



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)

THIRD QUARTERLY REPORT 2012

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of China Trends Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to China Trends Holdings Limited. 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 report 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 report misleading.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The board (the "Board") of directors (the "Directors") of China Trends Holdings Limited (the "Company") presents the unaudited consolidated results of the Company and its subsidiaries (together, the "Group") for the nine months ended and the three months ended 30 September 2012, together with the unaudited comparative amounts for the corresponding period in 2011, as follows:

	<i>Notes</i>	Nine months ended 30 September		Three months ended 30 September	
		2012	2011	2012	2011
		<i>HK\$'000</i> Unaudited	<i>HK\$'000</i> Unaudited	<i>HK\$'000</i> Unaudited	<i>HK\$'000</i> Unaudited
REVENUE	3	180,256	71,941	46,717	22,496
Cost of sales		(174,011)	(67,460)	(45,527)	(21,982)
Gross profit		6,245	4,481	1,190	514
Other income and gains	3	547	1,320	262	113
Administrative and other operating expenses		(6,478)	(6,182)	(2,500)	(2,167)
PROFIT/LOSS BEFORE TAX		314	(381)	(1,048)	(1,540)
Income tax expense	4	—	—	—	—
PROFIT/LOSS FOR THE PERIOD		314	(381)	(1,048)	(1,540)
Attributable to:					
Owners of the Company		274	(405)	(1,051)	(1,538)
Minority interests		40	24	3	(2)
		314	(381)	(1,048)	(1,540)
EARNING/LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (HK cents)					
Basis	5	0.01 cents	(0.01) cents	(0.02) cents	(0.02) cents
Diluted	5	N/A	N/A	N/A	N/A

	Nine months ended		Three months ended	
	30 September		30 September	
	2012	2011	2012	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited	Unaudited	Unaudited
PROFIT/LOSS FOR THE PERIOD	315	(381)	(1,048)	(1,540)
OTHER COMPREHENSIVE INCOME:				
Exchange difference on translation of foreign operations	(252)	1,765	577	922
Other comprehensive income for the period, net of tax	(252)	1,765	577	922
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD	63	1,384	471	(618)

Notes:

1. CORPORATE INFORMATION

China Trends Holdings Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is situated at 26/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in the trading of electronic technology and related products and developing the low-carbon energy-saving applications and solutions for digital products, which mainly make use of the energy performance contracting (EPC) and BOT mechanism.

The shares of the Company have been listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 31 July 2002.

2. BASIS OF PREPARATION

These condensed unaudited consolidated financial statements have been prepared in accordance with the applicable disclosure requirements to the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the GEM of The Stock Exchange (the "GEM Listing Rules") and with Hong Kong Financial Reporting Standards which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The accounting policies adopted in preparing these third quarterly results are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2011. The third quarterly results are unaudited but have been reviewed by the Company's audit committee.

3. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue, other income and gains is as follows:

	Nine months ended 30 September		Three months ended 30 September	
	2012 HK\$'000 Unaudited	2011 HK\$'000 Unaudited	2012 HK\$'000 Unaudited	2011 HK\$'000 Unaudited
Revenue				
Sales of goods	180,256	71,941	46,717	22,496
Other income and gains				
Others	547	1,320	262	113

4. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made for the nine months ended 30 September 2012 (nine months ended 30 September 2011: Nil) as the Group did not generate any assessable profits in Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. No profits tax or income tax has been provided for the nine months ended 30 September 2012 (nine months ended 30 September 2011: Nil).

5. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share for the nine months ended 30 September 2012 is based on the unaudited net loss attributable to owners of the Company for the nine months ended 30 September 2012 and the weighted average number of ordinary shares in issue during the nine months ended 30 September 2012.

The calculations of basic loss per share are based on:

	Nine months ended 30 September		Three months ended 30 September	
	2012 HK\$'000 Unaudited	2011 HK\$'000 Unaudited	2012 HK\$'000 Unaudited	2011 HK\$'000 Unaudited
Loss attributable to owners of the Company, used in the basic loss per share calculation	274	(405)	(1,051)	(1,538)

	Number of shares			
	Nine months ended 30 September		Three months ended 30 September	
	2012	2011	2012	2011
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	6,635,001,932	6,635,001,932	6,635,001,932	6,635,001,932

No diluted loss per share has been presented by the Company for each of the nine months ended 30 September 2012 and 30 September 2011 respectively as the exercise of the share options and convertible bonds will give rise to an anti-dilutive effect.

6. RESERVES

	Share premium account HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Equity component of convertible bonds HK\$'000	Special reserve HK\$'000	Capital reserve HK\$'000	Accumulated losses HK\$'000	Attributable to owners of the Company HK\$'000	Non- Controlling minority interests HK\$'000	Total HK\$'000
Unaudited										
At 1 January 2011	235,563	5,117	672	391,534	11,157	(1,638)	(69,297)	573,108	1,418	574,526
Total comprehensive loss for the period	-	-	-	-	-	-	(405)	(405)	24	(381)
Issue of shares upon conversion of convertible bonds	-	-	1,747	-	-	-	-	1,747	18	1,765
At 30 September 2011	235,563	5,117	2,419	391,534	11,157	(1,638)	(69,702)	574,450	1,460	575,910
Unaudited										
At 1 January 2012	235,563	5,117	3,186	391,534	11,157	(1,638)	(571,665)	73,254	1,474	74,728
Profit/(loss) for the period	-	-	-	-	-	-	274	274	40	314
Other comprehensive income for the period	-	-	(249)	-	-	-	-	(249)	(3)	(252)
At 30 September 2012	235,563	5,117	2,937	391,534	11,157	(1,638)	(571,391)	73,279	1,511	74,790

DIVIDEND

The Directors do not recommend the payment of any dividend for the nine months ended 30 September 2012 (nine months ended 30 September 2011: Nil).

FINANCIAL REVIEW

During the nine months ended 30 September 2012, the Group recorded a revenue of approximately HK\$180,256,000 (nine months ended 30 September 2011: HK\$71,941,000), representing an increase of 150.56%. The increase in revenue was due to the increase of trading business.

During the nine months ended 30 September 2012, the Group incurred a profit of approximately HK\$315,000 (nine months ended 30 September 2011: HK\$381,000). The loss was mainly attributable to the drop of profit margins of the existing business operations.

OPERATIONAL REVIEW

The Group is principally engaged in (i) trading of electronic technology and related products, and (ii) the low-carbon energy-saving applications for digital products. The existing business of low-carbon energy-saving digital products solutions and applications make use of the energy performance contracting (EPC) and BOT mechanism which would ultimately apply to different sectors in the society and different cities.

1. On 23 December 2011, the Company entered into a second supplemental agreement with Joy China Group Limited ("Joy China"), with effect from 1 January 2012, (i) the Company and Joy China have agreed to turn HK\$22,800,000 deposit paid by the Company into 20% of the sale share; and (ii) the Company reserve the right to acquire the remaining 80% of the group of Full Smart Asia Limited before 1 January 2015 by paying HK\$113,740,000 convertible bonds and HK\$91,460,000 promissory note to Joy China when the net asset value of group of Full Smart Asia Limited reach HK\$228,000,000.
2. On 17 February 2012, the Company decided to suspend acquiring the entire share capital of Beijing Need Education Technology Company Limited.

3. On 29 February 2012, a subsidiary of the Company, 博思夢想(中國)有限公司 (transliterated as Boss (China) Systems Limited, “Boss China”) entered into a cooperation framework agreement with 博思夢想文化傳播有限公司 (transliterated as Boss Dream Cultural Communication Company Limited, “Boss Cultural”) and 浙江聯億家科技有限公司 (transliterated as Zhejiang Lianyijia Technology Limited). Cooperation to build one million “energy-saving media terminal” in PRC regions within ten years, to create national media terminal network and shopping terminal network.
4. On 9 March 2012, Boss China entered into a cooperation framework agreement with Boss Cultural and 北京烽火傳祥網絡科技有限公司 (transliterated as Beijing Flame Chuanxiang Network Technology Limited). Cooperate to construct 10,000 military game theme of “Glorious Mission – National Defense Education Experience Centers” in PRC regions within five years. Boss China will equip not less than 100 high performance energy-saving all-in-one computers in each Experience Centre.
5. On 2 May 2012, Boss China entered into a cooperation agreement with Boss Cultural and Next Step China Management Company Limited. 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.
6. On 13 August 2012, the Company entered into a framework agreement with Ms. Liu Yu (“Ms. Liu”). The Company agreed to acquire and Ms. Liu agreed to sell the entire issued share of Jurassic International Investment Group Inc. (BVI). The Company intends to extend energy management contract business to the low-carbon cultural development plan.
7. On 20 August 2012, Boss China entered into a cooperation framework agreement with Knowhow Software (HK) Limited. Cooperate to acquire or construct not less than 100 “Smart City” regional companies in PRC within ten years that closely fits the requirements of the development of IT Internet industry issued by the national ministries. Cooperate to build a new model of urban development at main cities, “Smart City”, with numerous partners.

8. On 11 September 2012, the Company entered into a framework agreement with Mr. Wang Yaomin (“Mr. Wang”). The Company agreed to acquire and Mr. Wang agreed to sell the entire issued share capital of Jurassic International Investment Group Inc. (USA), the only authorized of Jurassic theme in PRC and related intellectual properties.

OUTLOOK AND PROSPECT

The Group is principally engaged in trading of electronic technology and developing the low-carbon energy-saving applications and solutions for digital products. The applications and solutions mainly make use of the energy performance contracting (EPC) and BOT mechanism which would ultimately apply to different sectors in the society and different cities. With the transfer of turnover from traditional products sales to EPC services, the Group believes the switch would enhance the earnings.

According to the EPC business model, the commercial operating model provides a set of energy saving services, project financing, engineering construction, and related services to the clients in a contract of three to five years. The Group will then realize its investment return and profit by sharing relevant percentage of the energy saving efficiency realised by the clients’ energy saving measures.

The Company’s directors and management will dedicate their best effort to lead the Group to strive for the best interests for its shareholders.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARE CAPITAL

As at 30 September 2012, the interests and short positions of the Directors or chief executives and their associates in the shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(I) INTEREST IN SHARES

Name	Nature of interest	Number of Shares held	Approximately percentage of interests
Xiang Xin (<i>note 2</i>)	Interest of controlled corporation	1,650,914,973 (L)	24.88%
Kung Ching (<i>note 2</i>)	Interest of controlled corporation	1,650,914,973 (L)	24.88%

(II) INTEREST IN THE UNDERLYING SHARES OF THE COMPANY – SHARE OPTIONS

Name	Date of grant	Exercise period	Nature of interest	Exercise price per Share (HK\$)	Number of underlying Shares for Share Options	Approximately percentage of interests
Xiang Xin	9 April 2008	9 April 2008 to 8 April 2013	Beneficial owner	0.0935	14,973,262 (L)	0.23%
Zhang Zhan Liang	9 April 2008	9 April 2008 to 8 April 2013	Beneficial owner	0.0935	7,486,631 (L)	0.11%

(III) INTEREST IN THE UNDERLYING SHARES OF THE COMPANY – CONVERTIBLE BONDS

Name	Nature of interest	Number of underlying Shares for Convertible Bonds	Approximately percentage of interests
Xiang Xin (<i>note 2</i>)	Interest of controlled corporation	3,827,193,135 (L)	57.68%
Kung Ching (<i>note 2</i>)	Interest of controlled corporation	3,827,193,135 (L)	57.68%

Notes:

1. The letter "L" denotes the Shareholders' long position in the Shares.
2. The Shares and the underlying Shares of the Company are held by Honour Sky International Limited and Mr. Xiang is the sole director of the company. Mr. Xiang and his spouse, Ms. Kung Ching, are the ultimate beneficiaries of such company.

Save as disclosed above, as at 30 September 2012, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2012, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or were deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any members of the Company:

(I) INTEREST IN ISSUED SHARES

Name	Nature of interest	Number of Shares held	Approximately percentage of interests
Honour Sky International Limited	Beneficial owner	1,650,914,973 (L)	24.88%
New Times Global Capital Inc. (note 2)	Interest of controlled corporation	1,650,914,973 (L)	24.88%
Morgan Strategic Limited	Beneficial owner	1,236,032,432 (L)	18.63%
Top Ten International s.a.r.l. (note 3)	Interest of controlled corporation	1,236,032,432 (L)	18.63%
Chen Darren (note 3)	Interest of controlled corporation	1,236,032,432 (L)	18.63%
Tao Xue Juan (note 4)	Interest of controlled corporation	1,236,032,432 (L)	18.63%
Ocean Space Development Limited	Beneficial owner	141,564,000 (L)	2.13%
Zhang Shao Cai (note 5)	Interest of controlled corporation	141,564,000 (L)	2.13%

(II) INTEREST IN THE UNDERLYING SHARES OF THE COMPANY – CONVERTIBLE BONDS

Name	Nature of interest	Number of underlying Shares for the Convertible Bonds	Approximately percentage of interests (note 8)
China Technology Education Trust Association (note 6)	Beneficial owner	8,311,405,405 (L)	125.27%
Honour Sky International Limited	Beneficial owner	3,827,193,135 (L)	57.68%
New Times Global Capital Inc. (note 2)	Interest of controlled corporation	3,827,193,135 (L)	57.68%
Joy China Group Limited (note 7)	Trustee	2,843,500,000 (L)	42.86%
Ding Yi Ning (note 7)	Interest of controlled corporation	2,843,500,000 (L)	42.86%
Ocean Space Development Limited	Beneficial owner	975,057,621 (L)	14.70%
Zhang Shao Cai (note 5)	Interest of controlled corporation	975,057,621 (L)	14.70%

Notes:

1. The letter "L" denotes the Shareholders' long position in the Shares.
2. Honour Sky International Limited is a private company wholly and beneficially owned by New Times Global Capital Inc.. Accordingly, New Times Global Capital Inc. is interested in the shares and the underlying shares of the Company held by Honour Sky International Limited. Mr. Xiang Xin and Ms. Kung Ching, each of them owns 50% share of New Times Global Capital Inc. respectively and are also the directors of New Times Global Capital Inc. Mr. Xiang Xin and Ms. Kung Ching are taken to be interested in the shares and underlying shares of the Company held by Honour Sky International Limited.

3. Morgan Strategic Limited is a private company 40% owned by Top Ten International s.a.r.l. ("Top Ten") and Top Ten is a private company wholly and beneficially owned by Mr. Chen Darren. Accordingly, Top Ten and Mr. Chen Darren are interested in the Shares of the Company held by Morgan Strategic Limited.
4. Morgan Strategic Limited is a private company 60% owned by Ms. Tao Xue Jun. Accordingly, Ms. Tao Xue Jun is interested in the Shares of the Company held by Morgan Strategic Limited.
5. Ocean Space Development Limited, a company incorporated in the British Virgin Islands, is a private company wholly and beneficially owned by Mr. Zhang Shao Cai. Accordingly, Mr. Zhang Shao Cai is interested in the shares and the underlying shares of the Company held by Ocean Space Development Limited.
6. The underlying shares of the Company are held by China Technology Education Trust Association (the "Association"), a society registered under the provisions of section 5A(1) of the Societies Ordinance in 2005, which is a charitable society providing charity and financial aid to education and employment in Hong Kong and Mainland China. Mr. Xiang is a council member of the Association.
7. As disclose in section "OPERATIONAL REVIEW" on page 7, part of the consideration shall be settled by the Company in convertible bonds which may convert into 2,843,500,000 new shares if exercise in full. Mr. Ding Yi Ning is the ultimate beneficiary of Joy China Group Limited. The completion of acquisition remains subject to the fulfillment of the conditions, and subject to the approval of the independent shareholders of the Company.
8. The approximately percentage of interests in the Company is calculated on the basis of 6,635,001,932 Shares in issue as at 30 September 2012.

Save as disclosed above and so far as is known to the Directors or chief executive of the Company, as at 30 September 2012, there is no person (other than a Director or chief executive of the Company), had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial parts of the business of the Company were entered into or existed during the period under review.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or their respective associates as defined in the GEM Listing Rules had any interest in business that competed or might compete with business of the Group during the period under review.

SHARE OPTION SCHEME

As at 30 September 2012, there were the outstanding options granted by the Company to subscribe for an aggregate of 37,433,155 shares representing 0.56% of the shares of the Company in issue, at the adjusted exercise price of HK\$0.0935 per share pursuant to the Share Option Scheme.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the nine months ended 30 September 2012, the Company was in compliance with the Code on Corporate Governance Practice, to the extent practicable, as set out in Appendix 15 of the GEM Listing Rules, except that:

1. Mr. Xiang Xin is the Chairman of the Board and the Chief Executive Officer of the Company. Such practice deviates from code provision A.2.1 of the CG Code which requires that the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. After evaluation of the current situation of the Company and taking into account of the experience and past performance of Mr. Xiang, the Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Mr. Xiang to hold both positions as the chairman and the chief executive officer of the Company as it helps to maintain the continuity of the policies and the stability of the operations of the Company.

2. The Company has no fixed terms of appointment for non-executive Directors. Independent non-executive Directors are appointed subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the relevant provision under the Articles of Association of the Company. Such practice deviates from the provision A.4.1 of the CG Code which requires that non-executive Directors be appointed for a specific term. The Board has discussed and concluded the current practice of appointing independent non-executive Directors without specific terms but otherwise subject to rotation and re-election by shareholders was fair and reasonable, and does not intend to change the current practice at the moment.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code for dealing in securities of the Company by the Directors. All Directors confirmed that they complied with the required standards as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules throughout the period under review.

AUDIT COMMITTEE

The Company established an audit committee (the "Committee") on 16 July 2002 in accordance with the requirements of the GEM Listing Rules. The Committee currently comprises all three independent non-executive Directors of the Company, Mr. Zhang Zhan Liang as the Chairman, Ms. An Jing and Mr. Chen Yicheng as the members.

The Group's unaudited consolidated results for the nine months ended 30 September 2012 have been reviewed by the Committee, which was of the opinion that such results have complied with the applicable accounting standards and that adequate disclosures have been made.

DIRECTORS OF THE COMPANY

As at the date of this report, 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, Ms. An Jing and Mr. Chen Yicheng; Ms. Kung Ching is alternate director to Mr. Xiang Xin.

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