



CHINA TING GROUP HOLDINGS LIMITED  
華鼎集團控股有限公司

**China Ting Group's Net Profit for 2007 Increase 10% to HK\$450million  
OEM and Retail Business Performed Well  
With Accelerating Growth Momentum**

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**Committed to Enriching Business Portfolio  
Maintains dual emphasis on Branded Fashion Retailing & OEM Business**

**Results Highlights:**

- Rapid growth in the year of 2007 with turnover and net profit increased by 22.6% and 10% respectively as compared with the year of 2006
- Expanded customer base and product types boosted the annual revenue of OEM business by 21%, non-silk OEM business especially recorded a substantial year on year increase in revenue
- Brand retail business improved efficiency, full year revenue of the business jumped 34%

<i>HK' million</i>	<b>2007</b>	<b>2006</b>	<b>Changes</b>
<b>Revenue</b>	2,354	1,920	+22.6%
<b>Gross profit (Gross profit margin)</b>	793(33.7%)	670(34.9%)	+18.4%
<b>Net profit (Net profit margin)</b>	450(19.2%)	409(21.3%)	+10%
<b>Basic earning per share (HK cent)</b>	21.75	19.79	+10%

(Hong Kong, 3 April 2008) — China Ting Group Holdings Limited (“China Ting Group” or “the Group”) (stock code: 3398), a large scale vertically integrated garment manufacturer, exporter and retailer, yesterday announced its annual results for the year ended 31 December 2007.

In 2007, although the Group suffered from the sharp increase in various operational aspects together with the RMB appreciation, such adverse factors did not materially affect the results of the Group as a whole. The contribution from non-silk OEM business and brand retail business accelerated during the year. The Group reported turnover of HK2,354 million for the year, an increase of 22.6% against the previous year. Improving the operational efficiency resulted in the increase of the Group's net profit of 10% year on year to HK\$450 million. Basic earnings per share is 21.75 HK cents. In view of the encouraging results, the Board of Directors proposed the payment of a final dividend of 4.98 HK cents per share and a special dividend of 2.84 HK cents per share.

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Mr. Ting Hung Yi, Chief Executive Officer of China Ting Group, said, "Operating under the corporate mottos – solidarity, practicality, innovation and development, the Group always strives hard to reform its practices in an innovative manner, to proactively develop its business, to manage its business in a professional manner, and to enhance its operational efficiency. We are quite proud of achieving the good operating results."

The Group mainly operates OEM business and brand retail business. In 2007, it continued to increase the proportion of brand retail business in the Group's total turnover.

Turnover of the OEM business amounted to HK\$2,090 million in 2007, with an increase of 21% and its order flows were quite stable when compared with 2006.. The performance of non-silk OEM business was much stronger in 2007, resulting a double-digit growth year-on-year. The Group actively expanded its customer base and increased export to Europe during the year. Income from export to Europe and other markets accounted for 15% of the total income of OEM business (2006:14%).

To enhance the competitiveness of the Group's OEM business and cater for new orders, the Group will leverage on its competitive advantages such as efficient vertically-integrated supply chain, speedy execution of orders, delivery of quality products and provision of quality services, to expand its ODM service. The Group is of the views that it would provide a perfect solution to the needs of the big retails and department stores in the USA and Europe which are adopting the fast moving fashion business model. The Group will continue to expand its production lines and expects to be one of the wool fabric suppliers. When its own wool fabric production lines commence operations in early 2009., the Group will then have another vertically-integrated supply chain which specializes in fall/winter products and will help the Group utilize its capacity evenly throughout the year.

As for the brand retail business, the aggregate turnover has reached HK\$262 million, a 34% growth year-on-year. Given a consistent economic growth in Mainland and the Group's extensive sales network spreading at the well-known department stores, the Directors will continue to boost up the retail business in 2008. The Group will strengthen the image of various in-house brands through a number of programmes including opening of flagship shops, recruitment of European designers, upgrading the image of shops, increase in marketing, advertising and promotional activities, etc. The Group also plans to do 10 fashion shows nationwide. The attached photos present the spring/summer collections of the Group's in-brands in fashion shows which were held in Hangzhou and Beijing respectively. The Group intends to expand its network of retail sale shops to a total of approximately 550 shops by the end of 2008.

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Mr. Ting concluded, "Looking forward, we have high hope for our businesses. China Ting Group will continue to diversify its product offerings in OEM/ODM business. The Directors intend to apply the unused IPO net proceeds of approximately HKD400m for expansion of the Group's retail business. The Group is committed to take some strategic initiatives to accelerate the growth in its retail business by cooperation with well-known branded fashions in China. By effectively increasing contributions from its retail business segment, the Group can expect to maximize the returns for its shareholders."

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### **About China Ting Group Holdings Limited.**

China Ting Group Holdings Limited (Stock Code: 3398) is a company listed on the main board of The Stock Exchange of Hong Kong Limited. China Ting Group is one of the top 200 listed companies in Hong Kong in terms of full market capitalization, and its stock has been included as a constituent stock of both the Hang Seng Composite Index Series and the Hang Seng Freefloat Index Series since November 2006.

China Ting Group is a vertically integrated fashion manufacturer, exporter and retailer in China with a consolidated turnover of over USD300 million. With offices and production facilities in Hong Kong, Hangzhou, Shanghai, Shenzhen, and New York, China Ting Group's retail business comprises retail shops in 27 provinces/cities in China. China Ting Group has an established industry complex in Hangzhou with 810-acre and 13 modern factory buildings. For more information, please access [www.chinating.com.hk](http://www.chinating.com.hk).

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