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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)

**DISCLOSEABLE TRANSACTION IN RELATION TO
ACQUISITION OF 100% EQUITY INTEREST IN
A SUBSIDIARY OF ASIA TELEVISION**

THE ACQUISITION

The Board is pleased to announce that on 8 November 2015, the Company conditionally agreed and Asia Television agreed to transfer 100% equity interest in the Target Company with a consideration of HK\$30 million. In accordance with the Equity Transfer Agreement, the Company and Asia Television agreed certain terms and conditions in relation to the net-television (Internet-television including fixed and mobile terminals) activities of the Target Company.

GEM LISTING RULES IMPLICATION

As the applicable percentage ratios of the GEM Listing Rules in relation to the Acquisition exceed 5% but are below 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

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Target Company.

EQUITY TRANSFER AGREEMENT

Parties

Date: 8 November 2015
Parties: the Company, as the Purchaser;
Asia Television Limited, as the Vendor;

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are the third parties independent of the Company and connected person of the Company.

REASON FOR THE ACQUISITION

The Company acquires 100% equity interest in ATV CEPA Promotion Limited from Asia Television in order to cooperate with Asia Television on net-television (Internet-television including fixed and mobile terminals) activities. The Company will inject programs, broadcasting system, receiving terminals (fixed and mobile) and supporting services into the Target Company. Asia Television will enjoy the net-television (Internet television) 50% advertising period on broadcasting the Asia Television programs and the remaining advertising period and affiliated interest will be remained in the Target Company after the signing of the Equity Transfer Agreement.

The Directors considered that entering into the Equity Transfer Agreement (including the terms set out in the Equity Transfer Agreement) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

CONTENT OF CORPORATION

Without affecting Asia Television "Domestic free television program service license" and "Non-domestic free television program service license" in Hong Kong and conditionally, the Company has the rights on the Target Company:

1. Use the office of Asia Television, name and logo of Asia Television; and
2. Adjust the number of and naming of channels of Asia Television net-television (Internet television); and
3. Suggest Asia Television the number of and naming of the channels of domestic free television and / or satellite television; and
4. Broadcast the Company or the Target Company own produced, adapted, purchased or corporate program under the Asia Television domestic free television channels and / or satellite television channels (restricted with relevant license regulations) and obtain

50% of advertising period. The broadcasting arrangement is subjected to the further negotiation between the Company and the Vendor. The Company and the Target Company will independently undertake the cost and legal responsibilities on own-made program, platform setup, receiving terminals, supporting service and asset purchase; and

5. Has priority to purchase the proposed disposed asset (include intangible asset) from Asia Television under the same terms and conditions.

CONSIDERATION AND BASIS OF CONSIDERATION DETERMINED

1. Asia Television transfer 100% equity interest of the Target Company to the Company with a consideration of HK\$30 million and the Company will pay Asia Television conditionally in accordance with the following terms:
 - a. Pay HK\$3 million immediately after signing of the Equity Transfer Agreement;
 - b. After the completion of the transfer of 100% equity interest of the Target Company, the outstanding balance of HK\$27 million will be immediately settled by issuing a interest-free, 10-year note (“**Note**”) with a nominal amount of HK\$27 million by the Company. The payment terms of the Note will be based on the performance of the Target Company which the Company will settle from the Target Company each year in accordance with the audited figure of 50% profits of the Target Company. The Company will supplement up to HK\$27 million in cash or shares if the audited figure of 50% profits of the Target Company do not attain HK\$27 million in 10 years.
2. Asia Television undertakes that the Target Company has only copyrights of the Asia Television’s own programs. The above copyrights will be transferred, with the Company agreement, to the Target Company within 3 months after signing of the Equity Transfer Agreement.
3. Asia Television agreed to provide the Company a valuation report of the Target Company within 3 months which is agreed with the Stock Exchange on or before the 2015 year ended of the Company. The Asia Television guarantees the Company the amount of valuation is above HK\$30 million and the Company reserves the rights to lower the Note to zero if no valuation report is provided or the amount of valuation is lower than HK\$30 million.

The Target Company will mainly operate the self-owned copyrights program of the Asia Television and develops net-television (includes fixed and mobile terminals). The consideration will be determined after arm’s length negotiations between the Vendor and the Company with the reference to the valuation report to be provided and guaranteed by the Vendor. Both parties agreed to confirm within three months.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expression shall have the following meanings:

“Asia Television” or “Vendor”	Asia Television Limited, a company incorporated in Hong Kong with limited liability
“Board”	The Board of Directors of the Company
“China Trends” or “the Company” or “Purchaser”	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 independent non-executive directors
“Equity Transfer Agreement”	the agreement dated 8 November 2015 entered into between the Company and the Vendor in relation to the Company acquire 100% interest of the Target Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Shareholders”	holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	ATV CEPA Promotion Limited, a wholly-owned subsidiary of the Asia Television

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

Hong Kong, 8 November 2015

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Ms. Zhong Keying and Mr. Wang Jian Jun; the non-executive Director is Mr. Sun Kuan Chi, Mr. Kuk Peter Z, Mr. Ge Ming, Mr. Wang Wei and Mr. Xin Luo Lin; the independent non-executive Directors are Mr. Zhang Zhan Liang, Ms. An Jing and 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.