



CHINA TING GROUP
華鼎集團

2011 Final Results Corporate Presentation

-March, 2012-





Agenda

- **Business Overview**
- **Financial Highlights**
- **Business Outlook
& Strategies**

- OEM/ODM
- RETAIL



BUSINESS OVERVIEW

Business Overview

Despite the difficult and prolonged uncertainty of worldwide markets in the last few years, the Group is confident that it will be able to face the challenges presented and sustain its continued profitability.

For China's retail market, the Group remains optimistic of a steady continued performance and growth.

Management is cautious and rigorous in reviewing new investments and continues to focus on acquiring a larger market share in China's retail market via new products offerings and international brands.



FINANCIAL HIGHLIGHTS

Financial Highlights – Key Figures (1)



For the year ended 31 December

HK\$ mil	2011	2010	Change
Turnover	2,472.5	2,561.1	-3.5 %
Gross Profit	769.7	799.8	-3.8 %
Profit attributable to equity holders of the Company	170.2	267.0	-36.3%
Dividend per Share (HK cents)			
- Final	2.75	4.75	
- Full Year	5.45	8.92	
Dividend payout ratio (%)	67.1	70.0	
Equity per shares (HK dollars)	1.30	1.25	4 %

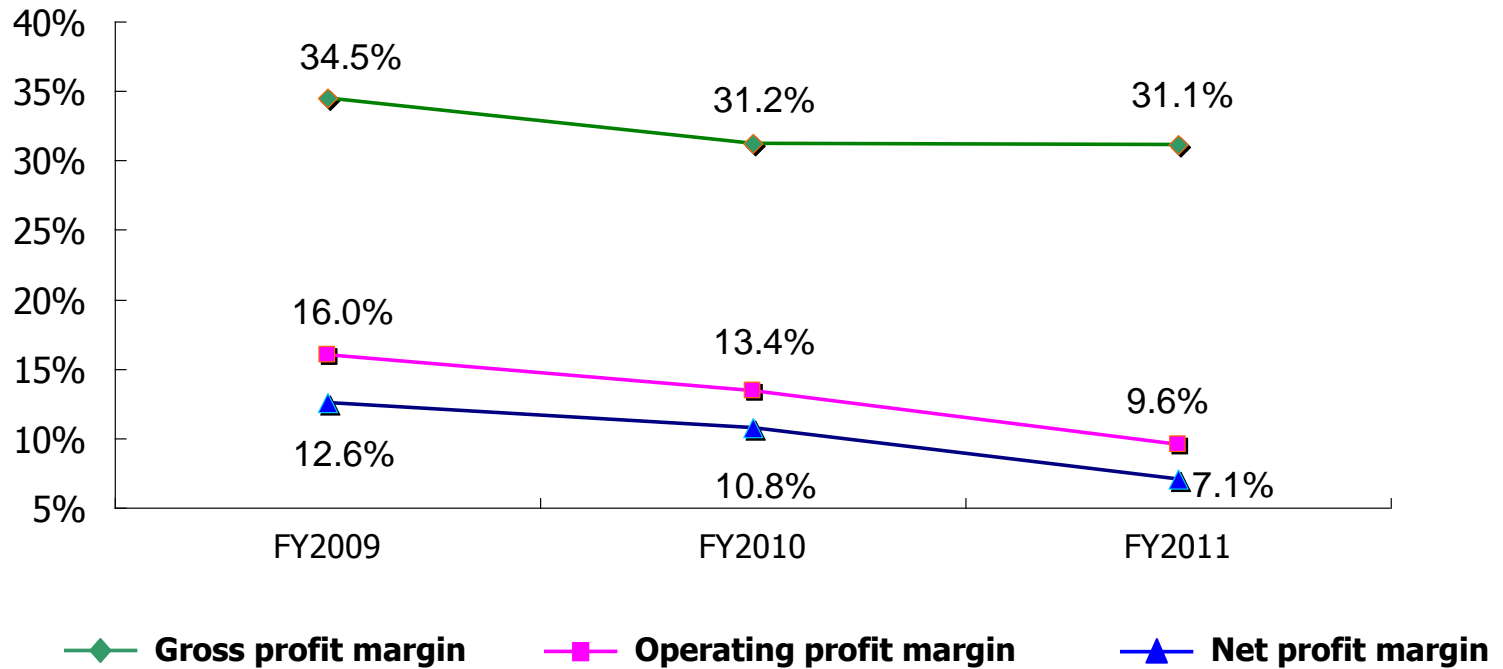
Financial Highlights – Key Figures (2)

	As at 31 Dec 2011	As at 31 Dec 2010
Cash and bank balances (HK\$ 'mil)	534.9	395.9
Current ratio (times)	2.7	3.5
A/R turnover days	69	59
Trade payable turnover days	54	45
Net debt to equity (%)	Net Cash	Net Cash



Financial Highlights – Margins

For the year ended 31 December



excluding negative goodwill and other gains/losses



BUSINESS OUTLOOK

(OEM/ODM)
Design & Manufacturing

Business Outlook – OEM/ODM (1)

Financial Highlights – Segment Profit

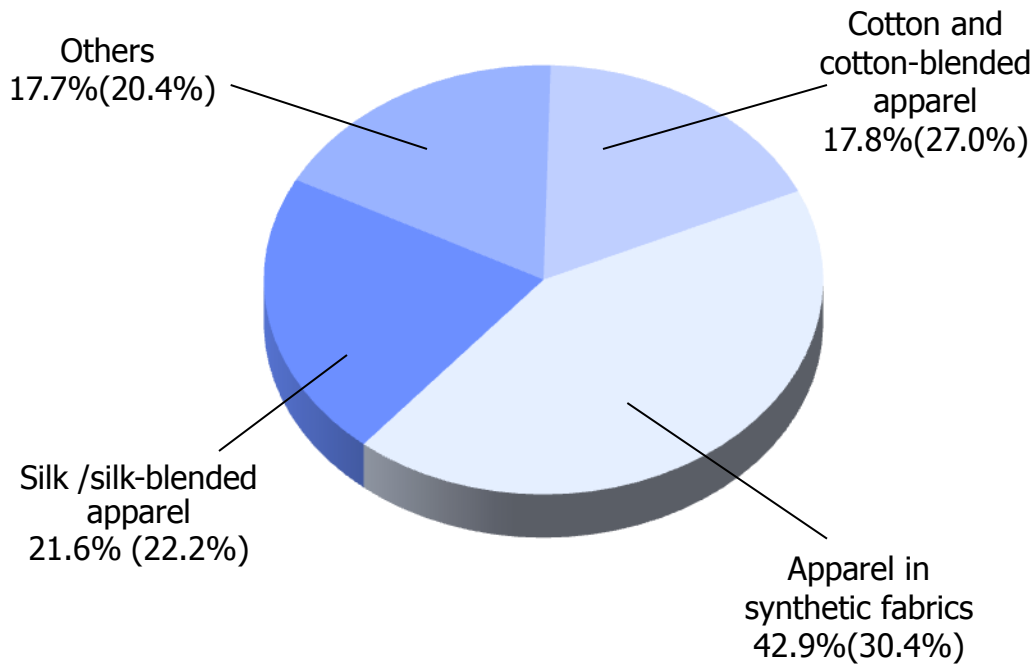


For the year ended 31 December

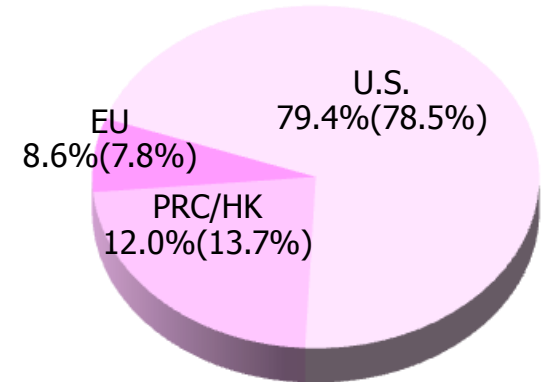
HK\$ mil	2011	2010	Change
Turnover – OEM/ODM	1,970.3	2,146.9	-8.2 %
Segment Profit – OEM/ODM	183.4	274.5	-33.2 %
Segment Profit Margin – OEM/ODM	9.3 %	12.8%	-3.5 p.p.

Business Outlook - OEM/ODM (2)

OEM/ODM Sales by Materials



OEM/ODM Sales by Locations



*For the year ended 31 December 2011
(Comparative figures for FY2010 in brackets)*

Business Outlook - OEM/ODM (3)

OUR PORTFOLIO OF CUSTOMERS

include:

(in alphabetical order)

U.S. MARKET:

Abercrombie & Fitch

Ann Taylor

Bernard Chaus Inc. **

Calvin Klein **

Dillards

Express **

Gap / Banana Republic

Guess

Jones NY

Limited

Macy's **

Michael Kors

Ralph Lauren

Talbots **

Victoria's Secret

E.U. MARKETS:

All Saints

Armani

BCBG - A. Manoukian

Betty Barclay

Burtons

Celio

Esprit

French Connection UK

Luisa Spagnoli

Marks & Spencer

Max Mara

Mexx

S. Oliver

Ted Baker

*** top five customers*

among others

CHINA TING GROUP's main focus :

- **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 garment manufacturing and our wool production.**
- **Conserve our edge over competitors through innovative technology, creativity, product diversity and quality excellence.**



BUSINESS OUTLOOK

(RETAIL)

Business Outlook - Retail (1)

(Store Images)

FINITY



ÉLANIE RIESE



RETAIL
BRANDS
in
CHINA



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RIVERSTONE 

Business Outlook - Retail (2)

Financial Highlights

For the year ended 31 December



HK\$ mil	2011	2010	Change
Turnover – Retail	502.2	414.2	21.3 %
Segment Profit – Retail	54.1	70.9	-23.7 %
Adjustment :			
- Add Inventories provision - Dbni	13.9	3.7	
- Add/(Less) License right fee under provision in 2010	3.1	-3.1	
Segment Profit – Retail (Adj.)	71.1	71.5	-0.56 %
Segment Profit Margin – Retail (Adj.)	14.2 %	17.3%	-3.1 p.p.

Business Outlook– Retail (3)

FINITY

ÉLANIE RIESE

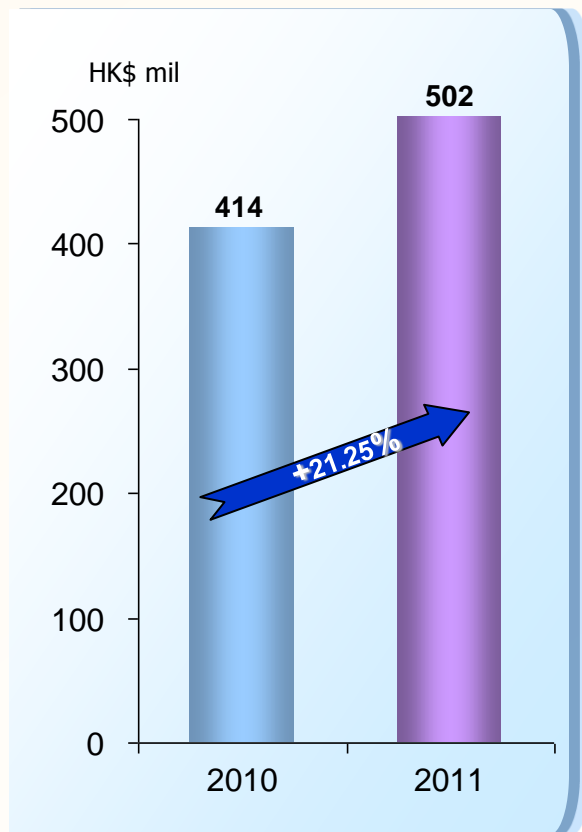
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RIVERSTONE

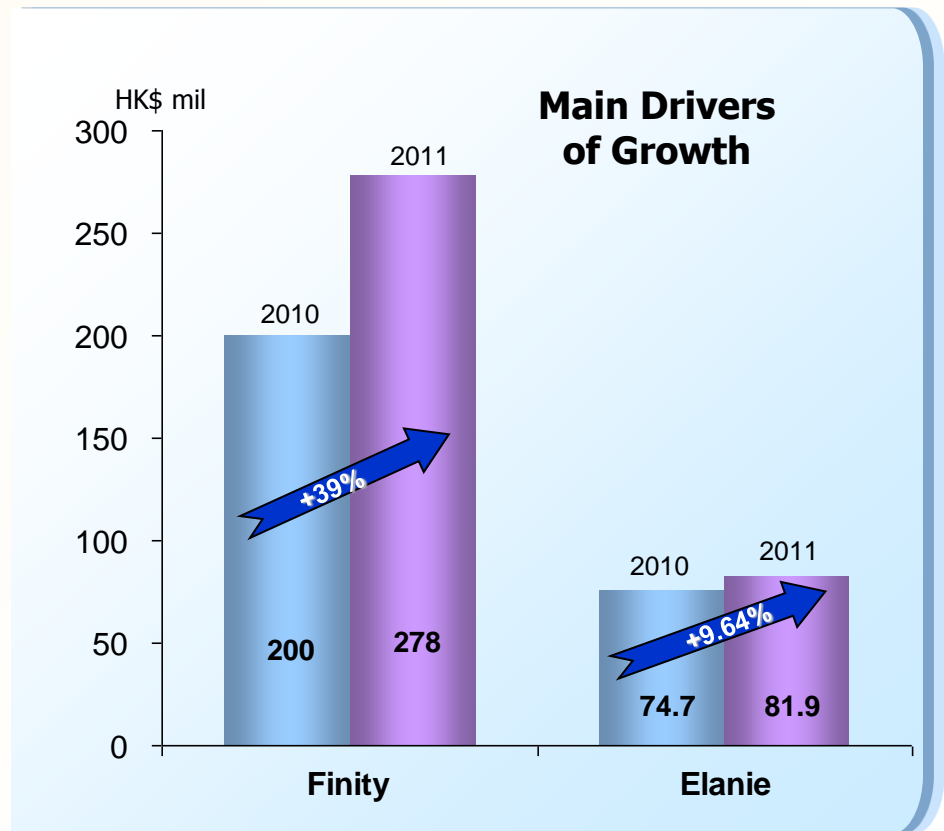
- China Ting Group's retail expansion remains on track. A major transformation in the existing operational structure, sees stronger and younger managers in place which is helping to bring about the desired growth.
- The Group's retail strategy of partnering with renowned international brands continues. The Group signed a sublicense joint venture deal with the G-III Group, USA, to retail a new line – Calvin Klein Performance – to be launched in China in the latter half of 2012.

Business Outlook – Retail (4)

(Retail Performance)

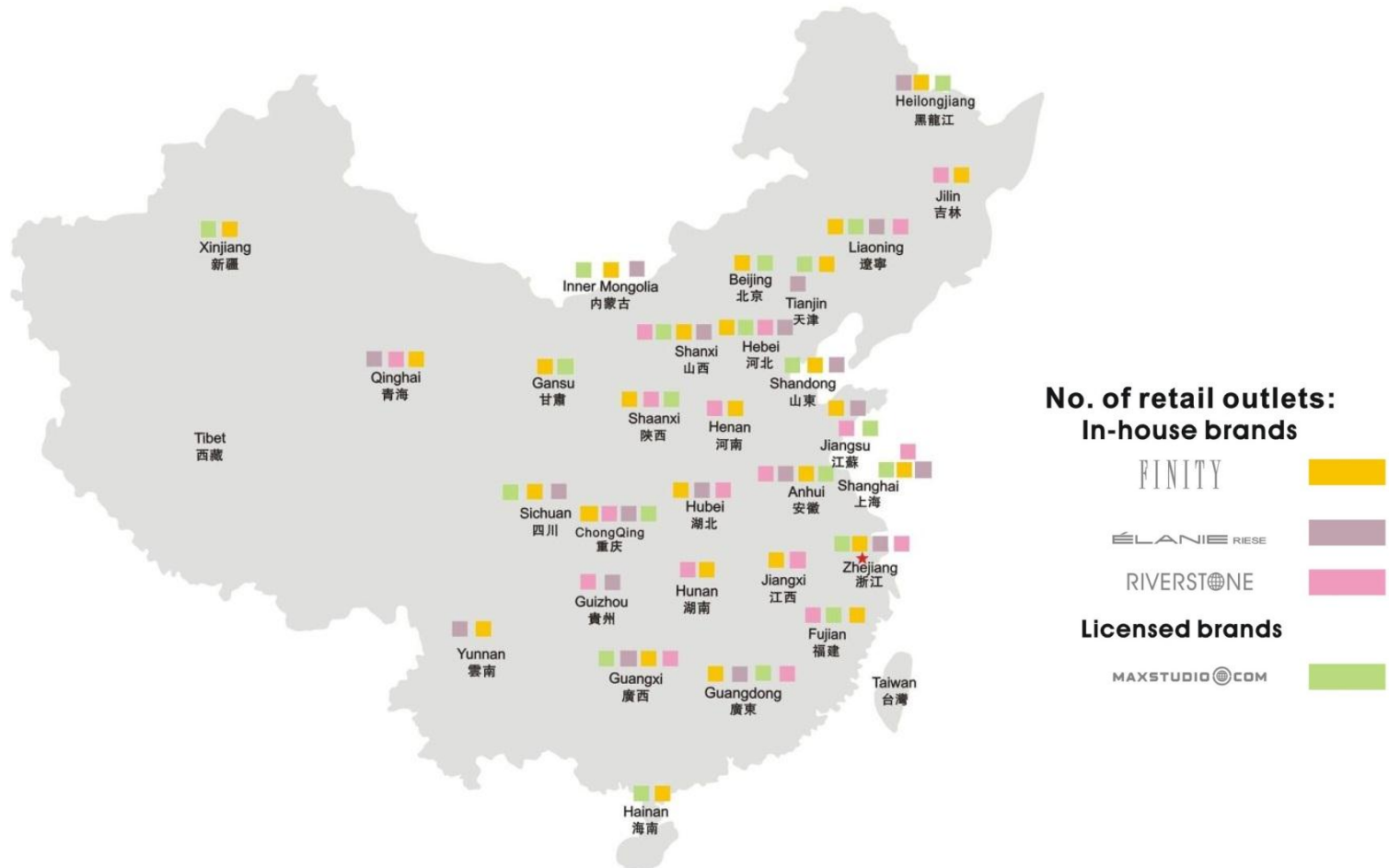


Overall Sales Turnover



Business Outlook – Retail (5)

(A Nationwide Retail Network)



Business Strategies – Retail

Strategies for 2012 continue to focus on:

- Intensive training particularly for store managers, merchandising and sales staff through professional courses from CTG's fashion school
- Exchange training programs in design, display and merchandising with top European design schools to foster creativity and innovation.
- Accelerated increase in number of shop openings with upgraded store images and diversification in fashion collections
- A more consolidated structure to improve retail sales and marketing as well as closer inventory management for better results

FINITY

ELANIE RIESE

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THANK YOU



CHINA TING GROUP
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