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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)

VOLUNTARY ANNOUNCEMENT ENTERED INTO A COOPERATION AGREEMENT

This announcement is made by **China Trends Holdings Limited** (the “**Company**”) pursuant to Rule 17.10(2) of the GEM Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Future Ordinance.

The board of the Company is pleased to announce that on 1 March 2021 (after trading hours), the Company entered into a cooperation agreement (“**Cooperation Agreement**”) with **Innovation Future Limited** * (創新未來有限公司) (“**Innovation Future**”), **Mr. Wong Wai Man** (“**Mr. Wong**”) and **Ms. Lau Nga Sze** (“**Ms. Lau**”) so as to expand the business scale of the Company.

The Directors of the Company, having made all reasonable enquiries, confirmed that to the best of their knowledge, information and belief, Innovation Future, all of its shareholders and ultimate beneficial owner(s), and Mr. Wong and Ms. Lau are independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

PROFILE OF PARTIES TO COOPERATION AGREEMENT

Innovation Future is a limited liability company incorporated under the laws of Hong Kong, which possess the development capabilities of innovative material electronic consumer products and/or consumer products and have sales channels in overseas markets (i.e. countries or regions other than Mainland China).

Mr. Wong and Ms. Lau are the ultimate beneficiaries of Innovation Future and they are holding 100% shareholdings of Innovation Future.

THE MAIN CONTENT OF COOPERATION AGREEMENT

Pursuant to the Cooperation Agreement, the main contents of it are as follows:

1. Any electronic products with innovative materials or consumer products that have been approved by the Company and have overseas markets (in countries or regions other than Mainland China) can be developed and produced by Innovation Future.
2. Innovative Future is responsible for the sales of the above-mentioned products in the overseas market, and the Company is responsible for arranging sales in the Mainland China market (only sell to companies designated or approved by the Company).
3. No matter which market it is sold to, Innovation Future guarantees that the gross margin of sales will not be less than 10%, and for the first year of sales, the total sales revenue will not be less than HK\$ 50 million, and after that the total sales revenue every year will not be less than HK\$100 million.
4. On this basis, the Company agrees to invest 75% of the share capital of Innovation Future and to provide shareholder's loans of up to HK\$ 25 million.
5. On this basis, when Innovation Future has achieved the above performance for three consecutive years, Mr. Wong and Ms. Lau will have the rights to require the Company to issue shares to acquire the remaining 25% of the shares held by them in accordance with the Hong Kong listing rules and relevant laws.
6. Mr. Wong and Ms. Lau promised that the electronics products or consumer products are developed and produced by Innovation Future according to the Cooperation Agreement, and if the costs of molds and products cannot be recovered within one accounting year, all costs and interests will be compensated by Mr. Wong and Ms. Lau. The guarantee period is valid until the completion of all responsibilities and obligations of Innovation Future under the Cooperation Agreement.

The Company will make further announcement in due course. Shareholders and potential investors of the Company are advised to exercise cautions when dealing in the shares of the Company.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares and warrants of the Company have been suspended since 9:00 a.m. on 11 March 2020 and will remain suspended until the Company fulfills the Resumption Guidance.

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

Hong Kong, 1 March 2021

*As at the date of this announcement, the executive Director of the Company is Mr. **Xiang Xin** (Chairman); the non-executive Directors of the Company is Mr. **Chan Cheong Yee**; the independent non-executive Directors of the Company are Mr. **Wong Chung Kin, Quentin**, Ms. **Qin Han** 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 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.

** The English name is for identification purpose only.*