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iMerchants Limited

菱控有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8009)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board of the Company wishes to inform the shareholders of the Company and potential investors that it is expected that the unaudited first quarterly results of the Group for the three months ended 30 June 2009 may record a loss as compared to the corresponding period of 2008.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 17.10 of the Rule Governing The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The board of Directors (the “**Board**”) of iMerchants Limited (the “**Company**”) and together with its subsidiaries, (the “**Group**”) wishes to inform the shareholders of the Company and potential investors that, based on information currently available, the unaudited first quarterly results of the Group for the three months ended 30 June 2009 is expected to record a loss as compared to the corresponding period of 2008. Such loss was mainly due to (i) the significant decrease in turnover as a result of the decrease in trading activities of financial assets and instruments; and (ii) the realization of a net loss on disposal of listed trading securities by the Group.

As the Company is still in the process of finalizing its unaudited consolidated results for the three months ended 30 June 2009, the information contained in this announcement is only based on a preliminary assessment by the management of the Company of the information available to it. Investors are advised to read carefully the results announcement of the Company for the three months ended 30 June 2009 which is expected to be announced this week.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
iMerchants Limited
Yau Yan Ming Raymond
Chairman

Hong Kong, 11 August 2009

This announcement, for which 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 enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.

As at the date hereof, the Board consists of four executive Directors, namely Mr. Yau Yan Ming Raymond, Mr. Yang Bin, Mr. Li Wen Jun and Mr. Wong Ka Chun Carson, and three independent non-executive Directors, namely Mr. Chang Kin Man, Mr. Wu Tak Lung and Mr. Pan Chik.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days of its publication and on the websites of the Company at <http://www.imerchantsltd.com>.