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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)

PROFIT WARNING FOR THE YEAR ENDED 31 DECEMBER 2019

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Ting Group Holdings Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Following a preliminary review of the information currently available to the Board, which includes, but without limitation to, the unaudited management accounts of the Group for the year ended 31 December 2019, the Board wishes to inform the shareholders (the “**Shareholders**”) of the Company and prospective investors of the Company that the Group is expected to record a loss attributable to equity holders of the Company of not more than HK\$70 million for the year ended 31 December 2019, as compared to amount of the profit attributable to equity holders of the Company of HK\$21 million for the year ended 31 December 2018. The loss incurred by the Group in 2019 primarily due to the following reasons:

- (1) the amount of gross profit of the Group for the year ended 31 December 2019 is expected to decrease by approximately 33.5%, as compared to the amount of gross profit of the Group of HK\$563.2 million for the year ended 31 December 2018. The decrease due to the increasing price pressure on the garment products produced and supplied by the Group;

- (2) a decrease in the amount of sales revenue of the original equipment manufacturing business of the Group of approximately 19.0% due to the trade tensions between China and the United States and keen competition from the factories in Southeast Asia; and
- (3) a decrease in the amount of sales revenue of the fashion retail business of the Group of approximately 9.4% due to the sluggish retail markets in the PRC and the decrease in number of retail shops.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2019 (the “**Annual Results**”). The information disclosed in this announcement represents a preliminary assessment by the Board based on the information currently available to it, which has yet to be reviewed or audited by the audit committee of the Board or the auditor of the Company. Hence, the Annual Results may be different from the information disclosed herein.

The Board expects that the announcement on the Annual Results will be published before the end of March 2020 in full compliance with the requirements under the Listing Rules.

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

By order of the Board
CHINA TING GROUP HOLDINGS LIMITED
TING HUNG YI
Chief Executive Officer

Hong Kong, 13 March 2020

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