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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
PROVISION OF LOAN TO HANGZHOU CHINA TING PROPERTY

Background information

On 27 April 2012, Zhejiang China Ting entered into the Loan Agreement with Hangzhou China Ting Property pursuant to which Zhejiang China Ting will provide a loan to Hangzhou China Ting Property in proportion to its equity interest in Hangzhou China Ting Property.

Hangzhou China Ting Property was established pursuant to the Investors' Cooperative Agreement and is owned as to 49.0% by Zhejiang China Ting and 51.0% by Zhejiang Huading Property. Hangzhou China Ting Property is an associate of certain connected persons (as defined under the Listing Rules) of the Company.

Under the loan arrangements, each of Zhejiang China Ting and Zhejiang Huading Property will provide a loan to Hangzhou China Ting Property in proportion to its equity interest in Hangzhou China Ting Property. On this basis, the amount of the loan to be provided by Zhejiang China Ting will be RMB183.75 million (equivalent to HK\$226.38 million) and the amount of the loan to be provided by Zhejiang Huading Property will be RMB191.25 million (equivalent to HK\$235.62 million). The loan from Zhejiang China Ting and Zhejiang Huading Property will be used by Hangzhou China Ting Property for the development of the Land.

Implications under the Listing Rules

As one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) in respect of the provision of loan by Zhejiang China Ting to Hangzhou China Ting Property under the Loan Agreement exceed 5% and are less than 25%, the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

Hangzhou China Ting Property is a non-wholly owned subsidiary of Zhejiang Huading Property which is owned by certain connected persons of the Company. Hence, Hangzhou China Ting Property and Zhejiang Huading Property are connected persons (as defined under the Listing Rules) of the Company. The provision of loan by Zhejiang China Ting to Hangzhou China Ting Property under the Loan Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Pursuant to rule 14A.65(3) of the Listing Rules, financial assistance provided by Zhejiang China Ting for the benefit of Hangzhou China Ting Property on normal commercial terms and in proportion to its equity interest in Hangzhou China Ting Property will be exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) confirm that the terms and conditions of the Loan Agreement are negotiated on an arm's length basis and are on normal commercial terms. The Directors (including the independent non-executive Directors) are of the view that the Loan Agreement is fair and reasonable and in the interests of the Company and the shareholders as a whole. In addition, the interested Directors, namely Mr. TING Man Yi, Mr. TING Hung Yi and Mr. DING Jianer, have abstained from voting on the relevant board resolutions approving the Loan Agreement.

SHAREHOLDERS' LOAN TO BE PROVIDED TO HANGZHOU CHINA TING PROPERTY

Introduction

On 27 April 2012, Zhejiang China Ting entered into the Loan Agreement with Hangzhou China Ting Property pursuant to which Zhejiang China Ting will provide a loan to Hangzhou China Ting Property in proportion to its equity interest in Hangzhou China Ting Property.

Hangzhou China Ting Property was established pursuant to the Investors' Cooperative Agreement and is owned as to 49.0% by Zhejiang China Ting and 51.0% by Zhejiang Huading Property. Hangzhou China Ting Property is an associate of certain connected persons of the Company.

Under the loan arrangements, each of Zhejiang China Ting and Zhejiang Huading Property will provide a loan to Hangzhou China Ting Property in proportion to its equity interest in Hangzhou China Ting Property. On this basis, the amount of the loan to be provided by Zhejiang China Ting will be RMB183.75 million (equivalent to HK\$226.38 million) and the amount of the loan to be provided by Zhejiang Huading Property will be RMB191.25 million (equivalent to HK\$235.62 million). The loan from Zhejiang China Ting and Zhejiang Huading Property will be used by Hangzhou China Ting Property for the development of the Land.

Principal terms and conditions of the Loan Agreement

The following sets forth a summary of the principal terms and conditions of the Loan Agreement:

Date:	27 April 2012
Borrower:	Hangzhou China Ting Property
Lender:	Zhejiang China Ting

Principal amount:	RMB\$183.75 million
Principal repayment schedule:	Principal amount shall be fully repaid by Hangzhou China Ting Property before 27 April 2015.
Interest:	Interest is to be calculated at the rate of 7.315% per annum on the outstanding amount of the principal and shall be payable by Hangzhou China Ting Property before 27 April 2015.
Renewal of loan:	The loan agreement can be automatically renewed with written notice of the borrower to the lender 30 days prior to expiry of the term of the Loan Agreement and interest rate of which shall be the same as the lending rate of other similar banks.
Effect of default of repayment:	If the principal amount and the interest is not repaid pursuant to the schedules, the lenders shall have the right to (a) increase interest rate to 0.08% per day from the date on which default of repayment has occurred until the date on which the principal amount and the interest are fully settled by Hangzhou China Ting Property or (b) if the failure of repayment of the principal amount and interest pursuant to the schedules exceeds 30 days, all obligation of Hangzhou China Ting Property for repayment of principal sum and interest shall be immediately due and payable.

The Directors (including the independent non-executive Directors) confirm that the terms and conditions of the Loan Agreement are negotiated on an arm's length basis among the parties thereto and are on normal commercial terms. The Group has been advised by the PRC legal advisers that the loan arrangements may not be valid and may not constitute a legally binding obligation on Hangzhou China Ting Property under the laws and regulations in the PRC. As advised by the PRC legal advisers, Zhejiang China Ting shall have the right under the *Contract Law of the People's Republic of China* to claim for repayment of the principal amount from Hangzhou China Ting Property. Pursuant to the PRC legal advisers, the directors and shareholders of Zhejiang China Ting shall not bear liabilities for any legal non-compliance in relation to the proposed loan arrangements under the Loan Agreement as Zhejiang Huading Property undertakes to bear all the costs or penalties in relation to such non-compliance which may be deducted from the future dividend distribution to Zhejiang Huading Property. In view of the above, the PRC legal advisers advised that Zhejiang China Ting shall not bear the legal consequence which may arise from the non-compliance of the proposed loan arrangements under the applicable laws and regulations in the PRC.

No collateral under the Loan Agreement

The Directors (including the independent non-executive Directors) do not consider it necessary to obtain other collateral from Hangzhou China Ting Property for the purpose of the Loan Agreement.

REASONS FOR AND BENEFITS OF THE LOAN AGREEMENT

The loan from Zhejiang China Ting and Zhejiang Huading Property is to provide additional funding to Hangzhou China Ting Property for the development of the Land. As the loan arrangement under the Loan Agreement is in proportion to the equity investment in Hangzhou China Ting Property, the Directors (including the independent non-executive Directors) consider the terms of the Loan Agreement to be fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The Directors have also considered that the Group will be entitled to an interest on the principal amount of the loan at the rate of 7.315% per annum from the date of the Loan Agreement until the principal amount thereof is repaid in full.

The Group has received advices from the legal advisers as to PRC law that the terms and conditions of the Loan Agreement may not be valid and may not constitute legally binding obligation on Hangzhou China Ting Property under the laws and regulations in the PRC. As advised by the PRC legal advisers, Zhejiang China Ting shall have the right under the *Contract Law of the People's Republic of China* to claim for repayment of the principal amount from Hangzhou China Ting Property. Pursuant to the PRC legal advisers, the directors and shareholders of Zhejiang China Ting shall not bear liabilities for any legal non-compliance in relation to the proposed loan arrangements under the Loan Agreement as Zhejiang Huading Property undertakes to bear all the costs or penalties in relation to such non-compliance which may be deducted from the future dividend distribution to Zhejiang Huading Property. In view of the above, the PRC legal advisers advised that Zhejiang China Ting shall not bear the legal consequence which may arise from the non-compliance of the proposed loan arrangements under the applicable laws and regulations in the PRC.

In light of the rights and protections provided to the Group under the Loan Agreement and the advices from the PRC legal advisers, the Directors (including the independent non-executive Directors) consider that the Loan Agreement has no material adverse impact on the financial position of the Group as a whole.

GENERAL INFORMATION

Information on Zhejiang China Ting and the Company

Zhejiang China Ting is a limited liability company established in the PRC and is owned as to 92.0% by the Company with the remaining 8.0% by Mr. DING Xinger, Mr. FU Xiao Bo and Mr. YE Ai Min. Zhejiang China Ting is principally engaged in garment trading. The Company is an investment holding company with all of its shares listed on the Stock Exchange. The Group is engaged in the business of garment manufacturing for export and retailing branded fashion and apparel items in China. The garment export business represents the principal source of income for the Group. The Group's garment is exported to almost all leading markets in 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 Zhejiang Huading Property

Zhejiang Huading Property is a sino-foreign equity joint venture company established in China and is owned as to 90.0% by China Ting Industries, 7.0% by Mr. DING Jianer and 3.0% by Mr. DING Xinger. Zhejiang Huading Property is a connected person (as defined in the Listing Rules) of the Company. Zhejiang Huading Property is engaged in the property development business in the PRC.

Information on Hangzhou China Ting Property

Hangzhou China Ting Property is a limited liability company established in the PRC on 24 December 2010. Hangzhou China Ting Property is owned as to 51.0% by Zhejiang Huading Property and 49.0% by Zhejiang China Ting. Hangzhou China Ting Property is an associate of certain connected persons (as defined under the Listing Rules) of the Company. Hangzhou China Ting Property is not a non-wholly owned subsidiary of the Company. Hangzhou China Ting Property is permitted to be engaged in the property development business.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) in respect of the provision of loan by Zhejiang China Ting to Hangzhou China Ting Property under the Loan Agreement exceed 5% and are less than 25%, the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

Hangzhou China Ting Property is a non-wholly owned subsidiary of Zhejiang Huading Property which is owned by certain connected persons of the Company. Hence, Hangzhou China Ting Property and Zhejiang Huading Property are connected persons (as defined under the Listing Rules) of the Company. The provision of loan by Zhejiang China Ting to Hangzhou China Ting Property under the Loan Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Pursuant to rule 14A.65(3) of the Listing Rules, financial assistance provided by Zhejiang China Ting for the benefit of Hangzhou China Ting Property on normal commercial terms and in proportion to its equity interest in Hangzhou China Ting Property will be exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) confirm that the terms and conditions of the Loan Agreement are negotiated on an arm's length basis and are on normal commercial terms. The Directors (including the independent non-executive Directors) are of the view that the Loan Agreement is fair and reasonable and in the interests of the Company and the shareholders as a whole. In addition, the interested Directors, namely Mr. TING Man Yi, Mr. TING Hung Yi and Mr. DING Jianer, have abstained from voting on the relevant board resolutions approving the Loan Agreement.

DEFINITIONS USED IN THIS ANNOUNCEMENT

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

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| “associate(s)” | has the meaning ascribed to it under the Listing Rules; |
| “Board” | means the board of Directors; |

“China” or “PRC”	means 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 Industries”	means China Ting Industries Investment (Hong Kong) Limited 華鼎實業投資香港有限公司, a company incorporated in Hong Kong with limited liability on 24 April 2002 and owned as to 25.0% by each of Mr. TING Man Yi, Mr. TING Hung Yi, Mr. DING Jianer and Mr. SHUM Pui Hung;
“Company”	refers to China Ting Group Holdings Limited (華鼎集團控股有限公司), a company listed on the Stock Exchange;
“Directors”	means the directors of the Company;
“Group”	refers to the Company and its subsidiaries;
“Hangzhou China Ting Property”	means 杭州華鼎房地產開發有限公司 (Hangzhou China Ting Property Development Company Limited*), a limited liability company established in the PRC pursuant to the Investors’ Cooperative Agreement;
“Investors’ Cooperative Agreement”	means 股東合作經營合同 (the Investors’ Cooperative Agreement*) dated 24 December 2010 entered into between Zhejiang China Ting and Zhejiang Huading Property;
“Land”	means a parcel of land with a site area of approximately 32,345 square meters and is located on the western side of South Avenue and the northern side of Halian Peninsula Residence, Linping New Town, Yuhang District, Hangzhou, Zhejiang Province, the PRC;
“Listing Rules”	means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Loan Agreement”	means the loan agreement dated 27 April 2012 entered into between Hangzhou China Ting Property and Zhejiang China Ting for the purpose of provision of loan to Hangzhou China Ting Property to facilitate the development of the Land;
“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”	means 浙江華鼎集團有限責任公司 (Zhejiang China Ting Group Company Limited*), a limited liability company established under the laws of the PRC on 16 August 2001 and is owned as to 92.0% by the Company and the remaining 8.0% by Mr. DING Xinger, Mr. FU Xiao Bo and Mr. YE Ai Min;

“Zhejiang Huading Property” means 浙江華鼎房地產開發有限公司 (Zhejiang Huading Property Development Company Limited*), a sino-foreign equity joint venture company established in the PRC on 6 June 2001, held as to 90.0% by China Ting Industries, 7.0% by Mr. DING Jianer and 3.0% by Mr. DING Xinger, and a connected person (as defined in the Listing Rules) of the Company;

“HK\$” means Hong Kong dollars, the lawful currency of Hong Kong; and

“RMB” means 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, 27 April 2012

* *For identification purposes 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 announcement are based on the rate of HK\$1.0 = RMB0.8117. 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.