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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)**

**(Warrant Code: 8015)**

**DISCLOSEABLE TRANSACTION  
COOPERATIVE INVESTMENT IN SHANGHAI FENGTIAN**

On 28 December 2017 (after trading hours), Nopo International, a wholly-owned subsidiary of the Company, entered into the Agreement with Rich Group, Shanghai Fengtian and Ms. Zou Dongming, pursuant to which Nopo International and Rich Group will jointly establish a new company (the “Investment Vehicle”) in Hong Kong, and by which to invest and increase the share capital of Shanghai Fengtian.

The Investment Vehicle will acquire 88% shareholding of Shanghai Fengtian but own 100% shareholding interest wherein Nopo International will invest RMB22,000,000 in sum to the Investment Vehicle to acquire 25% shareholding of the Investment Vehicle while Rich Group will invest RMB66,000,000 in sum to acquire 75% shareholding of the Investment Vehicle and promise to give up the rights to receive share dividends of shareholding in Shanghai Fengtian directly held by it.

As the relevant percentage ratios under the GEM Listing Rules in respect of the Investment are more than 5% but less than 25%, the Investment constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. The Investment is subject to the reporting and announcement requirements but is exempted from shareholders’ approval requirement under Chapter 19 of the GEM Listing Rules.

## **THE INVESTMENT**

The Board of the Company announced that on 28 December 2017 (after trading hours), Nopo International, a wholly-owned subsidiary of the Company, entered into the Agreement with Rich Group, Shanghai Fengtian and Ms. Zou Dongming, pursuant to which Nopo International and Rich Group will invest and increase the share capital of Shanghai Fengtian through the Investment Vehicle.

Nopo International will invest RMB22,000,000 in sum to the Investment Vehicle to acquire 25% shareholding of the Investment Vehicle while Rich Group will invest RMB66,000,000 in sum to acquire 75% shareholding of the Investment Vehicle and promise to give up the rights to receive the share dividends of shareholding in Shanghai Fengtian directly held by it.

The Investment Vehicle will invest the sum assets of RMB88,000,000 into Shanghai Fengtian to acquire 88% shareholding of Shanghai Fengtian but own 100% shareholding interests in Shanghai Fengtian. After the investment by increasing share capital, the registered share capital of Shanghai Fengtian will be increased from RMB12,000,000 to RMB 100,000,000 and its company name (to be determined) will be changed.

## **INVESTMENT AGREEMENT**

### **Date**

28 December 2017 (after trading hours)

### **Parties**

Party A: Nopo International Limited  
Party B: Rich Group International (HK) Limited  
Party C: Shanghai Fengtian Enterprise Limited  
Party D: Ms. Zou Dongming

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Party B, Party C and Party D are Independent Third Parties.

### **Investment and shareholding of Parties**

Nopo International: Invest the sum of RMB22,000,000, including Detective Winkey Cat Copyrights with evaluation value of RMB20,500,000 and RMB1,500,000 in Cash to acquire 25% shareholding of the Investment Vehicle.

Rich Group: Invest the sum of RMB66,000,000, including Healthy Mobile Solutions (healthy mobile phone) with evaluation value of RMB66,000,000 and promise to give

up the rights to receive the share dividends of shareholding in Shanghai Fengtian directly held by it to acquire 75% shareholding of the Investment Vehicle.

Investment Vehicle: Invest all its assets in sum of RMB88,000,000 into Shanghai Fengtian to acquire 88% shareholding of Shanghai Fengtian but own 100% shareholding interest in Shanghai Fengtian by increasing Shanghai Fengtian's share capital. The registered share capital in Shanghai Fengtian will be increased from RMB12,000,000 to RMB100,000,000 after the share capital increasing investment.

## **INFORMATION OF PARTIES**

Nopo International is a wholly-owned subsidiary of the Company incorporated in Hong Kong on 21 December 2007 with limited liability.

Rich Group was incorporated in Hong Kong on 2 December 2010 with limited liability, it is the ultimate beneficial owner of Shanghai Fengtian and owns its 100% shareholding. Rich Group owns Healthy Mobile Solutions as well.

Shanghai Fengtian was incorporated in Shanghai, China on 1 July 2003 with limited liability, its registered share capital is RMB12,000,000 and its main business is for providing technology development, consultation, services, wholesale and retail trading in relation to mobile communication equipment and accessories. Shanghai Fengtian is a qualified accessories supplier of China Mobile Communication Group and would like to put all its products onto the "WealthStorm" platform ("WealthStorm") which is under the operation of the Company.

Ms. Zou Dongming is the legal representative and general manager of Shanghai Fengtian.

## **REASONS FOR AND BENEFITS OF THE INVESTMENT**

The Group is principally engaged in (i) trading of electronic technology and related products; and (ii) the low-carbon products applications. It mainly develops business of low carbon digital solutions and provide online media platforms and media advertising business.

After the investment of increasing share capital of Shanghai Fengtian, Shanghai Fengtian's business will mainly be three categories of mobile communication products, including mobile communication products for travelling (worldwide on-line phone), healthy mobile communication products (mobile health phone) and kids' mobile communication products. All Parties agree that Shanghai Fengtian will put all its products onto the WealthStorm for sale and promotion, and for redemption by the members of the WealthStorm. Ms. Zou Dongming undertakes to operate Shanghai Fengtian. This will facilitate the Company to carry out its interactive media and e-commerce business.

The Board considers that the Agreement is on normal commercial terms and is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATION**

As the relevant percentage ratios under the GEM Listing Rules in respect of the Investment are more than 5% but less than 25%, the Investment constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. The Investment is subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

## **DEFINITIONS**

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

“Investment”	the investment pursuant to the terms of the Agreement
“Agreement”	on 28 December 2017, Rich Group, Shanghai Fengtian and Ms Zou Dongming entered into agreement with Nopo International to invest Shanghai Fengtian by increasing share capital of Shanghai Fengtian.
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	board of Directors
“Company”	China Trends Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	collectively, the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Rich Group”	Rich Group International (HK) Limited, a company incorporated in Hong Kong with limited liability
“Independent Third Party(ies)”	person(s) who is/are independent of and not connected with the Directors, chief executive and substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
“Nopo International”	Nopo International Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability
“Shanghai Fengtian”	Shanghai Fengtian Enterprise Limited, a company incorporated in Shanghai of PRC with limited liability
“Detective Winkey Cat Copyrights”	copyrights of "Detective Winkey Cat" animation film, educational series and music totaling in 5,325 hours
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of PRC
“%”	per cent.

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

Hong Kong, 28 December 2017

*As at the date of this announcement, the executive Directors of the Company are Mr. Xiang Xin (Chairman) and Mr. Chan Cheong Yee; the independent non-executive Directors of the Company are Mr. Wong Chung Kin, Quentin, Ms. An Jing and Mr. Chen Yicheng. Ms. Kung Ching is an alternate director to Mr. Xiang Xin.*

*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 regards 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.*

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