

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

The announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.



CHINA TRENDS HOLDINGS LIMITED

中國趨勢控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8171)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF THE ENTIRE EQUITY INTEREST
IN NOPO INTERNATIONAL
INVOLVING ISSUE OF CONSIDERATION SHARES**

THE ACQUISITION

The Board announces that, on 10 December 2009, the Company entered into the Acquisition Agreement with the Vendor, pursuant to which the Company has conditionally agreed to purchase from the Vendor the entire issued share capital of Nopo International at a consideration of HK\$19,493,000. The Consideration shall be settled by the Company as to (i) a refundable deposit of HK\$1,993,000, without interest, payable in cash by the Company to the Vendor upon signing of the Acquisition Agreement; and (ii) the remaining balance of HK\$17,500,000 by the issue of the Consideration Shares of the Company at an issue price of HK\$0.125 upon Completion.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

SUSPENSION OF TRADING

Trading in the Shares of the Company has been suspended since 1 April 2009 at the request of the Company and will remain suspended until further notice.

THE ACQUISITION AGREEMENT

Date

10 December 2009

Parties to the Acquisition Agreement

Purchaser : The Company
Vendor : Nopo Group Limited, an Independent Third Party

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is an Independent Third Party.

Assets to be acquired

The Company has conditionally agreed to purchase from the Vendor the entire issued share capital of Nopo International.

Conditions precedent to the completion of the Acquisition Agreement

Completion of the Acquisition Agreement is subject to the following conditions having been fulfilled or waived (as the case may be):

- (i) the Company and the Vendor having obtained all necessary consents and approvals in respect of the Acquisition Agreement; and
- (ii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Consideration Shares.

If the conditions have not been satisfied (or as the case may be, waived by the Company) on or before 30 June 2010, or such later date as the Company and the Vendor may agree, the Acquisition Agreement shall cease and terminate, and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Completion of the Acquisition shall take place on the second business day after all the conditions precedent of the Acquisition Agreement have been fulfilled or waived or such later date as may be agreed between the Vendor and the Company.

Consideration

The Consideration of HK\$19,493,000 shall be settled by the Company as to (i) a refundable deposit of HK\$1,993,000, without interest, payable in cash by the Company to the Vendor upon signing of the Acquisition Agreement; and (ii) the remaining balance of HK\$17,500,000 by the issue of the Consideration Shares at the Issue Price of HK\$0.125 upon Completion.

The consideration was determined after arm's length commercial negotiation between the Company and the Vendor with reference to the fair value of the right granted by a mobile location-based service provider to Nopo International as an agent of the products of the mobile location-based service provider in the PRC and the sole franchised dealer in overseas markets in the amount of HK\$19,493,000, which has been valued by RHL Appraisal Ltd, an independent qualified valuer, as at 31 October 2009. Accordingly, the Directors consider that the consideration is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. The Company shall finance the cash consideration with internal resources.

In the event that Completion does not take place, the Vendor shall forthwith refund to the Company the Deposit, without interest.

The Consideration Shares

The 140,000,000 Consideration Shares will be issued at the issued price of HK\$0.125 per Consideration Share, credited as fully paid to satisfy part of the Consideration in the sum of HK\$17,500,000. The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue, including the rights to all dividends, distribution and other payments which are declared, made or paid on or after the date of such allotment and issue.

As at the date of this announcement, there are 703,739,500 Shares in issue and the Consideration Shares represent:

- (i) approximately 19.89% of the issued share capital of the Company; and
- (ii) approximately 16.59% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

The Issue Price

The issue price of HK\$0.125 was determined after arm's length commercial negotiation between the Company and the Vendor with reference to the average closing price of the Shares for the last 5 trading days up to and including the Last Trading Day. The issue price represents:

- (i) a premium of approximately 6.84% to the closing price of HK\$0.117 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a premium of approximately 6.84% to the average closing price of approximately HK\$0.117 per Share as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Day.

On the above basis, the Directors consider that the issue price and the issue of the Consideration Shares are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

General Mandate to issue Shares

The Consideration Shares will be allotted and issued pursuant to the General Mandate. The Company has not allotted and issued any shares pursuant to the General Mandate and the General Mandate is sufficient for the issue and allotment of the Consideration Shares.

Application will be made by the Company to the Listing Committee for the listing of and the permission to deal in the Consideration Shares.

Information of Nopo International

Nopo International was incorporated in Hong Kong on 21 December 2007. The Company was wholly and beneficially owned by the Vendor. The principal and only one asset of Nopo International would be the right granted by a mobile location-based service provider to Nopo International as an agent of the products of the mobile location-based service provider in the PRC and the sole franchised dealer in overseas markets.

REASONS FOR THE ACQUISITION

The Group is principally engaged in sales and marketing of mobile phone appliance and the relevant application solution.

The Directors consider that the Acquisition represents a good opportunity for the Group to expand into the value-added service and business in the mobile phone appliance and the relevant application solution. Accordingly, the Directors consider that the terms and conditions of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

SUSPENSION OF TRADING

Trading in the Shares of the Company has been suspended since 1 April 2009 at the request of the Company and will remain suspended until further notice.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of 10,000 ordinary shares in the issued share capital of Nopo International, representing the entire issued share capital of Nopo International, by the Company pursuant to the Acquisition Agreement
---------------	---

“Acquisition Agreement”	the sale and purchase agreement dated 10 December 2009 entered into between the Company and the Vendor in relation to the Acquisition
“Board”	the board of Directors
“Company”	China Trends Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Consideration”	the consideration of HK\$ HK\$19,493,000 for the Acquisition
“Consideration Shares”	the 140,000,000 new Shares to be allotted and issued to the Vendor credited as fully paid at the issue price of HK\$0.125 in accordance with the terms of the Acquisition Agreement
“Director(s)”	the director(s) of the Company
“Distribution Agreement”	the distribution agreement granted by a mobile location-based service provider to Nopo International the right as an agent of the products of the mobile location-based service provider in the PRC and the sole franchised dealer in overseas markets for the period from 1 March 2009 to 31 March 2019.
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate to authorise the Directors to allot and issue up to 140,747,900 Shares pursuant to the resolution passed at the annual general meeting of the Company held on 30 June 2009
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party”	person(s), or in case of companies, their ultimate beneficial owners(s), who is/are independent of and not connected with the Company and its subsidiaries and its connected persons or in the case of a corporation (the ultimate beneficial owner) its respective associates
“Last Trading Day”	31 March 2009, being the last trading day before the suspension of trading in the Shares
“Nopo International”	Nopo International Limited, a company incorporated in Hong Kong with limited liability
“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	the ordinary shares of the Company of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Nopo Group Limited, a company incorporated in the British Virgin Islands with limited liability, beneficially interested in the entire issued share capital of Nopo International and an Independent Third Party
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

By Order of the Board
China Trends Holdings Limited
Xiang Xin
Chairman

Hong Kong, 10 December 2009

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Mr. Yang Gaocai, Mr. Wong Chak Keung and Mr. Law Gerald Edwin and the independent non-executive Directors are Mr. Zhang Zhan Liang, Ms. Lu Yuhe and Mr. Kwok Chi Hung.

This announcement, for which the Directors collectively and individually accept full responsibilities, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM 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 aspects 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 founded on bases and assumption that are fair and reasonable.

This announcement will remain on GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting and the Company website at www.8171.com.hk.