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iMerchants Limited
菱控有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 8009)

**APPOINTMENT OF EXECUTIVE DIRECTOR AND
CHANGE OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER
AND
FURTHER INFORMATION IN RESPECT OF THE PROPOSED RE-
ELECTION OF DIRECTORS AT THE ANNUAL GENERAL MEETING
AND
ADJOURNMENT OF THE ANNUAL GENERAL MEETING**

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board announces that with effect from 26 August 2011, Ms. Qi Yue has been appointed as the executive Director.

CHANGE OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Board further announces that with effect from 26 August 2011, Mr. Chan Wai Keung resigned as the executive Director and Chief Executive Officer and Mr. Zha Jian Ping has been appointed as the executive Director and Chief Executive Officer to replace Mr. Chan Wai Keung.

**FURTHER INFORMATION IN RESPECT OF THE PROPOSED RE-ELECTION OF
DIRECTORS AT THE ANNUAL GENERAL MEETING**

The Board would also like to provide further information to the Shareholders regarding the re-election of retiring Directors at the AGM.

ADJOURNMENT OF THE ANNUAL GENERAL MEETING

The Board announces that the AGM will be adjourned so as to have sufficient notice to the Shareholders in relation to the re-election of Directors. The adjourned AGM is to be held on Friday, 16 September 2011 at 11:00 a.m. at Pacific Room, 2/F., Hong Kong Island Pacific Hotel, 152 Connaught Road West, Hong Kong. The revised notice of the AGM will be sent to the Shareholders with the supplemental circular and revised proxy form as soon as practicable.

APPOINTMENT OF EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of iMerchants Limited (the “**Company**”) announces that Ms. Qi Yue (“**Ms. Qi**”) has been appointed as an executive Director with effect from 26 August 2011.

Ms. Qi

Ms. Qi Yue, aged 48, graduated from the Henan University of Finance and Economics majoring in accounting (Bachelor Degree in Economics). She has China accountant qualification. Ms. Qi worked in banking and finance for a long period. She was a member of internal control expert advisory team of auditing department and a research leader of financial management audit institution at the head office of China Construction Bank. She has rich professional experience in risk management and audit of financial products area.

Save as disclosed above, Ms. Qi has not held any directorship in any other public listed companies or has any other major appointment in the last three years.

Ms. Qi does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (“**GEM Listing Rules**”). As at the date of this announcement, Ms. Qi does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The term of her service as a Director is subject to retirement and re-election at the next following general meeting of the Company in accordance with the articles of association of the Company (the “**Articles of Association**”). The emoluments to Ms. Qi will be determined and subject to review by the Board from time to time with reference to her duties and responsibilities with the Company.

Save as disclosed above, there is no other information required to be disclosed in relation to the appointment of Ms. Qi pursuant to any of the requirements of the rule 17.50(2)(h) to (v) of the GEM Listing Rules or there is no other matter that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”).

The Board would like to take this opportunity to welcome Ms. Qi to join the Board.

CHANGE OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Board announces that with effect from 26 August 2011, Mr. Chan Wai Keung (“**Mr. Chan**”) resigned as the executive Director and chief executive officer of the Company (the “**Chief Executive Officer**”) due to his other business engagement. Mr. Chan confirms that he does not have any disagreement with the Board and there is no other matter relating to his resignation as the executive Director and Chief Executive Officer that needs to be brought to the attention of the Shareholders.

The Board would like to express its gratitude to Mr. Chan for his valuable efforts and contributions to the Company during his tenure of office.

On the same date, Mr. Zha Jian Ping (“**Mr. Zha**”) has been appointed as the executive Director and Chief Executive Officer to replace Mr. Chan.

Mr. Zha

Mr. Zha, aged 40, graduated from the Shanghai University of Finance and Economics majoring in accounting (Bachelor Degree in Economics), the Chinese Academy of Social Sciences as a postgraduate and the University of Wisconsin in the United States with a Master degree in Business Administration. He is a senior accountant in the People’s Republic of China (the “**PRC**”).

Mr. Zha worked in various large enterprise groups such as Nam Kwong (Group) Company Limited in Macau, Jinbei Vehicle Manufacturing Co., Ltd (a listed company in the PRC) and Brilliance China Automotive Holdings Limited (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 1114) and in the United States). For years, he acted as various senior positions such as director, vice president and chief financial officer and led several departments including finance, commerce, information and logistics departments of the corporates. Mr. Zha also participated as a key member in the joint venture negotiations of BMW Brilliance Automotive Company. He is currently the chief financial officer of Shenzhen Careall Investment Holdings Group Co., Ltd. Mr. Zha has extensive experience in financial management, corporate operation and capital operation.

Save as disclosed above, Mr. Zha has not held any directorship in any other public listed companies or has any other major appointment in the last three years.

Mr. Zha does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the GEM Listing Rules. As at the date of this announcement, he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The term of his service as a Director is subject to retirement and re-election at the next following general meeting of the Company in accordance with the Articles of Association. The emoluments to Mr. Zha will be determined and subject to review by the Board from time to time with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other information required to be disclosed in relation to the appointment of Mr. Zha pursuant to any of the requirements of the rule 17.50(2)(h) to (v) of the GEM Listing Rules or there is no other matter that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to welcome Mr. Zha to join the Board.

FURTHER INFORMATION IN RESPECT OF THE PROPOSED RE-ELECTION OF DIRECTORS AT THE ANNUAL GENERAL MEETING

Reference is made to the Company's circular dated 12 August 2011 (the "**Circular**") regarding, inter alia, the proposed re-election of Directors.

Pursuant to Article 100 of the Articles of Association, the Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly, Mr. Zha and Ms. Qi, shall hold office only until the forthcoming annual general meeting of the Company, which is scheduled to be held on Monday, 12 September 2011 (the "**AGM**"), and being eligible, offer themselves for re-election.

Pursuant to Article 120 of the Articles of Association stipulates that at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

As mentioned in the Circular and the notice of the AGM (the "**AGM Notice**") incorporated therein, Mr. Chan will retire from office at the AGM and being eligible for re-election. Following the resignation of Mr. Chan and the appointment of Mr. Zha and Ms. Qi as the Company's executive Directors with effect from 26 August 2011, the Board has nine Directors. Accordingly, pursuant to the Articles of Association, Mr. Yau Yan Ming Raymond, Mr. Yang Bin and Mr. Wong Ka Chun Carson who are Directors longest in office since their last election, shall retire by rotation at the AGM and the newly appointed executive Directors, Mr. Zha and Ms. Qi, will retire at the AGM. All these retiring Directors will, being eligible, offer themselves for re-election at the AGM.

Supplemental Circular and Revised Proxy Form

The Company has despatched to the Shareholders the Circular in respect of certain matters including the proposed re-election of Directors to be dealt with at the AGM. Since the resignation of Mr. Chan and the appointment of Mr. Zha and Ms. Qi were made by the Board after the despatch of the Circular, a supplemental circular (the "**Supplemental Circular**") containing the information of Mr. Zha and Ms. Qi will be sent to the Shareholders as soon as practicable and the resolution in respect of the re-election of Mr. Chan as a Director as set out in the Circular is no longer applicable and will not be considered at the AGM. As a result of the aforesaid changes, a revised proxy form will be sent to the Shareholders together with the Supplemental Circular.

ADJOURNMENT OF THE ANNUAL GENERAL MEETING AND THE REVISED NOTICE

The Board announces that the AGM will be adjourned so as to have sufficient notice to the Shareholders in relation to the re-election of Directors. The adjourned AGM is to be held on Friday, 16 September 2011 at 11:00 a.m. at Pacific Room, 2/F., Hong Kong Island Pacific Hotel, 152 Connaught Road West, Hong Kong. The revised notice of the AGM will be sent to the Shareholders with the supplemental circular and revised proxy form as soon as practicable.

The Shareholders are advised to read the Supplemental Circular together with the Circular for information in respect of the proposed re-election of Directors.

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

Hong Kong, 26 August 2011

As at the date of this announcement, the executive Directors are Mr. Yau Yan Ming Raymond, Mr. Zha Jian Ping, Ms. Qi Yue, Mr. Yang Bin, Mr. Li Wen Jun and Mr. Wong Ka Chun Carson; and the independent non-executive Directors are Mr. Chang Kin Man, Mr. Wu Tak Lung and Mr. Lam Tze Chung.

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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at <http://www.hkgem.com> for at least seven (7) days from the date of publication and on the website of the Company at <http://www.imerchantsltd.com>.