



CHINA TING GROUP
華鼎集團

Corporate Presentation

2013 ANNUAL RESULTS
March, 2014



Agenda

- Business Overview
- Financial Highlights
- Business Outlook
& Strategies
 - OEM/ODM
 - RETAIL





Business Overview

Business Overview

Global activity strengthened during the second half of 2013 largely on account of recovery in advanced economies and the expectancy is for a moderate pace of growth in 2014.

The outlook for the US is brighter than it has been, and most analysts think that the improving US economy in 2014 will get a lift from continued gains in hiring. Some countries in the Euro region are also turning the corner from recession to recovery where growth is projected especially in the United Kingdom which has seen a rise in activity shored by easier credit conditions, boosting both consumer confidence and market potential.

Meanwhile, China's days of unsurpassed expansion are over as sustained growth-driven inflation eats into its competitiveness. Despite the overall sluggish economy, China Ting Group's OEM business continues to be stable with satisfactory performance while its retail business continues its aggressive expansion in China where the new government's policies of austerity has changed the dynamics of national distribution, creating new opportunities which favor consumer-oriented brands over imported luxury goods.



Financial Highlights

Financial Highlights - Key Figures (1)

For the year ended 31 December

HK\$ mil	2013	2012	Change
Turnover	2,406.8	2,582.0	-6.8 %
Gross Profit	759.7	773.2	-1.8 %
Profit attributable to equity holders of the Company	151.2	154.9	-2.5 %
Dividend per Share (HK cents)	3.96	3.70	
Dividend payout ratio (%)	55.0	50.0	
Equity per shares (HK dollars)	1.41	1.30	



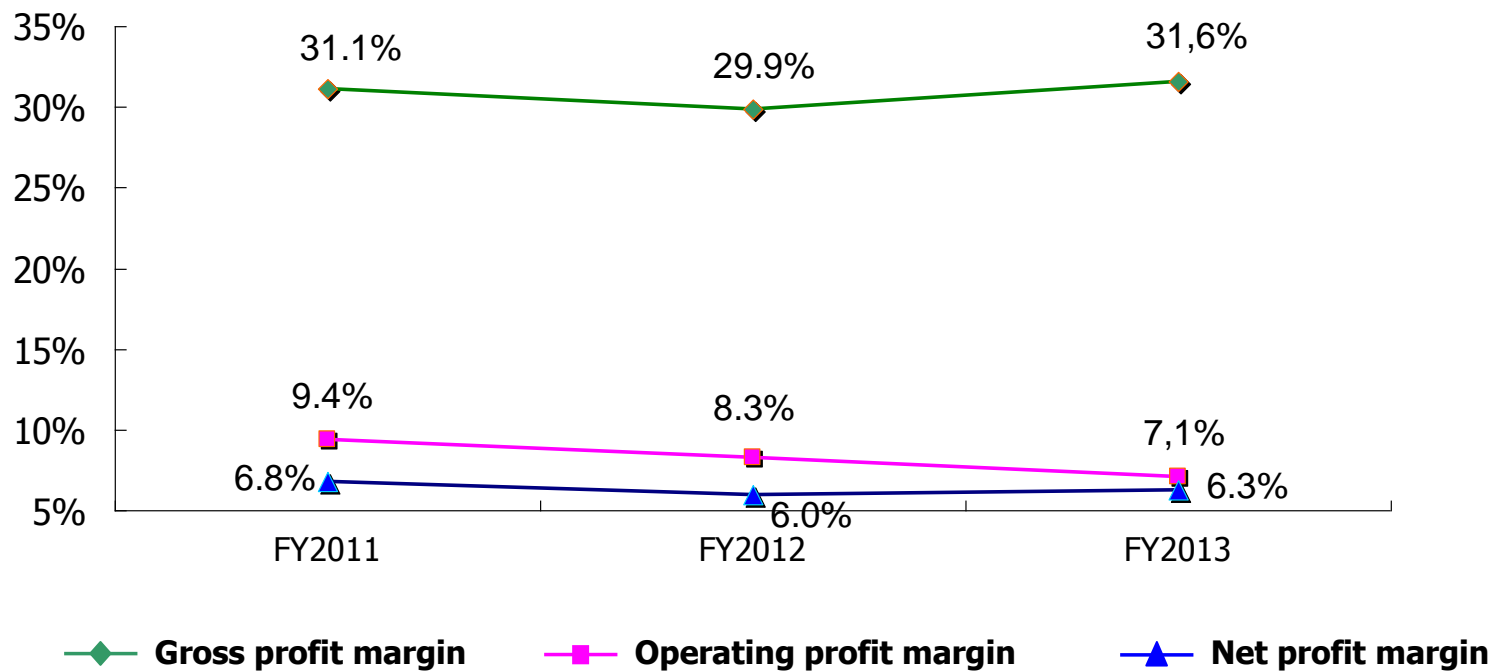
Financial Highlights - Key Figures (2)



	As at 31 Dec 2013	As at 31 Dec 2012
Cash and bank balances (HK\$ 'mil)	223.0	428.7
Current ratio (times)	2.0	2.2
Trade receivable turnover days	68	66
Trade payable turnover days	70	53
Debt to equity (%)	10.5%	10.3%

Financial Highlights - Margins

For the year ended 31 December





Business Outlook

(OEM/ODM)
Design & Manufacturing

Business Outlook - OEM/ODM (1)

Financial Highlights – Segment Profit

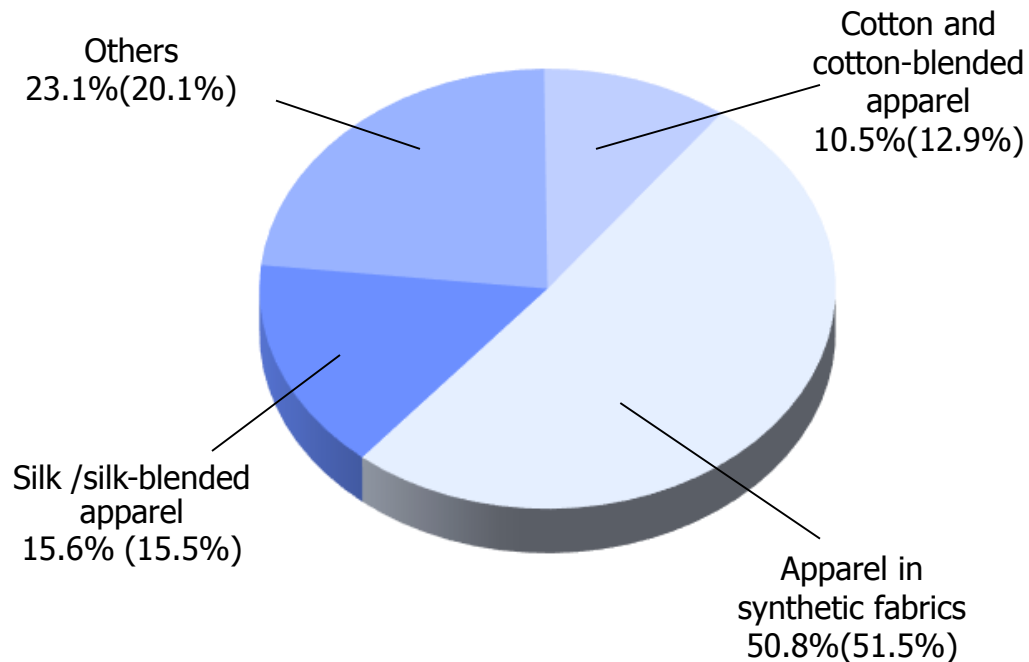
For the year ended 31 December

HK\$ mil	2013	2012	Change
Turnover – OEM/ODM	1,915.6	2,109.9	-9.2 %
Segment Profit – OEM/ODM	145.9	192.9	-24.4 %
Segment Profit Margin – OEM/ODM	7.6%	9.1%	-1.5 p.p.

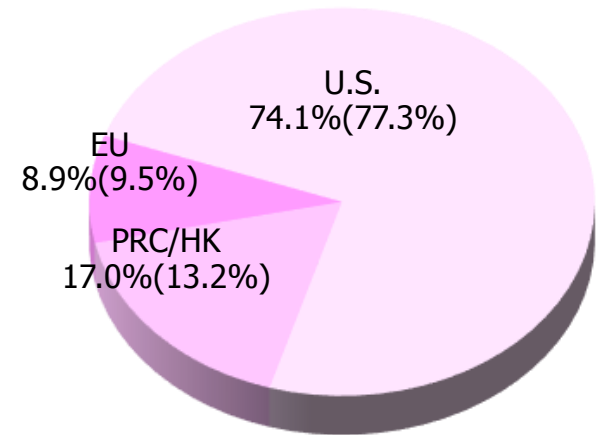


Business Outlook - OEM/ODM (2)

OEM/ODM Sales by Materials



OEM/ODM Sales by Locations



*For the year ended 31 December 2013
(Comparative figures for FY2012 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
Gap / Banana Republic
Guess
Jones NY
Kate Spade
Macy's
Michael Kors
Ralph Lauren
Sanctuary
Tory Burch
Victoria's Secret

E.U. MARKETS:

Armani Jeans
BCBG
Benetton
Betty Barclay
Burton
Celio
Esprit
French Connection UK
H&M
Luisa Spagnoli
Marks & Spencer
Max Mara
Mexx
S. Oliver
Sisley
Stefanel
Ted Baker

among others

Business Outlook - OEM/ODM

The US market remains the Group's major OEM/ODM business partner and the optimistic expectations for the country in 2014 augurs well for business sustainability. Continued innovation through on-site design support and product diversity from the Group is driving growth among new customers while enhancing collaboration with current partners whose focus on higher end products calls for creativity, innovation and development where our expertise centers.

The Group continues to make inroads in the EU region with the hope that improving situations will minimize risks and foster a stronger economy leading to better order prospects and new business possibilities with European partners.



Business Outlook

(RETAIL)



Business Outlook - Retail (1)

(Store Images)

OUR
PORTFOLIO
OF RETAIL
BRANDS



Calvin Klein
PERFORMANCE



ls RIVERSTONE



FINITY



ÉLANIE

Business Outlook - Retail (2)

Financial Highlights

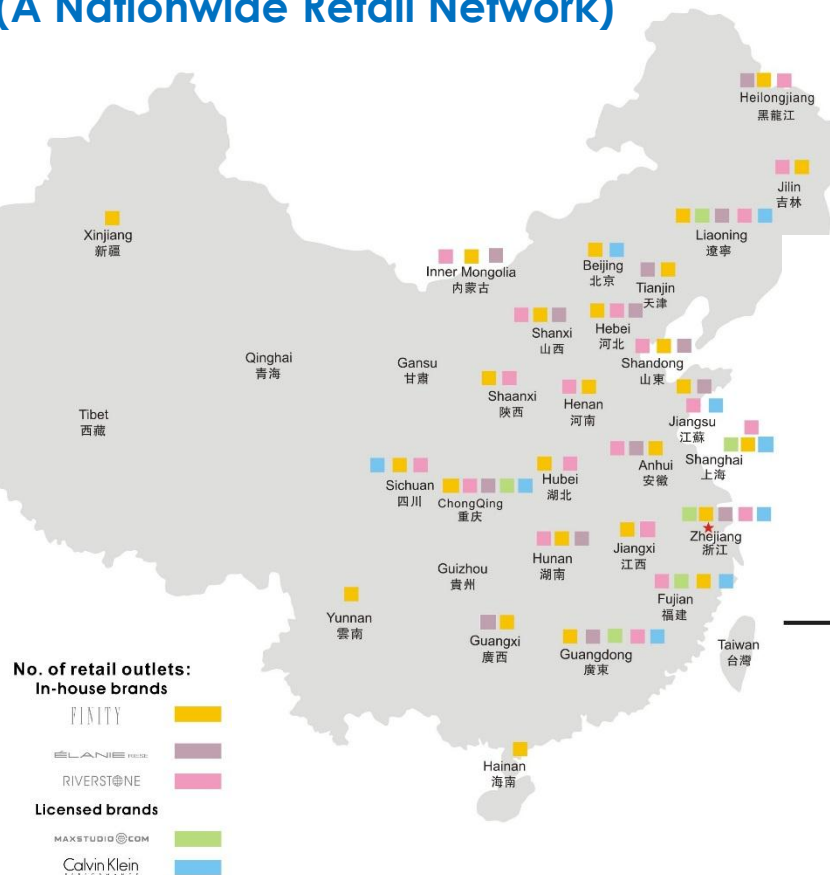


For the year ended 31 December

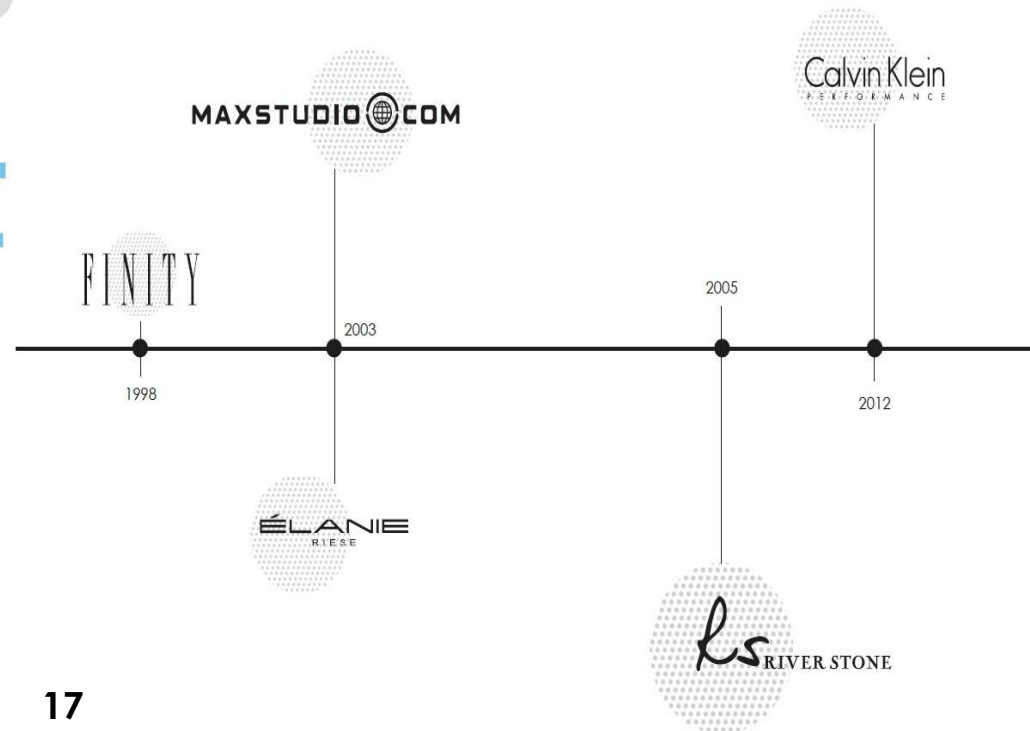
HK\$ mil	2013	2012	Change
Turnover – Retail	491.2	472.2	4.03 %
Segment Profit – Retail	27.1	28.5	-4.9 %
Segment Profit Margin – Retail	5.5%	6.0%	-0.5 p.p.

Business Outlook - Retail (3)

(A Nationwide Retail Network)



CHINA TING GROUP – *Brand Portfolio*



Business Outlook - Retail

FINITY

ELANIE RIESE

MAXSTUDIO  COM

RIVERSTONE 

Taking advantage of the country's new retail dynamics, China Ting Group is accelerating its retail expansion strategy through recent new ventures with international partners, the latest of which is a recently concluded joint venture with the Camuto Group to retail their renowned "Vince Camuto" brands in China. Reputed for its lifestyle lines – shoes, handbags, lady's fashion garments and accessories - the brand is scheduled for launch in the latter part of 2014.

The "Calvin Klein Performance" stores continue to see strong growth with an expansion from 4 stores in 2012 to a total of 25 stores end 2013.

The Group's own brands – Finity, Riverstone, and Elanie - continue to make good headway in the local market with accelerated store openings and diversification in collection and styling.

Thank You



CHINA TING GROUP
華鼎集團

CONTACT US

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Mr. Peter Cheung – Executive Director

