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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)

DISCLOSABLE TRANSACTION

PURCHASE OF INDUSTRIAL PROPERTIES

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The Board announces that on 14 July 2020, a subsidiary of the Company, 上海荻野生物科技有限公司 (Shanghai Ogino Biotechnology Co., Limited*) (“Shanghai Ogino”), entered into an agreement (the “Transaction”) to purchase 6 properties with a total building area of 3,233.22 sq. m., located at 天億健康產業園 (Tian Yi Health Industrial Park*) (the “Properties”), in Ci Xi, Zhejiang Province of the PRC, for an aggregate consideration of RMB13,000,000 (equivalent to approximately HK\$14,400,000) (the “Purchase Consideration”).

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios as set out in Rule 19.07 of the GEM Listing Rules is more than 5% but less than 25%, the Transaction constitutes a disclosable transaction on the part of the Company and is subject to the reporting and announcement requirements under the GEM Listing Rules.

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The Properties, which are under-construction and expected to be completed in April 2021, are intended to be used by Shanghai Ogino as its new production plant for the manufacture of aquarium products. The land use right of the Properties will expire on 26 August 2068.

PARTIES OF THE AGREEMENT

Date: 14 July 2020

Parties: Shanghai Ogino, as the purchaser

寧波健康智谷園區開發有限公司 (Ningbo Health Work Park Development Co., Ltd.*), as the seller (the “Seller”)

To the best of Directors’ knowledge, information and belief, having made all reasonable enquiries, the Seller and its respective ultimate beneficial owner and/or associate(s) are third parties independent of the Company and its connected persons.

RATIONALE AND BENEFITS OF THE TRANSACTION

The Group is principally engaged in the manufacture and sale of pressure vessels (including fire-fighting equipment products and pressure vessels products) provision of fire technology inspection services; marine fire-fighting equipment installation and inspection; trading of sanitary-ware and other products; and sales of aquarium products.

Since 2015, sales of aquarium products by Shanghai Ogino has been increasing and turnover of Shanghai Ogino has been increased by approximately by 60% for the year ended 31 December 2019 comparing to the year ended 31 December 2018. Based on the above track record as well as the increasing sales orders received and delivered in 2020, a new production plant with a bigger warehouse is needed. Considering the low interest rate environment, Shanghai Ogino decided to purchase instead of lease a new production plant. With the new production plant, sales of aquarium products by Shanghai Ogino could be boosted further because of better production capacity and better corporate image to attract new customers.

Having considered the aforesaid, the Directors consider that the terms of the Purchase are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios set out in Rule 19.07 of the GEM Listing Rules in respect of the Transaction is more than 5% but less than 25%, the Transaction constitutes a disclosable transaction on the part of the Company and is subject to the reporting and announcement requirements under the GEM Listing Rules.

DEFINITIONS

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

“Board”	board of Directors
“Company”	上海青浦消防器材股份有限公司 (Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.*), a joint stock limited company incorporated in the PRC and its H Shares are listed on the GEM
“Directors”	the directors of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB0.10 each, which are subscribed for in RMB by PRC nationals and/or PRC incorporated entities
“GEM”	the GEM 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 share capital of the Company, with a nominal value of RMB0.10 each, all of which are listed on the GEM, and subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Shares”	the Domestic Share(s) and the H Share(s)
“Shareholders”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“sq. m.” square meters
“%” or “per cent.” percentage or per centum

* *For identification purposes only.*

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

Shanghai, 20 July 2020

As at the date of this announcement, the executive Directors are Mr. Zhou Jin Hui (Chairman), Mr. Shi Hui Xing and Mr. Zhou Guo Ping; and the independent non-executive Directors are Mr. Wang Guo Zhong, Mr. Yang Chun Bao and Mr. Song Zi Zhang.

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 at www.hkgem.com and on the website of the Company at www.shanghaiqingpu.com for at least 7 days from the date of publication.