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China Fire Safety Enterprise Group Holdings Limited

中國消防企業集團控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code : 8201)

COMPLETION OF FIRST TRANCHE SUBSCRIPTION

All conditions of the First Tranche Subscription under the Subscription Agreement were fulfilled on 31 March 2005. In accordance with the Subscription Agreement, completion of the First Tranche Subscription took place on 12 April 2005.

The board of directors (the “**Board**”) of China Fire Safety Enterprise Group Holdings Limited (the “**Company**”) refer to the announcement (the “**Announcement**”) of the Company dated 2 February 2005 in relation to, *inter alia*, a connected transaction involving a proposed issue of new Shares and an option agreement between United Technologies Far East Limited and Mr. Jiang Xiong and a proposed application for whitewash waiver by United Technologies Far East Limited and Mr. Jiang Xiong, and the circular (the “**Circular**”) of the Company dated 10 March 2005. Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Announcement and the Circular.

Completion of the First Tranche Subscription

All conditions of the First Tranche Subscription under the Subscription Agreement including (i) obtaining the listing of and permission to deal in all of the new Shares to be issued under the Proposed Share Subscription being granted by the GEM Listing Committee of the Stock Exchange; (ii) the Independent Shareholders’ approval of the Proposed Resolutions at the EGM; and (iii) the grant of Whitewash Waiver by the Executive, were fulfilled on or before 31 March 2005. In accordance with the Subscription Agreement, completion of the First Tranche Subscription took place on 12 April 2005.

Shareholding structure of the Company before and after completion of First Tranche Subscription

The following table sets out the shareholding structure of the Company before and after the completion of the First Tranche Subscription:

* For identification only

| Shareholders | Before completion of First Tranche Subscription | | Upon completion of First Tranche Subscription | |
|----------------------------------|---|----------------|---|----------------|
| | Shares | Percentage (%) | Shares | Percentage (%) |
| Mr. Jiang Xiong | 981,600,000 | 48.59 | 981,600,000 | 41.31 |
| Mr. Jiang Qing (<i>Note 1</i>) | 7,500,000 | 0.37 | 7,500,000 | 0.32 |
| UTFE | - | - | 356,000,000 | 14.98 |
| <i>Sub-total (Note 2)</i> | <i>989,100,000</i> | <i>48.96</i> | <i>1,345,100,000</i> | <i>56.61</i> |
| Public | 1,030,900,000 | 51.04 | 1,030,900,000 | 43.39 |
| | 2,020,000,000 | 100% | 2,376,000,000 | 100% |

Notes:

- (1) Mr. Jiang Qing is the brother of Mr. Jiang Xiong.
- (2) The sub-total number of shares and shareholdings of Mr. Jiang, Mr. Jiang Qing and UTFE.

Immediately before the signing of the Option Agreement, Mr. Jiang and Mr. Jiang Qing are parties acting in concert under the Takeovers Code. Taken together, Mr. Jiang and Mr. Jiang Qing control 48.96% of the voting rights attached to the Shares.

Upon completion of the First Tranche Subscription (but before completion of the Second Tranche Subscription and the sale and purchase of the Option Shares), Mr. Jiang, Mr. Jiang Qing and, pursuant to the Option Agreement, UTFE are parties acting in concert. Taken together, Mr. Jiang, Mr. Jiang Qing and UTFE control 56.61% of the voting rights attached to the Shares.

DECLARATION OF SPECIAL INTERIM DIVIDEND

According to the Announcement, the Board resolved that subject to the completion of the First Tranche Subscription, a special interim dividend of 4.6 HK cents per Share be declared to the shareholders of the Company whose names appear on the register of members of the Company on 21 March 2005 (the “**Declaration**”). Accordingly, the register of members of the Company was closed from 22 March 2005 to 24 March 2005 (both dates inclusive), during which period no transfer of Shares was effected.

In view of the completion of the First Tranche Subscription, the Declaration has become unconditional and a special interim dividend of 4.6 HK cents per Share will be payable to the eligible shareholders on or before 26 April 2005.

By order of the Board
China Fire Safety Enterprise Group Holdings Limited
 Li Ching Wah
Company Secretary

As at the date of this announcement, the Company's Executive Directors are Mr. Jiang Xiong, Mr. Jiang Qing, Mr. Chen Shu Quan and Mr. Chan Siu Tat; the Non-Executive Directors are Mr. Richard Owen Pyvis and Ms. Josephine Price; and the Independent Non-Executive Directors are Mr. Liu Shi Pu, Mr. Heng Kwo Seng and Mr. Xiang Yu Fu.

Hong Kong, 12 April 2005

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, (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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