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Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.*
上海青浦消防器材股份有限公司
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8115)

NOTIFIABLE TRANSACTION

ACQUISITION OF 90% EQUITY OF SHANGHAI LI MING FIRE-FIGHTING EQUIPMENT TESTING CO., LTD.

The Board is pleased to announce that on 9 May 2011. The Company and the Vendors entered into the Acquisition Agreement, pursuant to which The Company agreed to acquire and the Vendors agreed to sell 90% equity of Shanghai Li Ming for a consideration of RMB1.8 million.

As the applicable percentage ratios calculated under the GEM Listing Rules is more than 5% and below 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

THE ACQUISITION AGREEMENT

The Board is pleased to announce that on 9 May 2011. The Company and the Vendors entered into the Acquisition Agreement, pursuant to which The Company agreed to acquire and the Vendors agreed to sell 90% equity of Shanghai Li Ming for a consideration of RMB1.8 million. The principal terms of the Acquisition Agreement are as follows:

Date of the Acquisition Agreement: 9 May 2011

- Parties:
- (i) the Company, as Purchaser
 - (ii) Vendors: Mr. Zhou Wu (“Mr. Zhou”) and Ms. Yu Xiao Fei (“Ms. Yu”). Shanghai Li Ming Fire-Fighting Equipment Testing Co., Ltd. is 90% owned by Mr. Zhou and 10% owned by Ms. Yu. To the best of the Directors’ knowledge, information and belief and after making all reasonable enquiries, the Vendors are independent third parties not connected with the Directors, chief executive officer or substantial shareholders of the Company, or an associate of any of them.

Asset to be acquired:

Pursuant to the Acquisition Agreement, the Purchaser has agreed to purchase and the Vendor has agreed to sell 90% equity interest in Shanghai Li Ming owned by the Vendors.

Consideration:

The Consideration for the Acquisition is RMB1.8 million was determined on arm's length negotiation between the parties to the Acquisition Agreement with reference to, among other things, the business prospects of Shanghai Li Ming. Based on the current market situation, the Board is of the opinion that the consideration for the Acquisition is fair and reasonable and comparable to other players in the industry. The Consideration will be satisfied in cash by internal resources of the Company and will be paid within 3 days after the signing of the Acquisition Agreement.

INFORMATION OF SHANGHAI LI MING

Shanghai Li Ming is a limited liability company incorporated in Shanghai, the PRC. Shanghai Li Ming is engaged in the business of testing of fire-fighting equipment products. It is a legal requirement in Shanghai, the PRC, that all fire-fighting equipment products must be certified by a fire-fighting equipment testing company before it could be used. In addition, all fire-fighting equipment products that had been installed are required to undergo an annual inspection to ensure that they are functioning properly. There are only a limited number of fire-fighting equipment testing companies that are licensed to operate in Shanghai, the PRC.

Set out below is a summary of financial information on Shanghai Li Ming based on the unaudited financial statements for the years ended 31 December 2010 and 31 December 2009 prepared in accordance with the Hong Kong Financial Reporting Standards:

	Year Ended 31 December 2010 RMB	Year Ended 31 December 2009 RMB
Revenue	1,597,700	874,800
Profit before taxation	283,470	49,640
Profit after taxation	233,860	46,250

As at 31 December 2010 the unaudited total assets and net assets of Shanghai Li Ming amounted to RMB2,327,200 and RMB2,280,100 respectively.

INFORMATION OF THE PURCHASER

The Company is a joint stock limited company incorporated in the PRC and whose shares are listed on the GEM Board of the Stock Exchange. The principal activities of the Company are the manufacture and sale of fire fighting equipment products.

REASONS AND BENEFIT OF THE ACQUISITION

As explained above, Shanghai Li Ming is one of the few fire-fighting equipment testing companies that are licensed to operate in Shanghai, the PRC. The Acquisition will enable the Company to extend its current business from manufacturing of fire-fighting equipment products only into other fire-fighting equipment products related business.

GENERAL

The Acquisition constitutes a discloseable transaction of the Company pursuant to Chapter 19 of the GEM Listing Rules as the assets ratio and revenue ratio of the Acquisition exceed 5% or more, but less than 25%.

DEFINITIONS

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

“Acquisition”	the acquisition of 90% equity interest in Shanghai Li Ming by the Purchaser under the Acquisition Agreement
“Acquisition Agreement”	the equity interest transfer agreement date 9 May 2011 entered into between the Vendors and the Purchaser in relation to the Acquisition
“Asset”	90% of the equity interest in Shanghai Li Ming
“Board”	the board of directors of the Company
“Company”	Shanghai Qingpu Fire-Fighting Equipment Co., Ltd., a joint stock limited company incorporated in the PRC and whose shares are listed on the GEM Board of the Stock Exchange
“Consideration”	the consideration payable by the Purchaser to the Vendors under the Acquisition Agreement in the amount of RMB 1.8 million

“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Mr. Zhou”	周武先生 (Mr. Zhou Wu)
“Ms. Yu”	俞曉霏女士 (Ms. Yu Xiao Fei)
“PRC”	The People’s Republic of China, for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Li Ming”	上海黎明消防器材股份有限公司 (Shanghai Li Ming Fire-Fighting Equipment Testing Company Limited), a limited liability company incorporated in Shanghai, the PRC
“Vendors”	Mr. Zhou and Ms. Yu

By order of the Board
Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.*
Zhou Jin Hui
Chairman

Hong Kong, 9 May 2011

As at the date of this announcement, the executive Directors are Mr. Zhou Jin Hui, Mr. Gong Xu Lin and Mr. Shen Jian Zhong; the non-executive Directors are Ms. Chai Xiao Fang and Ms. Wang Xiang; and the independent non-executive Directors are Mr. Wang Guo Zhong, Mr. Yang Chun Bao and Mr. Zhang Cheng Ying.

This announcement, for which the Directors collectively and individually accept full responsibilities, 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 be published on the GEM website on the “Latest Company Announcement” page for at least 7 days from the date of publication.

* For identification purpose only