

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)

**DISCLOSEABLE TRANSACTION:
SUCCESSFUL AUCTION OF 25% INTEREST OF TARGET COMPANY**

THE ACQUISITION

The Board announces that on 9 January 2024, the Company made a successful bid for the Sale Equity in the public auction held through the Online Auction Platform operated and managed by the Shanghai Equity Exchange at a consideration of RMB106,690,000 (equivalent to approximately HK\$117,370,000). Upon Completion, the aggregate shareholdings of the Target Company held by the Group will increase from 45% to 70%.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the applicable percentage ratios under the GEM Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the GEM Listing Rules and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

THE ACQUISITION

The Board announces that on 9 January 2024, the Company made a successful bid for the Sale Equity in the public auction held through the Online Auction Platform operated and managed by the Shanghai Equity Exchange at a consideration of RMB106,690,000 (equivalent to approximately HK\$117,370,000).

The principal terms of the Acquisition are set out below:

Date:

9 January 2024

Parties

- (i) Vendor: 上海創業投資有限公司 (Shanghai Venture Capital Co., Ltd.*), a company established in the PRC with limited liability; and
- (ii) Purchaser: the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, (a) the Vendor is a company established in the PRC with limited liability and is principally engaged in investment management, asset management, venture capital investment and enterprise management consulting; and (b) each of the Vendor and its ultimate beneficial owner is an Independent Third Party.

Assets to be acquired

The Sale Equity successfully bid by the Company in the Auction represents RMB50,000,000 (equivalent to HK\$55,005,000) of the registered capital of the Target Company, being 25% of the equity interest in the Target Company held by the Vendor.

Bidding price

The consideration amount payable by the Company i.e. the bidding price for the Sale Equity is RMB106,690,000 (equivalent to approximately HK\$117,370,000), excluding the taxes incurred in relation to the transfer of the title of the Sale Equity. The bidding price for the Sale Equity was determined by reference to the value of the Sale Equity as at 30 June 2023 of RMB106,680,353.04 (equivalent to approximately HK\$117,359,000) (having taken into account of the management performance fees of RMB14,170,088.26 (equivalent to approximately HK\$15,589,000) mentioned below) as assessed by an independent and qualified valuer engaged by the Vendor and the Company, adopting the asset-based approach.

In accordance with the entrusted investment management agreement entered into between the Target Company and the Manager dated January 2018 which contained a provision that during the entrustment period from 9 January 2018 to 8 January 2025 (or its extended period), if the capital appreciation of the Target Company through the Manager's investment management activities net of the capital appreciation actually enjoyed by the shareholders of the Target Company in the form of receipts of dividends or cash proceeds through a capital reduction exceeds the entire amount of the paid-up capital of the Target Company, the Manager shall be entitled to receive 20% of the capital appreciation proceeds entrusted from the Target Company as reward for its investment management performance, and shall have the right to collect the management performance fees directly from the Target Company upon the completion of the relevant transaction (i.e. the Acquisition).

The management performance fees arising from the Acquisition are equal to 20% of the difference between the total cash income from the capital preservation and appreciation of the Target Company and the paid-up capital of the Target Company, i.e. RMB14,170,088.26 (equivalent to approximately HK\$15,589,000).

Settlement of the bidding price

The bidding price shall be paid as follows:

- (i) RMB30,000,000 (equivalent to approximately HK\$33,003,000) has already been paid by the Company as a security deposit prior to the submission of the bid; and
- (ii) the balance of the bidding price of RMB76,690,000 (equivalent to approximately HK\$84,367,000) shall be paid by the Company to the bank account designated by the Shanghai Equity Exchange within 10 Business Days after the Equity Transfer Agreement becoming effective.

The Company has settled and will settle the bidding price by the internal resources of the Group.

All taxes arising from the Acquisition shall be borne by the relevant parties in accordance with applicable laws and regulations. Each party shall bear its own costs and expenses incurred in the course of the Auction held through the Online Auction Platform.

Completion

It is currently expected that the Company and the Vendor would enter into the Equity Transfer Agreement on or about 16 January 2024.

The Company and the Vendor shall complete the requisite procedures relating to the change of the ownership of the Sale Equity with the relevant PRC authorities within 20 Business Days after the full settlement of the bidding price by the Company.

Upon Completion, the Group will own a total of 70% of the direct and indirect equity interests in the Target Company and the financial results of the Target Company will be included in the consolidated financial statements of the Group.

Default

In the event of default by the Company in the payment of any sum due under the Equity Transfer Agreement, the Company shall pay liquidated damages to the Vendor at the daily rate of 0.1% based on the outstanding amount due and payable. If the overdue period exceeds 30 days, the Vendor shall have the right to terminate the Equity Transfer Agreement and request the Company to compensate for its loss.

If any party fails to complete the registration procedures for the change of the ownership of the Sale Equity within the time limit specified in the Equity Transfer Agreement, the defaulting party shall pay the other party liquidated damages at the daily rate of 0.1% of the consideration payable for each day overdue.

If any party fails to observe its obligations and covenants agreed in the Equity Transfer Agreement (except for the payment and registration obligations and covenants as set out above) and causes losses to the other party, the defaulting party shall be liable for compensating the other party; if the defaulting party causes a material adverse impact on the Sale Equity or the Target Company, making it impossible to realise the purpose of the Equity Transfer Agreement, then the non-defaulting party shall have the right to terminate the Equity Transfer Agreement and demand the defaulting party to compensate for its losses (if the defaulting party has already paid the abovementioned liquidated damages for failing to comply with its payment and registration obligations and covenants as set out above, then it shall not be required to compensate the non-defaulting party for the corresponding losses).

INFORMATION ABOUT THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability. It was established on 14 October 2013 with a registered capital of RMB200,000,000 (equivalent to HK\$220,020,000).

The Target Company is principally engaged in investment holding, focusing on investment in innovative and high-growth enterprises in industries of new materials, energy conservation, environmental protection and high-end equipment manufacturing, and in provision of investment consultancy and enterprise management services.

The unaudited total assets and the unaudited net assets of the Target Company as at 30 June 2023 were approximately RMB589,014,000 (equivalent to approximately HK\$647,974,000) and approximately RMB483,402,000 (equivalent to approximately HK\$531,791,000) respectively. The audited net loss before and after taxation of the Target Company for the year ended 31 December 2021 were both approximately RMB1,573,000 (equivalent to approximately HK\$1,730,000), and the audited net loss before and after taxation of the Target Company for the year ended 31 December 2022 were both approximately RMB1,546,000 (equivalent to approximately HK\$1,701,000).

Investments held by the Target Company

As at 30 June 2023, the Target Company held interests in the following PRC-established companies, which were the principal assets of the Target Company:

Name of company	Business activities	Percentage of equity interest
Eta Shanghai <i>(Note 1)</i>	Technical development, technical service, technical consultation and technical transfer of semiconductor and new material technology, and the sale of semiconductor materials and equipment.	18.65%
Shanghai Xianyao <i>(Note 2)</i>	Technical research and development of display devices, optical components and accessories and digital devices; and the wholesale distribution of digital components, optoelectronic products, display devices, projecting devices and lightening devices.	9.01%
Guangdong Lumen <i>(Note 3)</i>	Development, manufacture and sale of high-end ceramic high-power light-emitting diodes (LEDs) devices and modules, focusing on the research and development and manufacturing of special light sources such as automotive, stage, curing, flash and plant growth. The products manufactured include car lamp series, mobile lighting series, color light series, etc.	20.00%
Enraytek Shanghai <i>(Note 4)</i>	Development, design, production and sale of light-emitting diodes (LEDs), substrate materials and related components.	6.06%
Beijing Yuanjian <i>(Note 4)</i>	Technical development, technical service, technical consultation and technical transfer of computer system and data processing, and the sale of computers, software and auxiliary equipment and communication equipment.	4.75%

Notes:

- (1) As at the date of this announcement, the Group holds approximately 22.86% of the equity interest in Eta Shanghai (excluding the equity interest held via the Target Company).*
- (2) As at the date of this announcement, the Group holds approximately 5.48% of the equity interest in Shanghai Xianyao (excluding the equity interest held via the Target Company).*
- (3) As at the date of this announcement, the Group holds approximately 80.00% of the equity interest in Guangdong Lumen (excluding the equity interest held via the Target Company).*
- (4) As at the date of this announcement, Enraytek Shanghai and Beijing Yuanjian are in the process of liquidation.*

As at the date of this announcement, the Target Company is owned as to 25% by the Vendor, 45% by the Group and 30% by an Independent Third Party. Upon Completion, the Group will hold 70% of the equity interest in the Target Company in aggregate. The Target Company will become a non-wholly owned subsidiary of the Company and its financial results will be consolidated into the results of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company, through its subsidiaries, is principally engaged in the development of travel and leisure business, sales and production of LED devices, investment holding of diversified portfolios and other businesses including trading of metallic products and wine and other related products.

The Board considers that the Acquisition represents a good investment opportunity and is in line with the Group's vision to invest in target companies or businesses with promising outlook and prospects, taking into account that the Group is principally engaged in investment holding and the investment companies held by the Target Company have promising outlook and prospects, further details of which are set out below.

As mentioned in the paragraph headed "Information about the Target Company – Investments held by the Target Company" above, the Target Company has invested in Eta Shanghai, Shanghai Xianyao and Guangdong Lumen, which are engaged in the semiconductor industry and LED industry. In accordance with "Several Policies to Promote High-Quality Development of Integrated Circuit Industry and Software Industry in the New Era" (《新時期促進集成電路和軟體高品質發展的若干政策》) and the "Outline of the Plan for the Integrated Development of the Yangtze River Delta Region" (《長江三角洲區域一體化發展規劃綱要》) promulgated by the State Council of the PRC on 27 July 2020 and 1 December 2019 respectively, and "Yangtze River Delta G60 Science and Technology Innovation Corridor Construction Programme" (《長三角G60科創走廊建設方案》) issued by the Ministry of Science and Technology, the National Development and Reform Commission and six other commissions on 27 October 2020, the PRC government has provided considerable support to the companies in the semiconductor industry and has encouraged the development of the semiconductor industry with the provision of incentives in taxation, investment and financing, research and development, import and export, intellectual property rights, talent policies, markets application and international cooperation. The favourable national policies have incentivised the manufacturers of semiconductor and LED products in China to further expand and develop their products.

Given that China is one of the world's largest semiconductor and LED consumption markets, the local supply cannot meet the actual domestic demand. As the semiconductor industry and the LED industry have both undergone a new round of technological innovation, it is expected that related domestic enterprises will still have enormous room for growth, and the Group is optimistic about the long-term development of these two industries. Upon Completion, the interests of the Group in Eta Shanghai, Shanghai Xianyao and Guangdong Lumen will increase, which will enable the Group to gain a strategic position in the semiconductor industry and the LED industry.

The increasing demand for semiconductors has served as a growth driver for the semiconductor industry, allowing such industry to maintain a steady growth trend. At the same time, the development and growth of technology have also led to the strong domestic demand for product equipment. In line with this growth trend in the industry, the production base of Shanghai Xianyao in Hefei has been completed in 2023 and put into mass production and Shanghai Xianyao has also shown its strong competitiveness in both the domestic and international markets with its high-quality products and technology and efficient operations.

Eta Shanghai is one of the manufacturers capable of achieving mass production of 4-inch carbon-doped semi-insulated gallium nitride wafers in the world, and the performance and quality of its products have been recognised by the customers. With the PRC government's support to the semiconductor industry and the LED industry, Eta Shanghai is expected to develop significantly. The performance and quality of Eta Shanghai's products has been widely recognised by customers and its products continued to pass the verification of new customers.

With the recovery of the global economy after the end of the pandemic, overseas orders of Guangdong Lumen have resumed growth, and its products have successfully entered the U.S. market in June 2023. In addition, Guangdong Lumen has also seized the opportunity of the rapid development of the new energy automobile market by gradually transferring its product focus to the new energy lamps for electric cars with higher profit margin which is expected to bring about further growth to Guangdong Lumen in the future.

Given the firm support of the PRC government to the semiconductor industry and the LED industry, the strong market demand for the semiconductor and LED products and the steady progress of the investment projects undertaken by the investment companies of the Target Company, the Directors are of the view that (i) the outlook and prospects of the businesses of these investment companies will be promising; (ii) the investment of the Company in the Target Company is in line with the Group's principal business of investment holding and its existing investments in the semiconductor and LED businesses in particular; and (iii) the Acquisition is expected to enhance the Group's competitive position in the semiconductor industry and the LED industry and contribute growth to the Group in the future.

The Board (including the independent non-executive Directors) is of the view that the Acquisition was conducted under normal commercial terms and in line with the investment strategy of the Group as well as in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the applicable percentage ratios under the GEM Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the GEM Listing Rules and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings:

“Acquisition”	the acquisition of the Sale Equity by the Company
“Auction”	the public auction held through the Online Auction Platform for the sale of the Sale Equity
“Beijing Yuanjian”	北京遠鑒科技股份有限公司 (Beijing Yuanjian Technology Co., Ltd.*), a limited liability company established in the PRC
“Board”	the board of Directors
“Business Day(s)”	any day(s) except Saturday, Sunday and the public holidays in the PRC
“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 joint stock limited company incorporated in the PRC with limited liability with its H Shares listed on the GEM
“Completion”	completion of the Acquisition
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company

“Equity Transfer Agreement”	the agreement to be entered into between the Vendor and the Company in relation to the Acquisition
“Enraytek Shanghai”	映瑞光電科技(上海)有限公司 (Enraytek Optoelectronics (Shanghai) Co., Ltd.*), a limited liability company established in the PRC
“Eta Shanghai”	鎔特半導體科技(上海)有限公司 (Eta Semiconductor Technology (Shanghai) Co., Ltd.*), a limited liability company established in the PRC
“GEM”	The GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Guangdong Lumen”	廣東新銳流銘光電有限公司 (Guangdong Lumen Pioneer Opto Co., Ltd.*), a limited liability company established in the PRC
“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 its connected persons
“Manager”	上海盛有創業投資管理有限公司 (Shanghai Shengyou Venture Capital Management Co., Limited*), a limited liability company established in the PRC
“Online Auction Platform”	上海份額轉讓平台 (Shanghai Private Equity and Venture Capital Share Transfer Platform*) operated and managed by the Shanghai Equity Exchange, which has been approved by the China Securities Regulatory Commission to carry out pilot transfers of private equity and venture capital shares

“PRC”	the People’s Republic of China which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	the registered capital of the Target Company of RMB50,000,000 (equivalent to approximately HK\$55,005,000), representing 25% in the equity interest of the Target Company, which is fully paid up and owned by the Vendor as at the date of the Auction
“Shareholder(s)”	the shareholder(s) of the Company
“Shanghai Equity Exchange”	上海股權託管交易中心股份有限公司 (Shanghai Equity Exchange Limited), a joint stock limited company established in the PRC
“Shanghai Xianyao”	上海顯耀顯示科技有限公司 (Shanghai Xianyao Display Technology Co., Ltd.*), a limited liability company established in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	上海盛今創業投資有限公司 (Shanghai Shengjin Venture Capital Co., Ltd.*), a limited liability company established in the PRC, which is principally engaged in investment holding and owned as to (i) 25% by the Vendor; (ii) 45% by the Group; and (iii) 30% by an Independent Third Party as at the date of the Auction
“Vendor”	上海創業投資有限公司 (Shanghai Venture Capital Co., Ltd.*), a company established in the PRC with limited liability, which is ultimately and wholly owned by the Shanghai State-Owned Assets Supervision and Administration Commission
“%”	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 to HK\$1.1001. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute representations 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
9 January 2024

As at the date of this announcement, Mr. Ni Jinlei, Ms. Zheng Zhong, Mr. Wang Xingye and Ms. Guan Xueming are the executive Directors, Mr. Liu Ziyi is a non-executive Director and Mr. Tang Xuan, Mr. Li Chonghua and Mr. Shen Wei are the 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 Stock Exchange's website at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the website of the Company at "www.jbu.com.cn".

* *For identification purpose only*