

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Beijing Beida Jade Bird Universal Sci-Tech Company Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**DISCLOSEABLE TRANSACTION**  
**RELATING TO**  
**PROVISION OF FINANCIAL ASSISTANCE TO**  
**BEST CHANCE HOLDINGS LIMITED**

*This circular will remain on the "Latest Company Announcements" page on the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of this circular.*

23 June 2008

## CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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## DEFINITIONS

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

“Agreements”	the two HK\$ senior secured term loan facility agreements in a maximum amount of HK\$83 million and HK\$28.4 million respectively entered into between Best Chance and BJBU Development on 29 May 2008
“Best Chance”	Best Chance Holdings Limited, a company incorporated under the laws of British Virgin Islands with limited liability
“Board”	the board of Directors
“BJBU Development”	Beida Jade Bird Universal Sci-Tech (Cayman) Development Company Limited, a limited company incorporated in the Cayman Islands
“Charged Shares”	3,170,808,000 China Best Shares charged in favour of BJBU Development, being security for the Facility pursuant to the Share Charge
“China Best”	China Best Group Holding Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange under stock code 00370
“China Best Announcements”	the announcements issued by China Best dated 24 April 2008 and 19 May 2008 regarding the China Best Right Issue
“China Best Right Issue”	the open offer to qualifying shareholders on the basis of one offer share for every two China Best Shares held, details of which are set out in the China Best Announcements and the circular of China Best dated 30 May 2008
“China Best Shares”	the ordinary shares of HK\$0.05 each in the issued share capital of China Best
“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

## DEFINITIONS

“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	directors of the Company
“Domestic Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB0.10 each which are subscribed for in Renminbi by PRC nationals and/or PRC incorporated entities
“Drawdown Date”	the date on which any single lump sum drawing under the Facility is made by Best Chance
“Facility”	the HK\$ senior secured term loan facility in a maximum aggregate amount of HK\$111.4 million (equivalent to approximately RMB99.2 million) made available under the Agreements
“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
“H Share(s)”	overseas-listed foreign share(s) in the ordinary share capital of the Company, with nominal value of RMB0.10 each and which are listed on GEM and traded in HK dollars
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Kingston Indebtedness”	the indebtedness due and owing by Best Chance to Kingston Finance Limited, a limited company incorporated under the laws of Hong Kong, pursuant to a loan agreement and memorandum entered into between Best Chance and Kingston Finance Limited on 26 April 2007
“Latest Practicable Date”	19 June 2008, being the latest practicable date prior to printing of this circular for ascertaining certain information contained herein
“Loan”	the provision of the Facility by BJB Development to Best Chance pursuant to the Agreements
“PRC”	People’s Republic of China

## DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (as amended from time to time)
“Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB0.10 each
“Shareholders”	shareholders of the Company
“Share Charge”	the share charge executed by Best Chance in favour of BJBU Development over the Charged Shares pursuant to the Agreements
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

*Unless otherwise specified in this circular and for the purpose of illustration only, translation rate has been used as follows:*

$$HK\$1.00 = RMB0.8909$$

*No representation is made that any amounts in HK\$ or RMB have been or could be converted at the above rates or any other rates or at all.*

## LETTER FROM THE BOARD



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)**

*Executive Directors:*

Mr. Xu Zhen Dong (*Chairman*)  
Mr. Xu Zhi Xiang  
Mr. Zhang Wan Zhong

*Non-executive Directors:*

Mr. Liu Yong Jin  
Mr. Hao Yi Long

*Independent non-executive Directors:*

Professor Nan Xiang Hao  
Professor Chin Man Chung, Ambrose  
Mr. Cai Chuan Bing

*Legal address:*

Rooms 1117/1119  
Zhongcheng Building  
Haidian Road  
Beijing 100080  
PRC

*Principal place of business  
in the PRC:*

3rd Floor, Beida Jade Bird Building  
No. 207 Chengfu Road  
Haidian District  
Beijing 100871  
PRC

*Principal place of business  
in Hong Kong:*

Unit 02, 7th Floor  
Asia Pacific Centre  
8 Wyndham Street  
Central  
Hong Kong

23 June 2008

*To the Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION  
RELATING TO  
PROVISION OF FINANCIAL ASSISTANCE TO  
BEST CHANCE HOLDINGS LIMITED**

**INTRODUCTION**

Best Chance and BJB Development, a wholly owned subsidiary of the Company, entered into the Agreements on 29 May 2008 pursuant to which BJB Development agreed to make available the Facility in a maximum aggregate amount of HK\$111.4 million

## LETTER FROM THE BOARD

(equivalent to approximately RMB99.2 million) to Best Chance for a period of six months at an interest rate of 48% per annum. The Facility is secured by the Share Charge.

### PRINCIPAL TERMS OF THE AGREEMENTS

#### Date of the Agreements

29 May 2008

#### Parties to the Agreements

Borrower: Best Chance Holdings Limited

Lender: Beida Jade Bird Universal Sci-Tech (Cayman) Development Company Limited, a wholly owned subsidiary of the Company

The Company confirms that to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Best Chance and its ultimate beneficial owner are third parties independent of the Company and connected persons of the Company. Save for the entering into of the Agreements, Best Chance and the Group have no business relationship prior to the Latest Practicable Date.

#### Amount and duration of the Facility

The maximum aggregate amount of the Facility is HK\$111.4 million (equivalent to approximately RMB99.2 million). The Facility will mature six months from the Drawdown Date. The proceeds shall be used exclusively by Best Chance to discharge the Kingston Indebtedness, pay for the subscription monies payable by Best Chance to China Best for subscription of China Best Shares pursuant to the China Best Right Issue as disclosed in the China Best Announcements and to finance the payment of the fees, costs and expenses incurred or suffered by BJB Development under or pursuant to the Agreements. Any part of the Facility undrawn shall be cancelled and shall not thereafter be available. Best Chance shall not be entitled to re-borrow any amounts repaid.

An amount of HK\$28.4 million (equivalent to approximately RMB25.3 million) was advanced by BJB Development to Best Chance on 29 May 2008. Another amount of HK\$81.3 million (equivalent to approximately RMB72.4 million) was advanced on 11 June 2008.

The amount of the Facility was determined with reference to the financial position of China Best and the market value of the Charged Shares.



## LETTER FROM THE BOARD

### **Back-end-fees**

Best Chance shall pay non-refundable back-end fees in a fixed amount of HK\$6 million (equivalent to approximately RMB5.3 million) to BJBU Development on the earlier of maturity date and the date on which the total outstanding amount of the Facility drawn under the Agreements is repaid.

### **Interest on the Facility**

Any part of the Facility drawn by Best Chance is subject to an interest charged at 48% per annum. Interest shall be paid in Hong Kong dollars in arrears by Best Chance to BJBU Development on maturity of the Facility.

### **Security for the Facility**

The Facility is secured by a share charge executed by Best Chance by way of a first fixed charge on all its rights, title and interest in 3,170,808,000 Charged Shares (and including all shares to be issued in the future or bonus stock or shares or other new securities of a similar nature) beneficially owned by it in favour of BJBU Development. Of the Charged Shares, 2,113,872,000 shares have been charged to BJBU Development at the time of the advance of the amount of HK\$28.4 million on 29 May 2008. The remaining 1,056,936,000 shares (being the China Best Right Issue shares subscribed for by Best Chance which were financed by part of the Loan) were charged to BJBU Development upon completion of the China Best Right Issue on 19 June 2008. According to the information disclosed in the China Best Announcements, the Charged Shares represent approximately 34.06% of all issued shares of China Best immediately following completion of the China Best Right Issue. Based on the ex-right closing price of the China Best Shares at the Latest Practicable Date, the Charged Shares had a value of approximately HK\$358.3 million (equivalent to approximately RMB319.2 million). The Share Charge is conducted according to normal business practice.

After the Loan has become in default, the Company is entitled to realize, dispose of or sell the Charged Shares or any part thereof in any way which the Company may deem appropriate and apply the proceeds therefrom to repay the amount outstanding under the Facility. Any surplus moneys arising from such sale, realisation or disposal of the Charges Shares shall be returned to Best Chance.

### **Prepayment of the Facility**

Best Chance may prepay all or part of the Loan prior to the maturity date. In the case of partial prepayment, the amount of prepayment should be not less than HK\$5 million (equivalent to approximately RMB4.5 million).

Best Chance shall, on demand of the BJBU Development, prepay the Loan or any part thereof in an amount as may be specified by BJBU Development if there shall have occurred any one or more of the following events:

- (i) any direct or indirect sale, transfer or other disposition of any equity capital of Best Chance or any of its subsidiaries; or

## LETTER FROM THE BOARD

- (ii) any direct or indirect sale, transfer or other disposition of any property, assets or undertaking of Best Chance or any of its subsidiaries other than any sale, transfer or disposition in the ordinary and usual course of business that, together with any related dispositions, yields aggregate net proceeds of less than HK\$5 million (equivalent to approximately RMB4.5 million) (or its foreign currency equivalent); or
- (iii) any public or private issuance and/or placement of any equity capital, bonds, commercial notes or papers (other than notes or papers of indebtedness issued as trade credits in the ordinary and usual course of business of Best Chance or any of its subsidiaries the aggregate amount of which is less than HK\$5 million (equivalent to approximately RMB4.5 million) (or its foreign currency equivalent)), or other equity-linked debt securities by Best Chance or any of its subsidiaries.

### INFORMATION OF BEST CHANCE AND CHINA BEST

Best Chance is a company incorporated under the laws of British Virgin Islands with limited liability. It is principally engaged in investment holding and is the registered holder of 3,170,808,000 ordinary shares of HK\$0.05 each or 34.06% in the issued share capital of China Best as at the Latest Practicable Date. China Best is a company incorporated in Bermuda with limited liability. Its shares are listed on the Stock Exchange under the stock code 00370.

### INFORMATION OF BJBU DEVELOPMENT

BJBU Development is a limited company incorporated in the Cayman Islands and is a wholly owned subsidiary of the Company. It is principally engaged in sale of computer products and related products.

### 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 the development of travel and leisure business.

### REASON FOR THE LOAN

The Loan was financed by the Group from its internal resources. Immediately before the Loan, the Group had consolidated cash and cash equivalents of approximately RMB698 million. Best Chance was introduced to the Company by a business partner. The Directors consider that the Loan provides an opportunity for the Group to get a high rate of return for its surplus fund. Assuming the Loan is repaid upon maturity, the Group expects to receive a maximum interest income of HK\$26.3 million (equivalent to approximately RMB23.4 million). In addition, the Group will receive non-refundable back-end fees in an aggregate amount of HK\$6 million (equivalent to approximately RMB5.3 million). The

## LETTER FROM THE BOARD

Group's assets will then increase by the same amount. The Directors also consider that the Loan has low risk to the Group since it was fully secured by the Charged Shares, having an aggregate value of approximately HK\$358.3 million at the Latest Practicable Date, equivalent to a security-to-loan ratio of approximately 3.3 times.

The Loan does not affect the Group's liabilities.

The terms of the Agreements were arrived at after arm's length negotiation between Best Chance and BJBU Development. The Board, including the independent non-executive Directors considers the terms of the Agreements to be fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### IMPLICATIONS UNDER THE GEM LISTING RULES

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

Save for the entering into of Agreements, the Group and Best Chance had not involved in any other transaction within a 12 month period. The Facility is thus not subject to Rule 19.22 of the GEM Listing Rules.

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the appendix to this circular.

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

## 1. RESPONSIBILITY STATEMENT

This circular, 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:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.

## 2. DISCLOSURE OF INTERESTS

- (a) **Interests and short positions of the Directors, chief executive and supervisors of the Company in the total issued Domestic Shares and its associated corporations**

As at the Latest Practicable Date, the interests (including interests in shares and short positions) of the Directors, chief executive or supervisors of the Company in the Domestic Shares of the issued share capital of the Company and its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to: (a) Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which each of them is taken or deemed to have taken under such provisions of the SFO); or (b) which will be required pursuant to Section 352 of the SFO to be entered in the register referred to in that section; or (c) will be required, pursuant to Rules 5.46 to 5.67 of

the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange, will be as follows:

**Long positions:**

Name of Director	Note	Number of Shares held, capacity and nature of beneficial interest of a trust	Approximate percentage of the Company's total number of issued domestic shares capital	Approximate percentage of the Company's total issued share capital
Mr. Xu Zhen Dong	(a)	205,414,000	29.34%	17.34%
Mr. Xu Zhi Xiang	(a)	205,414,000	29.34%	17.34%
Mr. Zhang Wan Zhong	(a)	205,414,000	29.34%	17.34%
Mr. Liu Yong Jin	(a)	205,414,000	29.34%	17.34%
<b>Name of supervisor</b>				
Mr. Zhang Yong Li	(a)	205,414,000	29.34%	17.34%
Ms. Dong Xiao Qing	(a)	205,414,000	29.34%	17.34%

*Note:*

- (a) The above Directors and supervisors of the Company are taken to be interested in the issued share capital of the Company through their respective interests as beneficiaries, among other beneficiaries, of Heng Huat Trust (“**Heng Huat Trust**”). By a declaration of Heng Huat Trust made as a deed on 19 July 2000, Mr. Xu Zhen Dong, Mr. Zhang Wan Zhong and Ms. Liu Yue (who has been replaced by Mr. Xu Zhi Xiang since 9 May 2003 as a trustee) declared that they held the shares of Heng Huat Investments Limited (“**Heng Huat**”) as trustees for the benefits of over 300 employees (formerly 477 employees) of 北京北大青鳥軟件系統有限公司(Beijing Beida Jade Bird Software System Co., Ltd.), 北京北大青鳥有限公司(Beijing Beida Jade Bird Limited), 北京北大宇環微電子系統有限公司(Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd.) and 北京天橋北大青鳥科技股份有限公司(Beijing Tianqiao Beida Jade Bird Sci-Tech Company Limited) and their respective subsidiaries and associated companies and the Company. Heng Huat is beneficially interested in the entire issued share capital of Dynamic Win Assets Limited (“**Dynamic Win**”), and is taken to be interested in 205,414,000 shares which Dynamic Win is interested. Mr. Xu Zhen Dong, Mr. Zhang Wan Zhong and Mr. Xu Zhi Xiang (who replaced Ms. Liu Yue as a trustee on 9 May 2003 upon Ms. Liu’s resignation as a trustee on the same date) are trustees holding 60, 20 and 20 shares, respectively, out of 100 shares in the issued share capital of Heng Huat.

Saved as disclosed above, none of the Directors, chief executives and supervisors of the Company had registered an interest or short position in the Shares or underlying Shares of the Company or any of its associated corporations that was required to be notified pursuant to Divisions 7 and 8 of Part XV of the SFO, recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

**(b) Interests in share options**

As at the Latest Practicable Date, no options have been granted by the Group pursuant to the share option scheme adopted by the Company on 5 July 2000.

**3. DIRECTORS' SERVICE CONTRACTS**

Except for Mr. Cai Chuan Bing whose service contract with the Company commenced on 20 October 2006, each of the Directors and supervisors of the Company has entered into a service contract with the Company for a term of three years commencing from 30 June 2006 until the date of the annual general meeting to be convened in 2009.

Save as disclosed above, none of the Directors has any existing or proposed service contracts with any member of the Group, excluding contracts expiring or determinable by the Company or any of its subsidiaries within one year without payment of compensation other than statutory compensation as at the Latest Practicable Date.

**4. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

**Long positions:**

	<i>Note</i>	Capacity and nature of interest	Number of ordinary Shares held	Approximate percentage of the Company's total number of issued domestic share capital	Approximate percentage of the Company's total number of issued H Shares	Approximate percentage of the Company's total issued share capital
Peking University	(a)	Through controlled corporations	310,000,000	44.29%	Not applicable	26.16%
Beijing Beida Yu Huan Microelectronics System Engineering Co., Ltd. (formerly known as Beijing Beida Yu Huan Microelectronics System Engineering Company)	(a)	Directly beneficially owned	85,000,000	12.14%	Not applicable	7.17%

	Note	Capacity and nature of interest	Number of ordinary Shares held	Approximate percentage of the Company's total number of issued domestic share capital	Approximate percentage of the Company's total number of issued H Shares	Approximate percentage of the Company's total issued share capital
Beijing Beida Jade Bird Software System Co., Ltd. (formerly known as Beijing Beida Jade Bird Software System Company)	(b)	Directly beneficially owned and through a controlled corporation	225,000,000	32.14%	Not applicable	18.99%
Beijing Beida Jade Bird Limited	(a)	Directly beneficially owned	115,000,000	16.43%	Not applicable	9.71%
Heng Huat Investments Limited	(c)	Through a controlled corporation	205,414,000	29.34%	Not applicable	17.34%
Dynamic Win Assets Limited	(c)	Directly beneficially owned	205,414,000	29.34%	Not applicable	17.34%
Mongolia Energy Corporation Limited	(d)	Through a controlled corporation	84,586,000	12.08%	Not applicable	7.14%
New View Venture Limited	(d)	Directly beneficially owned	84,586,000	12.08%	Not applicable	7.14%
Asian Technology Investment Company Limited		Directly beneficially owned	50,000,000	7.14%	Not applicable	4.22%
Taifook Securities Company Limited	(e)	Directly beneficially owned	80,800,000	Not applicable	16.67%	6.82%
Taifook Finance Company Limited	(e)	Through a controlled corporation	80,800,000	Not applicable	16.67%	6.82%
Taifook (BVI) Limited	(e)	Through a controlled corporation	80,800,000	Not applicable	16.67%	6.82%

Notes:

- (a) Peking University is taken to be interested in 26.16% of the total issued share capital of the Company through the following companies:
- (i) 85,000,000 Shares (representing approximately 7.17% of the Company's total issued share capital) held by 北京北大宇環微電子系統有限公司 (Beijing Beida Yu Huan Microelectronics System Co., Ltd.) ("**Yu Huan**"), which is beneficially owned by Peking University;
  - (ii) 110,000,000 Shares (representing approximately 9.28% of the Company's total issued share capital) held by 北京北大青鳥軟件系統有限公司 (Beijing Beida Jade Bird Software System Co., Ltd.) ("**JB Software**"), which is beneficially owned by Peking University; and
  - (iii) 115,000,000 Shares (representing approximately 9.71% of the Company's total issued share capital) held by 北京北大青鳥有限責任公司 (Beijing Beida Jade Bird Limited) ("**Beida Jade Bird**"), which is beneficially owned by Peking University.

On 21 January 2008, the Company had been notified by Yu Huan and JB Software that both companies had entered into share transfer agreements with 杭州北大青鳥科技有限公司 (Hang Zhou Beida Jade Bird Sci-Tech Co., Ltd. ("**HZ Jade Bird**"), a non wholly-owned subsidiary of Beida Jade Bird which is 80% beneficially owned by it, respectively on 18 January 2008 whereas both companies agreed to sell to HZ Jade Bird their entire equity interests in the Company (collectively the "**Transfers**"). The Transfers are conditional upon approvals by 國務院國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the State Council). The Transfers are not effective as at the Latest Practicable Date.

- (b) The interest of JB Software comprises 110,000,000 Shares held by JB Software itself and 115,000,000 Share held by Beida Jade Bird, which is beneficially held by JB Software.
- (c) The Shares are held by Dynamic Win Assets Limited, which is wholly owned by Heng Huat Investments Limited.
- (d) The Shares are held by New View Venture Limited, which is wholly owned by Mongolia Energy Corporation Limited.
- (e) The Shares are held by Taifook Securities Company Limited, which is directly wholly owned by Taifook Finance Company Limited and indirectly wholly owned by Taifook (BVI) Limited.

Save as disclosed above, no person, other than the Directors and supervisors of the Company, whose interests are set out in the section headed "Interests and short positions of the Directors, chief executive and supervisors of the Company in the total issued Domestic Shares and its associated corporations", had registered an interest or short position in the Shares or underlying Shares that was required to be recorded pursuant to Section 336 of the SFO.

## 5. COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which competes or may compete with the businesses of the Group, or may have any conflicts of interest with the Group pursuant to the GEM Listing Rules.



## 6. LITIGATION

As at the Latest Practicable Date, no member of the Group is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

## 7. GENERAL

- (a) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.
- (b) The principal place of business of the Company in the PRC is at 3rd Floor, Beida Jade Bird Building, No. 207 Chengfu Road, Haidian District, Beijing 100871, the PRC.
- (c) The place of business of the Company in Hong Kong is at Unit 02, 7th Floor, Asia Pacific Centre, 8 Wyndham Street, Central, Hong Kong.
- (d) The share register and transfer office of the Company is Hong Kong Registrars Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (e) The compliance officer of the Company is Mr. Zhang Wan Zhong ("**Mr. Zhang**"). Mr. Zhang graduated from Peking University with a master degree in science. He held various positions in the administrative arm of Peking University including the Deputy Head of the Remote Sensing and Geographic Information System Department.
- (f) The qualified accountant and secretary of the Company is Mr. Leung Wai Man ("**Mr. Leung**"). Mr. Leung is a fellow member of The Association of Chartered Certified Accountants and an associate member of each of The Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (g) Pursuant to Rule 5.28 of the GEM Listing Rules, the Company has set up an audit committee. In compliance with Rule 5.29 of the GEM Listing Rules, the authority and responsibility of the audit committee has been properly written out. The primary duties of the audit committee are to review the financial reporting process, internal control and corporate governance issues of the Company and make relevant recommendations to the Board. The audit committee has three members, namely the three independent non-executive Directors, Professor Nan Xiang Hao ("**Prof. Nan**"), Professor Chin Man Chung, Ambrose ("**Prof. Chin**") and Mr. Cai Chuan Bing ("**Mr. Cai**"). Prof. Nan has been awarded various science awards such as 國家科技進步二等獎 (the Second Prize of State Technological Achievement). He is currently a part-time professor in the Graduate University of Chinese Academy of Science. Prof. Chin graduated from the Department of Oriental Language and Cultures of Peking

University with a master degree in Literature. He is currently a professor of the History Department of the Fudan University and a researcher of morality and religion research centre of Tsinghua University. Mr. Cai graduated from Anhui University of Finance and Trade. He is currently the chairman of the Communications Branch of the China Institute of Internal Audit. He is also a non-executive director of Yue Da Mining Holdings Limited (formerly Yue Da Holdings Limited) whose shares are listed on the Stock Exchange with stock code 00629.