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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 OF
20% SHAREHOLDINGS IN FULL SMART ASIA LIMITED**

SHARE TRANSFER

The Board of **China Trends Holdings Limited** (the “**Company**”) is pleased to announce that on 22 December 2019 (after trading hours), the Company, entered into share transfer agreement (the “**Agreement**”) of 20% shareholdings in **Full Smart Asia Limited** (the “**Target Company**”) with **Joy China Group Limited** (“**Joy China**”), and **Blue Angel (Holdings) Limited** (“**Blue Holdings**”) , pursuant to which the Company transfers 20% shareholdings (the “**Share for Sale**”) in the Target Company to Blue Holdings at a consideration of HK\$22,800,000 (equivalent to the cost paid by the Company when acquired the Share for Sale). The payment method is that Blue Holdings will pay 50% in cash (ie. HK\$11,400,000) to the Company within two days after signing the Agreement, and the balance of 50% (ie. HK\$11,400,000) will be paid to the Company one year after the signing of the Agreement. Upon completion of the transaction, the Target Company will no longer be an invested company for sale of the Company.

SHARE TRANSFER AGREEMENT

Date

22 December 2019 (after trading hours)

Parties

Blue Angel (Holdings) Limited
The Company
Joy China Group Limited

The Directors, having made all reasonable enquiries, to the best of their knowledge, information and belief, confirmed that Blue Holdings, Joy China 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. Blue Holdings agreed to purchase, and The Company agreed to sell the Shares for Sale.
2. Joy China 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\$22,800,000 (equivalent to the cost paid by the Company when acquired the Share for Sale). Blue Holdings will pay 50% in cash (ie. HK\$11,400,000) to the Company within two days after signing the Agreement, and the balance of 50% (ie. HK\$11,400,000) will be paid to the Company one year after the signing of the Agreement.
4. After the transaction agreed in the Agreement is completed, the Target Company will no longer be an invested company for sale of the Company.
5. After completion of the transaction stipulated in the Agreement, the Target Company will become an invested company of Blue Holdings. Blue Holdings will hold 20% shareholdings in the Target Company.

INFORMATION OF PARTIES

Blue Holdings is a limited liability company incorporated in BVI.

The Company have 20% shareholdings in the Target Company.

Joy China is a limited liability company incorporated in BVI and have 80% shareholdings in the Target Company.

The Target Company is a limited liability company incorporated in BVI. Its main asset is the investment in **Dooda Innovation Investment Management Co. Ltd.** (“**Dooda Investment**”) incorporated in the Mainland of China. The Target Company holds 97% of the shares of Dooda Investment. The financial statements of the Target Company as of 30 November 2019 indicate that net assets are approximately HK\$123 million. The Target Company’s mainly business is engaged in LED low-carbon business application technology solutions and energy-saving computer structure technology development.

REASONS FOR AND BENEFITS OF THE AGREEMENT

The Company 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, 22 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 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.