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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)

**STRATEGIC COOPERATION FRAMEWORK AGREEMENT
IN RELATION TO
ENERGY-SAVING LED PRODUCTS**

This joint announcement is made pursuant to Rule 13.09(1) of the Listing Rules or Rule 17.10 of the GEM Listing Rules, as the case may be.

The Boards of China Innovation and China Trends are pleased to announce that on 7 June 2010 (after trading hour), Dooda China, Boss China and Huizhou TCL entered into a Strategic Cooperation Framework Agreement to establish strategic cooperation for research and development, production, sales and distribution by mean of energy management contract on energy-saving LED products.

STRATEGIC COOPERATION FRAMEWORK AGREEMENT

The Boards of China Innovation and China Trends are pleased to announce that on 7 June 2010 (after trading hour), Dooda China, Boss China and Huizhou TCL entered into a Strategic Cooperation Framework Agreement.

PARTIES ON THE STRATEGIC COOPERATION FRAMEWORK AGREEMENT

- (1) 多達創新(中國)科技發展有限公司 (transliterated as Dooda Innovation (China) Technology Development Limited (“Dooda China”)), an investment in the PRC made by China Innovation through Dooda Innovation Limited;
- (2) 博思(中國)信息系統有限公司 (transliterated as Boss (China) Information Systems Limited (“Boss China”), a PRC subsidiary of China Trends; and
- (3) 惠州 TCL 光源科技有限公司 (transliterated as Huizhou TCL Lighting Appliance Technology Limited (“Huizhou TCL”), a subsidiary of TCL Corporation (the shares of which are listed on The Shenzhen Stock Exchange with stock code 000100).

Huizhou TCL is an Independent Third Party of China Innovation and China Trends.

Dooda China is well-equipped with technique in the design of energy-saving LED products. Boss China is engaged in the operation, sale and distribution of energy-saving LED products. Huizhou TCL is a subsidiary of TCL Corporation focusing on the research and development, and manufacturing of LED products. The three parties plan to establish strategic cooperation for research and development, production, sales and distribution by mean of energy management contract on energy-saving LED products.

PRINCIPAL TERMS

- (1) Dooda China and Boss China could purchase energy-saving LED lighting products with the brand name “TCL” directly from Huizhou TCL;
- (2) Dooda China and Boss China could outsource the production of energy-saving LED lighting products to Huizhou TCL under the designated brand of Dooda China or Boss China under OEM contract basis;
- (3) Dooda China and Boss China could outsource the production of energy-saving LED lighting products (including Dooda China’s own design) to Huizhou TCL under ODM contract basis of which the intellectual property remain with Dooda China or Boss China. Huizhou TCL would be in charge of the manufacturing and provision of LED lighting products exclusively for Dooda China or Boss China.;
- (4) Boss China would provide financing arrangement with Huizhou TCL to support the development and implementation the business of energy management contract for sales and

distribution of energy-saving LED products; and

- (5) The strategic cooperation be effective upon signing the Strategic Cooperation Framework Agreement.

REASONS FOR ENTERING INTO THE STRATEGIC COOPERATION FRAMEWORK AGREEMENT

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, both China Innovation and China Trends, through the Strategic Cooperation Framework Agreement, expect that the strategic cooperation with Huizhou TCL on energy-saving LED products under research and development, production, sales and distribution by mean of energy management contract could further enhance the close linkage between research and development, production, sales and distribution for energy-saving LED products to have a better performance for China Innovation and China Trends

UNUSUAL PRICE AND TURNOVER MOVEMENTS OF CHINA TRENDS SHARES

The China Trends Broad has noted the recent increase in the price and trading volume of the shares of China Trends on 7 June 2010 and wishes to state that, save as disclosed in the circular of China Trends dated 26 May 2010 and this announcement, the China Trends Board is not aware of any reasons for such movements.

Save as disclosed above, the China Trends Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 and 20 of the GEM Listing Rules, neither is the China Trends Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

GENERAL

This joint announcement is intended to set out the salient features of the Strategic Cooperation Framework Agreement. Further announcement(s) will be made by China Innovation and China Trends, respectively in respect of any material development on the possible transactions and actions to comply with the disclosure and/or approval requirements under the Listing Rules and GEM Listing Rules, respectively.

DEFINITIONS

In this announcement, unless otherwise defined, the following terms shall have the meanings set out below:

“Boss China”	博思(中國)信息系統有限公司 (transliterated as Boss (China) Information Systems Limited), a PRC subsidiary of China Trends
“China Innovation”	China Innovation Investment Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“China Innovation Board”	the board of China Innovation Directors
“China Innovation Director(s)”	the director(s) of China Innovation, including the independent non-executive Director(s) of China Innovation
“China Innovation Shareholder(s)”	holder(s) of the China Innovation Share(s)
“China Innovation Share(s)”	the ordinary share(s) with par value of HK\$0.01 each in the capital of China Innovation
“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
“China Trends Board”	the board of China Trends Directors
“China Trends Director(s)”	the director(s) of China Trends, including the independent non-executive director(s) of China Trends
“China Trends Group”	China Trends and its subsidiaries
“China Trends Share(s)”	the ordinary share(s) with par value of HK\$0.01 each in the capital of China Trends
“China Trends Shareholder(s)”	holder(s) of the China Trends Share(s)

“Dooda China”	多達創新(中國)科技發展有限公司 (transliterated as Dooda Innovation (China) Technology Development Limited), an investment in the PRC made by China Innovation through Dooda Innovation Limited
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huizhou TCL”	惠州 TCL 光源科技有限公司 (transliterated as Huizhou TCL Lighting Appliance Technology Limited), a subsidiary of TCL Corporation (the shares of which are listed on The Shenzhen Stock of Exchange with stock code 000100)
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the China Innovation Directors’ or China Trends Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with any director, chief executive, management shareholders or substantial shareholders of China Innovation or China Trends and/or its subsidiaries or any of their respective associates (as defined on the Listing Rules or GEM Listing Rules) and are not connected persons of China Innovation or China Trends
“LED”	light emitting diode, a semiconductor diode that emits light when connected with an electric circuit
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“ODM”	original design manufacturing
“OEM”	original equipment manufacturing

“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Cooperation Framework Agreement”	the strategic cooperation framework agreement dated 7 June 2010 entered into between Dooda China, Boss China and Huizhou TCL to establish strategic cooperation for research and development, production, sales and distribution by mean of energy management contract on energy-saving LED products.

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

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

Hong Kong, 7 June 2010

As at the date of this announcement, the executive Directors of China Innovation are Mr. Xiang Xin, Mr. Chan Cheong Yee and Mr. Wong Chak Keung; the non-executive Directors are Mr. Ng Kwong Chue Paul; the independent non-executive Directors are Mr. David Wang Xin, Mr. Zang Hong Liang and Mr. Lee Wing Hang.

As at the date of this announcement, the executive Directors of China Trends are Mr. Xiang Xin, Mr. Yang Gaocai, Mr. Wong Chak Keung and Mr. Law Gerald Edwin and the independent non-executive Directors are Mr. Zhang Zhan Liang, Ms. Lu Yuhe and Mr. Kwok Chi Hung.

This announcement, for which the Directors of China Trends 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 regard to China Trends. The Directors of China Trends, 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.