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Bolina

BOLINA HOLDING CO., LTD.

航標控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1190)

PERFORMANCE UPDATE

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The board of directors of Bolina Holding Co., Ltd. (the “**Company**”) hereby provides an update on the Company’s performance in 2012:

1. Based on the latest preliminary management account of the Company and its subsidiaries (the “**Group**”) and other relevant information available to the management of the Company, it is estimated that the revenue of the Group for 2012 will increase, as compared to the previous year, to no less than RMB780 million and as a result, the profits of the Group for 2012 will increase substantially. Other than the effort made by the management and staff of the Group, this profit increase is also attributable to several favourable factors. The Group has achieved a higher sales volume, compared to the previous year, as a result of continuing increase in the number of orders placed by the existing and new customers as well as the Points of Sale (as defined below) newly opened during the year. In addition, the Group also adopted various measures for purpose of saving cost.
2. In view of possible change of market environment in the PRC, the Company has adjusted the pace of expansion of third-party distributors points of sale (the “**Points of Sale**”) by adopting a prudent approach. As of the date hereof, 129 new Points of Sale have been added to the third-party distribution network of the Group in the PRC, which is less than the expected increase of Points of Sale as disclosed in the prospectus dated 29 June 2012 issued by the Company.

Based on the information currently available, the management of the Company finds the Company’s performance in 2012 satisfactory.

This announcement is solely based on the preliminary review of the unaudited latest management accounts of the Group and other relevant information available to the management of the Company, which has not been reviewed nor audited by the Company's independent auditors, with the purpose of providing the shareholders of the Company and the investing public with an update on the performance of the Group. Detailed audited financial information will be disclosed in the annual report of the Group for the year ending 31 December 2012.

Shareholders and potential investors of the Company should exercise caution when dealing with the shares of the Company and be aware of the investment risks.

For and on behalf of the Board
BOLINA HOLDING CO., LTD.
Xiao Zhiyong
Chairman

19 December 2012

As at the date of this announcement, the executive directors are Xiao Zhiyong, Ye Xiaohong, Yang Qingyun and Lu Jianqing, and the independent non-executive directors are Tong Jifeng, Lin Shimao and Leung Ka Man.