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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)**

**PLACEMENT OF EXISTING SHARES**

This announcement is made pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange.

China Lilang Limited (the “**Company**” which, together with its subsidiaries, the “**Group**”) has been informed by Ming Lang Investments Limited (“**Ming Lang**”), one of the controlling shareholders (as defined under the Listing Rules) of the Company, that Ming Lang entered into a placing agreement with, among others, Merrill Lynch Far East Limited (as the sole global coordinator and a joint bookrunner) and The Hongkong and Shanghai Banking Corporation Limited (as a joint bookrunner) on 15 June 2010 for the placing, on a fully underwritten basis, of an aggregate of 80 million shares (the “**Placing Shares**”) of HK\$0.10 each (“**Shares**”) in the Company (the “**Placing**”) to independent professional, institutional and other investors (the “**Placees**”) at a price of HK\$8.50 per Share. The Placing Shares represent approximately 6.67% of the entire issued and fully paid up share capital of the Company as at the date of this Announcement.

Ming Lang is one of the controlling shareholders (as defined under the Listing Rules) of the Company which is owned as to 25.5% by each of Mr. Wang Dong Xing, Mr. Wang Liang Xing and Mr. Wang Cong Xing (collectively, the “**Wang Brothers**”), as to 8%, 5%, 3% and 3% by Mr. Cai Rong Hua, Mr. Hu Cheng Chu, Mr. Wang Ru Ping and Mr. Pan Rong Bin, all being executive directors of the Company (the “**Directors**”), as to 1% by Mr. Wang Qiao Xing, being the elder brother of the Wang Brothers, as to 2% by Mr. Chen Wei Jin, being the brother-in-law of Mr. Wang Dong Xing and one of the Group’s employees, as to 1% by Ms. Chen Yu Hua, being an aunt of the Wang Brothers, and as to 0.5% by Mr. Xu Tian Min, being one of the Group’s employees.

So far as the Directors are aware of, the respective shareholdings of the Company (i) as at the date of this Announcement; and (ii) immediately upon completion of the Placing are as follows:

Shareholders	Shareholdings of the Company as at the date of this announcement		Shareholdings of the Company immediately upon completion of the Placing	
	No. of Shares	%	No. of Shares	%
Xiao Sheng International Limited ( <i>Note</i> )	661,500,000	55.13%	661,500,000	55.13%
Ming Lang	148,500,000	12.38%	68,500,000	5.71%
Mr. Wang Dong Xing	22,950,000	1.91%	22,950,000	1.91%
Mr. Wang Liang Xing	22,950,000	1.91%	22,950,000	1.91%
Mr. Wang Cong Xing	22,950,000	1.91%	22,950,000	1.91%
Mr. Cai Rong Hua	7,200,000	0.60%	7,200,000	0.60%
Mr. Hu Cheng Chu	4,500,000	0.36%	4,500,000	0.36%
Mr. Wang Ru Ping	2,700,000	0.23%	2,700,000	0.23%
Mr. Pan Rong Bin	2,700,000	0.23%	2,700,000	0.23%
Mr. Chen Wei Jin	1,800,000	0.15%	1,800,000	0.15%
Mr. Wang Qiao Xing	900,000	0.08%	900,000	0.08%
Mr. Chen Yu Hua	900,000	0.08%	900,000	0.08%
Mr. Xu Tian Min	450,000	0.03%	450,000	0.03%
Placees	0	0.00%	80,000,000	6.67%
Other public shareholders	300,000,000	25.00%	300,000,000	25.00%
Total:	1,200,000,000	100.00%	1,200,000,000	100.00%

*Note: Xiao Sheng International Limited is owned as to 25.5% by each of the Wang Brothers, as to 8%, 5%, 3% and 3% by Mr. Cai Rong Hua, Mr. Hu Cheng Chu, Mr. Wang Ru Ping and Mr. Pan Rong Bin, as to 1% by Mr. Wang Qiao Xing, as to 2% by Mr. Chen Wei Jin, as to 1% by Ms. Chen Yu Hua and as to 0.5% by Mr. Xu Tian Min.*

Completion of the Placing is currently expected to take place on Friday, 18 June 2010.

By order of the Board  
**China Lilang Limited**  
**James Yu**  
 Company Secretary

Hong Kong, 15 June 2010

*As at the date of this announcement, the executive Directors of the Company are Mr. Wang Dong Xing, Mr. Wang Liang Xing, Mr. Wang Cong Xing, Mr. Cai Rong Hua, Mr. Hu Cheng Chu, Mr. Wang Ru Ping, and Mr. Pan Rong Bin; and the independent non-executive Directors are Dr. Lu Hong Te, Mr. Chen Tien Tui and Mr. Nie Xing.*