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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)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange to the public in respect of the concentration of the shareholding of the Company in the hands of a limited number of shareholders as at 14th September, 2006.

In view of the high concentration of shareholding in a small number of shareholders, shareholders and prospective investors should be aware that the price of the shares of the Company could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the shares of the Company.

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The Directors have recently been informed by the Stock Exchange that on the basis of the information provided by the SFC, as at 14th September, 2006, the substantial shareholder of the Company, The Lo's Family Limited, held 210,000,000 shares of the Company, representing 70 per cent. of the issued share capital of the Company. The substantial shareholder, together with another nine entities, held an aggregate of 276,036,000 shares in the Company, representing approximately 92.01 per cent. of the total issued share capital of the Company. As such, only approximately 7.99 per cent. of the Company's total issued shares were in the hands of other investors.

The SFC also noted that during the period from 1st August, 2006 to 6th September, 2006, the average daily turnover of the Company's shares was 109,037 shares and the closing price of the Company's shares hovered between HK\$0.3 and HK\$0.33. During the 6 trading days from 7th to 14th September, 2006, however, the share price of the Company surged sharply by 100 per cent. from the closing price of HK\$0.33 on 6th September, 2006 (which is equivalent to the opening price on 7th September, 2006) to the closing price of HK\$0.66 on 14th September, 2006. The average daily turnover of the Company's shares for the same period also increased substantially to 1,788,667 shares.

To the best knowledge of the Directors, The Lo's Family Limited was interested in 210,000,000 shares in the Company, representing 70 per cent. of the issued share capital of the Company as at 14th September, 2006. Its shareholding as at 14th September, 2006 was the same as its shareholding as at 11th October, 2006.

To the best knowledge of the Directors, none of such nine entities above are (i) connected persons of the Company or (ii) related to or connected with any of the connected persons of the Company.

The price of the shares traded upwards from HK\$0.33 on 6th September, 2006 to HK\$0.66 on 14th September, 2006. The Directors confirm that they were not aware of any reason for the increase in the price of the shares.

To the best knowledge of the Directors after making due and careful enquiries, the Directors confirm that (i) sufficient shares of the Company were held by the public as at 14th September, 2006 up to the date of this announcement; and (ii) the Company has maintained the public float of 25 per cent. at all times in compliance with Rule 8.08 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As the concentration of the Company's public float was in the hands of a limited number of public shareholders on 14th September, 2006, the Company makes this announcement to keep the market informed.

In view of the high concentration of shareholding in a small number of shareholders, shareholders and prospective investors should be aware that the price of the shares of the Company could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the shares of the Company.

DIRECTORS

As at the date of this announcement, the Directors are:

Executive Directors:

Dr. Lo Kou Hong, Ms. Ko Lok Ping, Maria Genoveffa, Mr. Leung Tai Tsan Charles, Mr. Cheung Pui Keung

Independent non-executive Directors:

Mr. Cheng Kai Tai, Allen, Mr. Chiu Wai Piu, Mr. Wang Qi

DEFINITIONS

“Company”	Lo's Enviro-Pro Holdings Limited, a company incorporated in the Cayman Islands with limited liability, with its shares listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People's Republic of China
“SFC”	Securities and Futures Commission

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

On behalf of the Board
Lo's Enviro-Pro Holdings Limited
Lo Kou Hong
Chairman

Hong Kong, 13th October, 2006

“Please also refer to the published version of this announcement in China Daily”