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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  
ENTERED INTO SHARE TRANSFER AGREEMENT ABOUT  
25% SHAREHOLDINGS IN FENGTIAN CAPITAL LIMITED**

**SHARE TRANSFER**

The Board of **China Trends Holdings Limited** (the “**Company**”) is pleased to announce that on 20 December 2019 (after trading hours), **Nopo International Limited** (“**Nopo International**”), a wholly-owned subsidiary of the Company, entered into a Share Transfer Agreement (the “**Agreement**”) of 25% shareholdings in **FengTian Capital Limited** (the “**Target Company**”) with **Rich Group International (HK) Limited** (“**Rich Group**”) and **China Innovation Investment Limited** (“**China Innovation**”), pursuant to which Nopo International transfers 25% shareholdings (the “**Share for Sale**”) in the Target Company to China Innovation at a consideration of HK\$22,781,000 (equivalent to the cost paid by Nopo International when acquired the Share for Sale) and transfer the payment obligation of the unpaid investment capital in RMB1,500,000 (“**Unpaid Investment Capital**”) to China Innovation at the same time. The payment method is that China Innovation will pay 50% in cash (ie. HK\$11,390,500) to Nopo International within two business days after signing the Agreement, and the balance 50% (ie. HK\$11,390,500) will be paid to Nopo International one year after the signing of the Agreement. Upon completion of the transaction, the Target Company will no longer be an affiliate of Nopo International.

**SHARE TRANSFER AGREEMENT**

**Date**

20 December 2019 (after trading hours)

**Parties**

China Innovation Investment Limited

Nopo International Limited  
Rich Group International (HK) Limited

The Directors, having made all reasonable enquiries, to the best of their knowledge, information and belief, confirmed that China Innovation, Rich Group and all of its respective shareholder(s) and ultimate beneficial owner(s) are independent of and not connected with the Company and its connected persons (as defined under the GEM Listing Rules).

### **Main Terms and Conditions**

1. China Innovation agreed to purchase and Nopo International agreed to sell the Shares for Sale.
2. Rich Group gave up its pre-emptive rights of purchasing the Shares for Sale and agreed to the transaction of the Share for Sale.
3. The transaction consideration is HK\$22,781,000 (equivalent to the cost paid by Nopo International when acquired the Share for Sale). China Innovation will pay 50% in cash (ie. HK\$11,390,500) to Nopo International within two business days after signing the Agreement, and the balance 50% (ie. HK\$11,390,500) will be paid to Nopo International one year after the signing of the Agreement, and take the payment obligation of the Unpaid Investment Capital at the same time.
4. After the transaction agreed in the Agreement is completed, the Target Company will no longer be an affiliate of Nopo International.
5. After completion of the transaction under the Agreement, the Target Company will become an invested company of China Innovation. China Innovation will hold 25% shareholdings in the Target Company.

### **INFORMATION OF PARTIES**

China Innovation is an investment company listed on the Hong Kong Stock Exchange under Chapter 21 of the HKEX Main Board Listing Rules, and Stock Code is 1217.

Nopo International is a limited liability company incorporated in Hong Kong. It is a wholly owned subsidiary of the Company with 25% shareholdings in the Target Company, and has not yet paid the investment capital of RMB1,500,000 to the Target Company.

Rich Group is a limited liability company incorporated in Hong Kong and has 75% shareholdings in the Target Company.

The Target Company is a limited liability company incorporated in Hong Kong. Its main asset is the investment in **FengTian Capital (China) Limited** (“**FengTian China**”) incorporated in the Mainland of China. The Target Company holds 88% of the shares of FengTian China but owns 100% equity interest in FengTian China. The financial statements of the Target Company as of November 30, 2019 indicate that net assets are approximately HK\$109 million. The Target Company has not yet commenced business operations.

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

The Group is principally engaged in (i) trading of electronic technology and related products; and (ii)

media and e-commerce platforms and media advertising services.

In response to the issues raised by HKEX about the Company's insufficient operations, the transaction of the Share for Sale will help increase cash and expand the Company's main business.

The Board considers that the Agreement was entered into on normal commercial terms, which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **GEM LISTING RULES IMPLICATION**

As the highest application percentage ratios under the GEM Listing Rules exceeds 5% but is less than 25%, the transaction under the Agreement constitutes a discloseable transaction for the Company. Accordingly, such transaction is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules but is exempted from the requirement to obtain shareholders' approval.

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

Hong Kong, 20 December 2019

*As at the date of this announcement, the executive Directors of the Company are Mr. Xiang Xin (Chairman), Mr. Chan Cheong Yee and Mr. Yip, Wing Ho; the independent nonexecutive Directors 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.*

*This announcement will remain on the "Latest Company Announcements" page of the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) for 7 days from the date of its posting. This announcement will also be posted on the Company's website at [www.8171.com.hk](http://www.8171.com.hk).*