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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)

DISCLOSEABLE TRANSACTION
DISPOSAL OF EQUITY INTEREST IN ZHEJIANG HUAXIDE

The Board is pleased to announce that on 23 August 2010, China Ting Garment entered into the Agreement with GSD International, pursuant to which China Ting Garment agreed to dispose of and transfer its 51% equity interest in Zhejiang Huaxide to GSD International for a total consideration of US\$1,500,000 (approximately HK\$11,670,000).

The Disposal constitutes a discloseable transaction (as such term is defined under the Listing Rules) for the Company under the Listing Rules as one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) exceed 5% but do not exceed 25%. Accordingly, the Company is required to issue this announcement pursuant to Rule 14.33 of the Listing Rules.

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THE AGREEMENT

The following table sets forth the detailed terms of the Agreement:

Date: 23 August 2010 2010

Parties: China Ting Garment as the vendor

GSD International as the purchaser

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, GSD International and its ultimate beneficial owner are Independent Third Parties.

Disposal: 51% of the entire equity interest of Zhejiang Huaxide held by China Ting Garment.

Consideration: US\$1,500,000 to be paid by GSD International to China Ting Garment upon Completion.

The consideration is determined with reference to the total registered and paid up capital of US\$2,500,000 of Zhejiang Huaxide.

China Ting Garment paid US\$1,275,000 registered capital of Zhejiang Huaxide and Haiyan Feilong paid US\$1,225,000 registered capital according to their respective equity interest in Zhejiang Huaxide.

Condition Precedent: Completion is subject to the obtaining of all the relevant approvals and completion of registration at the relevant PRC authorities in respect of the Disposal.

Completion: Completion shall take place within one month after fulfillment of the condition precedent referred to above.

REASONS FOR THE DISPOSAL

The Group is engaged in export manufacturing and brand retail business of garments targeted at businesses with middle to high class customers as the targeted end customers in the United States of America, Europe and Asian markets. Zhejiang Huaxide is principally engaged in the production and sales of garments mostly to Independent Third Parties targeted at lower to middle class customers. The Directors believe that the Disposal would enable the Group to focus its resources and funds on developing and expanding its retail and export manufacturing business in line with the Group's business expansion.

FINANCIAL IMPACT ON THE GROUP AND USE OF PROCEEDS

The Group is expected to record a loss of approximately HK\$147,000 as a result of the Disposal. The estimated loss is based on the consideration paid by GSD International to China Ting Garment and the net asset value of Zhejiang Huaxide as at 31 July 2010. However, the Directors consider that the Disposal does not have any significant adverse effect on the financial position of the Group. Upon Completion, Zhejiang Huaxide will cease to be a subsidiary of the Company and its financial results will not be consolidated into the Group's financial statements.

It is expected that the proceeds of approximately US\$1,500,000 (approximately HK\$11,670,000) due to the Disposal (after deducting all relevant fees and expenses) will be used for general working capital of the Group.

GENERAL INFORMATION

Information on the Group and Zhejiang Huaxide

Zhejiang Huaxide is a sino-foreign joint venture company owned as to 51% by China Ting Garment, a wholly-owned subsidiary of the Company, and 49% by Haiyan Feilong. Zhejiang Huaxide is principally engaged in production and sales of garments to Independent Third Parties. The Company is an investment holding company with all of its shares listed on the Stock Exchange. The Group is a vertically integrated large-scale garment manufacturer, exporter and retailer with headquarters and corporate management situated in Hong Kong.

The audited net profit before tax of Zhejiang Huaxide for the two years ended 31 December 2008 and 2009 were approximately RMB4,087,000 and approximately RMB6,272,000 respectively. The audited net profit after tax of Zhejiang Huaxide for the two years ended 31 December 2008 and 2009 were approximately RMB3,088,000 and approximately RMB4,716,000 respectively.

Principal business activities of GSD International

GSD International is principally engaged in the import and export of garments.

LISTING RULES IMPLICATIONS

The Disposal constitutes a discloseable transaction (as such term is defined under the Listing Rules) for the Company under the Listing Rules as one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) exceed 5% but do not exceed 25%. Accordingly, the Company is required to issue this announcement pursuant to Rule 14.33 of the Listing Rules.

The Directors (including the independent non-executive Directors) confirm that the terms and conditions of the Agreement are fair and reasonable and negotiated on an arm's length basis upon normal commercial terms, and further confirm that the Agreement and the Disposal are in the interest of the Group and the Shareholders as a whole.

DEFINITIONS

In this announcement, unless the context requires otherwise, the capitalised terms used herein shall have the following meanings:

“Agreement”	the equity transfer agreement dated 23 August 2010 and entered into between China Ting Garment and GSD International in respect of the Disposal;
“Board”	the board of Directors;
“China” or “PRC”	The People’s Republic of China which excludes, for the purpose of this announcement, the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan;
“China Ting Garment”	China Ting Garment Mfg (Group) Limited 華鼎製衣(集團)有限公司, a company incorporated in Hong Kong with limited liability on 16 January 2002, and a wholly-owned subsidiary of the Company;
“Company”	China Ting Group Holdings Limited 華鼎集團控股有限公司, a company incorporated under the laws of the Cayman Islands with limited liability with its Shares being listed on the Main Board of the Stock Exchange;
“Directors”	the directors of the Company;
“Disposal”	the disposal of 51% equity interest of Zhejiang Huaxide by China Ting Garment to GSD International for a total consideration of US\$1,500,000;
“Group”	the Company and its subsidiaries;
“GSD International”	GSD International Limited 貴詩迪國際有限公司, a company incorporated in Hong Kong on 27 June 1997 with limited liability and an Independent Third Party;
“Haiyan Feilong”	海鹽飛龍絲綢製品有限公司 (Haiyan Feilong Silk Product Company Limited*), a company established in the PRC with limited liability on 2 July 1996;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	third party(ies) who is/are independent of the Company, the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates as defined in the Listing Rules;
“Listing Rules”	The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“RMB”	Renminbi, the lawful currency of China;
“Shareholders”	holders of the Shares;

“Shares”	shares of HK\$0.1 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“Zhejiang Huaxide”	浙江華詩迪服飾有限公司 (Zhejiang Huaxide Fashion Apparel Company Limited*), a sino-foreign joint venture established in the PRC with limited liability on 11 July 2007 and owned as to 51% by China Ting Garment, a wholly-owned subsidiary of the Company.

* *English translation for identification only.*

By order of the Board
China Ting Group Holdings Limited
TING Hung Yi
Chief Executive Officer

Hong Kong, 23 August 2010

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

Unless otherwise specified, translations of US\$ into HK\$ in this announcement are based on the rates of US\$1.0 = HK\$7.78. No representation is made that any amount in US\$ and HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.