

GST Holdings Limited
Announces the Commencement of Construction Tender
for the Third Phase of Qinhuangdao Production Base
(Hong Kong, 19 July 2005)

GST Holdings Limited (“GST” or the “Group”)(Stock code: 0416), China’s leading fire alarm systems products and services provider, today announced that the Group has completed the framework and the design of the third phase of the Qinhuangdao production base and proceed to construction tendering.

The Group was listed on the Main Board of the Hong Kong Stock Exchange on 30 June 2005. The gross proceed was approximately HK\$344million. Approximately HK\$70.8 million will be used to expand and upgrade the Group’s existing production facilities in Qinhuangdao and construction of ancillary facilities. Approximately HK\$198.1millions will be used for the development and construction of new production facilities in Beijing.

At present, the design of the floor plan of the third phase of Qinhuangdao production base was completed and was approved by the Economic and Technological Development Zone Branch of the Qinhuangdao Urban Planning Council on 11 July 2005. The Beijing Industrial Design Academy is the project designer. The construction and structural plan was estimated to be completed by 25 July 2005 and therefore the construction tender is proceeding to commence.

The Group’s Chairman and Chief Executive Officer, **Mr. Song Jiacheng** said, “The project is the third expansion of the Group’s Qinhuangdao production base with an expansion area reaching 47,000 square meters, in which consisted of a 40,000 square meters for Research and Development Center and production lines. The expansion provides excellent conditions for the development of new products and technology. This will lead to an increase in production capacity of detectors and module panels from currently 2.8 million and 2.4 millions units to 5.1 million and 3.9millions units respectively.”

About GST Holdings Limited (Stock Code: 0416)

GST Holdings Limited is China’s leading fire alarm systems products and services provider. At present, its products and services expanded to include fire alarm network, building automation system, video entry system, electronic power meter and installation services. The Group’s major clients are professional equipment installer, system integrators, real estate developers,

property owners and professional equipment distributors. Internationally, it has been successful since 2001 in selling fire alarm system to countries in the Middle East, Europe and Southeast Asia. In November 2004, the Group's brand was certified as the only "well-known trademark" in the fire alarm systems industry by the State Administration for Industry and Commerce in China.