



CHINA TING GROUP

華鼎集團







2010 Final Results Corporate Presentation

-March, 2011-

Agenda



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

Major Achievements

OEM/ODM & RETAIL:

In 2010, international consumer markets continued to be difficult with particular stress on selling prices but CTG's OEM/ODM business turnover and customer base saw a sustained significant growth. Sales in garment export leapt from 15 million pieces (HK\$1,756 million) in 2009 to 18 million pieces (HK\$2,147 million) in 2010, with the total revenue increasing by over 22%.

The Group's RETAIL performance also achieved exceptional growth driven mainly by the Group's brand "Finity", rising from HK\$335 million in 2009 to HK\$414 million in 2010, and representing an increment of approximately 24%.

OTHERS:

Successful inroads into the knitwear sector was achieved and continues to flourish

Further expansion of our wool business (both in fabrics and outerwear) remains a focus to attain projected productivity contributing to a stronger business turnover.

Financial Highlights – Key Figures (1)

For the year ended 31 December

HK\$ mil	2010	2009	Change
Turnover	2,561.1	2,091.0	22.5 %
Gross Profit	799.8	721.9	10.8 %
Profit attributable to equity holders of the Company	267.0	376.6	-29.1%
Net Profit excluding negative goodwill and other gains/losses	270.1	264.2	2.2 %
Dividend per Share (HK cents)			
- Final	4.75	5.26	
- Full Year	8.92	9.70	
Dividend payout ratio (%) (excluding negative goodwill)	70.0	70.0	
Equity per shares (HK dollars)	1.25	1.18	6 %



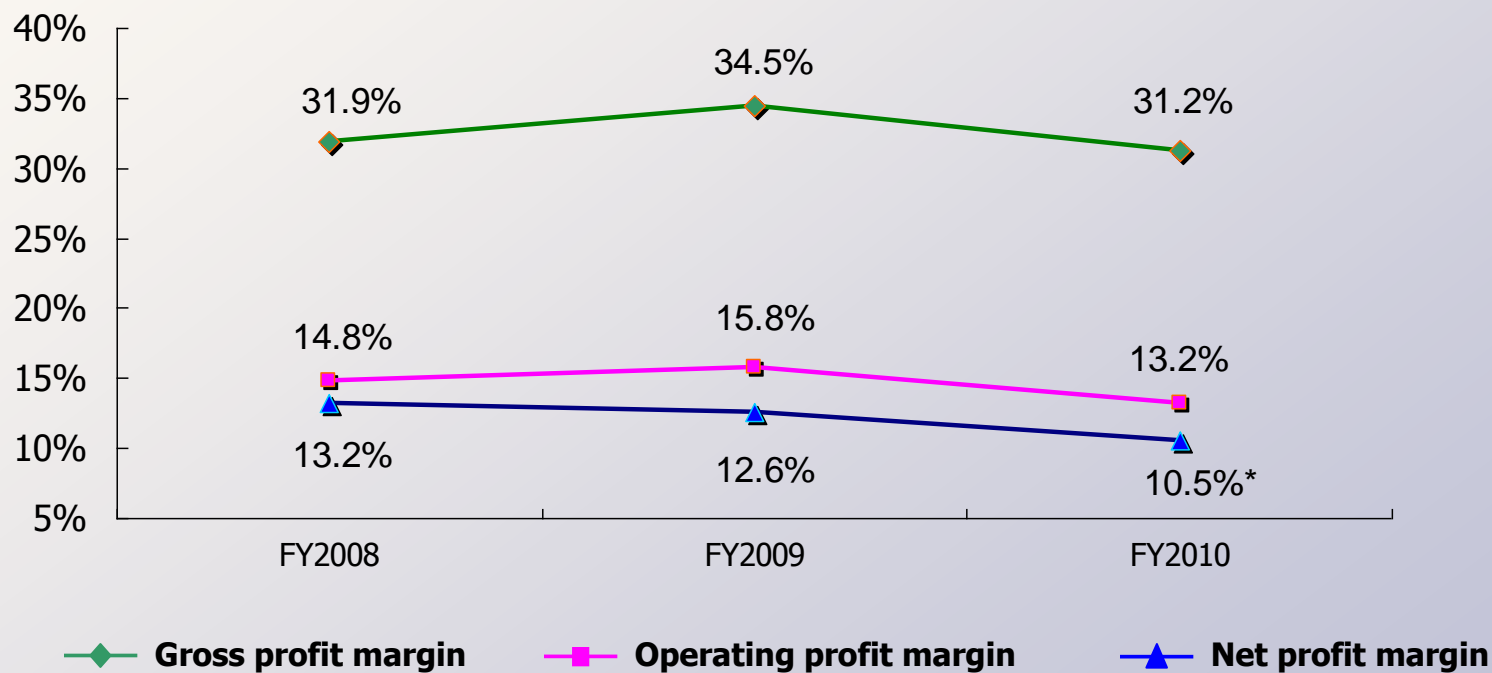
Financial Highlights – Key Figures (2)

	As at 31 Dec 2010	As at 31 Dec 2009
Cash and bank balances (HK\$ 'mil)	395.9	414.0
Current ratio (times)	3.5	3.1
A/R turnover days	59	61
Trade payable turnover days	45	55
Net debt to equity (%)	Net Cash	Net Cash



Financial Highlights – Margins

For the year ended 31 December



** excluding negative goodwill and other gains/losses*

Financial Highlights – Segments Profit

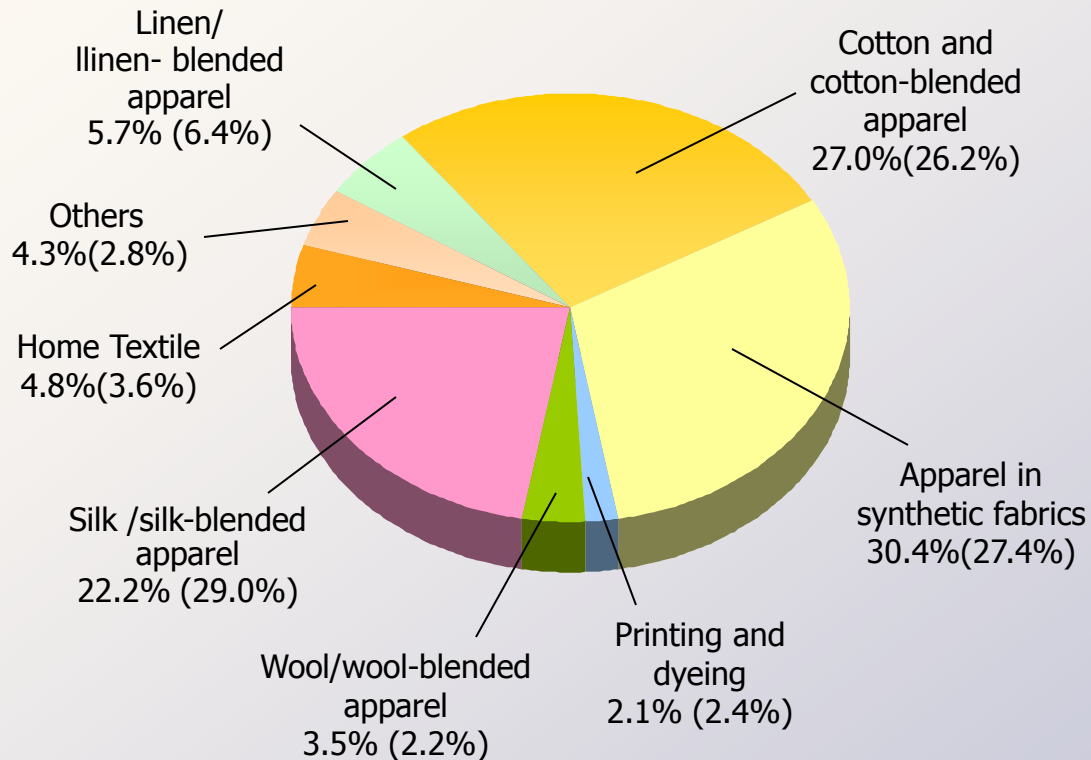
For the year ended 31 December

HK\$ mil	2010	2009	Change
Turnover – OEM/ODM	2,146.9	1,755.6	22.3 %
Turnover – Retail	414.2	335.3	23.5 %
Segment Profit – OEM/ODM	274.5	278.0	-1.3 %
Segment Profit – Retail	70.9	67.1	5.7 %
Segment Profit Margin – OEM/ODM	12.8 %	15.8%	-3 p.p.
Segment Profit Margin – Retail	17.1 %	20.0%	-2.9 p.p.

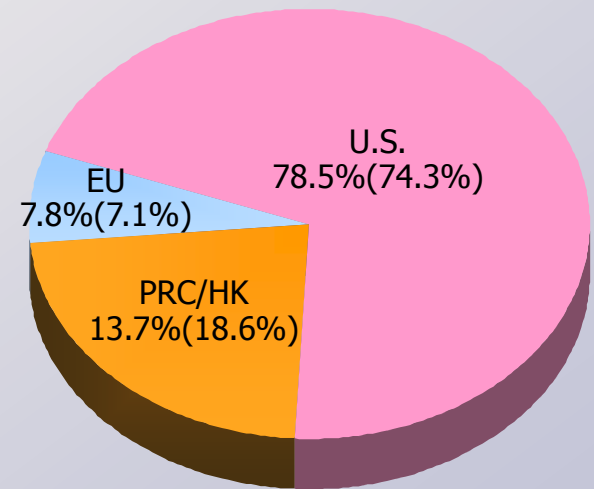


Business Overview - OEM/ODM (1)

OEM/ODM Sales by Materials



OEM/ODM Sales by Locations



*For the year ended 31 December 2010
(Comparative figures for FY2009 in brackets)*

Business Overview - OEM/ODM (2)

OUR CUSTOMERS INCLUDE

** Top 5



Abercrombie & Fitch – U.S.A.
Ann Taylor – U.S.A.
Bernard Chaus Inc. – U.S.A. **
Calvin Klein – U.S.A. **
Dillards – U.S.A.
Express – U.S.A. **
Gap / Banana Republic – U.S.A.
Guess – U.S.A.
Jones NY – U.S.A.
Limited – U.S.A.
Macy's – U.S.A. **
Michael Kors – U.S.A.
Ralph Lauren – U.S.A.
Talbots – U.S.A. **
Victoria's Secret – U.S.A.

Armani – E.U.
BCBG A. Manoukian – E.U.
Betty Barclay – E.U.
Celio – E.U.
Esprit – E.U.
French Connection UK – E.U.
Luisa Spagnoli – E.U.
Marks & Spencer – E.U.
Max Mara – E.U.
Mexx – E.U.
Ted Baker – E.U.



among others

Business Strategies - OEM/ODM

CHINA TING GROUP's main focus will be to

- ▣ Continue its successful expansion into European markets, leveraging on our fully-integrated facilities and comprehensive product research and development, to achieve our goal of a better balance in the OEM business globally.
- ▣ Focus on growing and extending our knitwear business on international markets.
- ▣ Concentrate on improving efficiency, quality and output in our wool production to attain projected productivity and a more consequent market share
- ▣ Research ways to conserve our edge over competitors through innovative technology (exemplified by our printing facilities), creativity, product diversity and quality excellence.



Business Overview - Retail (1)

RINITY



ÉLANIE RIESE



RETAIL
BRANDS
in
CHINA



MAXSTUDIO.COM



RIVERSTONE

Business Overview – Retail (2)

FINITY

ÉLANIE RIESE

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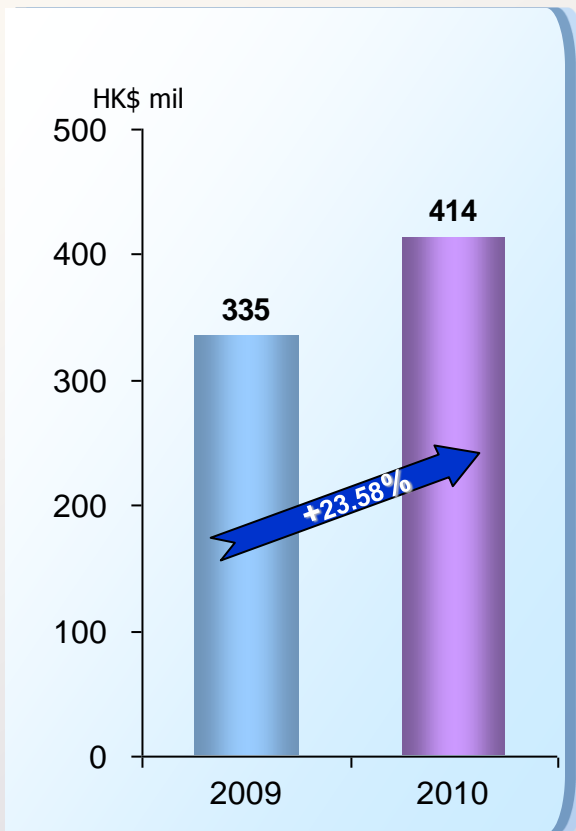
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RIVERSTONE

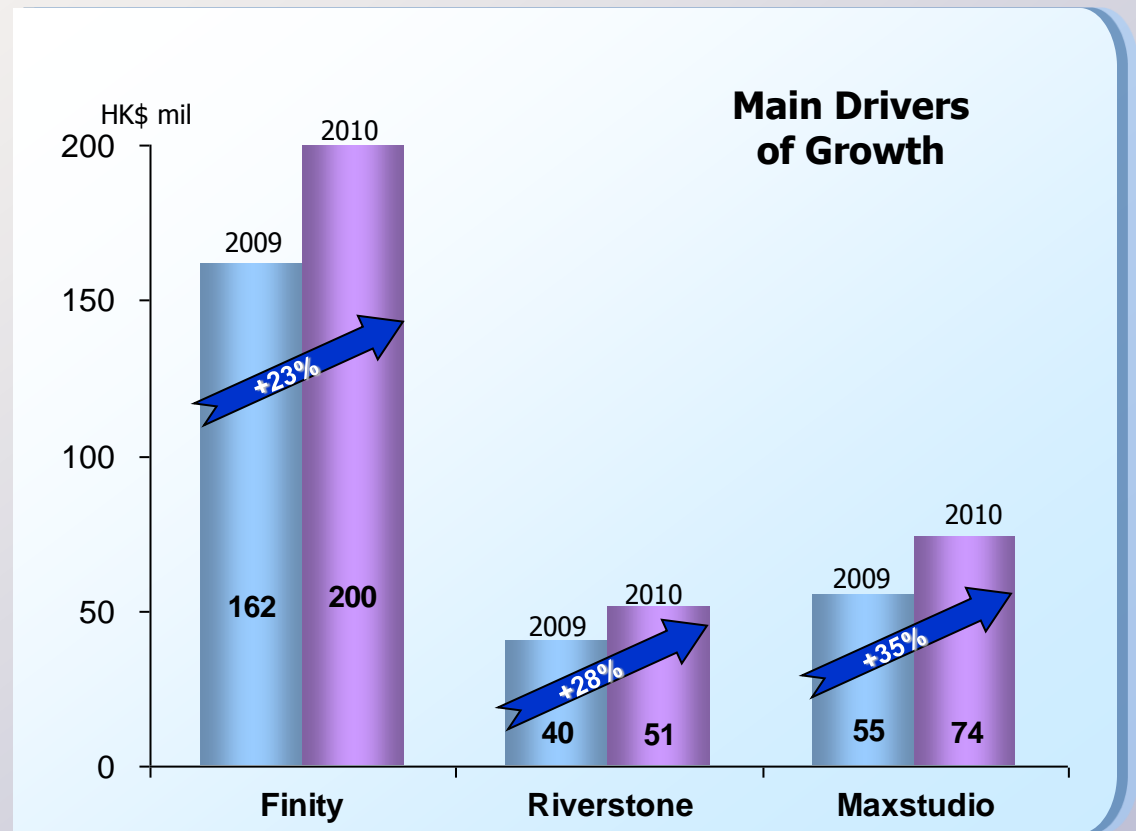
- ▣ Retail in 2010 continues to see a high double-digit growth in turnover
- ▣ Improved collections and strengthened creativity are major drivers for our brands' success
- ▣ Upgraded designs permit increase in actual selling price
- ▣ Store openings are stepped up with larger surface areas for more visibility

Business Overview – Retail (3)

Retail Performance

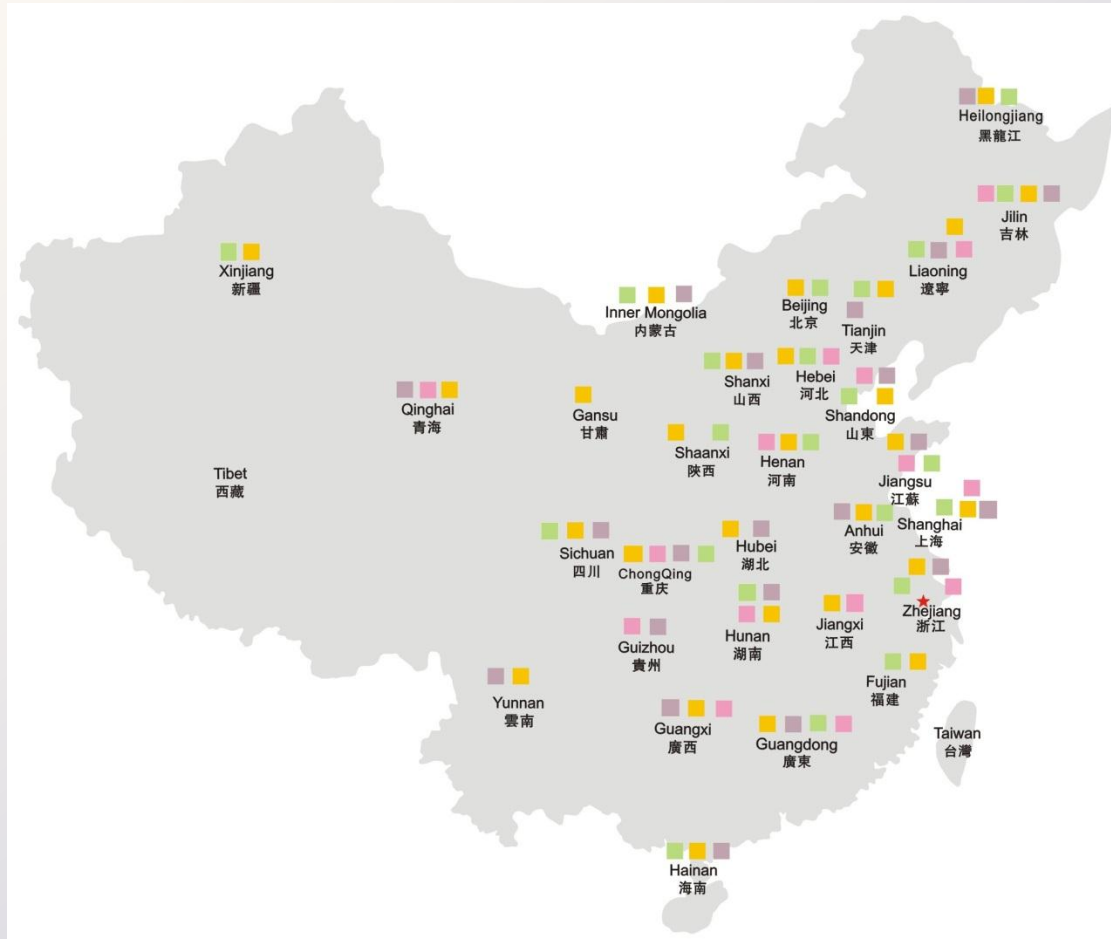


Overall Sales Turnover



Business Overview – Retail (4)

A Nationwide Retail Network



**No. of retail outlets:
In-house brands**

PINITY



ELANIE RIESE



RIVERSTONE



Licensed brands

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Business Strategies – Retail

Strategies for the coming year focus on:

- ▣ Specific management training and overall sales staff training at all levels
- ▣ Performance-based share options schemes for retail management staff
- ▣ Aggressive and substantial openings of shops in department stores and shopping malls
- ▣ Finer and more diversified collections to boost brand image and sales
- ▣ A more consolidated structure to improve retail management for better results

FINITY

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Open Forum