



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)

FIRST QUARTERLY REPORT 2014

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of China Trends Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to China Trends Holdings Limited. 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 report 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 report misleading.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The board (the "Board") of directors (the "Directors") of China Trends Holdings Limited (the "Company") presents the unaudited consolidated results of the Company and its subsidiaries (together, the "Group") for the three months ended 31 March 2014, together with the unaudited comparative figures for the corresponding period in 2013, as follows:

		Three months ended 31 March	
<i>Notes</i>		2014 <i>HK\$'000</i> Unaudited	2013 <i>HK\$'000</i> Unaudited
REVENUE	3	15,207	7,426
Cost of sales		(14,454)	(7,153)
Gross profit		753	273
Other income and gains	3	12	246
Administrative and other operating expenses		(2,390)	(4,080)
LOSS BEFORE TAX		(1,625)	(3,561)
Income tax expenses	4	–	–
LOSS FOR THE PERIOD		(1,625)	(3,561)
OTHER COMPREHENSIVE (LOSS)/INCOME			
Item that may be classified to profit or loss:			
Exchange differences on translation of foreign operations		(1,573)	220
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(3,198)	(3,341)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Three months ended 31 March	
Notes	2014 HK\$'000 Unaudited	2013 HK\$'000 Unaudited	
LOSS FOR THE PERIOD			
ATTRIBUTABLE TO:			
	(1,620)	(3,547)	
Owners of the Company			
	(5)	(14)	
Non-controlling interests			
	(1,625)	(3,561)	
TOTAL COMPREHENSIVE LOSS			
FOR THE PERIOD			
ATTRIBUTABLE TO:			
	(3,177)	(3,329)	
Owners of the Company			
	(21)	(12)	
Non-controlling interests			
	(3,198)	(3,341)	
LOSS PER SHARE			
ATTRIBUTABLE TO OWNERS OF THE COMPANY			
	(0.02)	(0.05)	
— Basic (HK cents per share)			
	N/A	N/A	
— Diluted (HK cents per share)			

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Notes:

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is situated at 26/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong.

The principal activity of the Company is investment holding. The Group was principally engaged in (i) trading of electronic technology and related products, and (ii) the low-carbon products applications, including the developing business of energy-saving digital products solutions and make use of the energy performance contracting (EPC) and BOT mechanism which would ultimately apply to different sectors in the society and different cities.

The shares of the Company have been listed on the GEM of the Stock Exchange since 31 July 2002.

2. BASIS OF PREPARATION

The Group's unaudited consolidated results for the three months ended 31 March 2014 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, and accounting principles generally accepted in Hong Kong. The accounting policies adopted in preparing these first quarterly results are consistent with those used in the Company's annual audited consolidated financial statements for the year ended 31 December 2013. The first quarterly results are unaudited but have been reviewed by the Company's audit committee.

3. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue, other income and gains is as follows:

	Three months ended	
	31 March	
	2014	2013
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Revenue		
Sales of goods	15,207	7,426
Other income and gains		
Bank interest income	12	246

4. INCOME TAX EXPENSES

No provision for taxation has been made since the Company has tax loss during the period ended 31 March 2014 (three months ended 31 March 2013: Nil). Tax arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

5. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share for the three months ended 31 March 2014 is based on the unaudited loss attributable to owners of the Company for the three months ended 31 March 2014 of approximately HK\$1,620,000 (three months ended 31 March 2013: HK\$3,547,000) and the weighted average number of 6,635,001,932 ordinary shares in issue during the three months ended 31 March 2014 (three months ended 31 March 2013: 6,635,001,932).

No adjustment has been made to the basic loss per share for the three months ended 31 March 2014 and three months ended 31 March 2013 in respect of a dilution as the share options and convertible bonds outstanding during the period had an anti-dilutive effect on the basic loss per share.

6. RESERVES AND NON-CONTROLLING INTERESTS

	Attributable to owners of the Company									
	Share premium account HK\$'000	Share option reserve HK\$'000	Foreign currency translation reserve HK\$'000	Equity component of convertible bonds HK\$'000	Special reserve HK\$'000	Capital reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
As at 1 January 2013 (Audited)	235,563	5,117	3,812	391,534	11,157	(1,638)	(575,436)	70,109	1,505	71,614
Loss for the period	-	-	-	-	-	-	(3,547)	(3,547)	(14)	(3,561)
Other comprehensive income	-	-	218	-	-	-	-	218	2	220
Total comprehensive income/(loss) for the period	-	-	218	-	-	-	(3,547)	(3,329)	(12)	(3,341)
As at 31 March 2013 (Unaudited)	235,563	5,117	4,030	391,534	11,157	(1,638)	(578,983)	66,780	1,493	68,273
As at 1 January 2014 (Audited)	235,563	-	5,573	391,534	11,157	(1,638)	(578,210)	63,979	1,491	65,470
Loss for the period	-	-	-	-	-	-	(1,620)	(1,620)	(5)	(1,625)
Other comprehensive loss	-	-	(1,557)	-	-	-	-	(1,557)	(16)	(1,573)
Total comprehensive loss for the period	-	-	(1,557)	-	-	-	(1,620)	(3,177)	(21)	(3,198)
As at 31 March 2014 (Unaudited)	235,563	-	4,016	391,534	11,157	(1,638)	(579,830)	60,802	1,470	62,272

DIVIDEND

The Directors do not recommend the payment of any dividend for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

FINANCIAL REVIEW

For the three months ended 31 March 2014, the Group recorded a revenue of approximately HK\$15,207,000 (three months ended 31 March 2013: HK\$7,426,000), representing an increase of approximately 105% as compared to that of previous period. The Group recorded an increase as compared to that of previous period in revenue was mainly due to the expansion of trading business in Hong Kong. Boss Dream (China) Limited ("Boss China") was still seriously affected by malicious litigation from Zhenjiang New District and all business was halt. No revenue was generated from Boss China for the three months ended 31 March 2014 (three months ended 31 March 2013: nil).

Loss attributable to owners of the Company for the three months ended 31 March 2014 was approximately HK\$1,620,000 (three months ended 31 March 2013: HK\$3,547,000).

OPERATIONAL REVIEW

The principal activity of the Company is investment holding. The Group was principally engaged in (i) trading of electronic technology and related products, and (ii) the low-carbon products applications, including the developing business of energy-saving digital products solutions and make use of the energy performance contracting (EPC) and BOT mechanism which would ultimately apply to different sectors in the society and different cities.

1. On 1 March 2013, the Company entered into an acquisition agreement with Mr. Wang Yaomin (“Mr. Wang”). The Company agreed to acquire and Mr. Wang agreed to sell the entire issued share capital of Jurassic International Investment Group Inc. (USA) (“Jurassic USA”), the only authorised of Jurassic theme in PRC and related intellectual properties, with total consideration US\$100. As at 31 December 2013, the Company has requested Mr. Wang and agreed on 5 March 2014, to buy back the entire issued share capital of Jurassic USA with original consideration US\$100 due to statutory and accounting records was unable to be provided by accountant of Jurassic USA.

As disclosed, it is not related and there is no legal impact on cooperation framework agreement entered into between the Company, Zhong Jin Land Development Limited and Daqing Sheng Di Property Limited (“Sheng Di Property”) on 28 June 2013 after Mr. Wang buy back the entire issued share capital of Jurassic (USA) with consideration US\$100, because the subsidiary of Sheng Di Property was Jurassic International Investment Group Inc. (BVI) (“Jurassic (BVI)”) instead of Jurassic (USA). To the best of knowledge and information of the directors of the Company, Jurassic (USA) and Jurassic (BVI) are not within the same group and their respective director and shareholder are not the same. As at the date of this report, the cooperation of the above cooperation framework agreement was not yet implemented.

2. On 7 November 2012, the bank accounts balance amounting to RMB49 millions of Boss China are being frozen by China Jiangsu Province Zhenjiang New District Public Security Bureau. On 20 February 2013, Boss China’s bank account balance amounting to RMB23.5 million was frozen by Zhenjiang Intermediate People’s Court for six months.

On 21 February 2013, Zhenjiang New District Public Security Bureau has revoked the frozen of RMB49 million in bank account of Boss China.

On 6 March 2013, Boss China received Court Summons (“the Prosecution”) in relation to Fujieda company (“Fujieda”) as plaintiff (“the Plaintiff”) claimed that Boss China has not delivered the goods to Fujieda according to the Copper Foil Supply Contract between Boss China and Fujieda which signed on 31 January 2011. The above mentioned frozen bank account balance of RMB23.5 million was in relation with the Prosecution.

On 19 March 2013, the PRC lawyer appointed by Boss China has submitted the “OBJECTION TO THE JURISDICTION OF APPLICATION” to the Zhenjiang Intermediate People’s Court in relation to the shareholders, board of directors and legal representative of Fujieda had never agreed to, recognised, approved or participate in the Prosecution. Furthermore, the official seal used by Fujieda was made by the mean of a false report and is not legally binding and not entitled on behalf of the Fujieda. On 29 March 2013, Boss China submitted the “SUBJECT QUALIFICATION OBJECTION APPLICATION” to the Zhenjiang Intermediate People’s Court in relation to the Plaintiff was not legally entitled on behalf of the Fujieda and requests the court to dismiss the Prosecution.

On 3 April 2013, the PRC lawyer appointed by Boss China was informed that the current legal representative of Fujieda had appointed lawyer and submitted the “APPLICATION FOR WITHDRAWAL” to the Zhenjiang Intermediate People’s Court sealed with the legitimate official seal. Subsequently, the dispute hearing between Boss China and Fujieda which was originally scheduled on 10 April 2013 has been cancelled by Zhenjiang Intermediate People’s Court as informed by the lawyer.

On 19 August 2013, Zhenjiang Intermediate People’s Court made the Civil Judgment on 14 August 2013 that the court ruling dismissed the plaintiff’s entire claim and the freezing order against the bank account balance amounting to RMB23.5 million of Boss China has been discharged on 20 August 2013 as informed by Boss China. On 22 October 2013, the Company was informed by Boss China that, the PRC lawyer appointed by Boss China received a notice from Jiangsu Province Higher People’s Court (“Jiangsu Higher Court”) that the appeal from the plaintiffs has been accepted.

On 29 November 2013, the Company was informed by Boss China that, the PRC lawyer appointed by Boss China received a copy of civil ruling from Jiangsu Higher Court. Jiangsu Higher Court considered the first instance as ‘the fact being not clear and evidence being not enough’ and remanded the case to Zhenjiang Intermediate People’s Court for a new trial.

As at the date of this report, there is no other updated since last year ended date 31 December 2013.

3. On 10 December 2013, the Company, China Innovation Investment Limited and Hughesnet China Company Limited (“Hughes China”) entered into a cooperative framework agreement in relation to Satellite Mobile Internet Project which the Company is responsible for investing in operating equipment on Satellite Mobile Internet Project within the Greater China.

On 9 April 2014, the Company and Hughes China Company Limited entered into an agreement in relation to the cooperation on construction and operation of free satellite mobile internet (Skynet) and on 11 April 2014, the Company and DishHD Asia Satellite Limited entered into an agreement in relation to the cooperation on the operation of the free satellite television and paid satellite television project of Skynet (Skynet Satellite Vision Project). As regards of the two agreements, Company will generate income from sales of dual-model satellite phone and dual-model satellite television and 50% value added service income from operators using Skynet.

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2014, the interests of the Directors or chief executive and their associates in the ordinary shares of HK\$0.01 each (the “Shares”) and underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Interest in issued Shares

Name	Nature of interest	Number of Shares held	Approximately percentage of interests
Kung Ching (<i>note 2</i>)	Interested of controlled corporation	1,650,914,973 (L)	24.88%

(ii) Interest in the underlying Shares of the Company — convertible bonds

Name	Nature of interest	Number of underlying Shares for Convertible Bonds	Approximately percentage of interests
Kung Ching (<i>note 2</i>)	Interest of controlled corporation	3,827,193,135 (L)	57.68%

Notes:

1. The letter "L" denotes the long position in the Shares.
2. The Shares and the underlying Shares of the Company are held by Honour Sky International Limited which Ms. Kung Ching, spouse of Mr. Xiang Xin is the ultimate beneficiaries of such company.

Save as disclosed above, as at 31 March 2014, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares or underlying Shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2014, according to the register kept by the Company pursuant to section 336 of SFO, and so far as was known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any member of the Company:

(i) interest in issued Shares

Name	Nature of interest	Number of Shares held	Approximately percentage of interests
Honour Sky International Limited	Beneficial owner	1,650,914,973 (L)	24.88%
New Times Global Capital Inc. (note 2)	Interest of controlled corporation	1,650,914,973 (L)	24.88%
Morgan Strategic Limited	Beneficial owner	1,236,032,432 (L)	18.63%
Top Ten International s.a r.l. (note 3)	Interest of controlled corporation	1,236,032,432 (L)	18.63%
Chen Darren (note 3)	Interest of controlled corporation	1,236,032,432 (L)	18.63%
Tao Xue Juan (note 4)	Interest of controlled corporation	1,236,032,432 (L)	18.63%
Ocean Space Development Limited	Beneficial owner	141,564,000 (L)	2.13%
Zhang Shao Cai (note 5)	Interest of controlled corporation	141,564,000 (L)	2.13%

(ii) interest in the underlying Shares of the company – convertible bonds

Name	Nature of interest	Number of underlying Shares for the Convertible Bonds	Approximately percentage of interests (note 8)
China Technology Education Trust Association (note 6)	Beneficial owner	8,311,405,405 (L)	125.27%
China New Urbanisation Investment Limited (note 7)	Beneficial of trustee	5,130,000,000 (L)	77.32%
Rao Gui Min (note 7)	Interest of controlled corporation	5,130,000,000 (L)	77.32%
Honour Sky International Limited	Beneficial owner	3,827,193,135 (L)	57.68%
New Times Global Capital Inc. (note 2)	Interest of controlled corporation	3,827,193,135 (L)	57.68%
Ocean Space Development Limited	Beneficial owner	975,057,621 (L)	14.70%
Zhang Shao Cai (note 5)	Interest of controlled corporation	975,057,621 (L)	14.70%

Notes:

1. The letter "L" denotes the long position in the Shares.
2. Honour Sky International Limited is a private company wholly and beneficially owned by New Times Global Capital Inc. Accordingly, New Times Global Capital Inc. is interested in the Shares and the underlying Shares of the Company held by Honour Sky International Limited. Ms. Kung Ching, spouse of Mr. Xiang Xin owns 100% share of New Times Global Capital Inc. and is also the director of New Times Global Capital Inc. and are taken to be interested in the Shares and underlying Shares of the Company held by Honour Sky International Limited.

3. Morgan Strategic Limited is a private company 40% owned by Top Ten International s.a r.l. ("Top Ten") and Top Ten is a private company wholly and beneficially owned by Mr. Chen Darren. Accordingly, Top Ten and Mr. Chen Darren are interested in the Shares of the Company held by Morgan Strategic Limited.
4. Morgan Strategic Limited is a private company owned 60% by Ms. Tao Xue Juan. Accordingly, Ms. Tao Xue Juan is interested in the Shares of the Company held by Morgan Strategic Limited.
5. Ocean Space Development Limited, a company incorporated in the British Virgin Islands, is a private company wholly and beneficially owned by Mr. Zhang Shao Cai. Accordingly, Mr. Zhang Shao Cai is interested in the Shares and the underlying Shares of the Company held by Ocean Space Development Limited.
6. The underlying Shares of the Company are held by China Technology Education Trust Association (the "Association"), a society registered under the provisions of section 5A(1) of the Societies Ordinance in 2005, which is a charitable society providing charity and financial aid to education and employment in Hong Kong and Mainland China. Mr. Xiang Xin is a chairman of the Association.
7. On 23 December 2011, the Company entered into a second supplemental agreement with Joy China Group Limited, with effect from 1 January 2012, the Company reserve the right to acquire the remaining 80% of the group of Full Smart Asia Limited before 1 January 2015 by paying HK\$113,740,000 convertible bonds and HK\$91,460,000 promissory note to the Vendor when the net asset value of group of Full Smart Asia Limited reach HK\$228,000,000.

On 12 August 2013, Joy China Group Limited has transferred the above-mentioned interest to China New Urbanisation Investment Limited and part of the settlement terms, HK\$91,460,000 promissory note, has been altered to HK\$91,460,000 convertible bonds which resulted in settlement terms as HK\$205,200,000 convertible bonds. Mr. Rao Gui Min is the sole shareholder and director of China New Urbanisation Investment Limited.

The completion of acquisition remains subject to the fulfillment of the conditions, and subject to the approval of the independent shareholders of the Company.

8. The approximately percentage of interests in the Company is calculated on the basis of 6,635,001,932 Shares in issue as at 31 March 2014.

Save as disclosed above, as at 31 March 2014, no person, other than the directors and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in Shares and underlying Shares" above, had registered an interest or short position in the Shares or underlying Shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the period under review.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or their respective associates as defined in the GEM Listing Rules had any interest in business that competed or might compete with business of the Group during the period under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the period under review, the Company had complied with the requirements of the code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 15 of the GEM Listing Rules, except that:

1. Mr. Xiang Xin is the Chief Executive Officer of the Company during the year 2013.

Mr. Wang Yaomin is the Chairman of the Board of the Company since 4 March 2013.

Following the resignation of Mr. Wang Yaomin and appointment of Mr. Xiang Xin as the Chairman of the Board, Mr. Xiang Xin becomes the Chairman of the Board and Chief Executive Officer of the Company with effect from 5 March 2014. Such practice deviates from code provision A.2.1 of the CG Code which requires that the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. After evaluation of the current situation of the Company and taking into account of the experience and past performance of Mr. Xiang, the Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Mr. Xiang to hold both positions as the Chairman and the Chief Executive Officer of the Company as it helps to maintain the continuity of the policies and the stability of the operations of the Company.

2. The Company has no fixed terms of appointment for non-executive Directors. Independent non-executive Directors are appointed subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the relevant provision under the Articles of Association of the Company. Such practice deviates from the provision A.4.1 of the CG Code which requires that non-executive Directors be appointed for a specific term. The Board has discussed and concluded the current practice of appointing independent non-executive Directors without specific terms but otherwise subject to rotation and re-election by shareholders was fair and reasonable, and does not intend to change the current practice at the moment.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code for dealing in securities of the Company by the Directors. All Directors confirmed that they complied with the required standards as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules throughout the period under review.

AUDIT COMMITTEE

The Company established an audit committee (the "Committee") on 16 July 2002 in accordance with the requirements of the GEM Listing Rules. The Committee currently comprises all three independent non-executive directors of the Company, Mr. Zhang Zhan Liang as the Chairman, Ms. An Jing and Mr. Chen Yicheng as the member.

The Group's unaudited consolidated results for the three months ended 31 March 2014 have been reviewed by the Committee, which was of the opinion that such results have complied with the applicable accounting standards and that adequate disclosures have been made.

DIRECTORS OF THE COMPANY

As at the date of this report, the executive Directors are Mr. Xiang Xin, Mr. Liang Xiaojin and Mr. Chen Banyan, the non-executive Director is Mr. Sun Kuan Chi, the independent non-executive Directors are Mr. Zhang Zhan Liang, Ms. An Jing and Mr. Chen Yicheng. Ms. Kung Ching is an alternative director to Mr. Xiang Xin.

By order of the Board

China Trends Holdings Limited

Xiang Xin

Chairman and Chief Executive Officer

Hong Kong, 8 May 2014