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LANDUNE 藍頓國際
LANDUNE INTERNATIONAL LIMITED
藍頓國際有限公司

(Incorporated under the laws of Hong Kong with limited liability)
(Stock Code: 245)

**PROPOSED CHANGE OF THE COMPANY NAME;
REFRESHMENT OF GENERAL MANDATE TO
ISSUE AND ALLOT SHARES;
AND
REFRESHMENT OF SCHEME MANDATE LIMIT
OF SHARE OPTION SCHEME**

Financial Adviser

COMMERZBANK 
Commerzbank AG Hong Kong Branch

The Directors propose to (i) change the name of the Company from “Landune International Limited” to “China Seven Star Shopping Limited”, and adopt “中國七星購物有限公司” as its new Chinese name; (ii) refresh the general mandate for the Directors to issue and allot Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the ordinary resolution by the Shareholders at the EGM; and (iii) refresh 10% scheme mandate limit of the Share Option Scheme.

The refreshment of the general mandate to issue and allot Shares is proposed to the Shareholders prior to the Company’s next annual general meeting, and therefore, pursuant to Rule 13.36(4) of the Listing Rules, the refreshment of the general mandate will be subject to independent Shareholders’ approval by way of a poll at the EGM, and both Mr. Ni and Mr. Wang, being the controlling Shareholders who, through GFL are, in aggregate interested in 41.80% in the issued share capital of the Company, are required to abstain from voting in favour thereon.

GENERAL

The Company will form an independent board committee comprising the independent non-executive Directors and appoint an independent financial advisor to advise the independent Shareholders on the proposed refreshment of the general mandates to allot Shares pursuant to Rule 13.36(4) of the Listing Rules. A circular containing, among other things, details regarding (i) the proposed change of name of the Company; (ii) refreshment of the general mandates for the Directors to issue and allot Shares; (iii) refreshment of the scheme mandate limit of the Share Option Scheme; (iv) letter of recommendation from the independent board committee; (v) letter of recommendation from the independent financial advisor to the independent board committee; (vi) a notice convening the EGM to seek the Shareholders’ approval regarding (i), (ii) and (iii) above; (vii) the related proxy forms; and (viii) other relevant information as required under the Listing Rules will be despatched to the Shareholders as soon as possible.

THE PROPOSAL

The Board proposes to (i) change the name of the Company from “Landune International Limited” to “China Seven Star Shopping Limited”, and adopt “中國七星購物有限公司” as its new Chinese name; (ii) refresh the general mandates for the Directors to allot and issue Shares not exceeding 20% of the issued capital of the Company as at the date of passing of the ordinary resolution by the Shareholders at the EGM; and (iii) refresh the 10% scheme mandate limit of the Share Option Scheme.

CHANGE OF NAME OF THE COMPANY

The proposed change of name of the Company is to signify the Company's engagement in the business of retailing and whole-selling of consumer products and television shopping in the PRC under the Seven Star Trademark. The Board considers that the proposed new name of the Company provides a better identification of the Company's new business strategies for its future development and operations, which the Board considers is in the interest of the Company and the Shareholders as a whole.

The proposed change of name of the Company is subject to, among other things (i) the passing of a special resolution by the Shareholders at the EGM; and (ii) the Registrar of Companies in Hong Kong approving the proposed change of name of the Company.

SHARE CERTIFICATES

The proposed change of name of the Company will not affect any of the rights of the existing Shareholders. The share certificates bearing the Company's existing name will continue to be evidence of title and valid for trading, settlement and registration purposes. There will not be any arrangement for free exchange of existing share certificates for new share certificates under the new name of the Company. However, only new share certificates of the Company will be issued under the new name of the Company after the change of its name has become effective. A further announcement will be made once the change of the name of the Company becomes effective.

REFRESHMENT OF THE GENERAL MANDATE TO ALLOT NEW SHARES

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to allot up to 846,208,400 Shares, which is equivalent to 20% of the Shares in issue as at the date of the AGM on 23 May 2006.

As announced by the Company on 29 September 2006, the Company had entered into a subscription agreement in which 832,200,000 new Shares would be issued under the Existing General Mandate, representing approximately 98.34% of the Existing General Mandate.

In order to provide a flexible means for the Company to raise further funds and to procure potential merger and acquisition opportunities through the issue of new Shares for its future development in retailing, whole-selling and television shopping business in the PRC, the Directors propose to refresh the general mandate to allot new Shares not exceeding 20% of the issued share capital of the Company at the date of passing of the ordinary resolution by the Shareholders at the EGM.

The refreshment of the general mandate to allot Shares is proposed to the Shareholders prior to the Company's next annual general meeting, and therefore, pursuant to Rule 13.36(4) of the Listing Rules, the refreshment of the general mandate will be subject to the independent Shareholders' approval by way of a poll at the EGM, and both Mr. Ni and Mr. Wang, being the controlling Shareholders who, through GFL are, in aggregate interested in 41.80% in the issued share capital of the Company, are required to abstain from voting in favour thereon.

Based on the 5,063,242,000 Shares in issue as at the date of this announcement and assuming that no further Shares are repurchased and issued prior to the EGM, upon the independent Shareholders' approval of the refreshment of such general mandate to allot new Shares at the EGM, the Directors will be authorised to allot and issue up to a limit of 1,021,648,400 Shares, representing 20% of the number of Shares in issue as at the date of passing of the ordinary resolution at the EGM. The Directors considered that the refreshment of the general mandate to allot Shares is in the interest of the Company and the Shareholders as a whole.

REFRESHMENT OF THE SCHEME MANDATE LIMIT OF THE SHARE OPTION MANDATE

The Board also proposes to seek the approval of the Shareholders to refresh the 10% scheme mandate limit of the Share Option Scheme. Under the current limit of the Share Option Scheme, the Directors were authorised to grant options to subscribe for up to 372,279,200 Shares, representing 10% of the issued share capital of the Company as at the date of adoption of the Share Option Scheme on 28 May 2004. As at the date of this announcement, a total of 274,000,000 share options have been granted under the Share Option Scheme, with 70,000,000 share options being exercised and no share options being lapsed.

In order to provide the Company with greater flexibility in granting share options to eligible persons (including employees and directors of the Company) under the Share Option Scheme as incentives or rewards for their contribution to the Company, the Board decides to seek the approval from the Shareholders at the EGM to refresh the scheme mandate limit of the Share Option Scheme at the EGM. The Directors consider that such refreshment of the scheme mandate limit of the Share Option Scheme is in the interest of the Company and the Shareholders as a whole.

Based on the 5,063,242,000 Shares in issue as at the date of this announcement and assuming that no further Shares are repurchased and issued and no share options are being granted prior to the EGM, upon the approval of the refreshment of the scheme mandate limit of the Share Option Scheme, the Directors will be authorised to issue options to subscribe for a total of 506,324,200 Shares, representing 10% of the total number of Shares in issue as at the date of the announcement. However, the 98,279,200 share options not previously granted under the Share Option Scheme will not be granted for the purpose of refreshing the scheme mandate limit of the Share Option Scheme.

No outstanding share options of the Company will be lapsed as a result of the refreshment of the scheme mandate limit of the Share Option Scheme and the aggregate number of Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company has not exceeded 30% of the Shares in issue as at the date of this announcement. Saved for the Share Option Scheme, the Company has no other share option schemes as at the date of this announcement.

GENERAL

The Company will form an independent board committee comprising the independent non-executive Directors and appoint an independent financial advisor to advise the independent Shareholders on the proposed refreshment of the general mandates to issue and allot Shares pursuant to Rule 13.36(4) of the Listing Rules.

A circular containing, among other things, details regarding (i) the proposed change of name of the Company; (ii) refreshment of the general mandate for the Directors to issue and allot Shares; (iii) refreshment of the scheme mandate limit of the Share Option Scheme; (iv) letter of recommendation from the independent board committee; (v) letter of recommendation from the independent financial advisor to the independent board committee; (vi) a notice convening the EGM to seek the Shareholders' approval regarding (i), (ii) and (iii) above; (vii) the related proxy forms; and (viii) other relevant information as required under the Listing Rules will be despatched to the Shareholders as soon as possible.

DEFINITIONS

In this announcement, the following terms have the following meanings:

“AGM”	the annual general meeting of the Company held on 23 May 2006
“Board”	the board of Directors
“Company”	Landune International Limited, a limited liability company incorporated in Hong Kong, whose shares are listed on the Stock Exchange
“Directors”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving the change of name of the Company; the refreshment of the general mandate to the Director to allot and issue Shares and the refreshment of the scheme mandate limit of the Share Option Scheme
“Existing General Mandate”	the general mandate granted to the Directors to allot up to 846,208,400 Shares pursuant to the passing of the ordinary resolution by the Shareholders at the AGM
“GFL”	Group First Limited, a private investment company which is beneficially owned as to 60% by Mr. Ni and as to 40% by Mr. Wang, and is interested in 39.50% of the issued share capital of the Company as at the date of this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Ni”	Mr. Ni Xinguang* (倪新光), a Director and a controlling Shareholder who, through GFL, in aggregate is interested in 40.66% of the issued share capital of the Company as at the date of this announcement
“Mr. Wang”	Mr. Wang Zhiming* (王志明), a senior management of the Company and a controlling Shareholder who, through GFL, in aggregate is interested in 40.64% of the issued share capital of the Company as at the date of this announcement
“PRC”	the People's Republic of China
“Seven Star Trademark”	the trademark of “七星購物” registered in PRC under the registration number 3201183
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

“Shareholder(s)” holder(s) of the Share(s)
“Share Option Scheme” The share option scheme adopted by the Company in the annual general meeting held on 28 May 2004
“Stock Exchange” The Stock Exchange of Hong Kong Limited

By Order of the Board
Landune International Limited
Ni Xinguang
Chairman

Hong Kong, 24 October 2006

As at the date of this Announcement, the Board comprises Messrs. Ni Xinguang and Ng Chun Chuen, David who are executive directors and Messrs. Chan Wai Sum, Tang Chi Wing and Lu Wei who are independent non-executive directors.

** For identification purposes only*

Please also refer to the published version of this announcement in The Standard.