

To Business Editor
 [For Immediate Release]



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

Net Profit for 2009 increase 31.6 % to HK\$ 382.6 million
OEM/ODM business remained strong
Emarked on a new business model with Bernard Chaus Inc.

Targeting open over 100 shops and acquire a larger share of China's retail market

Result Highlights:

- Satisfactory results in the year of 2009 with net profit and net profit margin increased by 31.6 % and 5.9 percentage points respectively as compared with the year of 2008
- Achieved a total revenue of HK\$1,755 million from its OEM/ODM business, representing 84% of the Group's total revenue for the year through efforts in exploring new markets, new customers and new opportunities to cooperate with key players in the international markets
- Captured the market share in the brand retail business and recorded a sustainable increase in the sales generated by for its 4 brands

	For the year ended 31 December		
	2009	2008	Changes(%)
HK\$ million			
Revenue	2,091.0	2,333.7	- 10.4
Gross profit	721.9	744.5	-3.0
Gross profit margin	34.5%	31.9%	2.6ppts
Net profit	382.6	290.7	+31.6
Net profit margin	18.3%	12.4%	+5.9ppts
Basic earnings per share (HK cents)	18.00	13.85	+30.0

HONG KONG, 28 March 2010 — China Ting Group Holdings Limited ("China Ting Group" or the "Company", HKSE code: 3398), a large scale vertically integrated garment manufacturer, exporter and retailer, announced its annual results for the year ended 31 December 2009.

In 2009, despite the continued volatile global economy and slow recovery of the US and European market and consumer confidence, the Group achieved satisfactory results with a revenue of HK\$ 2,091 million. The Group's revenue declined slightly, but the Group's gross profit margin increased by approximately 2.6% to approximately 34.5%, as compared with 2008, as a



result of strong management, tighter cost control and stable vertical production system.

During the period, the Group's net profit increased by 31.6 % year on year to HK\$ 382.6 million. Basic earnings per share for the year ended 31 December 2009 amounted to 18.00 HK cents. In view of the encouraging results, the Board of Directors proposed the payments of a final dividend of 3.25 HK cents per share and special dividend of HK\$ 2.01 cents. Dividend payout remained 70% (excluding negative goodwill).

Mr. Ting Hung Yi, Chief Executive Officer of China Ting Group Holdings Limited, said, "Faced with an ever changing international market conditions, the Group continues to focus on product and technological innovation, quality improvement, product development and diversification and increased productivity to maintain its edge over its competitors in servicing our customers."

The Group's focus continues to be on its Original Equipment Manufacturing ("OEM") and Original Design Manufacturing ("ODM") businesses, both of which remained strong in 2009. Through the efforts in exploring new markets, new customers and new opportunities to cooperate with key players in the international markets, the Group achieved a total revenue of HK\$ 1,755.7 million, representing 84% of the Group's total revenue for the year.

In the second half of 2009, the Group cooperated with Bernard Chaus Inc. in the United States, by way of a long-term exclusive supply agreement relating to garment and apparel items manufactured in Asia. The agreement is for a term of 10 years. The Directors believe that such business collaboration is beneficial to the Group's business. The Group's strong financial standing and vertically integrated production systems will enable Bernard Chaus Inc. to focus on the design and international marketing, whilst the Group provides the manufacturing and design support solutions. This business collaboration is currently moving forward successfully.

The wool business of the Group is in operation and is intended to fully utilise the production capacity of the Group during the third quarter of each year. The Group expects to increase our business activities in this sector. With the vertical production systems and in partnership with its Italian business associates, the Group expects to increase its wool business where there is a demand for real Italian quality at affordable prices.

As for the brand retail business, the Group's sales network in China included 445 retail outlets nationally with total revenue of HK\$ 335.3 million and a gross profit margin of approximately 65.6%. Such results were achieved through a better control on production planning and inventory control which resulted in short lead time to sales. The Group also focus on the provision of intensive staff training programs, and were selective in store opening with better and prime locations.



Leveraging the Group's international design teams from the US, Europe and Asia, the Group has diversified from OEM to ODM which emphasised on smooth integration on design, production and sales-support services to the customers.

Mr. Ting concluded, "Looking forward, we plans to open 100 stores in 2010, including larger image and flagship stores in prime locations and explore significant market share of China's retail business with an vision of expanding internationally."

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About China Ting Group Holdings Limited

China Ting Group is a vertically integrated fashion manufacturer, exporter and retailer in China with a consolidated turnover of approximately US\$268 million, from weaving to printing & dyeing to garment manufacturing. Headquartered in Hong Kong, China Ting Group has sales offices in Hangzhou, Shanghai, and New York. Not being satisfied to be a leader only in the silk manufacturing and export field, China Ting Group has diversified into cottons, linens, wools and various other blended fabrics. Close collaboration with a major Italian top wool manufacturer to develop a joint wool business will see the group taking a foothold in the wool business as well.

China Ting Group is also well known in the China retail market. The Group owns and operates 4 private labels and 1 franchised label through a network of retail shops in 31 provinces/cities all over China. For more information please go to www.chinating.com.hk.

Issued by **Porda International (Finance) PR Group** for and on behalf of **China Ting Group Holdings Limited**. For further information, please contact:

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