
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of 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 Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. (the “Company”) you should at once hand this circular and the accompanying form of proxy 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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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)

**PROPOSAL FOR GENERAL MANDATES TO ISSUE SHARES
AND PURCHASE SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of the Company, to be held at No. 1988, Jihe Road, Hua Xin Town, Qingpu District, Shanghai, the PRC on Friday 18 May 2012 at 3:00 p.m. is set out on pages 9 to 11 of this circular. A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at Unit 2605, Island place Tower, 510 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so desire.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 circular 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 in this circular misleading.

This circular will remain on the “Latest Company Announcements” page of the GEM Website for at least 7 days from the date of its posting and on the Company website at shqingpu.com.

31 March 2012

* For identification purpose only

CHARACTERISTIC OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at No. 1988, Jihe Road, Hua Xin Town, Qingpu District, Shanghai, the PRC on Friday 18 May 2012 at 3:00 p.m.
“Board”	the board of directors of the Company
“Company”	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 PRC with limited liability and the Shares of which are listed on the GEM
“Directors”	the directors of the Company
“GEM”	The Growth Enterprise of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on The Growth Enterprise Market of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate to the Directors to exercise the powers of the Company to allot, issue and deal with Shares during the relevant period up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM
“Latest Practicable Date”	28 March 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the general mandate to the Directors to exercise the powers of the Company to repurchase fully paid Shares during the relevant period up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM
“SFO”	Securities and Futures Ordinance, Chapter 571, Laws of Hong Kong
“Share(s)”	Share(s) of all classes in the capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhao Jin Hui (*chairman*)
Mr. Gong Xu Lin
Mr. Shen Jian Zhong

Non-executive Directors:

Ms. Chai Xiao Fang
Ms. Wang Xiang

Independent non-executive Directors:

Mr. Wang Guo Zhong
Mr. Yang Chun Bao
Mr. Zhang Cheng Ying

Registered office:

1988 Jihe Road
Hua Xin Town
Qingpu District, Shanghai
People's Republic of China

*Principal place of business
in Hong Kong:*

Unit 2605, Island place Tower,
510 King's Road,
North Point,
Hong Kong

31 March 2012

To the Shareholders

Dear Sir/Madam,

PROPOSAL FOR GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES, AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purposes of this circular are to provide you with information regarding the resolutions to be proposed at the AGM for (i) the proposal for the granting of the Issue Mandate and the Repurchase Mandate; and (ii) give you notice of the AGM.

GRANTING OF THE ISSUE MANDATE AND THE REPURCHASE MANDATE

In order to ensure flexibility, the Directors will seek the approval of the Shareholders to grant the Issue Mandate and the Repurchase Mandate at the AGM.

* *For identification purposes only*

LETTER FROM THE BOARD

Ordinary Resolutions Nos. 3, 4 and 5 as set out in the Notice of AGM will be proposed at the AGM for (i) the Issue Mandate be unconditionally granted to the Directors to issue and dispose of additional Shares not exceeding 20% of the issued share capital of the Company at the date of passing of Ordinary Resolution No. 3 until the next annual general meeting; (ii) the Repurchase Mandate be granted to the Directors to repurchase Shares on the Stock Exchange up to 10% of the issued share capital of the Company at the date of passing of Ordinary Resolution No. 4; and (iii) to increase the aggregate nominal amount of share capital of the Company which the Directors may issue under the Issue Mandate by the aggregate nominal amount of share capital of the Company repurchased under the Repurchase Mandate, the Ordinary Resolution No. 4.

In respect of Ordinary Resolution No. 3, the Directors wish to state that they have no immediate plans to issue any new Shares.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular.

The Issue Mandate and the Repurchase Mandate will be valid for the period from the date of passing of the relevant resolutions up to the date of the next annual general meeting of the Company in 2013, or the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws and regulations of the PRC to be held, or the revocation or variation of such mandates by an ordinary resolution of the Shareholders in general meeting, whichever of these three events occurs first.

As at the Latest Practicable Date, the issued share capital of the Company comprised 187,430,000 Shares. Subject to the passing of the relevant ordinary resolutions to approve the Issue Mandate and the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to allot, issue a maximum of 37,486,000 Shares under the Issue Mandate and purchase a maximum of 18,743,000 Shares under the Repurchase Mandate.

AGM

The notice convening the AGM (as appearing on pages 9 to 11 of this circular) sets out ordinary resolutions to approve the grant of the Issue Mandate and the Repurchase Mandate.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company at Unit 2605, Island Place Tower, 510 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so desire.

LETTER FROM THE BOARD

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the resolutions to be considered and, if thought fit, approved at the AGM will be voted by way of a poll by the shareholders. The Company will make an announcement to publish the results of the poll voting after the AGM.

RECOMMENDATION

The Directors believe that all the above-mentioned resolutions to be proposed at the AGM are fair and reasonable and are in the best interest of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions as set out in the notice of the AGM.

Yours faithfully,
By Order of the Board
Zhou Jin Hui
Chairman

This Appendix includes an explanatory statement required by Rule 13.08 and other relevant provisions of the GEM Listing Rules to be presented to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors at the AGM.

1. GEM LISTING RULES FOR PURCHASES OF SHARES

The GEM Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the GEM must be approved by shareholders in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. FUNDING OF PURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the Articles of Association of the Company and the applicable laws and regulations of the PRC. The Company may not purchase Shares on GEM for a consideration other than for cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

As compared with the financial position of the Company as at 31 December 2011 (being the date of its latest audited accounts), the Directors consider that there will be a material adverse impact on the working capital and the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. The Directors, however, do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing ratio which, in the opinion of the Directors, are from time to time appropriate for the Company.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 187,430,000 Shares.

Subject to the passing of the relevant ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to purchase a maximum of 18,743,000 Shares under the Repurchase Mandate during the period from the passing of the resolution granting the Repurchase Mandate up to (a) the conclusion of the next annual general meeting; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or the applicable laws and regulations of the PRC to be held; or (c) when the authority given under the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

4. REASONS FOR PURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws and regulations of the PRC and in accordance with the Articles of Association of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, following shareholders had interests representing 5% or more of the issued share capital of the Company:

Name of Shareholders	Capacity	Number of shares	Approximate percentage of total registered share capital
Liancheng Fire-Fighting Group Company Limited	Beneficial owner Held by controlled corporation	131,870,000 (<i>Note 1</i>) 1,300,000	70.36% 0.69%
Zhejiang Hengtai Real estate Joint Stock Co., Ltd. (<i>Note 2</i>)	Held by controlled corporation	133,170,000	71.05%
Mr. Zhou Jin Hui (<i>Note 2</i>)	Held by controlled corporation	133,170,000	71.05%
Victory Investment China Group Ltd.	Beneficial owner	16,628,000	8.87%
Chu Yuet Wah	Held by controlled corporation	16,628,000 (<i>Note 3</i>)	8.87%
Best Forth Limited	Held by controlled corporation	16,628,000 (<i>Note 3</i>)	8.87%
Ample Cheer Limited	Held by controlled corporation	16,628,000 (<i>Note 3</i>)	8.87%
Kingston Finance Limited	Person having a security interest in shares	16,628,000 (<i>Note 3</i>)	8.87%

Notes:

- All represented domestic shares of the Company.
- Liancheng Fire-Fighting Group Company Limited holds 131,870,000 domestic shares of the Company. Liancheng Fire Protection Group (Hong Kong) Company Limited, a 100% subsidiary of Liancheng Fire-Fighting Group Company Limited, holds 1,300,000 H shares of the Company. Zhejiang Hengtai Real Estate Joint Stock Co., Ltd. owns 70% of Liancheng Fire-Fighting Group Company Limited and Mr. Zhou Jin Hui owns 58% of Zhejiang Hengtai Real Estate Joint Stock Co., Ltd. Accordingly, Zhejiang Hengtai Real Estate Joint Stock Co., Ltd. and Mr. Zhou Jin Hui were deemed to be interested in 131,870,000 domestic shares and 1,300,000 H shares in the Company.
- Kingston Finance Limited has a security interest in 16,628,000 H shares of the Company. Ample Cheer Limited, 80% of which is held by Best Forth Limited, holds 100% of Kingston Finance Limited. Chu Yuet Wah holds 100% of Best Forth Limited.

In the event that the Directors should exercise in full the power to purchase Shares under the Repurchase Mandate which is proposed to be granted pursuant to an ordinary resolution to be proposed at the AGM, the interests of Liancheng Fire-Fighting Group Company Limited, Mr. Zhou Jin Hui and Mr. Rao Jun Xi would increase to approximately 78.95% of the issued share capital of the Company. Such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors, however, have no intention to exercise the Repurchase Mandate to such an extent that would give rise to this obligation.

An exercise of the Repurchase Mandate in whole will result in less than 25% of the Shares being held by the public. The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result the Shares being hold by the public below the minimum public float.

7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates, has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company in the preceding six months (whether on the Stock Exchange or otherwise) ending on the Latest Practicable Date.

9. SHARE PRICE

Trading in the H Shares of the Company has been suspended with effect from 9:30 a.m. on 21 December 2006. As such, the highest and lowest prices at which the H Shares were traded on the GEM in each of the previous twelve months immediately prior to the Latest Practicable Date were not available.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. (the “Company”) will be held at No. 1988, Jihe Road, Hua Xin Town, Qingpu District, Shanghai, the PRC on Friday 18 May 2012 at 3:00 p.m. for the following purposes:

- 1 To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2011;
2. To re-appoint Ascenda Cachet CPA Limited as Auditors for the ensuring year and authorize the Board of Directors to fix their remuneration;

and, as special business, to consider and, if thought fit, to pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

3. **“THAT**

- (A) subject to paragraph (B) below and approval of the resolution by the China Securities Regulating Committee, the exercise by the board of directors (“Board”) of Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. (“Company”) of all the powers of the Company to allot, issue and deal with domestic shares of nominal value of RMB0.10 each in the share capital of the Company (the “Domestic Shares”) and/or overseas listed foreign shares of nominal value of RMB0.10 each in the capital of the Company (the “H Shares”) during the Relevant Period (as defined below) and to make or grant offers, agreements and options which would or might require the exercise of such power (whether during or after the expiry of the Relevant Period (as defined below)) be and is hereby generally and unconditionally approved;
- (B) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph (A) of this Resolution, otherwise than pursuant to a Rights Issue (as defined below) or the exercise of options under any option scheme or similar arrangement for the time being adopted by the Company to acquire Domestic Shares and/or H Shares shall not exceed 20% of the aggregate nominal value of the Domestic Shares and H Shares respectively in issue at the date of passing this resolution;

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

- (C) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Board to the holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

4. **“THAT**

- (i) subject to paragraph (ii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to repurchase issued shares in the capital of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange) or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in connection with all applicable laws and/or the requirements of the GEM Listing Rules (as defined in Resolution No. 4 as set out in the notice of this meeting) or of any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and this approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (c) the date on which the authority sets out for this resolution is revoked or varied by the passing of an ordinary resolution by shareholders of the Company in general meeting.”
5. “**THAT** conditional upon ordinary resolutions nos. 3 and 4 above being passed, the aggregate nominal amount of shares of the Company which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in ordinary resolution no. 4 above shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to ordinary resolution no. 3 above.”

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

Hong Kong, 31 March 2012

As at the date of this announcement, the executive Directors are Mr. Zhou Jin Hui (Chairman), 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.