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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)

**COOPERATIVE FRAMEWORK AGREEMENT
EXTENSION OF ENERGY MANAGEMENT CONTRACT BUSINESS
TO CHILDREN'S MARKET
WITH THE EXPECTATION OF BUILDING UP
20,000 CHILDREN WISDOM GROUP**

This announcement is made by China Trends Holdings Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company announced that on 22 June 2010 (after trading hour), the Company and 北京惠利康高新技術有限責任公司 (transliterated as Beijing Hui Likang Hi-Tech Company Limited (“**Beijing Hui Likang**” and an independent third party) entered into a cooperative framework agreement (the “**Cooperative Framework Agreement**”). Pursuant to the Cooperative Framework Agreement, the Company or its subsidiaries (collectively the “**Group**”) and Beijing Hui Likang will establish a cooperation relationship.

Beijing Hui Likang is in the process of establishing children wisdom group (the “**Children Wisdom Group**”) with the need of all-in-one energy-saving computers. Beijing Hui Likang will participate in promotion and publication, operation and investment promotion with suitable working partners forming alliance. The Group will provide all-in-one energy-saving computers to Beijing Hui Likang to implement its Children Wisdom Group by mean of energy management contract. The Group will realize its investment returns and profit by sharing relevant percentage of the energy saving efficiency realized by Beijing Hui Likang in its energy saving measures. Beijing Hui Likang targets to build up to 20,000 Children Wisdom Group with the alliance partners within ten years in the PRC.

Children Wisdom Group is mainly set up to cultivate the potential of children's intellectual development. The domestic and foreign experts will undergo the potential assessment of the children in the Children Wisdom Group and then design and implement the program of individual intellectual development based on each child's development and characteristics. Most of the courses undertaken in the Children Wisdom Group will be supported by multimedia teaching equipments.

With strong support from the PRC government to promote the implementation of the energy management contract project to facilitate the energy-saving service sector in the economy and the improved living quality, the demand for energy-saving digital products would become a trend. The Company is expected that the possible cooperation can lead its business of energy management contract further extending to children's market. The energy-saving digital products provided by the Company under energy management contract business model fulfill the demand for multimedia teaching equipments in most of the courses in the Children Wisdom Group. The Directors consider that the possible cooperation is in the interests of the Company and the Shareholders as a whole.

The Company or its subsidiaries and Beijing Hui Likang will proceed to the negotiation for a legally-binding formal agreement within six months from the date of signing the Cooperative Framework Agreement (or on or before such later date to be agreed by the parties thereto). Further announcement in respect of the possible cooperation pursuant to the requirement under the GEM Listing Rules will be made by the Company in the event any formal agreement has been signed.

The Board wishes to emphasize that no binding agreement in relation to the possible cooperation has been entered into as at the date of this announcement. As such, the possible cooperation may or may not proceed. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 22 June 2010

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.