



CHINA TING GROUP

華鼎集團



2009 Interim Results
Corporate Presentation

September 2009

Agenda



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

Major Achievements



- Continued strong financial liquidity makes the Group a much sought-after partner in OEM/ODM and retail.
- The Group's strengths – vertical setup, quality deliveries, diversity and competitiveness - bring good results despite a sluggish global market.
- CTG's sound management structure, effective cost control, and stalwart resources are central to its consistent performance and success in mastering the economic downturn's difficulties both in OEM/ODM and retail.

Financial Highlights – Key Figures

For the six months ended 30 June

HK\$ mil	2009	2008	Change
Turnover	973.9	1,266.3	-23.1 %
Gross Profit	348.8	419.8	-16.9 %
Profit attributable to equity holders of the Company	153.9	192.2	-19.9%
Dividend per Share (HK cents)	4.44	5.24	
Dividend payout ratio (%)	60.3	57.5	2.8 p.p.
Equity per shares (HK dollars)	1.12	1.08	



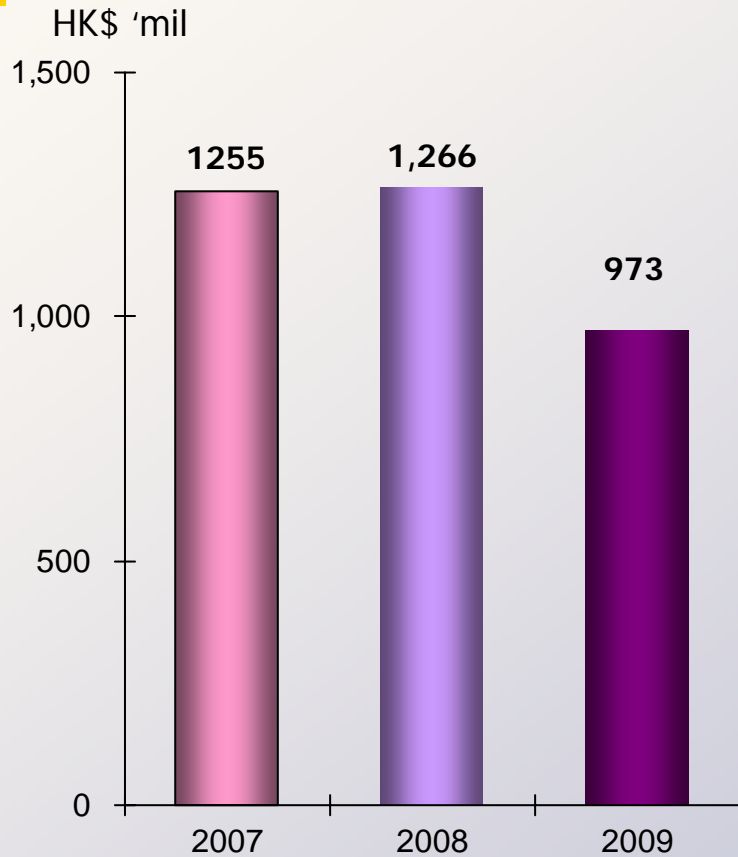
Financial Highlights – Key Figures



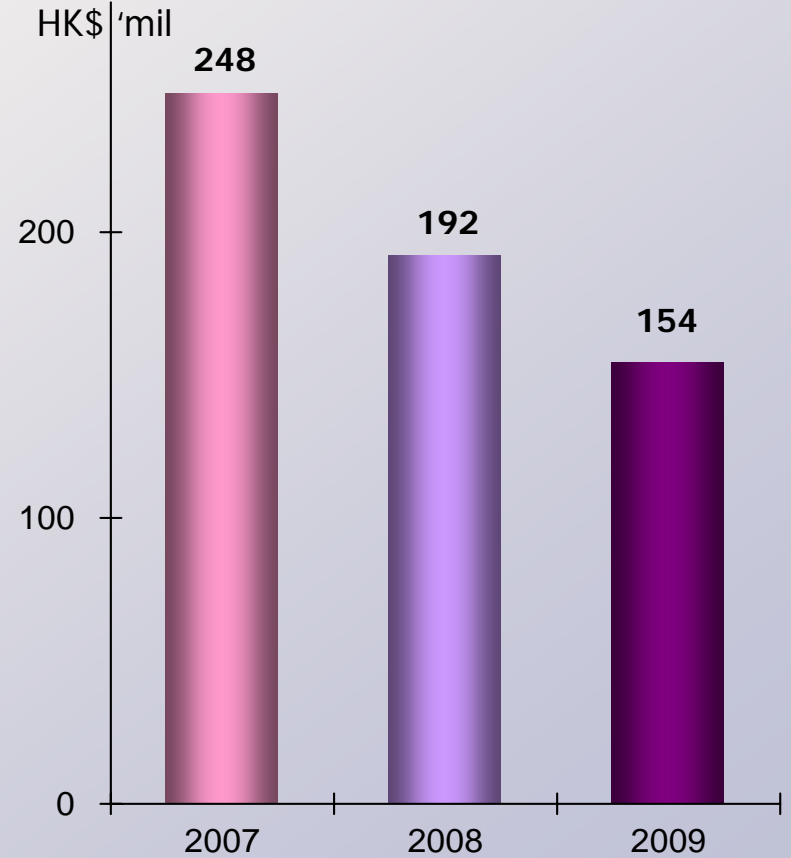
	As at 30 Jun 2009	As at 31 Dec 2008
Cash and bank balances (HK\$ 'mil)	847.5	766.6
Current ratio (times)	4.4	4.0
A/R turnover days	55	51
Trade payable turnover days	52	46
Inventory turnover days	110	92
Net debt to equity (%)	Net Cash	Net Cash

Financial Highlights

Turnover

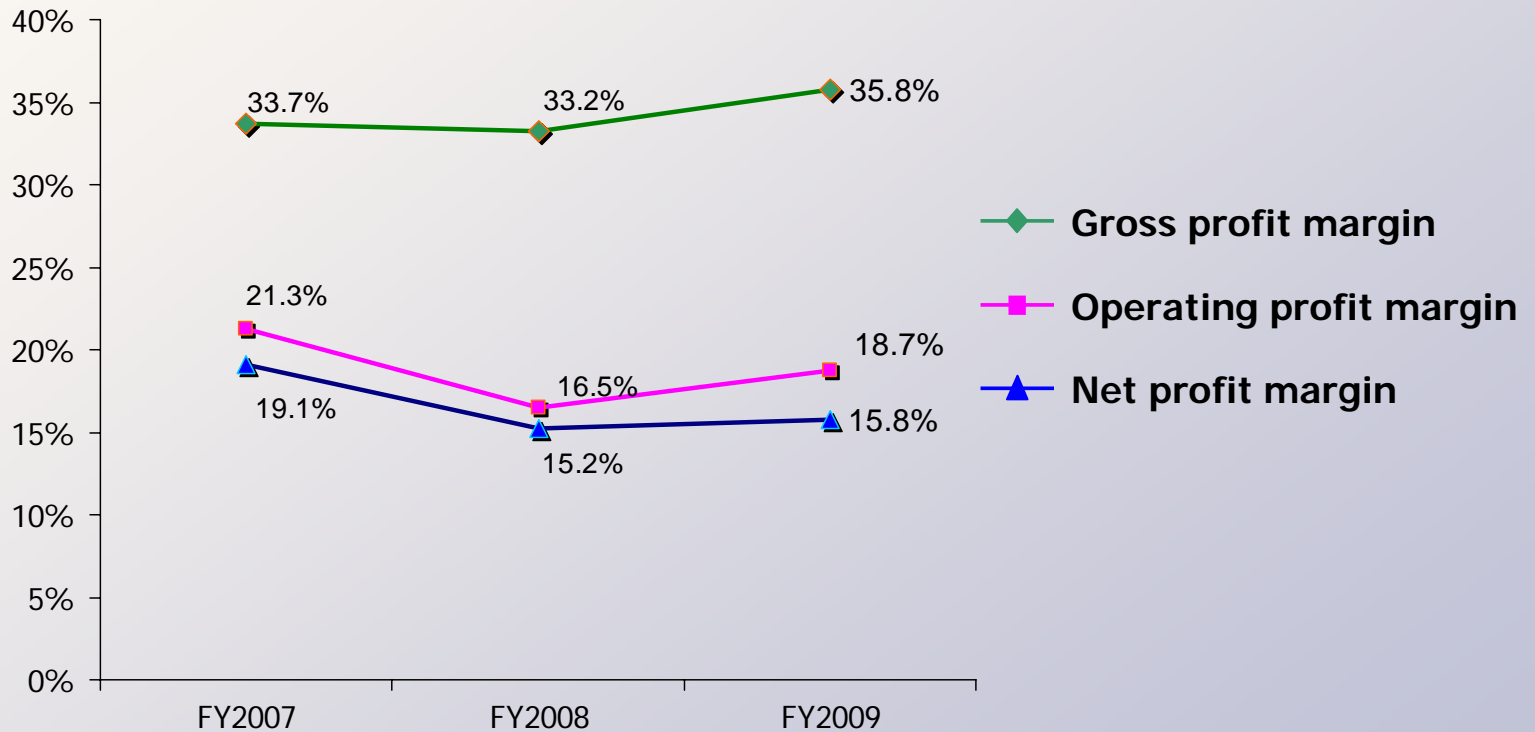


Net Profit



For the six months ended 30 Jun

Financial Highlights – Margins



For the six months ended 30 Jun

Financial Highlights – Segments Profit

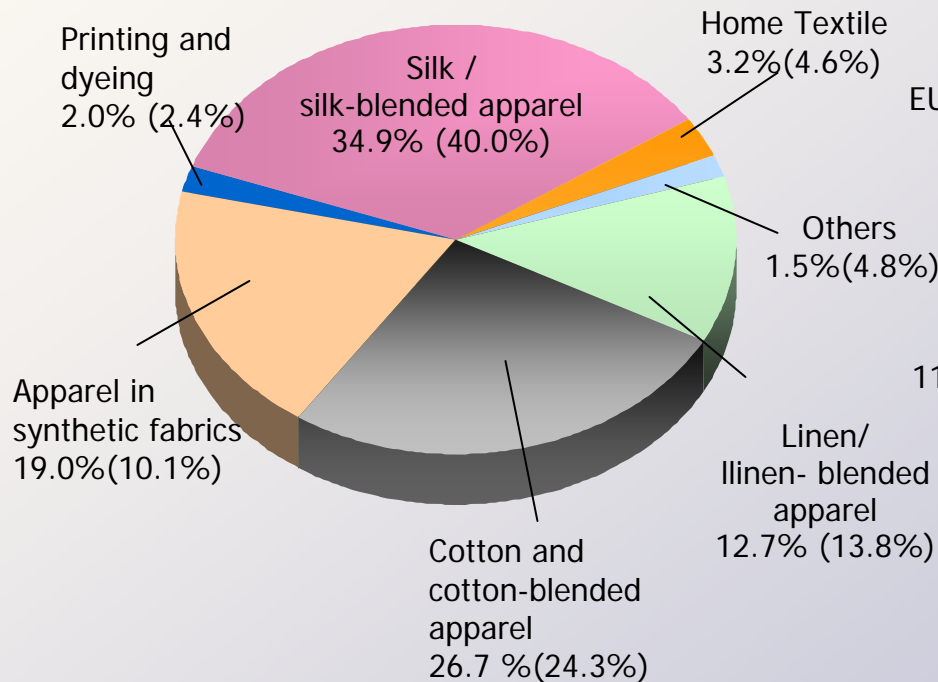
For the six months ended 30 Jun

HK\$ mil	2009	2008	Change
Turnover – OEM/ODM	810.4	1,105.4	-26.7 %
Turnover – Retail	163.5	160.9	1.6 %
Segment Profit – OEM/ODM	142.2	227.5	- 37.5 %
Segment Profit – Retail	25.6	27.5	- 6.9 %
Segment Profit Margin – OEM/ODM	17.5 %	20.6 %	- 3.1 p.p.
Segment Profit Margin – Retail	15.7 %	17.1 %	- 1.4 p.p.

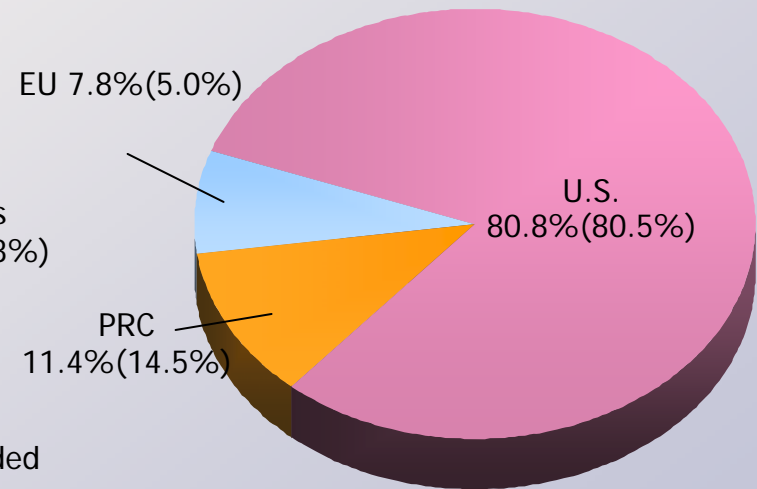


Business Review - OEM/ODM (1)

OEM/ODM Sales by Materials



OEM/ODM Sales by Locations



*For the six months ended 30 Jun 2009
(Comparative figures for FY2008 in brackets)*

Business Review - OEM/ODM (2)



- ❏ New opportunities emerge for expansion into other different markets, especially from retail customers of the European Union
- ❏ Continuous strong focus on fabric and product diversification provides the leverage the Group needs to maintain edge over competitors.
- ❏ The Group's new wool mill in Hangzhou is ready for and is considered a major potential for A/W product diversification and seasonal balance.

Business Review - OEM/ODM (3)

The Group offers to its customers a new business model of collaboration, leveraging on its direct strengths for mutual satisfaction:

- product knowledge, research & development, plus manufacturing strengths
- strong financial stability
- qualitative, quick and punctual deliveries

The Group continues to streamline its financial control and reporting systems with emphasis on cost effectiveness for growth and profit.



Business Review - OEM/ODM Clients

OUR CUSTOMERS INCLUDE :

Express – U.S.A.

Macy's – U.S.A.

Michael Kors – U.S.A.

Talbots – U.S.A.

Guess – U.S.A.

Ann Taylor – U.S.A.

Ralph Lauren – U.S.A.

Bernard Chaus Inc. – U.S.A.

Jones NY – U.S.A.

Gap / Banana Republic – U.S.A.

Abercrombie & Fitch – U.S.A.

Victoria's Secret – U.S.A.

Calvin Klein – U.S.A.

Limited – U.S.A.

Ted Baker – E.U.

Esprit – E.U.

BCBG A. Manoukian – E.U.

Mexx – E.U.

Max Mara – E.U.

Armani – E.U.

Betty Barclay – E.U.

Zara – E.U.

Mango – E.U.

Luisa Spagnoli – E.U.

Celio – E.U.

French Connection UK – E.U.

Marks & Spencer – E.U.

among others



Business Review - Retail Brands

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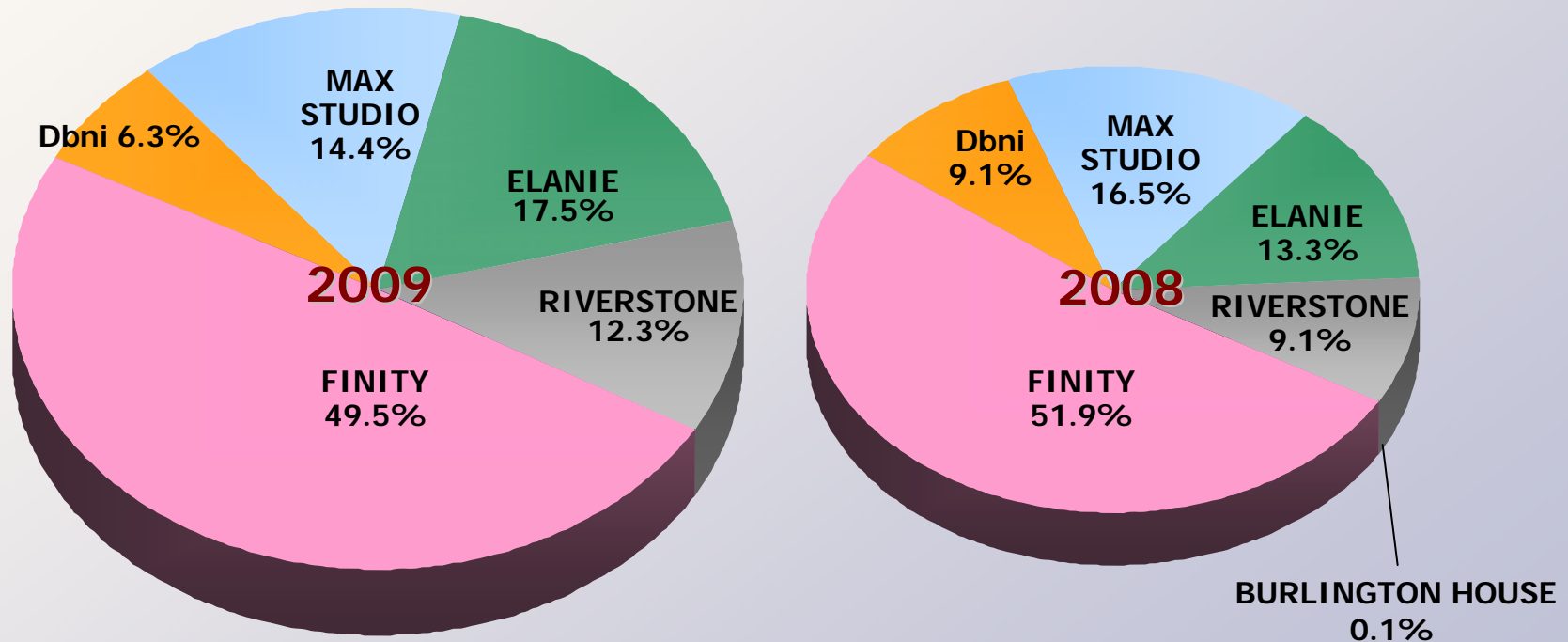
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Business Review - Retail Breakdown

Retail sales by branded fashion



For the six months ended 30 Jun

Business Review

A Nationwide Retail Network



In-house brands

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ELAN

RIVERSTONE

Licensed brands

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Business Review – Retail Shops (1)

In China Ting's retail business, the Group continues to focus on a strategy of:

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RIVERSTONE

- Specific management training
- Strengthening its brand image
- Store renovations
- Relocations to better and prime areas
- Closure of non-performing stores

to obtain a faster reflex to market needs and trends.

Business Review – Retail Shops (2)

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China Ting Group will also leverage on

- 🏠 innovative strategies
- 🏠 international design
- 🏠 strong retail management

to bolster its marketing and brand image, expand its sales networks locally and internationally in order to drive success and business growth.



Open Forum

