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DICKSON CONCEPTS (INTERNATIONAL) LIMITED
迪生創建(國際)有限公司*
(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

CONTINUING CONNECTED TRANSACTION

The Board announces that on 26th March, 2007, a licence agreement (“the Licence Agreement”) was entered into between HK Seibu Enterprise, an indirect wholly-owned subsidiary company of the Company, and STDM regarding the renewal of the licensing of a sales corner in the Pacific Place Seibu Store by the Group.

As STDM is an associate of Mr. Dickson Poon, a Director and substantial shareholder of the Company, STDM is deemed to be a connected person of the Company for the purposes of the Listing Rules. Accordingly, the Licence Agreement therefore constitutes a Continuing Connected Transaction of the Company under Rule 14A.14 of the Listing Rules.

Given that the maximum aggregate annual cap receivable by the Group under the Licence Agreement and a separate licence agreement dated 27th March, 2006 previously disclosed on 4th April, 2006 represents less than 2.5 per cent. of the applicable percentage ratios of the Company, the Licence Agreement is subject to reporting, announcement and annual review requirements under Rules 14A.45 to 14A.47 and Rules 14A.37 to 14A.40 of the Listing Rules respectively and no Independent Shareholders’ approval is required.

The Board announces that on 26th March, 2007, a licence agreement (“the Licence Agreement”) was entered into between HK Seibu Enterprise, an indirect wholly-owned subsidiary company of the Company, and STDM regarding the renewal of the licensing of a sales corner in the Pacific Place Seibu Store by the Group as detailed below :-

Grantor:	HK Seibu Enterprise
Licensee:	STDM
Premises:	A sales corner in the Pacific Place Seibu Store
Area:	About 762 sq. ft.
Period:	Two years from 2nd April, 2007

Licence Fee: Based on a certain percentage of the monthly sales made at the sales corner but subject to a minimum monthly licence fee payment of HK\$201,549, to be paid in cash within 20 days from the end of each month in arrears. This licence fee was determined with reference to the size and location of the sales corner within the Pacific Place Seibu Store, the prestige of the relevant brand and its products and the prevailing as well as the expected market conditions

STDM has been the licensee of the above premises since 2nd April, 2005. The maximum annual caps receivable by HK Seibu Enterprise for the licensing of the same sales corner under the licence agreement dated 27th October, 2005 for the financial years ended/ending 31st March, 2006, 31st March, 2007 and 31st March, 2008 are HK\$3,111,400, HK\$4,667,000 and HK\$12,800 respectively as previously disclosed on 27th October, 2005. The actual transaction amount for the financial year ended 31st March, 2006 was HK\$2,296,000 which was below the maximum annual cap of HK\$3,111,400, while for the period from 1st April, 2006 to 28th February, 2007, the actual transaction amount was HK\$2,193,000 which amount is not expected to exceed the maximum annual cap of HK\$4,667,000 for the financial year ending 31st March, 2007.

The maximum annual caps receivable by HK Seibu Enterprise for the licensing of the sales corner in the Pacific Place Seibu Store under the Licence Agreement for the financial years ending 31st March, 2008, 31st March, 2009 and 31st March, 2010 will be HK\$3,102,000 (eleven months and twenty nine days), HK\$4,044,000 and HK\$15,000 (one day) respectively. The aforesaid maximum annual caps were derived based on the estimated annual growth after taking into consideration the amount of licence fees totalling HK\$2,193,000 received by HK Seibu Enterprise from STDM in respect of the same sales corner for the period from 1st April, 2006 to 28th February, 2007, the size and location of the sales corner, the prestige of the relevant brand and its products, the prevailing as well as the expected market conditions and the estimated annual growth rate representing 30 per cent. of the historical figure of the said licence fees received by the Group for the period from 1st April, 2006 to 28th February, 2007.

REASONS FOR THE CONTINUING CONNECTED TRANSACTION

The renewal of the Licence Agreement for the continued licensing of the relevant sales corner in the Pacific Place Seibu Store is a practical commercial decision of the Group and will ensure steady income to the Group. The housing of the sales corner in the Pacific Place Seibu Store will reinforce Hong Kong Seibu's status as one of the most prestigious department store groups in Hong Kong.

The licence fee under the Licence Agreement was determined with reference to the size and location of the sales corner within the Pacific Place Seibu Store, the prestige of the relevant brand and its products and the prevailing as well as the expected market conditions.

The Directors, including the independent non-executive Directors, consider that the entering into of the Licence Agreement is in the ordinary and usual course of business of the Group, on normal commercial terms which were negotiated at arm's length, are no less favourable to the Group than those available to independent third parties and are in the interests of the Company and its shareholders as a whole, and that the relevant maximum annual caps are fair and reasonable.

RELATIONSHIP BETWEEN THE PARTIES

As STDM is an associate of Mr. Dickson Poon, a Director and substantial shareholder of the Company as disclosed in the “General” section below, STDM is deemed to be a connected person of the Company for the purposes of the Listing Rules. Accordingly, the Licence Agreement therefore constitutes a Continuing Connected Transaction of the Company under Rule 14A.14 of the Listing Rules.

INDEPENDENT SHAREHOLDERS’ APPROVAL NOT REQUIRED

Given that the maximum aggregate annual cap receivable by the Group under the Licence Agreement and a separate licence agreement dated 27th March, 2006 previously disclosed on 4th April, 2006 represents less than 2.5 per cent. of the applicable percentage ratios of the Company, the Licence Agreement is subject to reporting, announcement and annual review requirements under Rules 14A.45 to 14A.47 and Rules 14A.37 to 14A.40 of the Listing Rules respectively and no Independent Shareholders’ approval is required.

GENERAL

The Company is an investment holding company and the Group is principally engaged in the sale of luxury goods with a total of 490 retail outlets throughout Asia.

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise :-

“associates”	has the meaning as ascribed under the Listing Rules
“Board”	the board of Directors
“Company”	Dickson Concepts (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Continuing Connected Transaction”	the continuing connected transaction as described in this Announcement which is subject to disclosure under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiary companies
“HK Seibu Enterprise”	Hong Kong Seibu Enterprise Company Limited, a company incorporated in Hong Kong with limited liability and which is indirectly wholly-owned by the Company, the principal activity of which is the operation of and investment in department stores
“Independent Shareholders”	shareholders of the Company, other than Mr. Dickson Poon and his associates

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Dickson Poon”	Mr. Dickson Poon, the group executive chairman of the Group and a substantial shareholder of the Company
“Pacific Place Seibu Store”	a department store located at Pacific Place Phase II, 88 Queensway, Hong Kong
“ST Dupont”	S.T. Dupont S.A., a company incorporated in France with limited liability, the shares of which are listed on the Paris Bourse in France and which is owned as to 68.9 per cent. of its issued share capital by a trust established for the benefit of the members of Mr. Dickson Poon’s family, together with its subsidiary companies, which are principally engaged in the manufacture and distribution of luxury lighters, writing instruments, leather goods, accessories, ready-to-wear clothing, watches and fragrances
“STDM”	S.T. Dupont Marketing Limited, a company incorporated in Hong Kong with limited liability and which is directly wholly-owned by ST Dupont, the principal activity of which is the sale of S.T. Dupont products including luxury lighters and writing instruments, leather goods, fashion and accessories
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

As at the date of this announcement, the Board comprises :-

Executive Directors:

Dickson Poon (*Group Executive Chairman*)
Raymond Lee (*Deputy Chairman
and Chief Executive Officer*)
Chan Tsang Wing, Nelson
Edwin Ing
Ng Chan Lam
Walter Josef Wuest

Independent Non-Executive Directors:

Bhanusak Asvaintra
Nicholas Peter Etches
Christopher Patrick Langley, OBE

By Order of the Board
Or Suk Ying, Stella
Company Secretary

Hong Kong, 26th March, 2007

* *For identification purposes only*

Please also refer to the published version of this Announcement in The Standard.