



[For immediate release]



**Lo's Enviro-Pro SHAREHOLDERS APPROVE PLACING OF NEW SHARES and  
ACQUISITION OF 65% INTEREST IN A SUBSIDIARY OF TSINGHUA DARING CHINA**

**STRIVES TO BECOME THE LARGEST MEDICAL WASTE TREATMENT ENTERPRISE IN CHINA**

(Hong Kong, 27 June 2007) – Lo's Enviro-Pro Holdings Limited ("Lo's Enviro-Pro" or the "Group") (stock code: 309), a professional medical waste treatment enterprise in China, announced that its shareholders have approved its plan to place 25,000,000 new shares at HK\$4 per share and acquire 65% of the issued share capital of Season Group Limited ("New Joint Venture"), a subsidiary of Tsinghua Daring (China) Holdings Limited ("Tsinghua Daring China"). Endorsed by the Group's Extraordinary General Meeting today, the total consideration of the acquisition is HK\$45 million, HK\$20 million of which will be paid in cash and the rest in Lo's Enviro-Pro shares totalling five million at HK\$5 each.

The placing shares represented approximately 6.89% of the existing issued share capital and approximately 6.45% of the enlarged issued share capital of the Group. The approximately HK\$98,650,000 net proceeds from the placing will be used to pay for the New Joint Venture and the balance will be used to fund the Group's medical waste treatment business in China. The New Joint Venture possesses an exclusive right to use the non-incineration technology and equipment for medical waste treatment from the Canadian company Hydroclave in China.

**Dr. Lo Kou Hong, Chairman of Lo's Enviro-Pro**, said, "I am pleased that there are existing shareholders and renowned institutional investors among the placees. Their continuous support speaks volume to their confidence in the Group's prospects. Moreover, when the acquisition is completed, we will have a closer working relationship with Tsinghua Daring China, which can hasten development of our medial waste treatment business in the country. Capitalizing on the Group's extensive experience in waste processing and Tsinghua Daring China's strong ties with local governments, the New Joint Venture will actively explore the medical waste treatment market in China and strive to become the country's largest medical waste treatment group."

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The Group's first medical waste treatment centre, located in Siping City of Jilin, adopting the patent non-incineration technology will begin operation in July this year. It will not only quickly generate profit for the Group, but will also serve as an example for the other centres being built. The remaining seven medical waste treatment centers in phase one of the project are expected to be ready for operation in FY 2007/08.

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### **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.

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