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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)

**VOLUNTARY ANNOUNCEMENT
CONSTRUCTION OF 10,000 “SATELLITE LECTURE”
(EDUCATION THEATERS) CO-OPERATION AGREEMENT**

The Board is pleased to announce that on 2 May 2012 (after trading hours), Boss China (a subsidiary of the Company), Boss Cultural and Next Step China Management entered into a cooperation agreement. Cooperate to establish 10,000 “Satellite Lecture” (Education theaters) within 10 years in mainland China regions. It is agreed that each educational theaters equipped with satellite real-time teaching facilities and 100 units of energy-saving computer-on-demand equipment. Provide employment and entrepreneurship training to the whole society, and provide business support program to those who have passed the energy saving solutions and training.

CO-OPERATION AGREEMENT

Date: 2 May 2012 (after trading hours)

Parties: Boss China (a subsidiary of the Company)
Boss Cultural
Next Step China Management

PRINCIPLE TERMS

1. Boss Cultural is responsible for throughout the mainland China to invest in shares (51%) to establish a total of 10,000 “Satellite Lecture” (Education theaters), as its satellite training and counseling centers. Each “Satellite Lecture” (Education theaters) buys satellite teaching facilities, the computer-on-demand systems and standards VI decoration from Boss Cultural. The investment cost is bore by Boss Cultural and third-party investor arranged by Next Step China Management. And Boss Cultural accounted for 51% shareholdings and the third-party investor account for 49% shareholdings.
2. Next Step China Management is authorized by Boss Cultural, is responsible for all matters relating to the teaching and management of this project. Next Step China Management will also set up a subsidiary in the mainland China (registered capital of RMB one hundred million). After authorized, Next Step China Management is responsible for promote and manage 10,000 “Satellite Lecture” (Education theaters) across the continent. Provided that the implementation of each “Satellite Lecture” (Education theater) is subject to prior written approval by Boss Cultural.
3. Boss China is responsible for 10,000 “Satellite Lecture” (Education theaters) using the Energy Performance Contracting Model (EPC) to provide energy-saving computer-on-demand equipment, committed to equip 100 units of energy-saving computer-on-demand equipment to each “Satellite Lecture” (Education theater). The costs of EPC will be unified and paid by Boss Cultural. Boss China is also committed to all graduates of the 10,000 “Satellite Lecture” (Education theaters), to provide entrepreneurial support for energy saving solutions.
4. The progress and content of cooperation project under this Agreement is subject to “Business plan”, which is agreed and determined by all parties.
5. Regarding related or incidental to all costs and expenses (including legal costs) for preparation, negotiation, signing and all related to completion of the cooperation, shall be borne by the own signing parties.

THE TUITION FEES ALLOCATION

1. All unified enrollment is done by Boss Cultural, all tuition fees (hereinafter referred as: Tuition) for 10,000 “Satellite Lecture” (Education theaters), In principle, Tuition

fees shall be RMB 100 per hour.

2. According to the training locations chose by students, Boss Cultural distributes 50% of the total tuition fees to different “Satellite Lecture” (Education theaters).
3. The remaining 50% of the total Tuition fee will be used to cover the following costs. Boss Cultural shall cover the exceeded costs by cash (if any):
 - 3.1 Satellite teaching facilities and systems costs in paragraph 1 of the principle terms.
 - 3.2 The Costs of the Energy Performance Contracting Model (EPC) associated with the provisions of paragraph 3 of the principle terms.
 - 3.3 The advertising costs in respect of this cooperation within the scope of this Agreement
4. The following income will be paid to Next Step China Management as marketing expenses and management fee:
 - 4.1 10% of the income of Boss Cultural in the project under this Agreement
 - 4.2 10% of the income of tuition fee from all “Satellite Lecture “(Education theaters)
 - 4.3 The tuition fee in 4.2, will be first deducted by Boss Cultural according to paragraph 2 of the principle terms, then directly pay to the Next Step China Management.

REASONS FOR ENTERING INTO THE COOPERATION AGREEMENT

In line with the modern network technology and development of information technology in order to promote the development of quality Education For All (EFA) and to meet the needs of EFA, distance education is facing a substantial and groundbreaking challenge. Additionally there is a strong support from the PRC government to promote the implementation of the energy performance contracting (EPC) and to facilitate the energy-saving service sector in the economy. The Group hopes that through the cooperation agreement will speed up the development of EPC business.

Next Step China Management is a professional training management company aimed at China Market with professional experience in teaching and management and take charge of training. And it is currently planning to establish an educational and cultural subsidiary company in PRC.

Boss Cultural is a company which was established in China and now is engaging in cultural

and educational undertakings. Boss Cultural has awarded a modern remote vocational education license, television programs production license, publications license, audio-video products license and society to run schools permit issued by the PRC government. With the help of advantages of content collection and channel cover, trinity is characterized by non-real-time courseware on-demand teaching, real-time interactive satellite teaching and face-to-face teaching on-line. There are four directions of education, qualifications, employment and entrepreneurship in the theme with supporting Venture Capital Support Plan to build a unique educational model to apply the knowledge.

Boss China is a subsidiary of the Company listed on the GEM of the Stock Exchange of Hong Kong. The core of business is to promote application solutions of energy saving in digital products.

The Group provides energy-saving terminal products and related solutions to customers by mean of energy performance contracting (EPC) to realize its investment returns. All parties agreed to cooperate to establish 10,000 “Satellite Lecture” (Education theaters) within 10 years in mainland China regions. It is agreed that each educational theater equipped with satellite real-time teaching facilities and 100 units of energy-saving computer-on-demand equipment and apply EPC to promote the construction of satellite technology and Internet technology in nation. Provide employment and entrepreneurship training to the whole of society, and also provide business support program for those who have passed the energy saving solutions and training in order to accelerate the progress of the Group’s EPC business. The Directors consider that the cooperation event is in the interests of the Company and the Shareholders as a whole.

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)), a subsidiary of the Company in PRC, focus on energy performance contracting to promote the energy-saving applications for digital products.

“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)), has awarded a modern remote vocational education license, television programs production license, publications license, audio-video products license and society to run schools permit issued by the PRC government
“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 Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Next Step China Management”	Next Step China Management Company Limited is a company registered in Hong Kong with limited liability
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Share (s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

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

Hong Kong, 2 May 2012

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Mr. Liang Xiaojin and 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.

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