the release of the Guarantee Agreement within the specified period, while the Purchaser shall return the Sale Interest to the Company within 10 Business Days through relevant procedures, and the Company shall simultaneously return to the Purchaser the consideration for the sale and purchase of the Sale Interest paid by the Purchaser (excluding the Security Deposit, damages and the Guarantee Fee) without interest. Furthermore, the Company and the Purchaser would not bear any other obligations or liabilities.

### **Conditions Precedent**

The Transaction shall be conditional upon:

- (a) the Company having obtained the approval of the Shareholders (in accordance with the GEM Listing Rules) and (if applicable) the Stock Exchange for the Transaction;
- (b) the Purchaser and the Target having provided a guarantee arrangement for releasing the obligation of the Company under the Guarantee Agreement and having entered into the relevant guarantee and/or counter-guarantee agreement (including the approval of the shareholders of the Purchaser and the Target of the provision of such guarantee and/or counter-guarantee by written resolutions);
- (c) the parties to the SP Agreement having obtained all necessary authorisation, consent and approval in relation to the Transaction; and
- (d) the Company having obtained the waiver of pre-emptive rights to purchase the Sale Interest.

The above Conditions Precedent cannot be waived by any party to the SP Agreement. If any of the above Conditions Precedent is not fulfilled on or before 31 December 2020, the SP Agreement shall lapse (save for the relevant clauses on the security deposit, governing law and jurisdiction) whereupon no party shall have any rights and obligations under the SP Agreement (save for any accrued rights and obligations).

### **Security Deposit**

Within 5 Business Days from the date of the SP Agreement, the Purchaser shall pay to the Company the Security Deposit of RMB10,000,000 (equivalent to approximately HK\$10,922,000). The amount of damages for the breaches under the SP Agreement shall be deducted from the Security Deposit. If the amount of damages exceeds the Security Deposit, the Purchaser shall pay the difference to the Company within 5 Business Day. If the SP Agreement is terminated as a result of the Conditions Precedent not being satisfied, the Security Deposit will be refunded to the Purchaser (after deducting the damages to be paid by the Purchaser (if any) within 5 Business Days after the termination of the SP Agreement.

## **Consideration**

The total consideration payable by the Purchaser comprises (i) RMB172,028,880 (equivalent to approximately HK\$187,889,943) for the sale and purchase of the Sale Interest; and (ii) the Guarantee Fee, subject to a cap of RMB47,500,000 (equivalent to approximately HK\$51,879,500).

## **Payment of Consideration**

The consideration for the sale and purchase of the Sale Interest in the amount of RMB172,028,880 (equivalent to approximately HK\$187,889,943) shall be satisfied in the following manner:

- (a) within 3 Business Days from the fulfilment of the Conditions Precedent, the Purchaser shall pay RMB30,000,000 (equivalent to approximately HK\$32,766,000) to the Company; and
- (b) within 90 days from the Equity Transfer Date, the Purchaser shall pay the remaining balance of RMB142,028,880 (equivalent to approximately HK\$155,123,943) to the Company. The Purchaser shall also pay to the Company interest according to the bank's three-month fixed deposit rate starting from the Equity Transfer Date until the date of payment (both dates inclusive), subject to a cap of RMB2,300,000 (equivalent to approximately HK\$2,512,060). Such cap shall exclude the damages to be paid in relation to late payment of the consideration.

The Guarantee Fee, which, exclusive of any damages payable in respect of it, is capped at RMB47,500,000 (equivalent to approximately HK\$51,879,500), shall be accounted for on a quarterly basis and shall be payable by the Purchaser to the Company within 10 days before the lapse of each quarter.

If the Purchaser fails to pay to the Company any sum in accordance with the SP Agreement (including but not limited to the Security Deposit, the consideration for the sale and purchase of the Sale Interest and the Guarantee Fee), it shall pay the damages for each overdue day for its breach at the rate of 0.0005% of the sum of the unpaid amount.

## **Basis of the Consideration**

The consideration for the Sale Interest was determined after arm's length negotiations between the Company and the Purchaser with reference to the unaudited net asset value of the Target as at 31 December 2019 as per the unaudited pro forma statement of financial position of the Target as at 31 December 2019 (on the assumption that the De-merger had taken place on 31 December 2019 and the financial results of the De-merger had been excluded) and the valuation of total equity value of the Target as at 24 April 2020 of approximately RMB286,714,800 as valued by an independent professional valuer, using asset-based approach, attributable to the Sale Interest.

The Guarantee Fee, which, exclusive of any damages payable in respect of it, is capped at RMB47,500,000 (equivalent to approximately HK\$51,879,500), is calculated by multiplying the remaining amount of the Guarantee obligations under the Guarantee Agreement by an annual rate of 5%, based on the actual number of days starting from the Equity Transfer Date to the date of release of the Guarantee Agreement. It was determined after arm's length negotiations between the Company and the Purchaser with reference to the prevailing market rate of guarantee fee.

## **Other undertakings by the Purchaser and the Target**

### *Release of the Guarantee Agreement*

Within 12 months from the Equity Transfer Date, the Purchaser shall negotiate with the Banks and arrange for the release of the Guarantee Agreement with the Banks.

In order to ensure the Guarantee Agreement to be released within 12 months from the Equity Transfer Date, (i) the Purchaser shall pledge the Sale Interest in favour of the Company on the Equity Transfer Date and such pledge shall be discharged after the Guarantee Agreement is released; and (ii) the Target shall pledge all shares in Songya Lake Construction held by it in favour of the Company on the Equity Transfer Date and execute the relevant guarantee and counter-guarantee agreements.

### *Non-assignment and negative pledge*

After the Equity Transfer Date and prior to the release of the Guarantee Agreement, (i) the Purchaser shall not assign any of the Sale Interest or create any form of share pledge or security over the Sale Interest in favour of any third party other than the Company without the written consent of the Company; and (ii) the Target shall not assign any of its equity interest in Songya Lake Construction or create any form of share pledge or security over such equity interest in favour of any third party other than the Company without the written consent of the Company.

## **Completion**

The completion of the sale and purchase of the Sale Interest shall take place within 30 days after the fulfilment of all the Conditions Precedent (or such other period as agreed by the Purchaser and the Company).

## **INFORMATION ABOUT THE GROUP**

The Company is a joint stock company incorporated in the PRC with limited liability. The Group is principally engaged in the development of travel and leisure business, investment holding of diversified portfolios and sales of wine and related products.

## **INFORMATION ABOUT THE TARGET**

The Target is a company established in the PRC. As at 31 December 2019, the Target was principally engaged in the provision of environmental shuttle bus service and the operations of tourist service centre and tourist souvenir shops in Hengshan Mountain scenic area of the PRC.

On 24 April 2020, the Target completed the De-merger to the effect that:

- (1) the 46.6% equity interest in and the amount due from Songya Lake Construction and the pre-paid expenses as at 24 April 2020 remained to be the assets of the Target; and
- (2) all other assets of the Target as well as all liabilities of the Target as at 24 April 2020 were de-merged to another subsidiary of the Company with its registered capital owned as to 60% by the Company.

Upon completion of the De-merger, the Target is principally engaged in participation in tourism development projects and its principal asset is the investment in Songya Lake Construction.

Songya Lake Construction is a company established in the PRC and has an approved business scope including, among others, (i) investment and development of ports, airports and transportation projects; (ii) investment in tourism and high-tech industries; (iii) hotel investment and management (excluding operations); (iv) land development permitted by national laws, regulations and policies; (v) real estate development and operation; and (vi) urban infrastructure and supporting facilities development.

Set out below are the summaries of certain unaudited consolidated financial information of the Target for the financial years ended 31 December 2018 and 2019:

**Target**

	<b>For the year ended 31 December 2018</b>	<b>For the year ended 31 December 2019</b>
	(unaudited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Net profit (before taxation)	66,417	59,306
Net profit (after taxation)	49,597	44,116

The unaudited consolidated total asset value and net asset value of the Target as at 31 December 2019 were approximately RMB573,369,000 and approximately RMB447,048,000 respectively.

The unaudited consolidated financial information of the Target above includes the assets and liabilities de-merged from the Target upon completion of the De-merger. For illustration and information purpose, set out below are certain unaudited financial information of the Target for the year ended 31 December 2019 as per the unaudited pro forma financial statements of the Target for the year ended 31 December 2019 (on the assumption that the De-merger had taken place on 1 January 2019 and the financial results of the De-merger had been excluded).

	<b>For the year ended 31 December 2019</b>
	(unaudited)
	<i>RMB'000</i>
Net profit (before taxation)	7,017
Net profit (after taxation)	7,017

For illustration and information purpose, the unaudited total asset value and net asset value of the Target as at 31 December 2019 as per the unaudited pro forma statement of financial position of the Target as at 31 December 2019 (on the assumption that the De-merger had taken place on 31 December 2019 and the financial results of the De-merger had been excluded) was approximately RMB133,778,000 and approximately RMB133,778,000 respectively.



## **FINANCIAL EFFECTS OF THE TRANSACTION**

The Directors expect to realize an unaudited gain of approximately RMB91.8 million (equivalent to approximately HK\$100.2 million) from the Transaction after taking into account of (i) the unaudited net asset value of the Target attributed to the Sale Interest of approximately RMB80,267,000 (which is calculated based on the unaudited net asset value of the Target of approximately RMB133,778,000 less non-controlling interests of approximately RMB53,511,000 as at 31 December 2019 as per the unaudited pro forma statement of financial position of the Target as at 31 December 2019 (on the assumption that the De-merger had taken place on 31 December 2019 and the financial results of the De-merger had been excluded)); (ii) the aggregate consideration payable by the Purchaser in connection with the Sale Interest (without taking into account of the Guarantee Fee and on the assumption that no interest will be accrued on the consideration); and (iii) related transaction expenses payable by the Group in connection with the Transaction. Shareholders should note that the actual amount of gain on the Transaction to be recorded by the Company will depend on the net asset value of the Target as at the completion of the Transaction and therefore may be different from the amount mentioned above, and will be subject to review by the auditors of the Company.

The Group currently intends to use the net proceeds from the Transaction for potential acquisition(s) which may be identified by the Group and the general working capital of the Group.

The Target has been accounted for as a subsidiary of the Company. Upon completion of the sale and purchase of the Sale Interest, the Group will cease to have any interest in the Target and the Target will cease to be a subsidiary of the Company.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

Having considered the operating environment of the industries in which the Target is involved in the PRC, the prevailing market condition and the terms of the Transaction, the Board is of the view that the Transaction will allow the Group to realize its investment in the Target and will enable the Group to improve its liquidity and free up capital for its operations and any potential new investment opportunities that can potentially give a better return so as to enhance the shareholder value.

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 one or more of the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Transaction is more than 25% but less than 75%, the Transaction constitutes a major transaction of the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification, announcement and the Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.



The SGM will be convened for the purposes of, among other matters, considering and, if thought fit, approving the SP Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the SP Agreement and the transactions contemplated thereunder; (ii) other information as required to be disclosed under the GEM Listing Rules; and (iii) notice to convene the SGM, will be despatched to the Shareholders on or before 15 June 2020 as more time is required to prepare such circular.

## **DEFINITIONS**

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

“Banks”	China Development Bank Co. Ltd. and Bank of Beijing Co. Ltd.
“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
“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
“Conditions Precedent”	conditions precedent under the SP Agreement as set out in the paragraph headed “Conditions Precedent” in this announcement
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“De-merger”	internal restructuring of the Target by way of de-merger
“Director(s)”	directors of the Company
“Equity Transfer Date”	the date of completion of the registration of the transfer of the Sale Interest from the Company to the Purchaser with the competent authority for industry and commerce in the PRC
“Facility”	a term loan facility in an aggregate amount of RMB786,000,000 granted by the Banks to Songya Lake Construction pursuant to the Facility Agreement

“Facility Agreement”	the facility agreement dated 31 January 2013 entered into between Songya Lake Construction as the borrower and the Banks as the lender for the provision of a term loan facility to Songya Lake Construction by the Banks in the aggregate amount of RMB786,000,000
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Guarantee”	the guarantee obligations of the Company under the Guarantee Agreement to secure the obligations of Songya Lake Construction under the Facility Agreement
“Guarantee Agreement”	the guarantee agreement executed by the Company and the Banks dated 31 January 2013 to secure the obligations of Songya Lake Construction under the Facility Agreement
“Guarantee Fee”	the guarantee fee, which, exclusive of any damages payable in respect of it, is capped at RMB47,500,000 (equivalent to approximately HK\$51,879,500), payable by the Purchaser to the Company which is calculated by multiplying the remaining amount of the Guarantee obligations under the Guarantee Agreement by an annual rate of 5%, based on the actual number of days for the period from the Equity Transfer Date to the date of release of the Guarantee Agreement
“Guarantee Fee Arrangement”	the Guarantee Fee arrangement in relation to the release of the Guarantee Agreement and the payment of the Guarantee Fee as contemplated under the SP Agreement
“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
“PRC”	the People’s Republic of China

“Purchaser”	西藏凱林企業管理有限公司 (for identification purpose only, Tibet Kailin Enterprise Management Co., Ltd.), a limited liability company established in the PRC
“RMB”	renminbi, the lawful currency of the PRC
“Sale Interest”	the 60% equity interest in the Target
“Security Deposit”	a security deposit in the sum of RMB10,000,000 (equivalent to approximately HK\$10,922,000) which the Purchaser has agreed to pay to the Company pursuant to the SP Agreement
“SGM”	a special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the the SP Agreement and the transactions contemplated thereunder
“Shareholder(s)”	shareholder(s) of the Company
“Songya Lake Construction”	長沙松雅湖建設投資有限公司(for identification purpose only, Changsha Songya Lake Construction Investment Co., Ltd.), a company established in the PRC with 46.6% of its registered capital (representing 46.6% equity interest) held by the Target as at the date of this announcement
“SP Agreement”	the sale and purchase agreement dated 15 May 2020 entered into between the Purchaser, the Company and the Target in relation to the Transaction
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	傳奇旅遊投資有限公司 (for identification purpose only, Chuanqi Tourism Investment Co., Ltd.), a direct non-wholly owned subsidiary of the Company with its registered capital owned as to 60% by the Company as at the date of this announcement
“Transaction”	the sale and purchase of the Sale Interest and the Guarantee Fee Arrangement as contemplated under the SP Agreement
“%”	per cent.

*In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.0922. 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  
15 May 2020

*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. Tang Xuan, 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”.*