



[For Immediate Release]



**LO'S ENVIRO-PRO ACQUIRES 65% INTEREST IN A
SUBSIDIARY OF TSINGHUA DARING CHINA**

**TO HAVE SOLE AND EXCLUSIVE LAWFUL RIGHT TO USE CANADIAN
PATENTED HYDROCLAVE TECHNOLOGY IN CHINA**

SCALES UP DEVELOPMENT IN MEDICAL WASTE TREATMENT BUSINESS IN CHINA

(Hong Kong, 7 May 2007) – **Lo's Enviro-Pro Holdings Limited** ("Lo's Enviro-Pro" or "the Group") (**stock code: 309**), an expert in medical waste treatment in China, today announced that it has entered into a Sale and Purchase Agreement with Tsinghua Daring (China) Holdings Limited ("Tsinghua Daring China"), pursuant to which Lo's Enviro-Pro will conditionally acquire 65% of the issued share capital of Seasun Group Limited ("New Joint Venture"), a subsidiary of Tsinghua Daring China.

According to the agreement, Lo's Enviro-Pro will acquire 65% interest of the New Joint Venture at a total consideration of HK\$45 million, which includes HK\$20 million of cash and 5 million of Lo's Enviro-Pro's shares valued at HK\$5 per share. Upon completion of the purchase, Lo's Enviro-Pro and Tsinghua Daring China will jointly own the New Joint Venture with a share of 65% and 35% respectively. Lo's Enviro-Pro, which is specialized in waste treatment, will manage overall operations while Tsinghua Daring China will take the role of negotiation and liaison with local governments to set up medical waste treatment centres in China.

The New Joint Venture possesses an exclusive lawful right to use the Canadian non-incineration technology and equipment for medical waste treatment from Hydroclave in China, which is currently the only approved technology of the kind in the country. Through the acquisition, Lo's Enviro-Pro will have a closer relationship with Hydroclave and allow the Group to take precedence to adopt its latest technologies in the future, ultimately consolidating its leadership position in the environmental protection market in China.

7 May 2007

Meanwhile, Lo's Enviro-Pro will advance HK\$220 million to the New Joint Venture by way of shareholder's loans to set up 22 medical waste treatment centers in China, thus accelerating the development of medical waste treatment business. In addition, Lo's Enviro-Pro will have its board lot size of shares for trading on the Hong Kong Stock Exchange changed from 2,000 Shares to 1,000 Shares effective from 1 June 2007 to facilitate trading and improve the liquidity of the Shares.

Dr. Lo Kou Hong, Chairman of Lo's Enviro-Pro, said, "We believe the acquisition will help Lo's Enviro-Pro tap into the market more effectively and speed up the second phase of city penetration. Also, the acquisition will broaden its earnings base and further strengthen the Group's leadership in the medical waste treatment industry in China."

- end -

About Lo's Enviro-Pro Holdings Limited

On top of 31 years of experience in cleaning and pest-control services in Hong Kong, Lo's Enviro-Pro Holdings is diversifying into the specialized area of medical waste treatment in China to bask in the country's rising awareness and urgent need for environment protection. The Group adopts a patented steam-sterilization technology from Canada, which is currently the only approved non-incineration technology for treatment of medical waste, to process the fast growing medical waste in China. In 2002, the Group's main subsidiary achieved certification in ISO 9001 Quality Management System, ISO 14001 Environmental Management System, OHSAS 18001 Occupational Health and Safety Management System etc.

For Enquiries:

Strategic Financial Relations (China) Limited

Esther Lau	(852) 9196 0033	esther.lau@sprg.com.hk
Florence Chu	(852) 9224 8879	florence.chu@sprg.com.hk
Maggie Yip	(852) 6094 9618	maggie.yip@sprg.com.hk