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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)

**ACQUIRE 100% ISSUED SHARE CAPITAL BEIJING NEED EDUCATION
AND
TERMINATION OF COOPERATIVE FRAMEWORK AGREEMENTS
REGARDING FOUR PLATFORMS**

Reference is made to the announcement of the Company dated 29 December 2010 in relation to the cooperative framework agreement regarding education platform.

The Board is pleased to announce that on 1 September 2011 (after trading hours), the Company, the Vendor and Boss Cultural entered into a cooperative framework agreement to acquire the entire issued share capital of the Target Company. The total consideration will be based on buyer and seller's consultation and evaluated by Hong Kong assets evaluation agencies and / or auditors recognized by the Stock Exchange. The Directors believe that the Acquisition will create a chain opportunities to the Company's energy management contract. The company also terminated the Project Cooperation Agreement signed by a subsidiary of Company, Boss China and Boss Cultural dated 9 November 2010.

Date: 1 September 2011 (after trading hours)

Parties: The Company
Vendor

PRINCIPLE TERMS

1) The Vendor agreed to sell and the Company agreed to acquire or procure its nominee to acquire the entire issued share capital of the Target Company (the “**Acquisition**”), subject to the terms and conditions set out in the formal agreement.

2) The total consideration will be agreed by the Company and the Vendor and evaluated by Hong Kong assets evaluation agencies and / or auditors recognized by the Stock Exchange. The company will pay cash or three-year convertible bonds (the terms of conversion agreed in the formal agreement) to the Vendor.

3) If the Target Company’s 100% issued shares, due to the Vendor’s issue, could not be transferred to the Company within 6 months according to the cooperative framework agreement, the Vendor shall compensate the Company. The compensation method is to transfer 50% of the Target Company’s shares to the Company by free of charge within 30 days since the date of default the Company informed the Vendor.

4) The Acquisition is subject to the fulfillment of the following conditions, including:

(a) The Vendor shall provide all of the following legal documents to the Company within six months since the date of signing this agreement, and confirm by the Company:

- A. Target Company’s shareholders agreed to the resolution of the transfer of shares;
- B. Target Company’s fiscal year 2011 financial audit report;
- C. Shareholders of the Target Company identification or registration certificate;
- D. Investment enterprise business and audit report of the Target Company and;
- E. Target Company and its investment enterprise’s business license (copy).

(b) Boss Cultural terminate the project cooperation agreement signed on 9 November 2010 with the Company's subsidiary, Boss China), and return the first phase of construction funds of RMB 10 million.

(c) By consensus of both parties and transfer of ownership of assets evaluation report issued by assets evaluation organizations (recognized by the Stock Exchange) which adopt internationally accepted methods of asset valuation.

INFORMATION ON THE TARGET COMPANY

The Target Company provides full range of educational, professional, personalized education services to different levels, different ages, different needs of consumers, thereby establishing an education platform from project planning, education resources integration, project operation and management, and teaching system implementation. The Target Company also promises to build 10,000 education platforms in mainland China for developing the training programs.

REASONS FOR ENTERING INTO THE FRAMEWORK AGREEMENT

With strong support from the PRC government to promote the implementation of the energy management contract (CEM) project to facilitate the energy-saving service sector in the economy, and the guidance of “the National Program for Medium-Term and Long-Term Educational Reform and Development (2010-2020)”, the Company is expected that the possible acquisition can speed up the training of talents for CEM business.

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The Group will provide energy-saving products and related solutions to customers by mean of energy management contract. The Group will realize its investment returns and profit by sharing the energy saving efficiency realized in the energy saving measures. The possible acquisition enables the Group to effectively achieve the target of building distribution agencies and talents with alliance partners in all cities above county level in the PRC, to accelerate the progress of the Group’s CEM business. The Directors consider that the possible acquisition is in the interests of the Company and the Shareholders as a whole.

Reference is made to the announcement of the Company dated 9 November 2010 regarding the project cooperative agreement relating to the exclusive cooperation in the joint construction and operation of the online education platform, video production platform, reward redemption platform and advertisement broadcasting platform with Boss Cultural. Given that the possible acquisition is sufficient to support the energy management contract business of the Group, the Board hereby announced that the project cooperative agreement would not be proceeded.

General Information

Save for the items (3) under the section headed “Principle terms” above, all the terms and

conditions of the formal agreement are subject to further negotiations between the parties, or may not lead to the entering into of the formal agreement. According to the GEM Listing Rules, in the event that the transactions contemplated under the formal agreement (including the Acquisition) materialize, the Company will make further announcement in relation to the details of the transactions contemplated under the Formal Agreement as and when required by the GEM Listing Rules. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the Board of Directors of the Company
“Boss China”	博思夢想（中國）有限公司(transliterated Boss (China) Systems Limited (formerly known as Protex (China) Systems Limited))
“Boss Cultural”	博思夢想文化傳播有限公司(transliterated Boss Dream Cultural Communication Company Limited (formerly known as Grand Business (Beijing) Educational and Cultural Development Company Limited)
“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 of the Stock Exchange
“Directors”	the directors of the Company, including the independent non-executive directors
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
The “Target Company” “Beijing Need Education”	北京需要教育科技有限公司(transliterated Beijing Need Education Technology Company Limited)
The “Vendor”	Mr. Sun Tianqun and Mr. Zhao Bao

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

Hong Kong, 1 September 2011

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Ms. Lu Yuhe and Mr. Liang Xiaojin; the non-executive Director is Mr. Chen Banyan and the independent non-executive Directors are Mr. Zhang Zhan Liang, Mr. Kwok Chi Hung and Ms. An Jing.

This announcement, for which the directors of the Company 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 of the Company, 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 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.