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LOULAN HOLDINGS LIMITED

樓蘭控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8039)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND AUDIT COMMITTEE MEMBER

The board of directors (the “Board”) of Loulan Holdings Limited (the “Company”) hereby announces that Mr. Wang Desheng (王德勝) has been appointed an independent non-executive director and audit committee member of the Company with effect from 27 September 2004.

Reference is made to the announcement dated 30 September 2004 of the Company in relation to the postponement of appointment of independent non-executive director and audit committee member of the Company. Mr. Wang Desheng (王德勝) (“Mr. Wang”) has been appointed an independent non-executive director and audit committee member of the Company for a term of one year with effect from 27 September 2004. According to his service agreement with the Company, he is entitled to annual salary of HK\$30,000.

Mr. Wang, aged 61, is a professor of School of Philosophy and Sociology at Beijing Normal University since 1981, as well as a mentor of postgraduate students for Science Philosophy and News Publication. Mr. Wang graduated from Tianjin Nankai University with a bachelor degree in chemistry in 1968. He received his master degree in philosophy from Beijing Normal University in 1981. Mr. Wang has not held any positions of directorship in companies listed on the Stock Exchange of Hong Kong Limited in the last three years.

Mr. Wang has no interests in shares of the Company within the meaning of Part XV of the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”). Save that Mr. Wang is an independent non-executive director of the Company, he has no relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). Save as disclosed herein, the Board is not aware of any other matters which need to be brought to the attention of the shareholders of the Company.

The Board would like to express its warm welcome to Mr. Wang's appointment.

By Order of the Board
Loulan Holdings Limited
Woo Hang Lung
Chairman

The Board comprises of:

Woo Hang Lung (*Executive director*)
Zhu Zheng Ming (*Executive director*)
Junichi Goto (*Non-executive director*)
Yue Kwai Wa, Ken (*Independent non-executive director*)
Lau Chi Sun, Robbie (*Independent non-executive director*)
Wang Desheng (*Independent non-executive director*)

Hong Kong, 27 October 2004

This announcement, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: – (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases assumptions that are fair and reasonable.

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