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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
IN RELATION TO
PROJECT FINANCING ON ENERGY MANAGEMENT CONTRACT WITH ICBC**

This announcement is made by China Trends Holdings Limited (the “**Company**”) pursuant to the obligation imposed by 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 of the directors (the “**Directors**”) of the Company (the “**Board**”) announced that on 8 June 2010 (after trading hour), the Company and Industrial and Commercial Bank of China Limited Shenzhen Xinghe Branch (“**ICBC**” and an independent third party) entered into a cooperative framework agreement (the “**Cooperative Framework Agreement**”).

The Company and its subsidiaries (collectively the “**Group**”), as energy-saving service company, are keen on developing energy management contract business which requires project financing from banks to support the operation. In supporting the policy of the PRC government to promote the energy management contract and facilitate energy-saving sector development, ICBC, as one of the largest commercial bank in China, will provide the Company the project financing for energy management contract business.

PRINCIPAL TERMS OF THE COOPERATIVE FRAMEWORK AGREEMENT

- (1) The Company and ICBC will establish strategic cooperation to develop energy-saving service and project financing service respectively under the applicable laws and regulations in the PRC;
- (2) the Company, as a energy-saving service company, will cooperate with ICBC as its first priority on project financing for energy management contract business;
- (3) ICBC, as a bank offering financing services for energy management contract business, will provide the Company the project financing, including project loan and factoring service, for energy management contract business. ICBC will also provide the Company the guidance on project financing, rationalization of application and approval procedures for energy management contract business; and
- (4) the Cooperative Framework Agreement is effective from the date of signing the agreement until 31 December 2020.

The Group is planning to provide energy-saving 3C (including computer, communication and consumer electronics) products and solutions to customers by mean of energy management contract under build-operate-transfer or BOT model and to promote them in different aspects of the society. The energy management contract to be made between the Group and the customers will be normally for five years and it is a commercial operating model that the Group will provide its customers with a set of energy-saving services, project financing, engineering construction, and related services. The Group will realise its investment return and profit by sharing relevant percentage of the energy saving efficiency realised by the customers' energy saving measures. For the upcoming project financing on energy management contract, the Company will cooperate with ICBC as its first priority. As such, the Directors consider that the signing of the Cooperative Framework Agreement is in the interests of the Company and the Shareholders as a whole and also supports the development of the Group's energy management contract business.

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

Hong Kong, 8 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.