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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)

DISCLOSEABLE TRANSACTION ENTRUSTED LOAN ARRANGEMENTS

Entrusted loan arrangements

On 5 February 2013 and 24 December 2012, members of the Group entered into the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements, respectively. Pursuant to these two entrusted loan agreements, members of the Group have provided the NBC Entrusted Loans and the BOCOM Entrusted Loans in an aggregated amount of RMB160.0 million (equivalent to HK\$200.0 million) to the Borrowers through Ningbo Bank Corporation and BOCOM, respectively. The purpose of entering into the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements is to achieve a better use of the financial resources of the Group earning a higher interest return, as compared to the deposit interest rates offered by commercial banks in the PRC, with manageable risk through the entrusted loan structure. The Directors consider that the grant of the NBC Entrusted Loans and the BOCOM Entrusted Loans, with the terms set forth in the relevant loan agreements, together with the collaterals and the guarantees provided to Ningbo Bank Corporation and BOCOM, respectively, would not materially affect the financial position of the Group. As of the date of this announcement and after deducting the amount of the NBC Entrusted Loans and the BOCOM Entrusted Loans, the Group has cash and bank balances of not less than HK\$300.0 million.

All of the terms and conditions of the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements (including the collaterals and the guarantees provided therefor) are negotiated on an arm's length basis upon normal commercial terms with Ningbo Bank Corporation, Borrower A, BOCOM, and Borrower B, respectively. The NBC Entrusted Loans are for a term of 12 months commenced from 6 February 2013 with an interest rate of 18.0 per cent. per annum on the outstanding principal balance. The interest payable by the Borrower A is on a monthly basis. The BOCOM Entrusted Loans are for a term of 24 months commenced from 25 December 2012 with an interest rate of 18.0 per cent. per annum on the outstanding principal balance. The interest payable by Borrower B is on a quarterly basis. Under the NBC Entrusted Loans and the BOCOM Entrusted Loans, affiliates of Borrower A and Borrower B have pledged to Ningbo Bank Corporation and BOCOM, respectively, land and properties as collaterals. Corporate and personal guarantees have also been provided by affiliates or shareholders of Borrower A and Borrower B in favour of Ningbo Bank Corporation and BOCOM, respectively. Borrower B is a non-wholly owned subsidiary of Borrower A.

Opinion of the PRC Legal Advisers

The PRC Legal Advisers have confirmed to the Board, by way of written opinion, that the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are valid and enforceable under the PRC laws and that members of the Group, which are the lenders under the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements, with and through the assistance from Ningbo Bank Corporation and BOCOM, will be entitled to enforce the relevant corporate and personal guarantees and take possession of the collaterals, in the event of default by Borrower A and Borrower B, respectively, of the repayment of the principal amount and the accrued interest on the principal amount.

Directors' views on the grant of the NBC Entrusted Loans and the BOCOM Entrusted Loans

The Directors confirm that the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are entered into upon normal commercial terms. The transaction structure and the terms of the entrusted loans, including the interest rate applicable, are agreed by the parties after arm's length negotiations with reference to the prevailing market practices and the prevailing interest rates for entrusted loans in the PRC. The Board considers that the interest rates charged to the Borrowers under the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are favourable to the Group and the arrangements allow the Group to receive interest income on the entrusted loan amount at a rate which is substantially higher than the deposit interest rates offered by commercial banks in the PRC.

Taking into consideration the terms of the NBC Entrusted Loans and the BOCOM Entrusted Loans, the established practice of entrusted loan arrangements in the PRC, the low credit risk involved, the collaterals and guarantees provided to Ningbo Bank Corporation and BOCOM, the Directors, including the independent non-executive Directors, are of the view that the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

Implications under the Listing Rules

The BOCOM Entrusted Loan Agreements, which were entered into on 24 December 2012, constituted an “advance to an entity” by the Company as set forth in Rules 13.13 to 13.15A of the Listing Rules. As the amount involved did not exceed eight per cent. under the assets ratio (as defined in Chapter 14 of the Listing Rules), the Company was not required to make any disclosure under Chapter 13 of the Listing Rules. The amount under the BOCOM Entrusted Loan Agreements did not constitute a discloseable transaction (as defined in Chapter 14 of the Listing Rules) for the Company.

Borrower B is a non-wholly owned subsidiary of Borrower A. The NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are entered into by members of the Group with the same party or with parties associated with one another and are completed within a period of 12 months which should therefore be aggregated under Rules 14.22 and 14.23 of the Listing Rules for the purpose of determining the applicable disclosure or Shareholders’ approval requirements under Chapter 14 of the Listing Rules. The aggregated amount of the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements represent 5.87 per cent under the assets ratio (as defined in Chapter 14 of the Listing Rules) of the Company, which does not exceed eight per cent. of the assets ratio of the Company as specified in Rule 13.13 of the Listing Rules. As the applicable percentage ratios exceeds five per cent. but less than 25 per cent, the grant of the NBC Entrusted Loans to Borrower A and the BOCOM Entrusted Loans to Borrower B, in aggregate, constitute a discloseable transaction (as defined in Chapter 14 of the Listing Rules) for the Company.

The Directors will continue to monitor the relevant advance to an entity and will comply with any further disclosure requirement (if applicable) and continuing disclosure requirement (if applicable) under Chapter 13 of the Listing Rules for so long as the circumstances giving rise to such disclosure obligations continue to exist.

On 5 February 2013 and 24 December 2012, members of the Group entered into the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements, respectively. Pursuant to these two entrusted loan agreements, members of the Group have provided the NBC Entrusted Loans and the BOCOM Entrusted Loans, in an aggregated amount of RMB160.0 million (equivalent to HK\$200.0 million) to the Borrowers through Ningbo Bank Corporation and BOCOM, respectively. The purpose of entering into the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements is to achieve a better use of the financial resources of the Group earning a higher interest return (as compared to the deposit interest rates offered by commercial banks in the PRC) with manageable risk through the entrusted loan structure. The Directors consider that the grant of the NBC Entrusted Loans and the BOCOM Entrusted Loans, with the terms set forth in the relevant loan agreements, together with the collaterals and the guarantees provided to Ningbo Bank Corporation and BOCOM, respectively, would not materially affect the financial position of the Group. As of the date of this announcement and after deducting the amount of the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loans, the Group has cash and bank balances of not less than HK\$300.0 million.

THE NBC ENTRUSTED LOAN AGREEMENTS

The principal terms of the NBC Entrusted Loan Agreements are set forth below:-

Date: 5 February 2013

Parties: Lenders : (a) Hangzhou China Ting Fashion (under the Hangzhou China Ting Fashion Entrusted Loan Agreement)

(b) Zhejiang China Ting Textile Technology (under the Zhejiang China Ting Textile Technology Entrusted Loan Agreement)

(c) Zhejiang Concept Creator (under the Zhejiang Concept Creator Entrusted Loan Agreement)

(d) Zhejiang Xinan (under the Zhejiang Xinan Entrusted Loan Agreement)

(e) Hangzhou Fuding (under the Hangzhou Fuding Entrusted Loan Agreement)

(f) Zhejiang China Ting Knitting (under the Zhejiang China Ting Knitting NBC Entrusted Loan Agreement)

(g) China Ting (Hangzhou) Textile Technology (under the China Ting (Hangzhou) Textile Technology Entrusted Loan Agreement)

(h) Zhejiang China Ting Group (under the Zhejiang China Ting Group Entrusted Loan Agreement)

Borrower : 中都控股集團有限公司 (Zhongdou Group Holdings Limited*) (“**Borrower A**”)

Lending agent : Ningbo Bank Corporation (the “**Lending Agent A**”)

Borrower A is a limited liability company established in the PRC and its principal business activities are investment holdings. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Directors confirm that each of Borrower A, the Lending Agent A, and their respective ultimate beneficial owner(s) is an Independent Third Party.

Arrangements under the NBC Entrusted Loan Agreements

Pursuant to the NBC Entrusted Loan Agreements, the NBC Entrusted Loan Lenders, namely (a) Hangzhou China Ting Fashion, (b) Zhejiang China Ting Textile Technology, (c) Zhejiang Concept Creator, (d) Zhejiang Xinan, (e) Hangzhou Fuding, (f) Zhejiang China Ting Knitting, (g) China Ting (Hangzhou) Textile Technology, and (h) Zhejiang China Ting Group, upon

identical terms and conditions (except for the amount of the entrusted loans involved), have engaged Lending Agent A to provide the NBC Entrusted Loans to Borrower A in an aggregated principal amount of RMB130 million (equivalent to HK\$162.5 million).

Each of the NBC Entrusted Loan Lenders uses its internal financial resources to provide the entrusted loans.

Interest:

The interest rate payable by Borrower A for the NBC Entrusted Loans is 18 per cent. per annum on the outstanding principal amount of the entrusted loans. The interest will be payable by Borrower A to Lending Agent A on the 21st day of each month until full repayment of the NBC Entrusted Loans, and Lending Agent A will forthwith remit the same amount to the NBC Entrusted Loan Lenders.

Service fee:

Service fee payable by Borrower A to Lending Agent A for the NBC Entrusted Loans is 0.1 per cent. per annum on the principal amount of the NBC Entrusted Loans.

Term of the loans:

The NBC Entrusted Loans are for a term of 12 months commenced from 6 February 2013. Borrower A is allowed to prepay part or whole of the principal amount of the entrusted loans before the due date(s) with the consent of the relevant NBC Entrusted Loan Lender(s). The interest will then be calculated up to the date on which the relevant principal amount of the entrusted loan has been repaid in full. Any early repayment request must be provided by Borrower A to Lending Agent A.

Security:

In order to secure the due performance of Borrower A of its obligations under the NBC Entrusted Loan Agreements, the NBC Entrusted Loans are secured by a parcel of land with a total area of 103,945.6 m² located at Lin'an City in Hangzhou. The land is currently owned by 浙江臨安中都置業有限公司 (Zhejiang Linan Zhongdou Property Company Limited*), a company owned as to 21.6 per cent. by Borrower A and 32.0 per cent. by Zhejiang Zhongdou Property Group Company Limited. If Borrower A is in default, Lending Agent A will assist the NBC Entrusted Loan Lenders to recover the principal amount and the accrued interest on the principal amount. Lending Agent A will also assist the NBC Entrusted Loan Lenders to take possession of the land pledged for the recovery of the amount due.

Corporate and personal guarantee:

A guarantee is executed by each of (a) 浙江中都房地產集團有限公司 (Zhejiang Zhongdou Property Group Company Limited*), a non-wholly owned subsidiary of Borrower A and (b) Mr. YANG Dingguo, the 90 per cent. equity interest holder of Borrower A in favour of Ningbo Bank Corporation to secure the obligations of Borrower A under the NBC Entrusted Loan Agreements. The corporate and the personal guarantees are of identical terms and conditions, and hence the liability of the guarantors thereunder is joint and several.

Opinion of the PRC Legal Advisers:

The PRC Legal Advisers have confirmed to the Board, by way of written opinion, that the NBC Entrusted Loan Agreements are valid and enforceable under the PRC laws and that the NBC Entrusted Loan Lenders, with and through the assistance of Ningbo Bank Corporation will be entitled to enforce the relevant corporate and personal guarantees and take possession of the collaterals in the event of default of repayment by Borrower A.

THE BOCOM ENTRUSTED LOAN AGREEMENTS

The principal terms of the BOCOM Entrusted Loan Agreements are set forth below:-

Date: 24 December 2012

Parties: Lenders : (a) Zhejiang China Ting Knitting (under the Zhejiang China Ting Knitting Entrusted Loan Agreement)
(b) Zhejiang Fuhowe (under the Zhejiang Fuhowe Entrusted Loan Agreement)
(c) Zhejiang Fucheng (under the Zhejiang Fucheng Entrusted Loan Agreement)

Borrower : 杭州中都購物中心有限公司 (Hangzhou Zhongdou Shopping Centre Company Limited*) ("**Borrower B**")

Lending agent : BOCOM (the "**Lending Agent B**")

Borrower B is a limited liability company established in the PRC and its principal business activities are operating shopping arcades in the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Directors confirm that each of Borrower B, the Lending Agent B, and their respective ultimate beneficial owner(s) is an Independent Third Party.

Arrangements under the BOCOM Entrusted Loan Agreements

Pursuant to the BOCOM Entrusted Loan Agreements, each of Zhejiang China Ting Knitting, Zhejiang Fuhowe, and Zhejiang Fucheng, upon identical terms and conditions (except for the amount of the entrusted loans involved), have engaged Lending Agent B to provide the BOCOM Entrusted Loans to Borrower B in an aggregated principal amount of RMB30 million (equivalent to HK\$37.5 million). Each of Zhejiang China Ting Knitting, Zhejiang Fuhowe and Zhejiang Fucheng used its internal financial resources to provide the entrusted loans.

Interest:

The interest rate payable by Borrower B for the BOCOM Entrusted Loans is 18.0 per cent. per annum on the outstanding principal amount of the entrusted loans. The interest will be payable by Borrower B to Lending Agent B on a quarterly basis until full repayment of the BOCOM Entrusted Loans, and Lending Agent B will forthwith remit the same amount to Zhejiang China Ting Knitting, Zhejiang Fuhowe, and Zhejiang Fucheng.

Service fee:

Service fee payable by BOCOM Entrusted Loan Lenders to Lending Agent B for the BOCOM Entrusted Loans is 0.12 per cent. per annum on the principal amount of the BOCOM Entrusted Loans. The service fee for the term of the BOCOM Entrusted Loans is payable by the BOCOM Entrusted Loan Lenders to Lending Agent B on 21 March 2013 and will be deducted from interest payment received by the BOCOM Entrusted Loan Lenders from Lending Agent B on 21 March 2013.

Term of the loans:

The BOCOM Entrusted Loans are for a term of 24 months commenced from 25 December 2012. Borrower B is allowed to prepay part or whole of the principal amount of the entrusted loans before the due date with the consent of the relevant BOCOM Entrusted Loan Lenders. The interest will then be calculated up to the date on which the relevant principal amount of the entrusted loan has been repaid in full. Any request for early repayment must be provided by Borrower B to Lending Agent B.

Security:

In order to secure the due performance of Borrower B of its obligations under the BOCOM Entrusted Loan Agreements, the BOCOM Entrusted Loans are secured by 19 properties with a total building area of 735.31 m² located in Yuhang district of Hangzhou. The properties are owned by 浙江中都房地產集團有限公司 (Zhejiang Zhongdou Property Group Company Limited*) and 60 properties with a total building area of 1,827.6 m² located in Yuhang district of Hangzhou owned by 浙江中都百貨有限公司 (Zhejiang Zhongdou Department Store Company Limited*), a company owned as to 70.0 per cent. by Borrower A. If Borrower B is in default, Lending Agent B will assist Zhejiang China Ting Knitting, Zhejiang Fuhowe, and Zhejiang Fucheng to recover the principal amount and the accrued interest on the principal amount. Lending Agent B will also assist Zhejiang China Ting Knitting, Zhejiang Fuhowe, and Zhejiang Fucheng (or any one of them) to take possession of all or part of the properties for the recovery of the amount due.

Both Zhongdou Property Group Company Limited and Zhejiang Zhongdou Department Store Company Limited are subsidiaries of Borrower A. Borrower B is a non-wholly owned subsidiary of Borrower A.

Corporate guarantee:

A corporate guarantee is executed by 浙江臨安中都置業有限公司 (Zhejiang Linan Zhongdou Property Company Limited*) in favour of BOCOM to secure the obligations of Borrower B under the BOCOM Entrusted Loan Agreements. Zhejiang Linan Zhongdou Property Company Limited is owned as to 21.6 per cent. by Zhongdou Group Holdings Limited and owned as to 32.0 per cent. by Zhejiang Zhongdou Property Group Company Limited.

Opinion of the PRC Legal Advisers:

The PRC Legal Advisers have confirmed to the Board, by way of written opinion, that the BOCOM Entrusted Loan Agreements are valid and enforceable under the PRC laws and that Zhejiang China Ting Knitting, Zhejiang Fuhowe, and Zhejiang Fucheng, with and through the assistance of BOCOM, will be entitled to enforce the relevant corporate guarantee and take possession of the collaterals in the event of default of repayment by Borrower B.

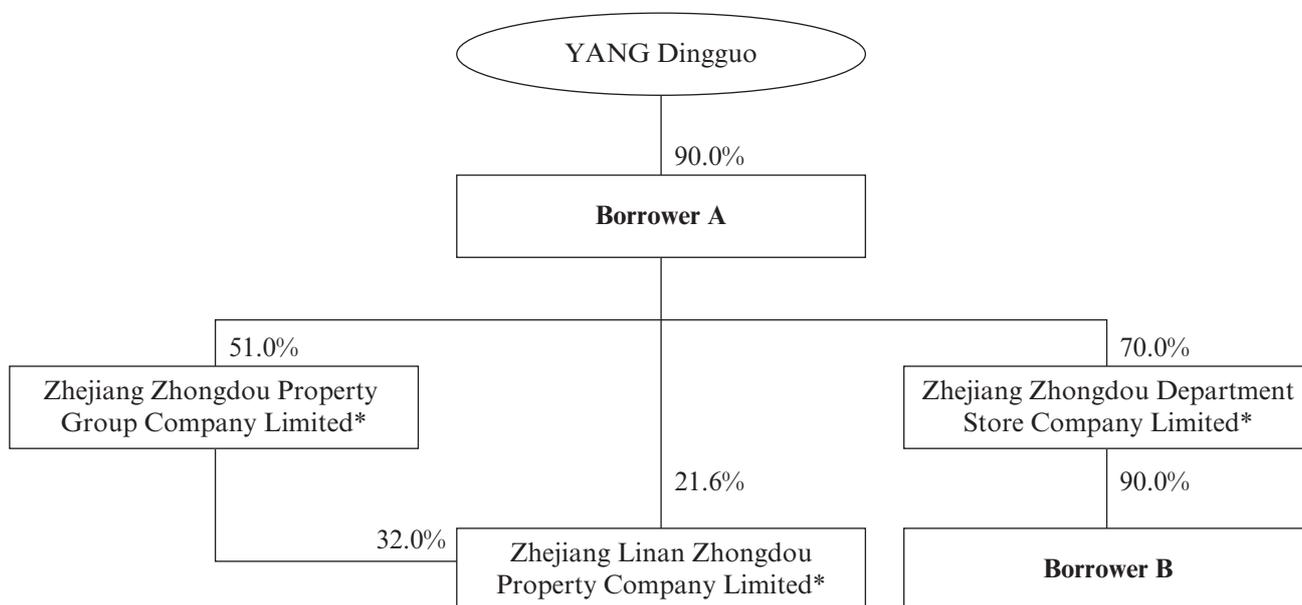
GENERAL INFORMATION

Information on the lenders under the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements

Each of the NBC Entrusted Loan Lenders (except for Zhejiang China Ting Group), Zhejiang China Ting Knitting, Zhejiang Fuhowe, and Zhejiang Fucheng are wholly-owned subsidiaries of the Company and are the operating entities of the Group. The business of the Group includes the production and sales of garment and apparel items on an OEM basis and the retail sales of fashion and apparel items in the PRC. Zhejiang China Ting Group is a non-wholly owned subsidiary of the Company and is engaged in the business of garment manufacturing and investment holding. The Company is an investment holding company with all of its shares listed on the Stock Exchange. The OEM business of the Group represents the principal source of income for the Group with products exported to almost all leading markets of the world, including the United States and major European countries. The fashion retail business of the Group had 435 retail stores as of 31 December 2011.

Information on the Borrowers

Borrower A is a limited liability company established in the PRC and its principal business activities are investment holding. Borrower B is a limited liability company established in the PRC and its principal business activities are operating shopping arcades in the PRC. Borrower B is a non-wholly owned subsidiary of Borrower A.



Information on the Lending Agent A and the Lending Agent B

Both Lending Agent A (Ningbo Bank Corporation) and Lending Agent B (BOCOM) are commercial banks in the PRC registered with and under the supervision of the China Banking Regulatory Committee to conduct banking and related business in the PRC.

REASONS FOR, AND BENEFITS OF, THE ENTRUSTED LOAN TRANSACTIONS

The Directors are always looking for prudent strategies to achieve a better interest return on the financial resources generated from the business operations of the Group. The deposit interest rates in the PRC remain at low levels, and the Directors believe that the financial

resources of the Group can be used in a more efficient way in order to generate additional interest return. In considering various investment and treasury strategies, the Directors focus on limiting the risks involved against the possible investment returns. The Directors also insist that the use of the financial resources for the purpose of generating additional income cannot affect the business of the Group and its foreseeable future plans that require financial resources.

Entrusted loans are a common practice adopted by commercial banks in the PRC. The entrusted loan arrangements allow the lenders to receive additional interest income, and the lending banks are in a better position to assess the credit risks of the prospective borrowers. Hence, the Directors believe that entrusted loan arrangements are a relatively prudent method to facilitate an efficient use of the financial resources of the Group without encountering unmanageable credit risks.

The NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are made on the basis of and with the assistance from Ningbo Bank Corporation and BOCOM in conducting credit assessments on the Borrowers' financial strength, repayment ability, collaterals and guarantees provided to secure obligations of the Borrowers under the entrusted loan arrangements.

The Directors confirm that the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are entered into upon normal commercial terms. The transaction structure and the terms of the entrusted loans, including the interest rate applicable, are agreed by the parties after arm's length negotiations with reference to the prevailing market practices and the prevailing market interest rates for entrusted loans in the PRC. The Board considers that the interest rates charged to the Borrowers under the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are favourable to the Group and the arrangements allow the Group to receive interest income on the entrusted loan amount at a rate which is substantially higher than the deposit interest rates offered by commercial banks in the PRC.

Taking into consideration the terms of the NBC Entrusted Loans and the BOCOM Entrusted Loans, the established practice of entrusted loan arrangements in the PRC, the low credit risk involved, the collaterals and guarantees provided to Ningbo Bank Corporation and BOCOM, the Directors, including the independent non-executive Directors, are of the view that the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

The BOCOM Entrusted Loan Agreements, which were entered into on 24 December 2012, constituted an "advance to an entity" by the Company as set forth in Rules 13.13 to 13.15A of the Listing Rules. As the amount involved did not exceed eight per cent. under the assets ratio (as defined in Chapter 14 of the Listing Rules), the Company was not required to make any disclosure under Chapter 13 of the Listing Rules. The amount under the BOCOM Entrusted Loan Agreements did not constitute a discloseable transaction (as defined in Chapter 14 of the Listing Rules) for the Company.

Borrower B is a non-wholly owned subsidiary of Borrower A. The NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements are entered into by members of the Group with the same party or with parties associated with one another and are completed within a period of 12 months which should therefore be aggregated under Rules 14.22 and 14.23 of the Listing Rules for the purpose of determining the applicable disclosure or

Shareholders' approval requirements under Chapter 14 of the Listing Rules. The aggregated amount of the NBC Entrusted Loan Agreements and the BOCOM Entrusted Loan Agreements represent 5.87 per cent under the assets ratio (as defined in Chapter 14 of the Listing Rules) of the Company which does not exceed eight per cent. of the assets ratio of the Company as specified in Rule 13.13 of the Listing Rules. As the applicable percentage ratios exceeds five per cent. but less than 25 per cent, the grant of the NBC Entrusted Loans to Borrower A and the BOCOM Entrusted Loans to Borrower B, in aggregate, constitute a discloseable transaction (as defined in Chapter 14 of the Listing Rules) for the Company.

The Directors will continue to monitor the relevant advance to an entity and will comply with any further disclosure requirement (if applicable) and continuing disclosure requirement (if applicable) under Chapter 13 of the Listing Rules for so long as the circumstances giving rise to such disclosure obligations continue to exist.

DEFINITIONS USED IN THIS ANNOUNCEMENT

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

- “associate(s)” has the meaning ascribed to it under the Listing Rules;
- “Board” means the board of Directors;
- “BOCOM” means 交通銀行股份有限公司浙江省分行杭州餘杭支行 (The Bank of Communications Limited, Zhejiang Branch, Hangzhou Yuhang Sub-branch*), a PRC commercial bank;
- “BOCOM Entrusted Loan Agreements” means the entrusted loan agreements dated 24 December 2012 entered into by each of Zhejiang China Ting Knitting, Zhejiang Fuhowe and Zhejiang Fucheng with Borrower B and Lending Agent B in relation to the provision of the BOCOM Entrusted Loans;
- “BOCOM Entrusted Loans” means the three entrusted loans in the principal amount of RMB15.0 million, RMB5.0 million and RMB10.0 million, respectively (equivalent to HK\$18.8 million, HK\$6.2 million and HK\$12.5 million, respectively), in an aggregated amount of RMB30.0 million (equivalent to HK\$37.5 million), made by each of Zhejiang China Ting Knitting, Zhejiang Fuhowe and Zhejiang Fucheng to Borrower B through Lending Agent B subject to and upon the terms and conditions of the BOCOM Entrusted Loan Agreements;
- “Borrower A” means 中都控股集團有限公司 (Zhongdou Group Holdings Limited*), a company established in the PRC with limited liability and is owned as to 90.0 per cent. by Mr. YANG Dingguo, an Independent Third Party and 10.0 per cent. by Mr. YANG Shengshou, an Independent Third Party, the principal business activities of which are investment holdings;
- “Borrower B” means 杭州中都購物中心有限公司 (Hangzhou Zhongdou Shopping Centre Company Limited*) a company established in the PRC with limited liability and is a non-wholly owned subsidiary of Borrower A, the principal business activities of which are operating shopping arcades in the PRC;

“Borrowers”	means Borrower A and Borrower B;
“China Ting (Hangzhou) Textile Technology”	means 華鼎(杭州)紡織科技有限公司 (China Ting (Hangzhou) Textile Technology Textile Technology Company Limited *), a wholly-foreign owned enterprise established in the PRC on 29 December 2004 and a wholly-owned subsidiary of the Company;
“China Ting (Hangzhou) Textile Technology Entrusted Loan Agreement”	means the entrusted loan agreement entered into between China Ting (Hangzhou) Textile Technology with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB10 million (equivalent to HK\$12.5 million) to Borrower A through Lending Agent A;
“Company”	means China Ting Group Holdings Limited (華鼎集團控股有限公司), a company incorporated in the Cayman Islands and listed on the Stock Exchange;
“Directors”	means the directors of the Company;
“Group”	refers to the Company and its subsidiaries;
“Hangzhou China Ting Fashion”	means 杭州華鼎時裝有限公司 (Hangzhou China Ting Fashion Fashion Company Limited*), a wholly-foreign owned enterprise established in the PRC on 4 December 2001 and a wholly-owned subsidiary of the Company;
“Hangzhou China Ting Fashion Entrusted Loan Agreement”	means the entrusted loan agreement entered into between Hangzhou China Ting Fashion with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB10.0 million (equivalent to HK\$12.5 million) to Borrower A through Lending Agent A;
“Hangzhou Fuding”	means 杭州富鼎時裝有限公司 (Hangzhou Fuding Fashion Company Limited*), a wholly-foreign owned enterprise established in the PRC on 30 June 2005 and a wholly-owned subsidiary of the Company;
“Hangzhou Fuding Entrusted Loan Agreement”	means the entrusted loan agreement entered into between Hangzhou Fuding with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB15.0 million (equivalent to HK\$18.8 million) to Borrower A through Lending Agent A;
“Independent Third Party(ies)”	means any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined under with the Listing Rules) of the Company;
“Lending Agent A”	means Ningbo Bank Corporation;
“Lending Agent B”	means BOCOM;

“Listing Rules”	means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“NBC Entrusted Loan Agreements”	means the eight entrusted loan agreements, all dated 5 February 2013, entered into between each of the NBC Entrusted Loan Lenders with Borrower A and Lending Agent A in relation to the provision of the NBC Entrusted Loans to Borrower A through Lending Agent A;
“NBC Entrusted Loan Lenders”	means Hangzhou China Ting Fashion, Zhejiang China Ting Textile Technology, Zhejiang Concept Creator, Zhejiang Xinan, Hangzhou Fuding, Zhejiang China Ting Knitting, China Ting (Hangzhou) Textile Technology, and Zhejiang China Ting Group;
“NBC Entrusted Loans”	means the entrusted loans in the principal amount of RMB10.0 million, RMB12.0 million, RMB31.0 million, RMB15.0 million, RMB15.0 million, RMB8.0 million, RMB10.0 million and RMB29.0 million, respectively (equivalent to HK\$12.5, HK\$15.0, HK\$38.7, HK\$18.8, HK\$18.8, HK\$10.0, HK\$12.5 and HK\$36.2, respectively) made by each of the NBC Entrusted Loan Lenders, in an aggregated amount of RMB130 million (equivalent to HK\$162.5 million) to Borrower A through Lending Agent A subject to and upon the terms and conditions of the NBC Entrusted Loan Agreements;
“Ningbo Bank Corporation”	means 寧波銀行股份有限公司杭州餘杭支行 (Ningbo Bank Corporation, Hangzhou Yuhang Branch*), a PRC commercial bank;
“PRC”	means The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“PRC Legal Advisers”	means 浙江民禾律師事務所 (Zhejiang Minhe Law Firm), a firm of practising lawyers in the PRC;
“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 Group”	means 浙江華鼎集團有限責任公司 (Zhejiang China Ting Group Company Limited *), a wholly-foreign owned enterprise established under the laws of the PRC on 16 August 2001 and owed as to 92.0 per cent. by the Company and the remaining eight per cent. by Mr. DING Xinger, Mr. FU Xiao Bo and Mr. YE Ai Min;
“Zhejiang China Ting Group Entrusted Loan Agreement”	means the entrusted loan agreement entered into between Zhejiang China Ting Group with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB29.0 million (equivalent to HK\$36.2 million) to Borrower A through Lending Agent A;

- “Zhejiang China Ting Knitting” means 浙江華鼎針織品有限公司 (Zhejiang China Ting Knitting Garment Company Limited *), a wholly-foreign owned enterprise established in the PRC on 4 December 2001 and a wholly-owned subsidiary of the Company;
- “Zhejiang China Ting Knitting NBC Entrusted Loan Agreement” means the entrusted loan agreement entered into between Zhejiang China Ting Knitting with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB8.0 million (equivalent to HK\$10.0 million) to Borrower A through Lending Agent A;
- “Zhejiang China Ting Knitting BOCOM Entrusted Loan Agreement” means the entrusted loan agreement entered into between Zhejiang China Ting Knitting with Borrower B and Lending Agent B on 24 December 2012 in relation to the provision of an entrusted loan in the amount of RMB15.0 million (equivalent to HK\$18.8 million) to Borrower B through Lending Agent B;
- “Zhejiang China Ting Textile Technology” means 浙江華鼎紡織科技有限公司 (Zhejiang China Ting Textile Technology Company Limited *), a wholly-foreign owned enterprise established in of the PRC on 24 August 2002 and a wholly-owned subsidiary of the Company;
- “Zhejian China Ting Textile Technology Entrusted Loan Agreement” means the entrusted loan agreement entered into between Zhejian China Ting Textile Technology with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB12.0 million (equivalent to HK\$15.0 million) to Borrower A through Lending Agent A;
- “Zhejiang Concept Creator” means 浙江創越時裝有限公司 (Zhejiang Concept Creator Fashion Company Limited *), a wholly-foreign owned enterprise established in the PRC on 24 January 2000 and a wholly-owned subsidiary of the Company;
- “Zhejiang Concept Creator Entrusted Loan Agreement” means the entrusted loan agreement entered into between Zhejiang Concept Creator with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB31.0 million (equivalent to HK\$38.7 million) to Borrower A through Lending Agent A;
- “Zhejiang Fucheng” means 浙江富成時裝有限公司 (Zhejiang Fucheng Fashion Company Limited *), a wholly-foreign owned enterprise established in the PRC on 19 February 2002 and a wholly-owned subsidiary of the Company;
- “Zhejiang Fucheng Entrusted Loan Agreement” means the entrusted loan agreement entered into between Zhejiang Fucheng with Borrower B and Lending Agent B on 24 December 2012 in relation to the provision of an entrusted loan in the amount of RMB10.0 million (equivalent to HK\$12.5 million) to Borrower B through Lending Agent B;
- “Zhejiang Fuhowe” means 浙江富豪時裝有限公司 (Zhejiang Fuhowe Fashion Company Limited *), a wholly-foreign owned enterprise established in the PRC on 4 December 2001 and a wholly-owned subsidiary of the Company;

“Zhejiang Fuhowe Entrusted Loan Agreement”	means the entrusted loan agreement entered into between Zhejiang Fuhowe with Borrower B and Lending Agent B on 24 December 2012 in relation to the provision of an entrusted loan in the amount of RMB5.0 million (equivalent to HK\$6.2 million) to Borrower B through Lending Agent B;
“Zhejiang Xinan”	means 浙江信安時裝有限公司 (Zhejiang Xinan Fashion Company Limited *), a wholly-foreign owned enterprise established in the PRC on 17 January 2002 and a wholly-owned subsidiary of the Company;
“Zhejiang Xinan Entrusted Loan Agreement”	means the entrusted loan agreement entered into between Zhejiang Xinan with Borrower A and Lending Agent A on 5 February 2013 in relation to the provision of an entrusted loan in the amount of RMB15.0 million (equivalent to HK\$18.8 million) to Borrower A through Lending Agent A;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong; and
“RMB”	Renminbi, the lawful currency of the PRC.

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

Hong Kong, 5 February 2013

* *For identification purpose only. The English names are only 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 = RMB0.8. 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, Mr. TING Hung Yi, Mr. DING Jianer and Mr. CHEUNG Ting Yin, Peter and the independent non-executive Directors are Dr. CHENG Chi Pang, Mr. WONG Chi Keung and Mr. LEUNG Man Kit.