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**CHINA INNOVATION INVESTMENT
LIMITED**

中國創新投資有限公司

*(incorporated in the Cayman Islands with
limited liability)*

(Stock Code: 1217)



**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)

**BLUE ANGEL CHINA AND BOSS CHINA ISSUED AN ADMINISTRATIVE
RECONSIDERATION APPLICATION**

Reference is made to the announcement of China Innovation Investment Limited (“China Innovation”) dated 16 November 2012 in relation to, among others, the bank account of Blue Angel China is being frozen; the announcement of China Trends Holdings Limited (“China Trends”) dated 21 November 2012 in relation to, among others, the bank account of Boss China is being frozen; the joint announcement of China Innovation and China Trends dated 22 November 2012 in relation to, among others, the discussion and opinion of six well-known legal experts; and the joint announcement of China Innovation and China Trends dated 26 November 2012 in relation to, among others, the legal opinion from law firms in three places.

Blue Angel China and Boss China has appointed China legal adviser on 30 November 2012 to issue an administrative reconsideration application to Zhenjiang City Public Security Bureau.

Blue Angel China and Boss China believe that there are no issuing false VAT invoices behavior and they did not take advantage of issuing false VAT invoices for the purpose of state taxes evasion in the trading of copper foil with Fujieda company. They have paid all the involved transaction taxes to tax authorities on time and in full in accordance with the

provisions of the laws and regulations. Hence, the related copper foil trading behavior does not comply with the elements of the crime of issuing false VAT invoices of the provisions of the “Penal Code”. It does not constitute issuing false VAT invoices in accordance with the law.

In addition, Blue Angel China and Boss China has invited six well-known legal experts in Peking University, Tsinghua University, Renmin University of China and China University of Political Science and Law to review all transaction data of related sales and purchase contracts, supplemental agreements, payment bills, VAT invoices, tax payment receipts, to discuss whether it constitutes issue false VAT invoices issues. They issued “Experts Argumentation Submissions” which points out:

1. The case are real, legitimate, copper foil trading behavior is valid. The trading behavior should not be considered as the crime of issuing false VAT invoice behavior under criminal law provisions.
2. The case does not and impossible to cause the loss of state taxes, does not have social harm.
3. The sale and purchase behavior of the applicant actual exist in the transactions, it do not have falsifying acts. It should not be identified as the crime of issuing false VAT invoices.

In summary, the behavior of Blue Angel China and Boss China do not constitute issuing VAT invoice. The decision of Jiangsu Province Zhenjiang New District Public Security Bureau freezing deposits of Blue Angel China and Boss China is wrong. It greatly damages the legitimate rights and interests of the applicant. Blue Angel China and Boss China specially apply for administrative reconsideration in accordance with the provisions of the Administrative Reconsideration Law in PRC. They request the reconsideration authority revoked the freezing notification and the mandatory freezing measures to protect the legitimate rights and interests of the applicant.

Further announcement(s) will be made by the China Innovation and China Trends as and when appropriate when there is any material development of the case. **Shareholders and potential investors are advised to exercise caution in dealing with the securities of the China Innovation and China Trends.**

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“Blue Angel China”	Blue Angel (China) Company Limited, a company established in the Shenzhen, PRC. A wholly owned subsidiary of one of the investment companies of China Innovation
“Boss China”	Boss Dream (China) Company Limited, a company incorporated in the Beijing, PRC, a subsidiary 99% owned by the China Trends
“China Innovations”	China Innovation Investment Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on Main Board of the Stock Exchange
“China Trends”	China Trends Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Fujieda company”	Fujieda Copper Foil Company Limited, a company established in the PRC
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
China Innovation Investment Limited
Xiang Xin
Chairman and Chief Executive Officer

By Order of the Board
China Trends Holdings Limited
Xiang Xin
Chairman

Hong Kong, 1 December 2012

As at the date of this announcement, the executive Directors of China Innovation are Mr. Xiang Xin, Mr. Liang Xiaojin and Mr. Chen Banyan and the independent non-executive Directors are Mr. Zhang Zhan Liang and Ms. An Jing and Mr. Chen Yicheng; Ms. Kung Ching is alternate director to Mr. Xiang Xin.

As at the date of this announcement, the executive Directors of China Trends are Mr. Xiang Xin, Mr. Liang Xiaojin and Mr. Chen Banyan and the independent non-executive Directors are Mr. Zhang Zhan Liang and Ms. An Jing and Mr. Chen Yicheng; Ms. Kung Ching is alternate director to Mr. Xiang Xin.

This announcement, for which the directors of the China Trends 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 China Trends website at www.8171.com.hk.