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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: 3398)

INSIDE INFORMATION

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Ting Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board would like to announce that two customers of the OEM business of the Group, namely Halston Operating Company, LLC (“**HOC**”), a limited liability company incorporated under the laws of the State of Delaware in the United States, and Stefanel S.p.A. (“**Stefanel**”), a joint-stock company incorporated under the laws of the Republic of Italy and listed on the Milan Stock Exchange, have gone into liquidation, debt restructuring and analogous proceedings. This latest development is expected to affect the collection of the amount due from these two customers and hence, the operating results of the Group for the year ended 31 December 2018.

As of the date of this announcement, the amount due from HOC is US\$5.3 million (equivalent to HK\$41.0 million) and the amount due from Stefanel is US\$1.4 million (equivalent to HK\$10.6 million).

With the advice from professional advisers, the Group has promptly and actively adopted measures to reduce the financial risks including submitting proof of claims to HOC, and will submit proof of claims to Stefanel at a later stage according to necessary procedures. Nevertheless, the Directors believe that it would be less likely for the Company to collect the amount due in full in the near future.

Having assessed and evaluated the recoverability of the amount due from HOC and Stefanel and based on the information available to the Group, the Board is of the view that an impairment allowance up to HK\$47.5 million in respect of these account receivables (the “**Proposed Impairment Allowance**”) may need to be made for the year ended 31 December 2018. Further information on which will be reflected in the Group’s financial statements for the year ended 31 December 2018.

The Board is in the process of finalising the consolidated annual results for the year ended 31 December 2018. The Company may issue further announcement if there is any significant impact on the results of the Group arising from the captioned matter or other matters which could affect the operating results of the Group for the year ended 31 December 2018. The Directors expect that the results announcement of the Company for the year ended 31 December 2018 will be published by the Company by the end of March 2019 in full compliance with the requirements under the Listing Rules.

Shareholders and prospective investors of the shares of the Company are advised to exercise caution when dealing in the shares of the Company.

For illustration purposes, amounts in US\$ have been translated into HK\$ at the rate of US\$1 = HK\$7.8.

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

Hong Kong, 18 January 2019

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