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CHINA TING GROUP HOLDINGS LIMITED

華鼎集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03398)

ANNOUNCEMENT PURSUANT TO RULES 13.13 AND 13.14 OF THE LISTING RULES ADVANCE TO HANGZHOU CHINA TING PROPERTY

This announcement is made by the Board pursuant to Rules 13.13 and 13.14 of the Listing Rules. The Board refers to the Previous Announcement and would like to announce that the Advance has been renewed for a period of three years from 31 December 2015 at the interest rate of 4.75% per annum. Except for the repayment term and the interest rate (which has been determined with reference to the prevailing bank borrowing interest rate), all other terms and conditions of the Advance remain unchanged.

The Directors consider that it is appropriate for the Group to extend the repayment date for the Advance so that Hangzhou China Ting Property will have additional financial resources for its business development amid the slow growing property market in Hangzhou, the PRC. The extension will not involve any cash payment made by the Group and as such, the Directors (including the independent non-executive Directors) do not consider that the extension would have any material adverse impact on the financial position of the Group.

The Advance constitutes an advance to an entity under Rule 13.13 of the Listing Rules. As of the date of this announcement, Zhejiang China Ting has advanced to Hangzhou China Ting Property by way of equity holder's loan (including the Advance) of RMB271.4 million (equivalent to HK\$323.2 million) and the interest accrued and payable by Hangzhou China Ting Property amounts to RMB41.2 million (equivalent to HK\$49.1 million). The total amount due from Hangzhou China Ting Property to Zhejiang China Ting, including the Advance and interest accrued thereon, is RMB312.6 million (equivalent to HK\$372.3 million). As the total amount due from Hangzhou China Ting Property to Zhejiang China Ting has increased by more than 3.0% from the amount due stated in the Previous Announcement, primarily because of the interest accrued on the amount due to Zhejiang China Ting, the Company is required to issue this announcement under Rule 13.14 of the Listing Rules.

Hangzhou China Ting Property is a non-wholly owned subsidiary of Zhejiang Huading Property which is owned by certain connected persons of the Company. Hence, Hangzhou China Ting Property and Zhejiang Huading Property are associates of the connected persons of the Company. The Advance constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.89, financial assistance provided by Zhejiang China Ting for the benefit of Hangzhou China Ting Property on normal commercial terms and in proportion to its equity interest in Hangzhou China Ting Property is exempt from the reporting, announcement and independent Shareholders' approval requirements.

The Directors (including the independent non-executive Directors) are of the view that the extension of the repayment term of the Advance is fair and reasonable and in the interest of the Shareholders as a whole. The interested Directors, namely Mr. TING Man Yi, Mr. TING Hung Yi and Mr. DING Jianer, have abstained from voting on the relevant resolutions of the Board approving the extension of the Advance.

This announcement is made by the Board pursuant to Rules 13.13 and 13.14 of the Listing Rules. The Board refers to the Previous Announcement and would like to announce that the Advance has been renewed for a period of three years from 31 December 2015 at the interest rate of 4.75% per annum. Except for the repayment term and the interest rate (which has been determined with reference to the prevailing bank borrowing interest rate), all other terms and conditions of the Advance remain unchanged.

INFORMATION ON THE ADVANCE

As disclosed in the Previous Announcement, the Advance has been made by Zhejiang China Ting since 15 December 2014 in proportion to the percentage of the equity interest in Hangzhou China Ting Property held by it. Hangzhou China Ting Property is owned as to 49.0% by Zhejiang China Ting and 51.0% by Zhejiang Huading Property. The total amount of advance made by all equity interest holders of Hangzhou China Ting Property was RMB40 million (equivalent to HK\$47.6 million). On this basis, the amount of the Advance is RMB19.6 million (equivalent to HK\$23.3 million) and the amount of advance by Zhejiang Huading Property was RMB20.4 million (equivalent to HK\$24.3 million). The total advance (including the Advance) was made under the laws of the PRC for a fixed term of one year with interest payable at the rate of 6.0% per annum. The Directors confirm that the Advance has been made on normal commercial terms. There is no collateral provided by Hangzhou China Ting Property for the purpose of the Advance.

REASONS FOR AND BENEFITS OF THE RENEWAL OF THE ADVANCE

The recovery of the residential property market in Hangzhou remains slow. As of the date of this announcement, more than one-half of the total number of the residential units of the key property development project of Hangzhou China Ting Property, namely 君臨天峯府 (C. Ting King's Summit) have yet to be sold. The average selling prices of the residential units sold remained at low levels compared to the construction cost and the interest incurred for the project. The Directors consider that it is appropriate for the Group to extend the repayment date for the Advance so that Hangzhou China Ting Property will have additional financial resources for its business development amid the slow growing property market in Hangzhou, the PRC. The extension will not involve any cash payment by the Group.

Hangzhou China Ting Property will continue to promote the sales of the residential units with the objective of generating sufficient cash flow to sustain its business.

The Directors have considered the latest cash and bank balances of the Group as of 31 December 2015 as well as the undesirable consequence resulting from the discontinued business operations of Hangzhou China Ting Property. The amount of the Advance represents an insignificant portion of the cash and bank balances of the Group, and the Group does not have any short-term expansion plan that requires significant amount of financial resources. The core business of the Group continues to generate positive operating cash flows. On this basis and given the fact that the other equity holders of Hangzhou China Ting Property have agreed to extend the repayment of their advances for the same terms and conditions, the Directors consider that the extension of the repayment date of the Advance is appropriate and is in the interest of the Group as a whole with no material adverse impact on the financial position of the Group.

GENERAL INFORMATION

Information on Zhejiang China Ting and the Company

Zhejiang China Ting is a non-wholly owned subsidiary of the Company. Zhejiang China Ting is a limited liability company established in the PRC and is owned as to 92.0% by the Company with the remaining 8.0% by Mr. DING Xinger, Mr. FU Xiao Bo and Mr. YE Ai Min. Zhejiang China Ting is principally engaged in garment trading.

The Company is an investment holding company with the Shares listed on the Stock Exchange. The Group is engaged in the business of garment manufacturing for export and retailing branded fashion and apparel items in China. The garment export business represents the principal source of income for the Group. The Group's garment is exported to almost all leading markets in the world, including the United States and major European countries.

Information on Zhejiang Huading Property

Zhejiang Huading Property is a sino-foreign equity joint venture company established in China and is owned as to 90.0% by China Ting Industries, 7.0% by Mr. DING Jianer and 3.0% by Mr. DING Xinger. Zhejiang Huading Property is a connected person (as defined in the Listing Rules) of the Company. Zhejiang Huading Property is engaged in the property development business in the PRC.

Information on Hangzhou China Ting Property

Hangzhou China Ting Property is a limited liability company established in the PRC on 24 December 2010. Hangzhou China Ting Property is owned as to 51.0% by Zhejiang Huading Property and 49.0% by Zhejiang China Ting. Hangzhou China Ting Property is not a non-wholly owned subsidiary of the Company. Hangzhou China Ting Property is permitted to be engaged in the property development business.

IMPLICATIONS UNDER THE LISTING RULES

The Advance constitutes an advance to an entity under Rule 13.13 of the Listing Rules. As of the date of this announcement, Zhejiang China Ting has advanced to Hangzhou China Ting Property by way of equity holder's loan (including the Advance) of RMB271.4 million (equivalent to HK\$323.2 million) and the interest accrued and payable by Hangzhou China Ting Property amounts to RMB41.2 million (equivalent to HK\$49.1 million). The total

amount due from Hangzhou China Ting Property to Zhejiang China Ting, including the Advance and interest accrued thereon, is RMB312.6 million (equivalent to HK\$372.3 million). As the total amount due from Hangzhou China Ting Property to Zhejiang China Ting has increased by more than 3.0% from the amount due stated in the Previous Announcement, primarily because of the interest accrued on the amount due to Zhejiang China Ting, the Company is required to issue this announcement under Rule 13.14 of the Listing Rules.

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The Directors (including the independent non-executive Directors) are of the view that the extension of the repayment term of the Advance is fair and reasonable and in the interests of the Company's shareholders as a whole. The interested Directors, namely Mr. TING Man Yi, Mr. TING Hung Yi and Mr. DING Jianer, have abstained from voting on the relevant board resolutions approving the extension of the Advance.

DEFINITIONS USED IN THIS ANNOUNCEMENT

Unless the context requires otherwise, the capitalised terms used herein shall have the following meanings:

“Advance”	means the amount of advance of RMB19.6 million (equivalent to HK\$23.3 million) made by Zhejiang China Ting to Hangzhou China Ting Property on 15 December 2014;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	means the board of Directors;
“China Ting Industries”	means China Ting Industries Investment (Hong Kong) Limited (華鼎實業投資香港有限公司), a company incorporated in Hong Kong with limited liability on 24 April 2002 and owned as to 25.0% by each of Mr. TING Man Yi, Mr. TING Hung Yi, Mr. DING Jianer and Mr. SHUM Pui Hung;
“Company”	refers to China Ting Group Holdings Limited (華鼎集團控股有限公司), a company incorporated in the Cayman Islands with all the Shares listed on the Stock Exchange;
“Directors”	means the directors of the Company;
“Group”	refers to the Company and its subsidiaries;
“Hangzhou China Ting Property”	means 杭州華鼎房地產開發有限公司 (Hangzhou China Ting Property Development Company Limited*), a limited liability company established in the PRC pursuant to the Investors' Cooperative Agreement;

“Listing Rules”	means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	means the People’s Republic of China which for the purpose of this announcement, does not include The Hong Kong Special Administrative Region of the PRC, The Macau Special Administrative Region of the PRC and Taiwan;
“Previous Announcement”	means the announcement on the Advance issued by the Company on 15 December 2014;
“Shares”	means the shares of the Company with a par value of HK\$0.10;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Zhejiang China Ting”	means 浙江華鼎集團有限責任公司 (Zhejiang China Ting Group Company Limited*), a limited liability company established under the laws of the PRC on 16 August 2001 and a non-wholly owned subsidiary of the Company, in which 92.0% of the equity interest is owned by the Company and the remaining 8.0% by Mr. DING Xinger, Mr. FU Xiao Bo and Mr. YE Ai Min;
“Zhejiang Huading Property”	means 浙江華鼎房地產開發有限公司 (Zhejiang Huading Property Development Company Limited*), a sino-foreign equity joint venture company established in the PRC on 6 June 2001 and is owned as to 90.0% by China Ting Industries, 7.0% by Mr. DING Jianer and 3.0% by Mr. DING Xinger, and a connected person (as defined in the Listing Rules) of the Company;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong; and
“RMB”	means Renminbi, the lawful currency of the PRC.

By order of the Board of
China Ting Group Holdings Limited
TING HUNG YI
Executive Director and Chief Executive Officer

Hong Kong, 4 January 2016

* *For identification purpose only. The English names are translation of the official Chinese names. In case of inconsistency, the Chinese names shall prevail.*

Unless otherwise specified, translations of RMB into HK\$ in this circular are based on the rate of HK\$1.0 = RMB0.8397. No representation is made that any amount in HK\$ and RMB can be or could have been converted at the relevant dates at this rate or any other rates at all.

As of the date of this announcement, the executive Directors are Mr. TING Man Yi (Chairman), Mr. TING Hung Yi (Chief Executive Officer), Mr. DING Jianer and Mr. CHEUNG Ting Yin, Peter and the independent non-executive Directors are Mr. WONG Chi Keung, Dr. CHENG Chi Pang and Mr. LEUNG Man Kit.