
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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Lo's Enviro-Pro Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**LO'S ENVIRO-PRO HOLDINGS LIMITED****勞氏環保控股有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 309)**

**PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Lo's Enviro-Pro Holdings Limited to be held at Ballroom, 1/F, South Pacific Hotel Hong Kong, 23 Morrison Hill Road, Wanchai, Hong Kong on Thursday, 27 August 2009 at 2:30 p.m. is set out on pages 16 to 19 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.losgroup.com).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

28 July 2009

DEFINITIONS

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

| | |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Annual General Meeting” | an annual general meeting of the Company to be held at Ballroom, 1/F, South Pacific Hotel Hong Kong, 23 Morrison Hill Road, Wanchai, Hong Kong on Thursday, 27 August 2009 at 2:30 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 16 to 19 of this circular, or any adjournment thereof; |
| “Board” | the board of Directors; |
| “Buyback Mandate” | as defined in paragraph 2(a) of the Letter from the Board; |
| “Company” | Lo’s Enviro-Pro Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange; |
| “Current Articles of Association” | the articles of association of the Company currently in force; |
| “Director(s)” | the director(s) of the Company; |
| “Group” | the Company and its subsidiaries from time to time; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Issuance Mandate” | as defined in paragraph 2(b) of the Letter from the Board; |
| “Latest Practicable Date” | 23 July 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “SFO” | the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong; |

DEFINITIONS

| | |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company; |
| “Shareholder(s)” | holder(s) of Share(s); |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Takeovers Code” | the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong; and |
| “%” | per cent. |

LETTER FROM THE BOARD



LO'S ENVIRO-PRO HOLDINGS LIMITED

勞氏環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

Executive Directors:

Lo Kou Hong (*Chairman and Managing Director*)

Ko Lok Ping, Maria Genoveffa

Leung Tai Tsan, Charles

Cheung Pui Keung, James

Non-executive Director:

Bai Qingzhong

Independent Non-executive Directors:

Cheng Kai Tai, Allen

Chiu Wai Piu

Wang Qi

Registered Office:

P.O. Box 309 GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

Principal Place of Business

in Hong Kong:

3/F, Caltex House

258 Hennessy Road

Wanchai

Hong Kong

28 July 2009

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) granting of the Buyback Mandate to the Directors; (ii) granting of the Issuance Mandate to the Directors; (iii) extension of the Issuance Mandate by adding to it the aggregate nominal amount of issued Shares repurchased by the Company under the Buyback Mandate; and (iv) re-election of the retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 26 August 2008, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange of an aggregate nominal amount not exceeding 10% of the total nominal amount of the Company's issued share capital as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$759,986 (equivalent to 75,998,600 Shares) on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting) (the "**Buyback Mandate**");
- (b) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the Company's issued share capital as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$1,519,972 (equivalent to 151,997,200 Shares) on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting) (the "**Issuance Mandate**"); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 7 and 8 of the notice of the Annual General Meeting as set out on pages 16 to 19 of this circular. With reference to the Buyback Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 112 of the Current Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation, provided that every Director (including those appointed for a specific term or holding office as the Managing Director or Joint Managing Director) shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall be eligible for re-election at the relevant annual general meeting.

According to the above provision, Mr Leung Tai Tsan, Charles, Mr Cheng Kai Tai, Allen and Mr Chiu Wai Piu shall retire at the Annual General Meeting. All of the above three retiring Directors, being eligible, will offer themselves for re-election at the same meeting. Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 16 to 19 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Buyback Mandate and the re-election of the retiring Directors.

Pursuant to the amendments to the Listing Rules, which came into force on 1 January 2009, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.losgroup.com). Whether or not you are able to attend the Annual General Meeting, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority to the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

5. RECOMMENDATION

The Directors consider that the granting of the Buyback Mandate, the granting/extension of the Issuance Mandate and the re-election of the retiring Directors are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Buyback Mandate) and Appendix II (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
By Order of the Board
Lo Kou Hong
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buyback Mandate.

1. REASONS FOR BUYBACK OF SHARES

The Directors believe that the granting of the Buyback Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, result in an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 759,986,000 Shares.

Subject to the passing of the ordinary resolution set out in item 7 of the notice of the Annual General Meeting in respect of the granting of the Buyback Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 759,986,000 Shares, the Directors would be authorized under the Buyback Mandate to repurchase, during the period in which the Buyback Mandate remains in force, an aggregate nominal amount of Shares not exceeding HK\$759,986 (equivalent to 75,998,600 Shares), representing 10% of the aggregate nominal amount of the Shares in issue as at the date of the Annual General Meeting.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and any other applicable laws, as the case may be.

The Company is empowered by its Memorandum of Association and the Current Articles of Association to repurchase Shares. The laws of the Cayman Islands provide that the amount of capital paid in connection with a share repurchase by a company may be paid out of either the profits of the company or the proceeds of a fresh issue of shares made for such purpose or, subject to the articles of association of such company and the laws of the Cayman Islands, out of capital.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2009) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

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

The shareholding structure of the Company as at the Latest Practicable Date and the shareholding structure of the Company immediately after the full exercise of the Buyback Mandate are set out below:

| | As at the Latest Practicable Date | | Immediately after full exercise of the Buyback Mandate | |
|---------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| | Number of issued Shares held | Percentage of issued share capital of the Company | Number of issued Shares held (Note 4) | Percentage of issued share capital of the Company (Note 4) |
| Director | | | | |
| Ms Ko Lok Ping, Maria Genoveffa (Note 1) | 1,700,000 | 0.22% | 1,700,000 | 0.25% |
| Mr Cheung Pui Keung, James (Note 2) | 280,000 | 0.04% | 280,000 | 0.04% |
| | <u>1,980,000</u> | <u>0.26%</u> | <u>1,980,000</u> | <u>0.29%</u> |
| Shareholder | | | | |
| The Lo's Family (PTC) Limited (Note 3) | <u>420,000,000</u> | <u>55.27%</u> | <u>420,000,000</u> | <u>61.40%</u> |
| | 421,980,000 | 55.53% | 421,980,000 | 61.69% |
| Public Shareholders | <u>338,006,000</u> | <u>44.47%</u> | <u>262,007,400</u> | <u>38.31%</u> |
| | <u><u>759,986,000</u></u> | <u><u>100.00%</u></u> | <u><u>683,987,400</u></u> | <u><u>100.00%</u></u> |

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

Note 1: The Shares were held by Ms Ko Lok Ping, Maria Genoveffa personally.

Note 2: The Shares were held by Mr Cheung Pui Keung, James personally.

Note 3: The Shares were held by The Lo's Family (PTC) Limited in the capacity as the trustee of The Lo's Family Unit Trust, a unit trust of which all the units in issue were owned by Equity Trustee Limited as the trustee of The Lo's Family Trust. The Lo's Family Trust is a discretionary trust, the founder of which is Dr Lo Kou Hong (the Chairman of the Board) and the beneficiaries of which include the family members of Dr Lo, including Ms Ko Lok Ping, Maria Genoveffa who is the wife of Dr Lo.

Note 4: Presuming that (i) the issued share capital of the Company remained at 759,986,000 Shares immediately before the full exercise of the Buyback Mandate and (ii) the shareholdings of the Directors and the controlling Shareholder as set out in the above table remained unchanged immediately before the full exercise of the Buyback Mandate. On this basis, the total issued share capital of the Company immediately after the full exercise of the Buyback Mandate would be 683,987,400 Shares.

Based on the above shareholding structure, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Buyback Mandate.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the following months were as follows:

| Month | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|------------------------------------------|-------------------------------|------------------------------|
| 2008 | | |
| July | 0.430 | 0.183 |
| August | 0.240 | 0.185 |
| September | 0.255 | 0.100 |
| October | 0.270 | 0.150 |
| November | 0.220 | 0.162 |
| December | 0.220 | 0.171 |
| 2009 | | |
| January | 0.200 | 0.170 |
| February | 0.189 | 0.163 |
| March | 0.164 | 0.114 |
| April | 0.220 | 0.132 |
| May | 0.320 | 0.180 |
| June | 0.410 | 0.260 |
| July (Up to the Latest Practicable Date) | 0.365 | 0.249 |

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors, who will retire and stand for re-election at the Annual General Meeting according to the Current Articles of Association, are provided below.

(1) Mr Leung Tai Tsan, Charles, aged 56

Position and experience

Mr Leung Tai Tsan, Charles (“**Mr Leung**”) is an Executive Director, the Finance Director, Company Secretary and a member of both the Executive Committee and Remuneration Committee of the Company. He is also a director of certain subsidiaries of the Company. Mr Leung is responsible for finance, accounting, compliance and administration. He is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. He joined the Group in 2001 and has over 23 years of experience in accounting, auditing and financial management.

Mr Leung has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr Leung entered into a service agreement with the Company for an initial term of 3 years commencing on 1 February 2003. Such agreement shall continue unless and until terminated by either the Company or Mr Leung giving to the other not less than 3 months’ prior notice in writing to terminate the appointment. His term of office is also subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Current Articles of Association. The provisions of the Current Articles of Association in respect of directors’ retirement and re-election have been set out in paragraph 3 of the Letter from the Board in this circular.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr Leung personally held 8,000,000 share options of the Company attaching thereto the right to subscribe for 8,000,000 Shares pursuant to Part XV of the SFO.

Save as disclosed above, Mr Leung was not interested or deemed to be interested in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

Mr Leung does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

APPENDIX II **DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Director's emoluments

Pursuant to the service agreement entered into between Mr Leung and the Company on 1 February 2003 and subsequent review by the Board, he is entitled to receive a monthly salary of HK\$103,000. He is also entitled to receive a year-end fixed sum bonus and a discretionary bonus to be determined by the Board. Apart from the aforesaid, Mr Leung is also eligible to participate in the Company's share option scheme. The emoluments of Mr Leung are determined by the Board with reference to his skills and experience, time commitment, the remuneration benchmark in the industry and the prevailing market conditions.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr Leung that need to be brought to the attention of the Shareholders.

(2) Mr Cheng Kai Tai, Allen, aged 45

Position and experience

Mr Cheng Kai Tai, Allen (“**Mr Cheng**”) is an Independent Non-executive Director and the Chairman of both the Audit Committee and Remuneration Committee of the Company. He joined the Group in August 2004. Mr Cheng is a qualified accountant and a fellow of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He has practised as a Certified Accountant in Hong Kong for over 12 years. Mr Cheng has extensive professional experience in audit, taxation, financial management, corporate recovery and restructuring. He holds a Master degree of accountancy in Jinan University in Mainland China, and is now acting as a consultant of a number of international companies with business interests in textile, retailing, metal trading and manufacturing in Mainland China. Mr Cheng currently serves as independent non-executive director of Modern Beauty Salon Holdings Limited and Amax Entertainment Holdings Limited (both companies listed on the Main Board of the Stock Exchange).

Save as disclosed above, Mr Cheng has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Length of service

Pursuant to the letter of appointment issued by the Company to Mr Cheng, the term of office of Mr Cheng is up to the date of the holding of the Annual General Meeting. He is also subject to the retirement and re-election provisions as set out in the Current Articles of Association. The provisions of the Current Articles of Association in respect of directors' retirement and re-election have been set out in paragraph 3 of the Letter from the Board in this circular.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr Cheng was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

Mr Cheng does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the letter of appointment issued by the Company to Mr Cheng, Mr Cheng is entitled to receive a fixed director's fee of HK\$120,000 per annum payable on a 12-month basis, which is determined by the Board with reference to his duties and responsibilities. Apart from the aforesaid, Mr Cheng is also eligible to participate in the Company's share option scheme. However, Mr Cheng is not eligible to participate in any bonus schemes or other benefits of the kind available to the executive Directors.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr Cheng that need to be brought to the attention of the Shareholders.

(3) Mr Chiu Wai Piu, aged 62*Position and experience*

Mr Chiu Wai Piu (“**Mr Chiu**”) is an Independent Non-executive Director and a member of both the Audit Committee and Remuneration Committee of the Company. He joined the Group in September 2004. Mr Chiu is a very experienced and reputable journalist and has over 40 years’ experience in journalism. He has been a reporter, an editor, the main news assignment editor, the local news assignment editor, the managing editor and the editorial writer in newspapers and a senior research officer in “One Country Two Systems Research Institute”. Currently, Mr Chiu is the assistant editor-in-chief in Hong Kong “Wen Wei Po”. Mr Chiu has been the founding treasurer and the second-session chairman of the “Hong Kong Federation of Journalists”. In 2006, he was elected as the Vice Secretary-General & Treasurer in the new session of re-election of committee members of the “Hong Kong Federation of Journalists”; and he was also elected as the Director-General in 2009. Mr Chiu has, for many years, devoted himself wholeheartedly in boosting cooperation among local journalists, enhancing professional conduct of journalists and developing the relationship and advocating the interchange of knowledge between journalists in Hong Kong and Mainland China. His contribution in this field is highly praised and recognized. Mr Chiu has been appointed as an independent non-executive director of Jiwa Bio-Pharm Holdings Limited (a company listed on the Main Board of the Stock Exchange).

Save as disclosed above, Mr Chiu has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the letter of appointment issued by the Company to Mr Chiu, the term of office of Mr Chiu is up to the date of the holding of the Annual General Meeting. He is also subject to the retirement and re-election provisions as set out in the Current Articles of Association. The provisions of the Current Articles of Association in respect of directors’ retirement and re-election have been set out in paragraph 3 of the Letter from the Board in this circular.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr Chiu was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

Mr Chiu does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Director's emoluments

Pursuant to the letter of appointment issued by the Company to Mr Chiu, Mr Chiu is entitled to receive a fixed director's fee of HK\$120,000 per annum payable on a 12-month basis, which is determined by the Board with reference to his duties and responsibilities. Apart from the aforesaid, Mr Chiu is also eligible to participate in the Company's share option scheme. However, Mr Chiu is not eligible to participate in any bonus schemes or other benefits of the kind available to executive Directors.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr Chiu that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



LO'S ENVIRO-PRO HOLDINGS LIMITED

勞氏環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Lo's Enviro-Pro Holdings Limited (the "Company") will be held at Ballroom, 1/F, South Pacific Hotel Hong Kong, 23 Morrison Hill Road, Wanchai, Hong Kong on Thursday, 27 August 2009 at 2:30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 March 2009;
2. To re-elect Mr Leung Tai Tsan, Charles as an executive director of the Company;
3. To re-elect Mr Cheng Kai Tai, Allen as an independent non-executive director of the Company;
4. To re-elect Mr Chiu Wai Piu as an independent non-executive director of the Company;
5. To authorize the board of directors to fix the respective directors' remuneration;
6. To re-appoint Messrs Ernst & Young as auditors and to authorize the board of directors to fix auditors' remuneration;
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

"THAT:

- (a) subject to paragraph (b) below, the exercise by the directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
 - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in a general meeting; and
 - (iii) 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 to be held.”;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of the outstanding conversion rights attaching to the convertible notes issued by the Company, which are convertible into shares of the Company;

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(iii) the exercise of options granted under a share option scheme of the Company; and

(iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

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

(i) the conclusion of the next annual general meeting of the Company;

(ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in a general meeting; and

(iii) 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 to be held; and

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

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9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 7 and 8 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in the resolution set out in item 7 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”.

By order of the Board
Lo Kou Hong
Chairman

Hong Kong, 28 July 2009

Notes:

- (a) Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company’s Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (c) The register of members of the Company will be closed from Tuesday, 25 August 2009 to Thursday, 27 August 2009, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the above annual general meeting of the Company, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 24 August 2009.
- (d) In relation to the ordinary resolutions nos. 7, 8 and 9 set out in the above notice, the directors wish to state that they have no immediate plan to issue any new shares or repurchase any existing shares of the Company.