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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)

- (i) PROPOSED BONUS SHARES ISSUE;**
- (ii) PROPOSED BONUS WARRANTS ISSUE;**
- (iii) CHANGE IN BOARD LOT SIZE;**
- (iv) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;**
- (v) DISPOSAL OF SHARES BY A SUBSTANTIAL SHAREHOLDER;**
- AND**
- (vi) RESUMPTION IN TRADING**

### **PROPOSED BONUS SHARES ISSUE**

The Board proposes the Bonus Shares Issue to the Qualifying Shareholders on the basis of one (1) Bonus Share for every one (1) existing Share held on the Record Date. The Bonus Shares, upon allotment and issue, will be credited as fully paid at par by way of capitalisation of an amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company.

The Bonus Shares Issue is conditional upon (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the Bonus Shares Issue and the transactions contemplated thereunder; (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, the Bonus Shares; and (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and Articles to effect the Bonus Shares Issue.

## **PROPOSED BONUS WARRANTS ISSUE**

The Board also proposes the Bonus Warrants Issue to the Qualifying Shareholders on the basis of two (2) Bonus Warrants for every five (5) existing Shares held on the Record Date. Each Bonus Warrant will entitle the holder thereof to subscribe in cash for one Bonus Warrant Share at an initial subscription price of HK\$0.0125 per Bonus Warrant Share, subject to adjustment. The Subscription Rights attached to the Bonus Warrants will be exercisable from the date of issuance until the close of business on the fifth anniversary of the issue of the Bonus Warrants.

The Bonus Warrants Issue is conditional upon, among other things, (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the issue of the Bonus Warrants and the Bonus Warrant Shares and the transactions contemplated thereunder; (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, the Bonus Warrants and the Bonus Warrant Shares; (iii) the Bonus Shares Issue becoming unconditional; and (iv) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and Articles to effect the issue of the Bonus Warrants and the Bonus Warrant Shares.

## **CHANGE IN BOARD LOT SIZE**

The board lot size for trading in the Shares will be changed from 40,000 Shares to 80,000 Shares with effect from 9:00 a.m. on Friday, 26 February 2016, subject to the fulfillment of the conditions of the Bonus Shares Issue and the Bonus Warrants Issue as set out in the section headed “Conditions of the Bonus Shares Issue” and “Conditions of the Bonus Warrants Issue” in this announcement.

## **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

The Board also proposes to increase the authorised share capital of the Company from HK\$300,000,000 divided into 30,000,000,000 Shares to HK\$1,000,000,000 divided into 100,000,000,000 Shares by the creation of an additional 70,000,000,000 unissued Shares, which shall rank *pari passu* in all respects with the existing Shares.

The proposed increase in authorised share capital of the Company is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM approving the increase in authorised share capital of the Company.

## **GENERAL**

A circular containing, among other things, further details of (i) the Bonus Shares Issue; (ii) the Bonus Warrants Issue; and (iii) the proposed increase in authorised share capital of the Company, together with a notice of EGM will be despatched to the Shareholders on or before Monday, 18 January 2016.

## **DISPOSAL OF SHARES BY A SUBSTANTIAL SHAREHOLDER**

The Company was informed by Honour Sky, a substantial Shareholder, that on 28 December 2015 it had disposed of 1,200,000,000 Shares on the market to third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) at the consideration of HK\$0.07 per Share. Immediately after the Disposal, Honour Sky was interested in 450,914,973 Shares.

Pursuant to the terms and conditions of the Clawback Offer, all the outstanding amount of Offer Bonds was converted into Offer Bonds Conversion Shares on 30 December 2015, and the Company had allotted and issued the Offer Bonds Conversion Shares in full.

After the conversion of the Offer Bonds and as at the date of this announcement, Honour Sky is interested in 4,493,201,596 Shares (representing approximately 22.03% of issued share capital of the Company as enlarged by the allotment and issue of the Offer Bonds Conversion Shares).

## **RESUMPTION IN TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 29 December 2015 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 4 January 2016.

## **PROPOSED BONUS SHARES ISSUE**

The Board proposes the Bonus Shares Issue to the Qualifying Shareholders on the terms and basis as set out below.

### **Basis of the Bonus Shares Issue**

Subject to the conditions set out under the heading “Conditions of the Bonus Shares Issue” below, the Bonus Shares will be issued and credited as fully paid at par on the basis of one (1) Bonus Share for every one (1) existing Share held on the Record Date by the Qualifying Shareholders.

Assuming no further Shares will be issued or repurchased by the Company on or before Record Date, on the basis of 20,399,778,579 Shares in issue as at the date of this announcement, 20,399,778,579 Bonus Shares will be allotted and issued under the Bonus Shares Issue. The Bonus Shares will be credited as fully paid at par by way of capitalisation of an amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company. After the completion of the Bonus Shares Issue, there will be a total of 40,799,557,158 Shares in issue as enlarged by the allotment and issue of the Bonus Shares.

## **Condition of the Bonus Shares Issue**

Completion of the Bonus Shares Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the Bonus Shares Issue and the transactions contemplated thereunder;
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of Cayman Islands and the Articles to effect the Bonus Shares Issue.

## **Status of the Bonus Shares and Faction Entitlement**

The Bonus Shares will rank *pari passu* in all respects with the existing Shares in issue on the date of the issue of the Bonus Shares.

On the basis of one (1) Bonus Share for every one (1) existing Share held by the Qualifying Shareholders on the Record Date, no fractional entitlement will arise.

## **Overseas Shareholders**

For those Overseas Shareholders on the Record Date, enquiry will be made by the Board pursuant to Rule 17.41(1) of the GEM Listing Rules. Upon such enquiry, if the Board is of the view that the exclusion of certain Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Non-Qualifying Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances thereof will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

**All Overseas Shareholders should consult their professional advisers as to whether or not they are permitted to participate in the Bonus Shares Issue or whether any government or other consents are required or other formalities need to be observed.**

## **PROPOSED BONUS WARRANTS ISSUE**

The Board also proposes the Bonus Warrants Issue to the Qualifying Shareholders on the terms and basis as set out below.

## **Initial Subscription Price and Subscription Date**

Subject to the conditions set out under the heading “Conditions of the Bonus Warrants Issue” below, the Bonus Warrants will be issued on the basis of two (2) Bonus Warrants for every five (5) existing Shares held on the Record Date. Each Bonus Warrant will entitle the holder thereof to subscribe in cash for one Bonus Warrant Share at an initial subscription

price of HK\$0.0125 per Bonus Warrant Share, subject to adjustment. The Subscription Rights attached to the Bonus Warrants will be exercisable from the date of issuance until the close of business on the fifth anniversary of the issue of the Bonus Warrants.

The initial subscription price of HK\$0.0125 per Bonus Warrant Share represents:

- (i) a discount of approximately 82.14% to the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on 28 December 2015, being the last trading day preceding to this announcement;
- (ii) a discount of approximately 80.16% to the average closing price of approximately HK\$0.063 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of this announcement; and
- (iii) a discount of approximately 64.29% to the theoretical price of HK\$0.035 per Share immediately after the Bonus Shares Issue became effective based on the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on 28 December 2015, being the last trading day preceding to this announcement.

### **Shares to be Issued Upon Exercise of the Bonus Warrants**

Assuming no further Shares will be issued or repurchased by the Company on or before the Record Date, on the basis of 20,399,778,579 Shares in issue as at the date of this announcement, 8,159,911,432 Bonus Warrants will be issued pursuant to the Bonus Warrants Issue. Full exercise of the Subscription Rights attached to the 8,159,911,432 Bonus Warrants at the initial subscription price of HK\$0.0125 per Bonus Warrant Share would result in the issue of 8,159,911,432 Bonus Warrant Shares, representing 20% of the aggregate number of issued ordinary shares of the Company as enlarged by the issue of Bonus Shares under the Bonus Shares Issue (being 40,799,557,158 Shares). Upon exercise of the Subscription Rights in full, the gross proceeds (before expenses) of the subscription will amount to approximately HK\$102.0 million.

As at the date of this announcement, save for all the outstanding Share Options, which will lead to issue of 563,500,000 Shares at the exercise price of HK\$0.05 per Share, the Company does not have any other equity securities which remain to be issued on exercise of any other subscription rights as described in Rule 21.02(1) of the GEM Listing Rules. Therefore, if the Bonus Warrants are immediately exercised in full, such exercise will not exceed 20% of the issued equity capital of the Company at the time such Bonus Warrants are issued.

### **Condition of the Bonus Warrants Issue**

Completion of the Bonus Warrants Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the issue of the Bonus Warrants and the Bonus Warrant Shares and the transactions contemplated thereunder;
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, the Bonus Warrants and the Bonus Warrant Shares;

- (iii) the Bonus Shares Issue becoming unconditional; and
- (iv) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of Cayman Islands and the Articles to effect the issue of the Bonus Warrants and the Bonus Warrant Shares.

### **Status of the Bonus Warrant Shares and Fractional Entitlements**

The Bonus Warrant Shares will rank *pari passu* in all respects with the existing Shares in issue on the date of the issue of the Bonus Warrant Shares, upon exercise of the Subscription Rights.

Fractional entitlements to the Bonus Warrant Shares, if any, will not be issued to the Shareholders but will be aggregated and sold for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

### **Overseas Shareholders**

For those Overseas Shareholders on the Record Date, enquiry will be made by the Board pursuant to Rule 17.41(1) of the GEM Listing Rules. Upon such enquiry, if the Board is of the view that the exclusion of certain Overseas Shareholders is necessary or expedient, the Bonus Warrants will not be granted to the Non-Qualifying Shareholders. In such circumstances, arrangements will be made for the Bonus Warrants which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Warrants commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances thereof will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

**All Overseas Shareholders should consult their professional advisers as to whether or not they are permitted to participate in the Bonus Warrants Issue or whether any government or other consents are required or other formalities need to be observed.**

### **REASONS FOR THE BONUS SHARES ISSUE AND BONUS WARRANTS ISSUE**

In recognition of the continue support of the Shareholders, the Board proposes the Bonus Shares Issue and Bonus Warrants Issue so as to allow the Shareholders to participate in the future development of the Company. The Bonus Shares Issue, is expected to attract more interest from retail investors and enhance the liquidity of the Shares in the market, improve value of the Shares in the long term, and enlarge the capital base of the Company. The Bonus Warrants Issue will also strengthen the capital base of the Company when the Subscription Rights attached to the Bonus Warrants are exercised.

The Company intends to use proceeds from the exercise of the Subscription Rights attached to the Bonus Warrants for general working capital and business development purposes.

## **EQUITY FUND RAISING ACTIVITY OF THE GROUP IN THE PAST 12 MONTHS**

The Company has not conducted any equity fund raising activities for the 12 months immediately before the date of this announcement.

## **LISTING OF THE BONUS SHARES, BONUS WARRANTS AND BONUS WARRANT SHARES**

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Bonus Shares, the Bonus Warrants and the Bonus Warrant Shares.

## **CERTIFICATES FOR AND DEALINGS OF THE BONUS SHARES AND BONUS WARRANTS**

Subject to the satisfaction of the conditions to the Bonus Shares Issue and the Bonus Warrants Issue, it is expected that certificates for the Bonus Shares will be posted on or before Thursday, 25 February 2016 and certificates for the Bonus Warrants will be posted on or before Friday, 26 February 2016 at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Bonus Shares are expected to commence on the Stock Exchange on Friday, 26 February 2016 and dealings in the Bonus Warrants are expected to commence on the Stock Exchange on Monday, 29 February 2016.

## **CHANGE IN BOARD LOT SIZE**

In order to increase the value of each board lot of the Shares after the Bonus Shares Issue and exercise of Subscription Rights attached to the Bonus Warrants, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the board lot size for trading in the Shares will be changed from 40,000 Shares to 80,000 Shares with effect from 9:00 a.m. on Friday, 26 February 2016, subject to the fulfillment of the conditions of the Bonus Shares Issue and the Bonus Warrants Issue as set out in the section headed “Conditions of the Bonus Shares Issue” and “Conditions of the Bonus Warrants Issue” in this announcement.

Based on the closing price of HK\$0.07 per Share as quoted on the Stock Exchange as at the date of this announcement,

- (i) the theoretical ex-entitlement price per Share will be approximately HK\$0.035 upon the allotment and issue of the Bonus Shares, the market value of each existing board lot of 40,000 Shares is estimated to be approximately HK\$1,400 upon the allotment of the Bonus Shares. Upon the increase in board lot size becoming effective, the market value of each board lot of 80,000 Shares (instead of 40,000 Shares) is estimated to be approximately HK\$2,800; and

- (ii) the theoretical ex-entitlement price per Share will be approximately HK\$0.031 upon the allotment and issue of the Bonus Shares and Bonus Warrant Shares. Upon the increase in board lot size becoming effective, the market value of each board lot of 80,000 Shares is estimated to be approximately HK\$2,480.

The increase in board lot size is not expected to result in any odd lots other than that already existed before such increase becoming effective.

The change in board lot size will not result in any change in the relative rights of the Shareholders.

## **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

The Board also proposes to increase the authorised share capital of the Company from HK\$300,000,000 divided into 30,000,000,000 Shares to HK\$1,000,000,000 divided into 100,000,000,000 Shares by the creation of an additional 70,000,000,000 unissued Shares, which shall rank *pari passu* in all respects with the existing Shares.

The proposed increase in authorised share capital of the Company is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM approving the increase in authorised share capital of the Company.

The proposed increase in authorised share capital of the Company, if approved, will provide the Company with greater flexibility to accommodate future expansion and growth of the Group. Save for the Bonus Shares and the Bonus Warrant Shares to be allotted and issued, the Directors do not have any present intention of issuing any new Shares.

## **RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Friday, 12 February 2016 to Thursday, 18 February 2016 (both days inclusive), during which no transfer of the Shares will be effected, in order to ascertain and determine the entitlement of the Shareholders under the Bonus Shares Issue and the Bonus Warrants Issue.

Shareholders are reminded that in order to qualify for the Bonus Shares Issue and the Bonus Warrants Issue, they must ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 11 February 2016.

The exact total number of Bonus Shares to be allotted and issued under the Bonus Shares Issue and Bonus Warrants to be issued under the Bonus Warrants Issue will be determined on the Record Date.



## EXPECTED TIMETABLE

The expected timetable for the Bonus Shares Issue, Bonus Warrants Issue and change in board lot size is set out below for indicative purposes only and it has been prepared on the assumption that all the conditions of the Bonus Shares Issue and Bonus Warrants Issue will be fulfilled. All times and dates in this announcement refer to Hong Kong local times and dates. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

<b>Event</b>	<b>2016</b>
Despatch of circular and notice of EGM .....	Monday, 18 January
Latest time for lodging proxy form for the EGM.....	4:30 p.m. on Monday, 1 February
EGM.....	4:30 p.m. on Wednesday, 3 February
Announcement of the result of the EGM.....	Wednesday, 3 February
Last day of dealings in the Shares on cum-entitlement to the Bonus Shares Issue and Bonus Warrants Issue .....	Thursday, 4 February
First day of dealings in the Shares on ex-entitlement to the Bonus Shares Issue and Bonus Warrants Issue .....	Friday, 5 February
Latest time for lodging transfers of Shares in order to qualify for the Bonus Shares Issue and Bonus Warrants Issue.....	4:30 p.m. Thursday, 11 February
Register of members closes (both days inclusive).....	Friday, 12 February to Thursday, 18 February
Record Date .....	Thursday, 18 February
Issue and despatch of certificates for Bonus Shares .....	Thursday, 25 February
Issue and despatch of certificates for Bonus Warrants .....	Friday, 26 February
Commencement of dealings in the Bonus Shares.....	9:00 a.m. on Friday, 26 February
Effective date of change of board lot size from 40,000 Shares to 80,000 Shares.....	9:00 a.m. on Friday, 26 February
Commencement of dealings in the Bonus Warrants .....	9:00 a.m. on Monday, 29 February

## **GENERAL**

A circular containing, among other things, further details of (i) the Bonus Shares Issue; (ii) the Bonus Warrants Issue; and (iii) the proposed increase in authorised share capital of the Company, together with a notice of EGM will be despatched to the Shareholders on or before Monday, 18 January 2016.

## **DISPOSAL OF SHARES BY A SUBSTANTIAL SHAREHOLDER**

The Company was informed by Honour Sky, a substantial Shareholder, that on 28 December 2015 it has disposed of 1,200,000,000 Shares on the market to third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) at the consideration of HK\$0.07 per Share. Immediately after the Disposal, Honour Sky was interested in 450,914,973 Shares.

Pursuant to the terms and conditions of the Clawback Offer, all the outstanding amount of the Offer Bond was converted into Offer Bonds Conversion Shares on 30 December 2015, and the Company had allotted and issued the Offer Bonds Conversion Shares in full.

After the conversion of the Offer Bonds and as at the date of this announcement, Honour Sky is interested in 4,493,201,596 Shares (representing approximately 22.03% of issued share capital of the Company as enlarged by the allotment and issue of the Offer Bonds Conversion Shares).

## **RESUMPTION IN TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 29 December 2015 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 4 January 2016.

## **DEFINITIONS**

“Articles”	articles of association of the Company
“associates”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	the board of Directors
“Bonus Share(s)”	new Share(s) to be allotted and issued under the Bonus Shares Issue by the Company
“Bonus Shares Issue”	the proposed bonus issue of Bonus Share(s) to the Qualifying Shareholder(s) on the basis of one (1) Bonus Share for every one (1) existing Share held on the Record Date

“Bonus Warrant(s)”	warrant(s) proposed to be issued by the Company to subscribe for Bonus Warrant Shares at an initial subscription price of HK\$0.0125 per Bonus Warrant Share, subject to adjustment, pursuant to the Bonus Warrants Issue
“Bonus Warrants Issue”	the proposed bonus issue of Bonus Warrants to the Qualifying Shareholder(s) on the basis of two (2) Bonus Warrants for every five (5) existing Shares held on the Record Date
“Bonus Warrant Share(s)”	new Share(s) which may fall to be issued upon the exercise of the Subscription Rights attached to the Bonus Warrants
“Clawback Offer”	the clawback offer by China Technology Education Trust Association, Honour Sky, Metropower Holdings Limited and Wong Chak Keung for the Offer Bonds in the aggregate principal amount of HK\$498,390,142.968 on 5 October 2015, which became unconditional on 23 December 2015
“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 (stock code: 8171)
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of 1,200,000,000 Shares by Honour Sky on 28 December 2015
“EGM”	the extraordinary general meeting of the Company to be held and convened for the purpose of considering and, if thought fit, approving the Bonus Shares Issue, the Bonus Warrants Issue and the increase in authorised share capital of the Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Honour Sky”	Honour Sky International Limited, a company incorporated in the British Virgin Islands with limited liability of which Mr. Xiang is the sole director and Mr. Xiang and his spouse, Ms. Kung Ching, are the ultimate beneficial owners
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing

“Mr. Xiang”	Xiang Xin, an executive Director
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiry, are of the view that it would be necessary or expedient to exclude them from the Bonus Shares Issue and the Bonus Warrants Issue on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction
“Offer Bonds”	convertible bonds in the aggregate principal amount of HK\$498,390,142.968 offered on the terms set out in the underwriting agreement and in the prospectus issued by the Company dated 3 December 2015 under the Clawback Offer
“Offer Bonds Conversion Share(s)”	13,470,003,864 new Shares allotted and issued after the conversion of the Offer Bonds on 30 December 2015
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company at the close of business on the Record Date is/are outside Hong Kong
“PRC”	the People’s Republic of China
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Non-Qualifying Shareholder(s), whose names appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	18 February 2016, being the record date for ascertaining the entitlements of Shareholders to the Bonus Shares Issue and Bonus Warrants Issue
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option(s)”	the outstanding options granted by the Company to subscribe for an aggregate of 563,500,000 Shares pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 1 November 2010
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Rights”	the rights of holders of the Bonus Warrants represented by the Bonus Warrants to subscribe for Bonus Warrant Shares upon and subject to the conditions of the Bonus Warrants

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By Order of the Board  
**China Trends Holdings Limited**  
**Xiang Xin**  
*Executive Director and Chief Executive Officer*

Hong Kong, 31 December 2015

*As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Ms. Zhong Keying and Mr. Wang Jianjun; the non-executive Directors are Mr. Kuk Peter Z, Mr. Sun Kuan Chi, Mr. Ge Ming, Mr. Wang Wei and Mr. Xin Luo Lin; the independent non-executive Directors are Mr. Zhang Zhan Liang, Ms. An Jing, Mr. Chen Yicheng and Mr. Kwai Sze Kit. Ms. Kung Ching is an alternate director to Mr. Xiang Xin.*

*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](http://www.8171.com.hk).*