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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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



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: 8095)

**DISCLOSEABLE TRANSACTION
RELATING TO
ACQUISITION OF 4.9% EQUITY INTEREST IN
ZHANG JIA JIE TOURISM DEVELOPMENT CO., LTD**

The Board announces that on 11 December 2007, Hunan Tian Tong, Xiaoxiang Tourism and ZJJ Development entered into a Share Transfer Agreement pursuant to which Hunan Tian Tong agreed to transfer and Xiaoxiang Tourism agreed to acquire 9,000,000 Subject Shares or 4.9% equity interest of ZJJ Tourism by way of judicial sale. The Subject Shares were currently freezed by court.

As the size test ratios exceed 5% but are below 25%, the Acquisition constitutes a discloseable transaction of the Company pursuant to Rule 19.07 of the GEM Listing Rules. The transaction is subject to the disclosure requirements pursuant to Rule 19.34 and 19.38 of the GEM Listing Rules.

INTRODUCTION

The Board announces that on 11 December 2007, Hunan Tian Tong, Xiaoxiang Tourism and ZJJ Development entered into a Share Transfer Agreement pursuant to which Hunan Tian Tong agreed to transfer and Xiaoxiang Tourism agreed to acquire 9,000,000 Subject Shares or 4.9% equity interest of ZJJ Tourism by way of judicial sale. The Subject Shares were currently freezed by court.

PRINCIPAL TERMS OF THE SHARE TRANSFER AGREEMENT

Date of the Share Transfer Agreement

11 December 2007

Parties involved in the Share Transfer Agreement

Party A: Hunan Tian Tong Trading Co., Ltd.

Party B: Hengyang Nanyue Xiaoxiang Tourism Development Limited (formerly known as “Xiaoxiang Traveling Development Limited. Nanyue, Hengyang”), a non wholly-owned subsidiary of the Company

Party C: Zhang Jia Jie Tourism Development Investment (Group) Co., Ltd.

The Company confirms that to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, Hunan Tian Tong, ZJJ Development and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject Shares involved in the Share Transfer Agreement

9,000,000 paid-up ordinary shares of Zhang Jia Jie Tourism Development Co., Ltd., representing 4.9% equity interest in ZJJ Tourism.

Subject Shares were originally belongs to Hunan Tian Tong. They were legally freezed by court after financial dispute between Hunan Tian Tong and ZJJ Development. Pursuant to the Share Transfer Agreement, Hunan Tian Tong and ZJJ Development agreed to assist the court to unfreeze the Subject Shares and complete the business alteration process relating to the Acquisition within five business days from the date of the Share Transfer Agreement.

Consideration of the Acquisition

Total consideration is RMB50,294,000 which will be settled by cash.

Among the total consideration, amount of RMB9,117,600 was determined with reference to the proportion of loan due to ZJJ Development by Hunan Tian Tong as agreed to be taken up by Xiaoxiang Tourism. The remaining amount of RMB41,176,400 was determined with reference to the amount of ZJJ Tourism’s liabilities originally agreed to be borne by Hunan Tian Tong. Total consideration of RMB50,294,000 will be satisfied by internal resource of Xiaoxiang Tourism.

Total consideration of RMB50,294,000 will be payable to ZJJ Development upon receipt of written instruction from ZJJ Development since the latter is the major shareholder of ZJJ Tourism and responsible for its debt restructuring. Up to date of this announcement, the Company has not received formal settlement instructions from ZJJ Development.

Conditions to completion

There are no conditions precedents for the Acquisition.

Completion

The investment in ZJJ Tourism will be accounted for as an available-for-sale financial asset of the Company upon completion.

In the event whereas the share transfer process is unsuccessful, ZJJ Development will refund full consideration amount of RMB50,294,000 without interest to Xiaoxiang Tourism within 10 days from the date whereas the share transfer process of the Subject Shares is rejected by the court.

RESTRICTION ON TRADING OF SHARES IN THE SHENZHEN STOCK EXCHANGE

ZJJ Tourism plans to undergo share structure reform in accordance with Guidance Notes. After completion of the Acquisition, Xiaoxiang Tourism will become one of the shareholders of ZJJ Tourism and is therefore subject to the provisions in the Guidance Notes.

In accordance with the Guidance Notes, Xiaoxiang Tourism is restricted from transfer or disposal of the Subject Shares within a period of 12 months starting from the initiation of share structure reform proposal of ZJJ Tourism.

INFORMATION OF HUNAN TIAN TONG

Hunan Tian Tong is a limited company incorporated in the PRC. Its principal activities include the trading of construction materials and provision of real estate consultation service. It is a shareholder of ZJJ Tourism and holds 15,300,000 paid-up ordinary shares of ZJJ Tourism immediately before the entering into of Share Transfer Agreement.

INFORMATION OF XIAOXIANG TOURISM

Xiaoxiang Tourism is a non wholly-owned subsidiary of the Group whereas the Group has 60% equity interest. It is principally engaged in the exploration and development of travel and leisure business and relating infrastructure construction.

INFORMATION OF ZJJ DEVELOPMENT

ZJJ Development is a limited company incorporated in the PRC. It is principally engaged in investing activities and travel and leisure business. It beneficiary holds 28.69% equity interest in ZJJ Tourism and it is the major shareholder.

INFORMATION OF ZJJ TOURISM

ZJJ Tourism is a company incorporated with limited liability in the PRC. It is principally engaged in exploration and development of travel and leisure resources, construction of infrastructure facilities, provision of supporting services and research and development of relating technology in Hunan Province. ZJJ Tourism carries out a lot of projects. Major projects include operation of 寶峰湖公園 (Bao Feng Hu Garden), 猛洞河漂流 (Meng Dong He Rafting), 芙蓉鎮觀光 (Fu Rong Zhen Sightseeing), 德夯

風景區 (De Hang Scenic Spot), 吳山風景區 (Wu Shan Scenic Spot), 古丈坐龍峽風景區 (Gu Zhang Zuo Long Xia Scenic Spot), investment in Zhang Jia Jie International Hotel and investment in Hunan Guang Zhi Luu International Travel Agency. Its ordinary shares are listed on the Shenzhen Stock Exchange since August 1996. Set out below is the list of shareholders of ZJJ Tourism immediately before the Acquisition:

Name	Approximate percentage of ZJJ Tourism's issued share capital
1. Zhang Jia Jie Tourism Development Investment (Group) Co., Ltd.	24.46%
2. Zhang Jia Jie Tourism Development Co., Ltd.	6.37%
3. Hunan Tian Tong Trading Co., Ltd.	8.33%
4. Zhang Jia Jie Golden Dragon Real Estate Development Co.	6.10%
5. Zhang Jia Jie Land and Real Estate Development Co., Ltd. (a wholly owned subsidiary of ZJJ Development)	4.23%
6. Zhang Jia Jie Zhong Xing Real Estate Development Co.	3.33%
7. ICBC Zhang Jia Jie Tourism Development Area Real Estate Co.	3.33%
8. Zhang Jia Jie Hua Fa Real Estate Composite Development Co.	3.33%
9. Public shareholders	40.52%
Total	<u>100%</u>

Set out below is the audited results of ZJJ Tourism for the two years ended 31 December 2006 and the audited net assets value of ZJJ Tourism as at 31 December 2005 and 2006, as extracted from its audited financial statements, which were prepared in accordance with accounting principles generally accepted in the PRC:

	For the year ended 31 December	
	2005	2006
	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	142,645	167,631
Net loss before taxation	(65,594)	(114,817)
Net loss after taxation	(68,066)	(122,818)
	As at 31 December	
	2005	2006
	<i>RMB'000</i>	<i>RMB'000</i>
Total assets	562,739	555,243
Total liabilities	(354,347)	(471,010)
Net assets	<u>208,392</u>	<u>84,233</u>

INFORMATION OF THE GROUP

The Group is principally engaged in the research, development, manufacture, marketing and sale of embedded systems products, including network security products, wireless fire alarm systems and related products. The Group is also engaged in the sale of computer products and provision of total solution services through the application of its existing embedded system products.

REASONS FOR THE ACQUISITION

Xiaoxiang Tourism is established principally for exploring and developing travel and leisure business. The Directors believe that investing in ZJJ Tourism will allow the Group to access the valuable travel and leisure resources possessed by ZJJ Tourism, including but not limited to those described in the section “Information of ZJJ Tourism”. The Directors opined that the current financial difficulty faced by ZJJ Tourism was the result of incorrect financial decision only. This did not affect its operation nor reflect any adverse change in its business environment. Given that the closing share price of ZJJ Tourism before suspension of trading on 3 December 2007 was RMB11.11 per share, the current condition provides an excellent opportunity for Group to invest at a lower cost.

Although the net asset value of ZJJ Tourism was only approximately RMB84,233,000 as at 31 December 2006, the Directors considered that ZJJ Tourism would be able to settle its liabilities of approximately RMB390,000,000 after fund injection and assignment and waiver of debt as a result of the Acquisition and its debt reconstruction. ZJJ Tourism would be able to write off debt provision of approximately RMB200,000,000, resulting to an increase in net asset value by the same amount. The Directors considered worthy to give premium over the net assets of ZJJ Tourism given the valuable resources possessed by ZJJ Tourism, its operational performance and its unique status in Zhang Jia Jie (ZJJ Tourism is the one and only one A share company of that district listed in the PRC).

The terms of the Share Transfer Agreement were arrived at after arm’s length negotiation between Hunan Tian Tong, Xiaoxiang Tourism and ZJJ Development. The Board, including the independent non-executive Directors, considers the terms of the Share Transfer Agreement and to be fair and reasonable and in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER GEM LISTING RULES

As size test ratios exceed 5% but are below 25%, the Acquisition constitutes a discloseable transaction of the Company pursuant to Rule 19.07 of the GEM Listing Rules. The transaction is subject to the disclosure requirements pursuant to Rule 19.34 and 19.38 of the GEM Listing Rules.

Save for the entering into of Share Transfer Agreement, the Group, Hunan Tian Tong and ZJJ Development had not involved in any other transaction within a 12 month period. The transaction is thus not subject to Rule 19.22 of the GEM Listing Rules.

A circular containing, among other things, further details of the Acquisition will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Acquisition”	the acquisition of 9,000,000 Subject Shares or 4.9% equity interest of ZJJ Tourism
“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), a sino-foreign joint stock limited company incorporated in the PRC with limited liability with its H Shares listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	directors of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	The Company and its subsidiaries
“Guidance Notes”	Guidance Notes on the Split Share Structure Reform of Listed Companies issued by China Securities and Futures Commissions which set out detail requirements and procedures of share structure reform of A share companies publicly listed in the PRC
“Hunan Tian Tong”	湖南天通商貿有限公司 (Hunan Tian Tong Trading Co., Ltd.) a limited company incorporated in the PRC. It is principally engaged in trading of construction materials and provision of real estate consultation service. It holds 15,300,000 paid-up ordinary shares of ZJJ Tourism immediately before the entering into of Share Transfer Agreement
“PRC”	People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Share Transfer Agreement”	The share transfer agreement entered into between Hunan Tian Tong, Xiaoxiang Tourism and ZJJ Development on 11 December 2007 pursuant to which Hunan Tian Tong agreed to transfer and Xiaoxiang Tourism agreed to acquire 9,000,000 Subject Shares or 4.9% equity interests of ZJJ Tourism by way of judicial sale

“Shenzhen Stock Exchange”	深圳證券交易所 (Shenzhen Stock Exchange)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Shares”	Paid-up ordinary share(s) of ZJJ Tourism to be transferred from the Hunan Tian Tong to Xiaoxiang Tourism pursuant to the Share Transfer Agreement
“Xiaoxiang Tourism”	衡陽南嶽瀟湘旅遊發展有限公司 (Hengyang Nanyue Xiaoxiang Tourism Development Limited, formerly known as “Xiaoxiang Traveling Development Limited. Nanyue, Hengyang”), a sino-foreign equity joint venture established with limited liability in the PRC and is principally engaged in the exploration and development of travel and leisure business and relating infrastructure construction
“ZJJ Development”	張家界市經濟旅遊發展投資集團有限公司 (Zhang Jia Jie Tourism Development Investment (Group) Co., Ltd.), a limited company incorporated in the PRC. It is principally engaged in investing activities and travel and leisure business. It beneficiary holds 28.69% equity interest in ZJJ Tourism and it is the major shareholder
“ZJJ Tourism”	張家界旅遊開發股份有限公司 (Zhang Jia Jie Tourism Development Co., Ltd.), a company incorporated with limited liability in the PRC and publicly listed on the Shenzhen Stock Exchange since August 1996. It is principally engaged in exploration and development of travel and leisure resources, construction of infrastructure facilities, provision of supporting services and research and development of relating technology

By order of the Board
Beijing Beida Jade Bird Universal Sci-Tech Company Limited
Xu Zhen Dong
Chairman

Beijing, the PRC, 12 December 2007

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xu Zhen Dong, Mr. Xu Zhi Xiang and Mr. Zhang Wan Zhong, three non-executive Directors, namely Mr. Liu Yong Jin, Mr. Hao Yi Long and Mr. Li Li Xin, and three independent non-executive Directors, namely Professor Nan Xiang Hao, Professor Chin Man Chung, Ambrose and Mr. Cai Chuan Bing.

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