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E-Land Fashion China Holdings, Limited
衣念時裝中國控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 749)

CLARIFICATION ANNOUNCEMENT

SUMMARY

This announcement is intended to clarify certain allegations (the “Allegations”) brought by disgruntled workers and the labor unions (the “Labor Unions”) of ELand World Limited and its affiliates. The Allegations have been reported by the press in various newspaper articles and cited in the pamphlets circulated amongst the public recently (“Press Reports”).

The Allegations do not involve the Company but relate to ELand World Limited, the Company’s controlling shareholder.

The Board of Directors wishes to affirm the statements made in the Prospectus. The Board of Directors further confirms, taken into account of Listing Rule 11.13, that there has been no significant change affecting any matters contained in the Prospectus and that no significant new matters have arisen, the inclusion of information in respect of which would have been required to be in the Prospectus had it arisen prior to the issue of the Prospectus.

E-Land Fashion China Holdings, Limited (the “**Company**”) wishes to respond to and clarify the Allegations reported in the Press Reports. Unless otherwise stated, the capitalized terms used herein shall have the same meanings as those defined in the Company’s prospectus dated May 2, 2008.

The Labor Unions allege that, among other things, ELand World Limited is facing financial problems, engaged in unfair labor practices, breached Korean liquor sales law and was penalized by the Korean Fair Trade Commission for inventory sale violations. All of the Allegations are not related to the Company and pertain to ELand World Limited, the Company's controlling shareholder, and its Korean affiliates. The Company has been informed by ELand World Limited that it will be issuing a press release today in South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) of its own responding to, correcting and clarifying the Allegations reported in the Press Reports. ELand World Limited has advised the Company that it is not facing serious financial problems. Furthermore, the Company has been advised that there is no situation or development which has or may have a material adverse impact on ELand World Limited's ability to discharge its obligations towards the Company. As such and based on information available to the Company, the Board of Directors is of the view that none of these Allegations has any material adverse impact on the Company and its performance.

The Board of Directors wishes to affirm the statements made in the Prospectus. The Board of Directors further confirms, taken into account of Listing Rule 11.13, that there has been no significant change affecting any matters contained in the Prospectus and that no significant new matters have arisen, the inclusion of information in respect of which would have been required to be in the Prospectus had it arisen prior to the issue of the Prospectus.

In this regard, potential investors should read the entire Prospectus carefully and the Board of Directors strongly cautions investors not to place any reliance on any other information (including the information contained in the Press Reports), which may not be consistent with the information contained in the Prospectus, or may not be accurate and complete.

Potential investors should make any investment decision with respect to the Global Offering only after careful review and evaluation of all the information contained in the Prospectus. The Company and the Board of Directors accept full responsibility for the accuracy and completeness of the information contained in the Prospectus and this announcement.

By Order of the Board
E-Land Fashion China Holdings, Limited
CHOI Jong Rang
Chairman

Hong Kong, May 6, 2008

** For identification purposes only*

As of the date of this announcement, the executive directors of the Company are Mr. OH Gi Hag (CEO), Mr. MOON Min Cheol and Mr. KIM Hyun Jun; the non-executive directors of the Company are Mr. CHOI Jong Rang (Chairman), Mr. LEE Eun Hong and Mr. KWON Soon Moon; and the independent non-executive directors of the Company are Ms. KIM Hea Yeon; Mr. KONG Yun Seok and Mr. DONG Ying.

Please also refer to the published version of this announcement in the South China Morning Post.