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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 DIRECTORS AND RESIGNATION OF AUDITORS

The board of directors (the "Board") of Loulan Holdings Limited (the "Company") announces that:

- (1) Mr. Poon Chiu ("Mr. Poon") was appointed as an executive director of the Company with effect from 6 February 2007.
- (2) Mr. Guo Ping ("Mr. Guo") was appointed as an executive director of the Company with effect from 6 February 2007.
- (3) Mr. Tsao Ke Wen Calvin ("Mr. Tsao") was appointed as a non-executive director of the Company with effect from 6 February 2007.

The Board also announces that Wong Brothers & Co. Certified Public Accountants ("Wong Brothers") has resigned as auditors of the Company and its subsidiaries according to their letter to the Company dated 23 December 2006.

APPOINTMENT OF DIRECTORS

Mr. Poon Chiu, aged 57, was appointed as an executive director of the Company. In addition, Mr. Poon was also designated as the Authorised Representative, Compliance Officer, Qualified Accountant and Company Secretary commencing 6 February 2007.

Mr. Poon is a practicing Certified Public Accountant in Hong Kong and holds a Master of Science degree in Finance from the University of Leicester, United Kingdom. He is a fellow member of The Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Poon is a seasoned financial professional with extensive experience in high-tech, wine and spirits distribution and operations, business acquisition and merger and system development.

Mr. Poon has not been appointed for any specified term. His remuneration will be determined with reference to the prevailing market conditions and his duties and responsibilities within the Company. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Poon is the independent non-executive directors of Aurora Global Investment Holdings Limited since 30 June 2005 and Dynamic Global Holdings Limited since 8 February 2006.

Mr. Poon has no relationship with any director, senior management or substantial or controlling shareholder of the Company. Save for being appointed executive director of the Company, Mr. Poon does not have any interest in the shares of the Company (with the meaning of Part XV of the SFO).

Mr. Guo Ping, aged 51, is appointed as an executive director of the Company. Mr. Guo graduated from the Beijing GuanOn College 北京市公安學校 in 1976 and remained as a tutor and officer of the Beijing Police Academy 北京民警察學院 from 1984 until he joined the commercial sector in 1991. He was appointed chairman of the board of 北京寶鑫工藝品有限公司 in 1991 and chairman of 北京伊斯特投資顧問有限公司 (“北京伊斯”) in 1993. 北京伊斯 is engaged in the business of wine and spirit distribution in China and Mr. Guo was responsible for the strategic planning and management control of the company. He joined 東方銀安(北京)信用擔保有限公司 in 2003 as director and vice president and the company is engaged in credit control, guarantee, distribution of technological and lifestyle products in China. Mr. Guo will be responsible for managing risk, licenses procurement legal compliance and operational and internal control of the wine and spirit distribution of the Company within China.

Mr. Guo has not been appointed for any specified term. His remuneration will be determined with reference to the prevailing market conditions and his duties and responsibilities within the Company. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Guo has not held any directorship in any listed company in the past three years prior to the date of his appointment. As at the date of this announcement, Mr. Guo has no relationship with any director, senior management or substantial or controlling shareholder of the Company. Save for being appointed executive director of the Company, Mr. Guo does not have any interest in the shares of the Company (with the meaning of Part XV of the SFO).

Mr. Tsao Ke Wen Calvin, aged 43, was appointed as a non-executive director of the Company. He graduated with the degree of Bachelor of Science (Economic) from the University of Buckingham, United Kingdom in 1986. He has extensive experience in business, financial and China investments. He began his career with Horwath & Horwath in 1986 and was a director of XXI Century Investments Company Limited between 1993 and 1995 and an executive director of Dynamic Global Holdings Limited from 1998 to 2002, a listed company in Hong Kong with investment in the PRC. Mr. Tsao is presently executive directors of Well Positioned Finance Limited, a finance company and Aurora Global Investment Holdings Limited, a company listed on the Hong Kong Stock Exchange.

Mr. Tsao has not been appointed for any specified term. His remuneration will be determined with reference to the prevailing market conditions and his duties and responsibilities within the Company. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company.

Mr. Tsao has no relationship with any director, senior management or substantial or controlling shareholder of the Company. Save for being appointed executive director of the Company, Mr. Tsao does not have any interest in the shares of the Company (with the meaning of Part XV of the SFO).

There is no additional information required to be disclosed pursuant to Rules 17.50(2)(h)-(v) of the GEM Listing Rules. The Board wishes to state that it was their utmost desires to strengthen the management and operational control in view of the restructuring plan necessary for the future business expansion and continuation of the Company. The Board would take this opportunity to welcome Mr. Poon, Mr. Guo and Mr. Tsao for joining the Board.

RESIGNATION OF AUDITORS

The Board hereby announces that Wong Brothers & Co. Certified Public Accountants (“Wong Brothers”) has resigned as auditors of the Company and its subsidiaries according to their letter dated 23 December 2006. In the said letter of resignation, Wong Brothers confirmed that there were no circumstances connected with their resignation which they consider should be brought to the attention of the shareholders.

Wong Brothers have not commenced any audit work on the financial statements of the Company for the year ended 31 December 2005 and they have not audited, reviewed or expressed any form of assurance on the financial statements of the Company in respect of such period.

The Board will appoint auditors to fill the vacancy in the office of auditors in accordance with the relevant laws of Cayman Islands and the Bye-laws of the Company. The Company is in the course of identifying and appointing auditors to fill the vacancy left by Wong Brothers. The Company will make a further announcement upon the appointment of auditors when appropriate.

The trading in the shares of the Company has been suspended since 27 January 2005. Furthermore, the Company has not been able to publish the results for the year ended 31 December 2005, the 1st quarterly results for the period ended 31 March 2006, the interim results for the period ended 30 June 2006 and the 3rd quarterly results for the period ended 30 September 2006 by the deadlines stipulated in Rules 18.53 and 18.78 of the GEM Listing Rules. The Stock Exchange of Hong Kong Limited (“SEHK”) also had advised the Company that they have proposed to exercise its rights to cancel the listing of the shares of the Company on SEHK pursuant to Rule 9.14 of the GEM Listing Rules on the expiry of the six-month period from the date of notice (i.e. 31 May 2007).

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

Hong Kong, 6 February 2007

The directors of the Company as at the date of this announcement are as follows:

Woo Hang Lung (Executive Director)
Poon Chiu (Executive Director)
Guo Ping (Executive Director)
Tsao Ke Wen Calvin (Non-Executive Director)
Wang Desheng (Independent Non-Executive Director)

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 enquires, 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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