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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)

**COOPERATIVE FRAMEWORK AGREEMENT
EXTENSION OF ENERGY MANAGEMENT CONTRACT BUSINESS
TO LOW-CARBON CULTURAL DEVELOPMENT PLAN
AND ACQUIRE THE ENTIRE SHARE CAPITAL OF JURASSIC
INTERNATIONAL INVESTMENT GROUP INC.**

The Board is pleased to announce that on 13 August 2012 (after trading hours), the Company and the Vendor entered into a framework agreement. Accordingly, the Company agreed to acquire and the Vendor agreed to sell the entire issued share of Jurassic International Investment Group Inc.. The Company intends to extend energy management contract business to the low-carbon cultural development plan.

COOPERATIVE FRAMEWORK AGREEMENT

Date: 13 August 2012 (after trading hours)

Parties: (1) Purchaser: the Company
(2) Vendor: Liu Yu

PRINCIPLE TERMS

The Company agreed to acquire and the Vendor agreed to sell the entire issued shares of Target Company as at the date of this announcement subject to the terms and conditions of the formal agreement.

CONSIDERATION

- (1) Both parties should list out the total consideration of sale shares in the formal contract, and total consideration should be consulted and set out by both parties.
- (2) The total consideration will be paid by Purchaser to Vendor. Purchaser could use method of convertible bonds and promissory notes for payment and it should be consulted and set out by both Purchaser and Vendor.

FORMAL CONTRACT

- (1) Vendor and Purchaser consult with related parties sincerely in order to prompt a formal contracting is made as soon as possible and no later than 180 days of this framework agreement or other later date as both Purchaser and Vendor to make.
- (2) Formal Contract is formulated by Purchaser's solicitor and will include the concept of sale shares or other similar transactions in this framework agreement and normally include the statement, guarantee, commitment and compensation given by Vendor and especially include a provision setting out Vendor to Purchaser assurance clearly.

PRECEDENT CONDITIONS

- (1) Purchaser will and will prompt the consultant and agency to proceed to an appropriate review on assets, liabilities, operations and affairs of Target Company and its subsidiary (if any) immediately after signing the framework agreement. Vendor should provide and prompt Target Company and its subsidiary (if any) and its agency to Purchaser's consultant and agency to provide required assistance and assistance of review in proceed, and prompt related review is completed no later than 180 days of this framework agreement.
- (2) all approvals, consents, authorizations and licenses (so far as necessary) required to be obtained on the part of the Vendor, the Company in relation to the transactions contemplated under the sales and purchase agreement having been obtained;

- (3) the warranties provided by the Vendor under the sale and purchase agreement remaining true and accurate in all respects;
- (4) the completion of the reorganization;
- (5) the Listing Committee of the Stock Exchange granting permission to the transactions; and
- (6) the passing by the independent shareholders at the EGM to be convened and held of an ordinary resolution to approve the sale and purchase agreement and the transactions.

REASONS FOR ENTERING INTO THE COOPERATION FRAMEWORK AGREEMENT

The Target Company is engaging in investing low-carbon cultural industries in PRC. Low-carbon cultural industry is one of the emerging industries that does not rely on natural resources and achieves the needs of the change from industrial city to low-carbon city. As PRC government increases the concern on cultural creative industry, the Company will develop “World Class, China Only” of low-carbon cultural leisure industry district through constructing Fantasy Jurassic Park series of projects in PRC investment.

Through the reorganization, the Target Company will form a layout of tourism cultural and creative industries group with Fantasy Jurassic theme. Target Company will compose of four topic plates including the construction and development of Fantasy Jurassic, the operation management of Fantasy Jurassic, the tour supporting of Fantasy Jurassic, and the leisure life of Fantasy Jurassic, The investment and construction is located in Sanya, China, Yangzhou Chengde, Daqing in PRC, in which four project companies in Daqing have been invested and operated, they are respectively : 大慶聖地置業有限公司(transliterated Daqing Sheng Di Property Limited), 大慶夢幻城投資管理有限公司(transliterated Daqing Meng Huan Cheng Investment Management Limited), 大慶北國之春溫泉投資管理有限公司(transliterated Daqing Bei Guo Zhi Chun Wen Quan Investment Management Limited and 大慶北航房地產開發有限公司(transliterated Daqing Bei Hang Property Development Limited).

With strong support from the PRC government to promote the implementation of energy management contract project to facilitate the energy-saving service sector in the economy, the Company expects that the Cooperative Framework Agreement which agrees to purchase 100% issued share of Target Company that could further extend its energy performance contracting (EPC) business to low-carbon tourism, and could enhance the Group’s sources of income under the development of EPC business. The Target Company will add a low-carbon

culture project to the Company and Purchaser will increase opportunities of cooperation of low-carbon cultural project in Full Smart Asia Limited which was invested last year.

GENERAL INFORMATION

Save as the above Precedent Conditions section, all the terms and conditions of the formal agreement are subject to further negotiations between the parties, or may not lead to the entering into of the formal agreement. According to the GEM Listing Rules, in the event that the transactions contemplated under the formal agreement materialize, the Company will make further announcement in relation to the details of the transactions contemplated under the Formal Agreement as and when required by the GEM Listing Rules. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

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| “Board” | the Board of Directors of the Company |
| “Company” | China Trends Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange |
| “Directors” | the directors of the Company, including the independent non-executive directors |
| “GEM” | Growth Enterprise Market of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Jurassic International Investment Group Inc.” or “Target Company” | a company incorporated in British Virgin Islands. At the date of this Framework Agreement, the company’s authorized share capital has 50,000 ordinary shares, of which 50,000 |

issued shares are beneficially owned by the Vendor.

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| “PRC” | the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “Share (s)” | ordinary share(s) of HK\$0.01 each in the capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

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

Hong Kong, 13 August 2012

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Mr. Liang Xiaojin and Mr. Chen Banyan; and the independent non-executive Directors are Mr. Zhang Zhan Liang, Ms. An Jing and Mr. Chen Yicheng.

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