



CHINA TING GROUP

華鼎集團



2008 Annual Results Corporate Presentation

March 2009

Agenda

- 🏢 Major Achievements
- 🏢 Financial Highlights
- 🏢 Business Overview and Strategies
- 🏢 Open Forum



Major Achievements

- Strong financial liquidity attracts new customers worldwide now in need of reliable business partners to replace former ones who have succumbed to their financial problems.
- Ability to maintain good quality, prompt deliveries and reasonable prices leads the Group to achieve acceptable results despite a weak global market.
- A combination of assets – sturdy management structure, sound and effective cost control, and strong overall resources – allows CTG to weather the present downturn without too much damage.
- Additional diversification of product mix and new markets continue to provide sustainability and growth potential to the group.
- Continued and aggressive expansion in fashion retail business strengthened by new image-building strategies see an increase in results of over 9.2 %.



Financial Highlights – Key Figures

For the year ended 31 December

HK\$ mil	2008	2007	Change
Turnover	2,334	2,354	(0.8) %
Gross Profit	745	793	(6.1) %
Net Profit	291	450	(35.3) %
Dividend per Share (HK cents)			
- Final	4.46	7.82	
- Full Year	9.70	14.72	
Dividend payout ratio (%)	70.0	67.7	2.3 %
Equity per shares (HK cents)	108.9	102.2	6.6 %



Financial Highlights – Key Figures

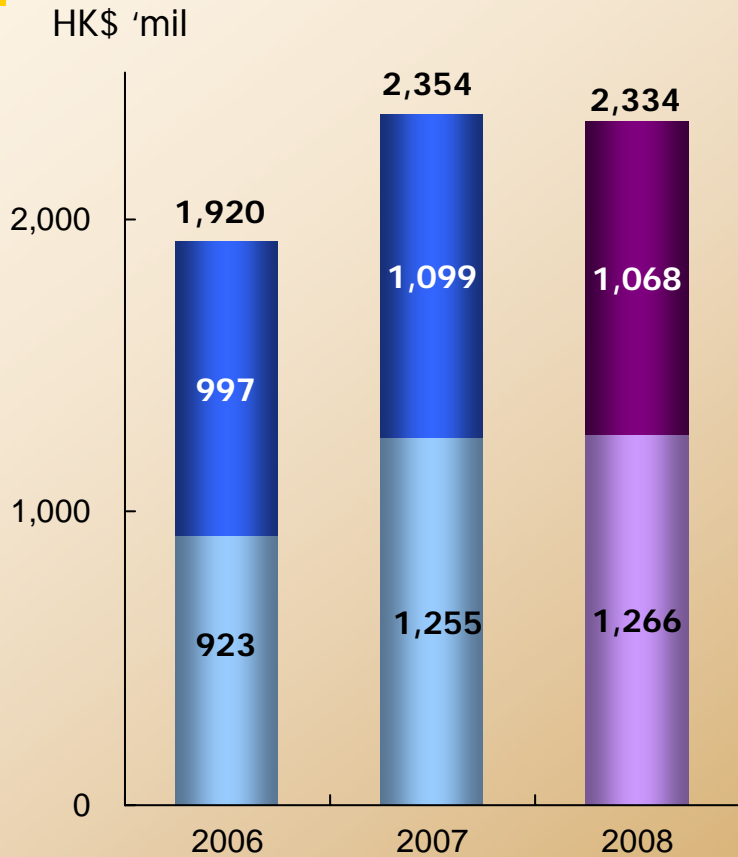
As at 31 December

	2008	2007
Cash and bank balances (HK\$ 'mil)	767	748
Current ratio (times)	4.0	4.9
A/R turnover days	51	50
Trade payable turnover days	46	45
Inventory turnover days	92	87
Net debt to equity (%)	Net Cash	Net Cash

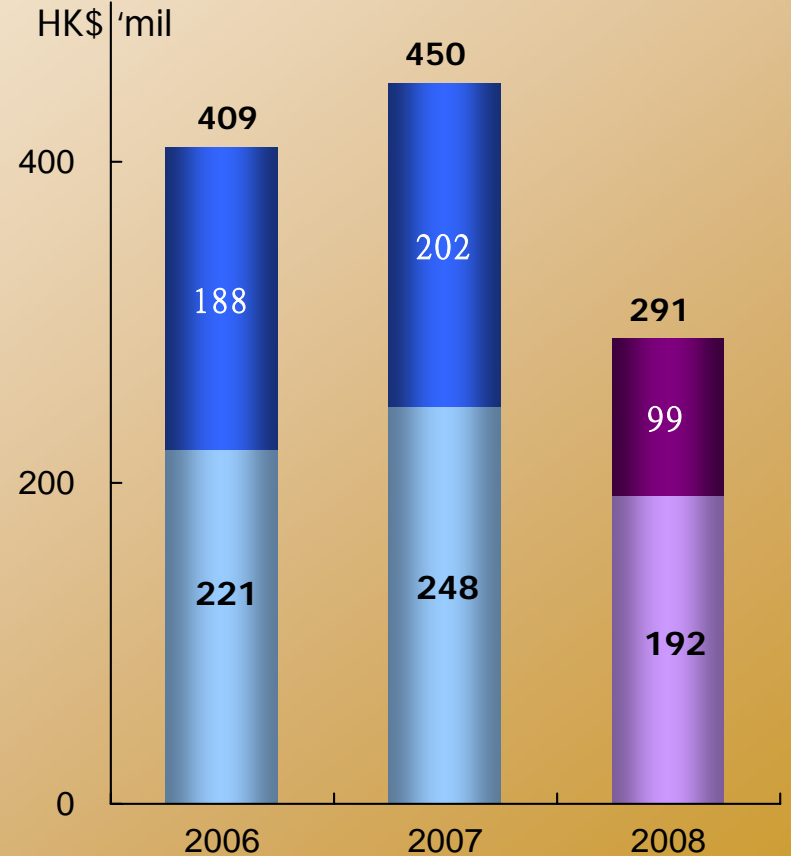


Financial Highlights

Turnover



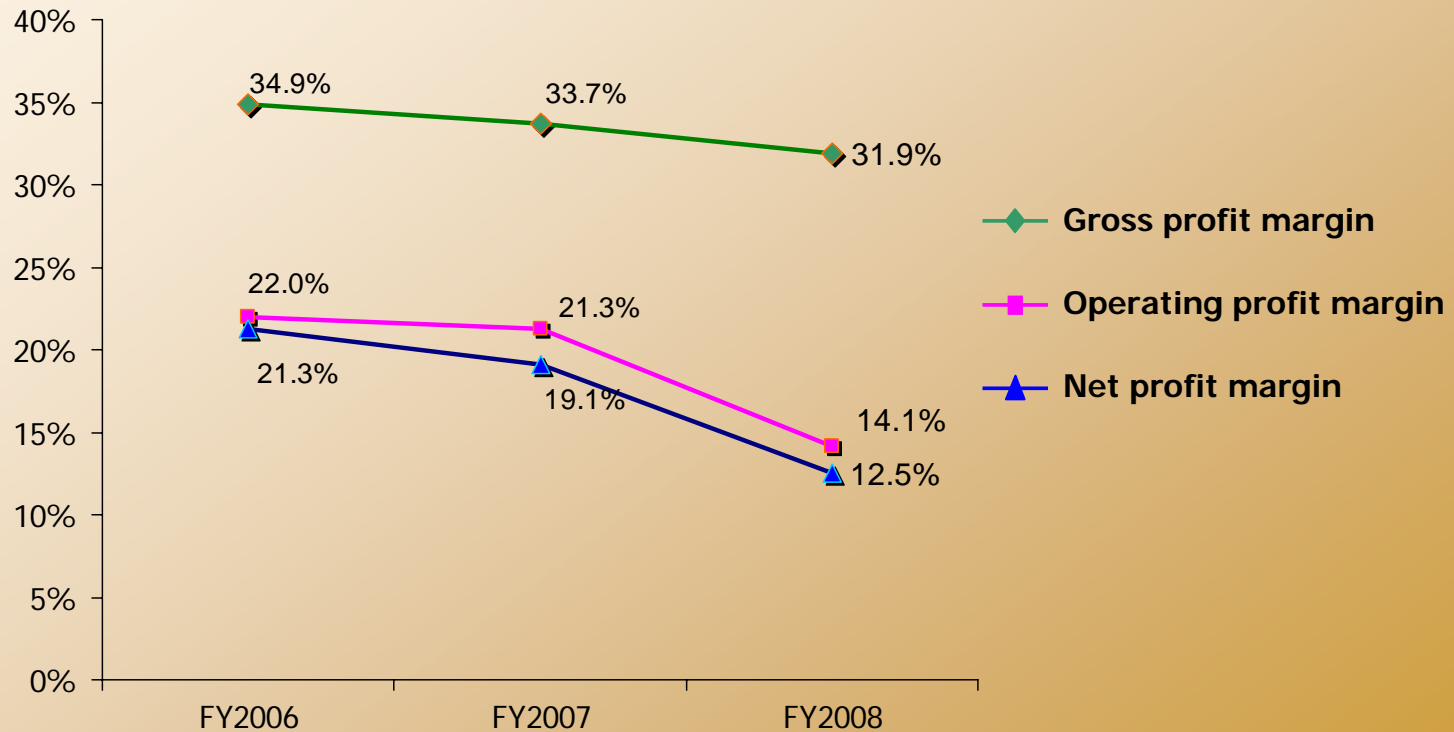
Net Profit



For the year ended 31 December



Financial Highlights – Margins



For the year ended 31 December

Financial Highlights – Segments Profit

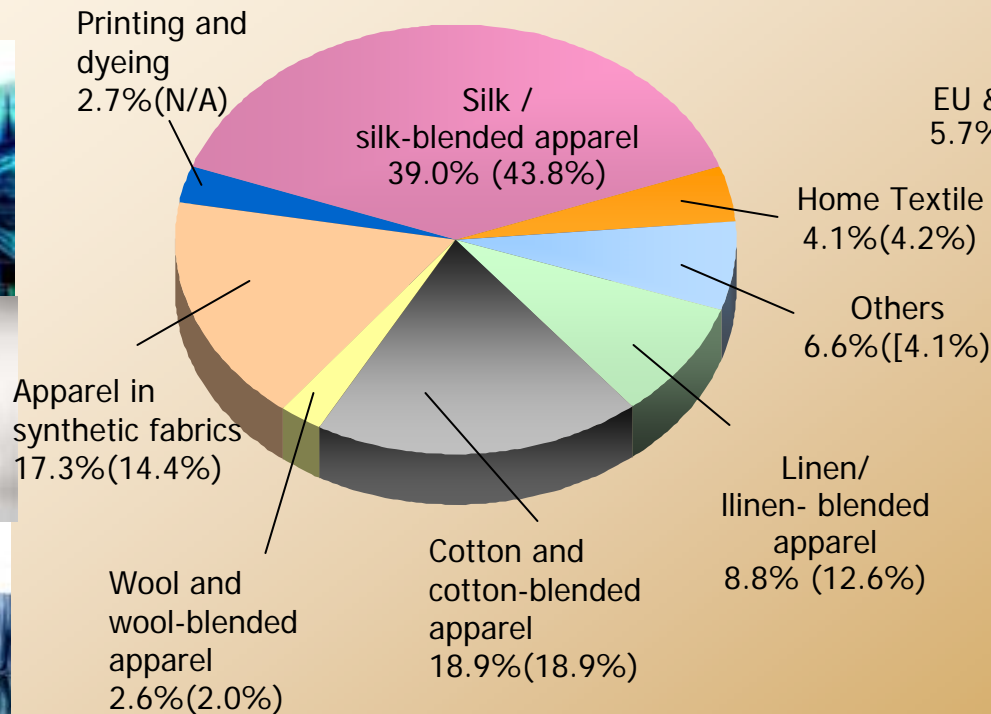
For the year ended 31 December

HK\$ mil	2008	2007	Change
Turnover – OEM/ODM	2,048	2,092	(2.1) %
Turnover – Retail	286	262	9.4 %
Segment Profit – OEM/ODM	355	434	(18.2) %
Segment Profit – Retail	56	53	5.7 %
Segment Operating Margin – OEM/ODM	17.3 %	20.7 %	(3.4 %)
Segment Operating Margin – Retail	19.6 %	20.2 %	(0.5 %)

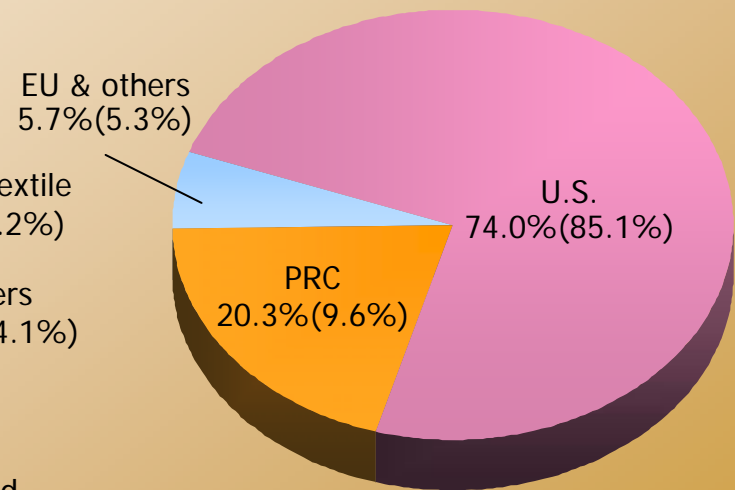


Business Review - OEM/ODM (1)

OEM/ODM Sales by Materials



OEM/ODM Sales by Locations



*For the year ended 31 December 2008
(Comparative figures for FY2007 in brackets)*



Business Review - OEM/ODM (2)

Further product and market diversification

- Continued diversification geographically (new markets), commercially (new customers) and technically (inroads made into non-silk quality fabrics) sustain and create new business potential.

Enhancing expansion

- New wool mill venture expected to be operational by the 3rd quarter of the year to bridge the Group's existing seasonal product gap. These heavy winter products will complement the Group's current core business of light fashion apparel, and is expected to generate enormous possibilities for expansion and growth, both in existing and new markets.



Business Review - OEM/ODM Clients

EXPRESS

ANN TAYLOR

Dillard's

TED BAKER
LONDON

No Ordinary Online Store

★ macy's

JONES NEW YORK



MICHAEL KORS

MEXX

RALPH LAUREN

GAP

ESPRIT



Business Review - Retail Brands

FINITY

Doni

ÉLANIE RIESE

RIVER STONE

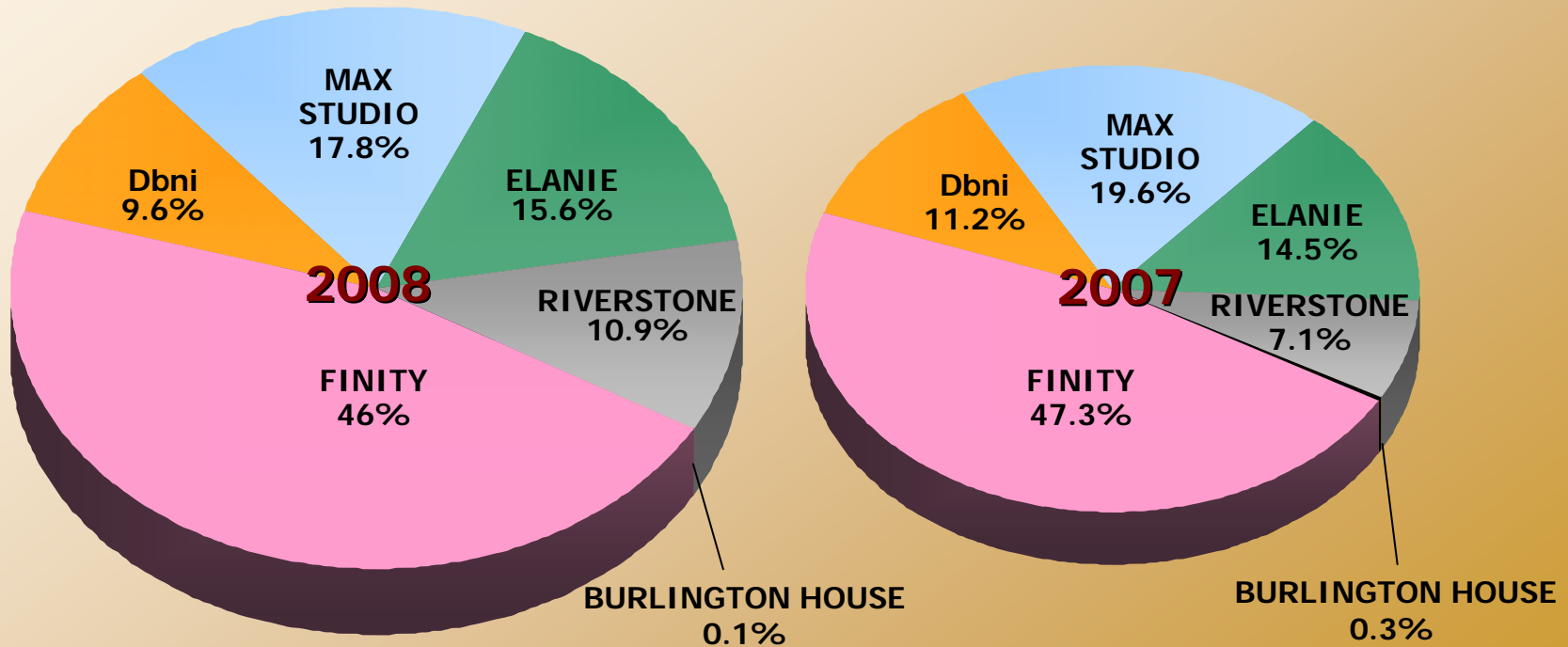
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Business Review - Retail Breakdown

Retail sales by branded fashion



For the year ended 31 December

Business Review – Retail Shops

- Strong surge in sales by 9.4% to reach HK\$286 million
- Aggressive store openings to achieve the Group's strategy of doubling its present network within the next couple of years.
- Selective repositioning of stores strengthened by internationally innovative collections realized by European and Asian designers give CTG an edge over its competitors.
- Ongoing focus on possible acquisitions of national and international leading brands to add strategic value to the Group's retail sector.





Open Forum

