

[For Immediate Release]



GST Acquires Office Properties in Zhongguancun, Beijing

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Enhance Operational Efficiency Facilitate Future Expansions

(November 14, 2006 – Hong Kong) China’s leading integrated fire alarm system product and solution provider – **GST Holdings Limited** (“GST” or the “Group”; HKSE stock code: 416) announced today that the Group’s wholly-owned subsidiary, Gulf Security Technology Company Limited, entered into Framework Agreement with Beijing Gulf Jingcheng Property Development Limited. Pursuant to the agreement, Gulf Security Technology Company Limited will acquire the office properties (“the Property”) located in Beijing, under Beijing Gulf Jingcheng Property Development Limited, at a consideration of RMB 81,695,584. The acquisition is subject to independent shareholders’ approval in the extraordinary general meeting.

The Property, a newly developed commercial project, comprises various office units with a total gross floor area of approximately 4,691 sq. m. in The Gate, Zhongguancun, Beijing. The consideration will be satisfied in cash by internal resources of the Group.

Based on the valuation conducted by LCH (Asia Pacific) Surveyors Limited, the valuation of the Property is approximately RMB86,000,000. As such, the consideration represented approximately 5% discount to this independent valuation.

By acquiring the office building and on the assumption that the office will depreciate over 30 years, the depreciation charge incurred will be approximately RMB2.7 million per annum which is significantly less than the expected rental expenses of approximately RMB 9.4 million based on the rental charges in Zhongguancun of the floor space of the Property.

Mr. Song Jiacheng, Chairman of GST, said, “As the Group experienced rapid growth in recent years, the existing head office premises are not sufficient to meet our future expansion, together with the existing tenancy will be expired by the end of January and February 2007, the Group has to seek new office premises in Beijing with more area. Not only does the acquisition greatly reduce our operation cost, it also enhances our shareholders’ values in long-run.”

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About GST

GST Holdings Limited is one of the leading fire alarm system and solution providers in China and is primarily engaged in the manufacturing and distribution of fire alarm systems, 119 fire network systems and other products such as video entry system, electronic power meter and building automation systems. According to industry research, GST has the largest market share by revenue in the fire alarm systems in China. With its diversified product range, extensive nationwide sales and distribution network, GST endeavors to provide one-stop, timely and comprehensive fire alarm solutions to its customers. GST was ranked top 17th most competitive PRC enterprise by Forbes in 2005.