

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Trends Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**PROPOSED GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at 26/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong on Thursday, 15 May 2014 at 11:00 a.m. is set out on pages 12 to 15 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular.

Whether or not you are able to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deposit the same at the offices of the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its publication.

28 March 2014

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CHARACTERISTICS OF GEM

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.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held to consider and, if thought fit, to approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate and the re-election of Directors
“Articles”	the articles of association of the Company, and “Article” shall mean an article of the Articles
“associate(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of Directors
“CG Code”	the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules
“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
“Company Law”	the Companies Law of the Cayman Islands for the time being in force
“Director(s)”	the director(s) of the Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued share capital of the Company at the date of the passing such resolution
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 March 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“PRC”	People’s Republic of China

DEFINITIONS

“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued share capital of the Company at the date of the passing such resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Xiang Xin (*Chairman and Chief Executive Officer*)

Mr. Liang Xiaojin

Mr. Chen Banyan

Non-executive Director:

Mr. Sun Kuan Chi

Independent non-executive Directors:

Mr. Zhang Zhan Liang

Mr. Chen Yicheng

Ms. An Jing

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place
of business in Hong Kong:*

26/F, No. 9 Des Voeux Road West

Sheung Wan

Hong Kong

28 March 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the AGM to be held at 26/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong on Thursday, 15 May 2014 at 11:00 a.m. resolutions will be proposed, among other matters:

- (a) to grant the General Mandate and Repurchase Mandate to the Directors; and
- (b) to re-elect the Directors.

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the grant of the General Mandate and the Repurchase Mandate and the re-election of the Directors and to give you the notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATE AND REPURCHASE MANDATE

The General Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, or any other applicable law of the Cayman Islands to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

General Mandate

The Company has in issue an aggregate of 6,635,001,932 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 1,327,000,386 Shares, representing 20% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or the conversion of the convertible bonds of the Company or any scrip dividend scheme which may be approved by the Shareholders.

Repurchase Mandate

Under the GEM Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the GEM Listing Rules to be included in this circular is set out in Appendix I.

RE-ELECTION OF DIRECTORS

According to Article 87(1), one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. In addition, according to Article 86(3), any Director appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.

LETTER FROM THE BOARD

In accordance with article 87(1) of the Articles of Association of the Company, Mr. Xiang Xin and Mr. Zhang Zhan Liang shall retire being eligible, offer themselves for re-election at the AGM of the Company. In accordance with article 86(3) of the Articles of Association of the Company, Mr. Sun Kuan Chi shall retire, being eligible, offer themselves for re-election at the AGM of the Company.

At the AGM, an ordinary resolution will be proposed to re-elect each of Mr. Xiang Xin as Executive Director, Mr. Sun Kuan Chi as Non-Executive Director and Mr. Zhang Zhan Liang as Independent Non-Executive Director of the Company.

Particulars relating to Mr. Xiang Xin, Mr. Sun Kuan Chi and Mr. Zhang Zhan Liang are set out in Appendix II to this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors 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, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

VOTING BY POLL

In accordance with the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice convening the AGM will be voted by poll.

ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy accompanying this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person if you so wish.

RECOMMENDATION

The Directors believe that the proposed grant of the General Mandate and the Repurchase Mandate and the proposed re-election of Directors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the above resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully
For and on behalf of the Board of
China Trends Holdings Limited
Xiang Xin
Chairman and Chief Executive Officer

28 March 2014

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The GEM Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its securities to the Company.

As at the Latest Practicable Date, no connected person (within the meaning ascribed to it in the GEM Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 6,635,001,932 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 663,500,193 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the Cayman Islands law and the memorandum of association and articles of association of the Company for such purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2013, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on GEM in each of the previous twelve calendar months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
March	0.015	0.012
April	0.016	0.011
May	0.021	0.014
June	0.044	0.018
July	0.034	0.024
August	0.038	0.027
September	0.042	0.032
October	0.039	0.034
November	0.068	0.035
December	0.074	0.045
2014		
January	0.056	0.036
February	0.059	0.045
March (up to the Latest Practicable Date)	0.054	0.044

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM and exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and applicable laws of the Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares then in issue and in the event that the Directors exercise the Repurchase Mandate in full, shareholding percentage of the substantial Shareholders under the SFO would be as follows:

	Approximate percentage of shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Honour Sky International Limited	24.88%	27.64%
New Times Global Capital Inc. (<i>note 1</i>)	24.88%	27.64%
Kung Ching (<i>note 1</i>)	24.88%	27.64%
Morgan Strategic Limited	18.63%	20.70%
Top Ten International s.a r.l. (<i>note 2</i>)	18.63%	20.70%
Chen Darren (<i>note 2</i>)	18.63%	20.70%
Tao Xue Juan (<i>note 3</i>)	18.63%	20.70%

Notes:

1. Honour Sky International Limited (“Honour Sky”) 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 held by Honour Sky. Ms. Kung Ching owns 100% share of New Times Global Capital Inc. is taken to be interested in the Shares held by Honour Sky.
2. 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 held by Morgan Strategic Limited.
3. Morgan Strategic Limited is a private company 60% owned by Ms. Tao Xue Juan. Accordingly, Ms. Tao Xue Juan is interested in the Shares held by Morgan Strategic Limited.

The Directors are not aware of any consequence which may arise under the Takeovers Code as consequences of any purchase made under the Repurchase Mandate. However, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

The details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

Mr. Xiang Xin

Mr. Xiang Xin (“Mr. Xiang”), aged 50, was the Chairman of the Board, Chief Executive Officer and executive director of the Company. Mr. Xiang has worked in a number of large organizations in the PRC and engaged in technology project management and corporate strategy research for a long time. Mr. Xiang also possesses many years of experience in project investment and information technology businesses. Mr. Xiang holds a bachelor’s degree in science and a master’s degree in engineering from Nanjing University of Science & Technology. Mr. Xiang is a Chairman of China Technology Education Trust Association. Mr. Xiang is currently a chairman, chief executive officer and executive director of China Innovation Investment Limited (stock code: 1217), a company listed on the main board of the Stock Exchange. Mr. Xiang joined the Company on 25 February 2008.

Mr. Xiang has not entered into a director service contract with the Company. Mr. Xiang has not been appointed for a specific term and will be subject to retirement and re-election by the Shareholders pursuant to the Articles. Mr. Xiang is entitled to a director allowance of HK\$60,000 per annum as determined and based on duties and responsibilities for acting as an Executive Director.

As at the Latest Practicable Date, Ms. Kung Ching, the spouse of Mr. Xiang Xin, hold 1,650,914,973 Shares and 3,827,193,135 convertible bonds through Honour Sky International Limited which is wholly owned by New Times Global Capital Inc. and Ms. Kung Ching has 100% interest in New Times Global Capital Inc., in the Company which representing approximately 24.88% and 57.68% respectively of issued share capital of the Company. Save as disclosed above, Mr. Xiang does not hold any interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Mr. Xiang is not connected with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Xiang did not hold directorship in other listed companies in the last three years preceding the date of this circular nor was there any other information relating to Mr. Xiang that was required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules.

Mr. Sun Kuan Chi

Mr. Sun Kuan Chi (“Mr. Sun”) aged 65, was the Ph.D. degree holder from Georgetown University and Master degree holder from The Johns Hopkins University in Computer Science. Mr. Sun is currently the CEO of Hughes Network Technology (Beijing) Limited and has extensive experience in satellite mobile internet. Mr. Sun joined the Company on 10 December 2013.

Mr. Sun has not entered into a service contract with the Company. Mr. Sun has not been appointed for a specific term and will be subject to retirement and re-election by the Shareholders pursuant to the Articles. Mr. Sun is entitled to a director allowance of HK\$30,000 per annum as determined and based on duties and responsibilities for acting as a Non-Executive Director.

As at the Latest Practicable Date, Mr. Sun did not have any interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Mr. Sun is not connected with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Sun did not hold directorship in other listed companies in the last three years preceding the date of this curricular nor was there any other information relating to Mr. Sun that was required to be disclosed pursuant to any of the requirements under Rules 17.50(2) of the GEM Listing Rules.

Mr. Zhang Zhan Liang

Mr. Zhang Zhan Liang (“Mr. Zhang”), aged 43, is a qualified lawyer in the People’s Republic of China and is currently the lawyer of 北京市仁豐律師事務所 (JenRich Law Office in Beijing*). Mr. Zhang has 15 years of experience in litigations and advising on legal matters relating to corporate finance and real estates. Mr. Zhang holds a bachelor’s degree in law and a master degree from China University of Political Science and Law. Mr. Zhang joined the Company on 23 January 2008.

Mr. Zhang has not entered into a director service contract with the Company. Mr. Zhang has not been appointed for a specific term and will be subject to retirement and re-election by the Shareholders pursuant to the Articles. Mr. Zhang is entitled to a director allowance of HK\$30,000 per annum as determined and based on duties and responsibilities for acting as an Independent Non-Executive Director.

As at the Latest Practicable Date, Mr. Zhang did not have any interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Mr. Zhang is not connected with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Zhang did not hold directorship in other listed companies in the last three years preceding the date of this circular nor was there any other information relating to Mr. Zhang that was required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules.

* *For identification purposes only*



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of China Trends Holdings Limited (the “**Company**”) will be held at 26/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong on Thursday, 15 May 2014 at 11:00 a.m. to consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTION

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2013;
2. to re-elect the Directors and to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
3. to re-appoint Zhonghui ANDA CPA Limited as auditors of the Company and to authorise the Board to fix their remuneration;
4. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);

NOTICE OF THE AGM

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (the “**Articles**”) of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
- (i) 20 per cent of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (ii) (provided that resolution no. 6 is passed) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, the Companies Law of the Cayman Islands (the “**Companies Law**”) or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be

NOTICE OF THE AGM

involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
 - (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, the Companies Law or any other applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. **“THAT** subject to the ordinary resolutions nos. 4 and 5 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to resolution no. 4 above be and is hereby extended by the addition thereon of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this resolution, provided that such amount

NOTICE OF THE AGM

shall not exceed 10 per cent of the aggregate nominal amount of the issued Shares on the date of the passing of resolution no. 5.”

By the order of the Board
China Trends Holdings Limited
Xiang Xin
Chairman and Chief Executive Officer

Hong Kong, 28 March 2014

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*

26/F, No. 9 Des Voeux Road West
Sheung Wan
Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch registrar and transfer office in Hong Kong, Union Registrars Limited, at 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. In relation to proposed resolution no. 2 above, Mr. Xiang Xin, Mr. Sun Kuan Chi and Mr. Zhang Zhan Liang will retire from their offices of Directors at the above meeting and Mr. Xiang Xin, Mr. Sun Kuan Chi and Mr. Zhang Zhan Liang, being eligible, will offer themselves for re-election at the annual general meeting.
4. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares of the Company under the GEM Listing Rules. The Directors have no immediate plans to issue any new Shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company or the convention of the convertible bonds of the Company or any scrip dividend scheme which may be approved by shareholders.
5. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix I to this circular.
6. In accordance with the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in this notice will be voted by poll.