

[For Immediate Release]



LO'S ENVIRO-PRO ANNOUNCES 2006/2007 ANNUAL RESULTS

POISED TO TAP PROMISING PRC MEDICAL WASTE TREATMENT MARKET

(Hong Kong, 10 July 2007) – Lo's Enviro-Pro Holdings Limited ("Lo's Enviro-Pro" or the "Group") (stock code: 309) announced today its annual results for the year ended 31 March 2007.

During the review period, the Group's turnover rose by 1.79% against the previous year to HK\$186,616,000. It recorded a net loss of HK\$ 34,536,000, mainly attributable to the unsatisfactory development of Mak Tai Construction and Engineering Ltd., a subsidiary of the Group in the business of renovation and repairs works. The Group will cease this operation after completing the projects on hand. The Board recommended a bonus issue to the shareholders on the basis of one bonus share for every one share in issue.

Dr. Lo Kou Hong, Chairman of Lo's Enviro-Pro, said, "2006/2007 was a challenging year for us. The profit margin of our general cleaning business narrowed as a result of keen competition. However, the Group is taking various measures to curtail operating costs of the business and will actively seek to secure middle to high-end cleaning services contracts so as to improve profitability."

In the review period, general cleaning service was the main constituent of the Group's revenue. With solid experience and expertise in providing quality and professional services, Lo's Enviro-Pro acquired and renewed several prominent contracts, including those for luxurious residential estates in West Kowloon and grade A office buildings in Central District and Kowloon. These contracts, have fortified the Group service profile in the high end market.

Seeing enormous potential in the medical waste treatment market braced by regulations on medical waste handling and treatment introduced by the State Environmental Protection Administration of China, Lo's Enviro-Pro will focus efforts on expanding the mainland medical waste treatment market. It set up Lo's Tsinghua Daring Environmental Technology Holdings Ltd., a joint venture with Tsinghua Daring (HK) Holdings Ltd., in November 2006 and has earmarked HK\$80 million to first set up 8 centralized medical waste processing centres in 7 provinces in China. The first plant will start operation this month and construction of the remaining plants will be completed in 2007/2008.

To facilitate capturing of a bigger share of the medical waste treatment market in what is considered as the second phase of development of the business, the Group announced to set up another joint venture, Seasun Group Ltd., in June 2007 to build an additional 22 waste treatment centres in 12 months. The Group's ultimate target is to set up 200 centres across the country and become the largest waste treatment enterprise in China.

Dr. Lo said, "The Group has the foresight to secure exclusive right to use the steam-based medical waste treatment systems developed by the Canadian company Hydroclave System Corporation. It is currently the only non-incineration medical waste treatment technology approved by the Chinese Government. Armed with this environmentally friendly and cost effective technology, we enjoy a unique advantage in this vast market and are confident that this new business will grow to become an important growth driver for the Group."

Lo's Enviro-Pro also continued to honour its corporate social responsibilities during the year. The Group, for the third year in a row, received the "Caring Company" logo from the Hong Kong Council of Social Service for being a caring employer and a socially conscious corporation. The Group is encouraged by the recognition and will continue to contribute to a caring society by fulfilling its role as a responsible corporate citizen in the years ahead.

Looking forward, Dr. Lo said, "Our employees are our most valuable assets. We thus make sure they are provided with regular training so that they can help the Group enhance its services continuously. We will also actively develop the promising medical waste treatment market aiming for generating remarkable returns to our shareholders."

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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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