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**LILANZ 利郎**  
**CHINA LILANG LIMITED**  
**中國利郎有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1234)

**OPERATIONAL UPDATE FOR THE SECOND QUARTER AND  
FIRST HALF OF 2020**

This announcement is published on a voluntary basis by the board of directors (the “**Board**”) of China Lilang Limited (the “**Company**”, together with its subsidiaries known as the “**Group**”) to provide an operational update on the business of the Group.

**Retail Sales Performance for the Second Quarter of 2020**

As the retail industry is gradually recovering from the COVID-19 epidemic, retail sales (in terms of retail value) of LILANZ products for the second quarter of 2020 decreased by 15% to 20% compared to the same period in 2019. The rate of decrease has narrowed as compared to that of the first quarter.

**Retail Sales Performance for the First Half of 2020**

Retail sales (in terms of retail value) of LILANZ products for the first half of 2020 decreased by 30% to 35% as compared to the same period of 2019.

**The retail sales performance data do not constitute, represent or indicate directly the full picture of the Group's revenue or financial performance.**

**This announcement is based on the Board's preliminary review of the draft unaudited operational data of the Group and the information currently available to the Board, and it is not based on any figures or information which have been audited or reviewed by the Company's auditor. The information contained in this announcement may be subject to change and adjustment. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Company's shares.**

By order of the Board  
**China Lilang Limited**  
**Wang Dong Xing**  
*Chairman*

Hong Kong, 9 July 2020

*As at the date of this announcement, the executive directors are Mr. Wang Dong Xing, Mr. Wang Liang Xing, Mr. Wang Cong Xing, Mr. Cai Rong Hua, Mr. Hu Cheng Chu and Mr. Pan Rong Bin; and the independent non-executive directors are Dr. Lu Hong Te, Mr. Nie Xing and Mr. Lai Shixian.*