



PRESS RELEASE

1. ACQUISITION OF ENTIRE ISSUED SHARE CAPITAL OF BERTOLUCCI SA

- * The Group is pleased to announce that it has completed the acquisition of the entire issued share capital of Bertolucci SA.
- * Established in Switzerland in 1987 with its current headquarters in Marin, near Neuchatel, Bertolucci SA manufactures and sells luxury ladies and mens watches under the Bertolucci brand name ranging in price from HK\$10,000 - HK\$1,000,000.
- * It is the Group's firm belief that the acquisition of Bertolucci SA represents an exceptional investment opportunity for the Group. With Dickson's comprehensive watch and jewellery retail network in South East Asia, Bertolucci will be provided with prime locations and maximum exposure to reinforce the prestige of the brand as well as for the Group to enjoy first in last out margins. Furthermore, Bertolucci's international network of 19 agents together with Dickson's proven expertise in the watch and jewellery business will enable Bertolucci to significantly enhance its international popularity.
- * During the next 12-24 months, it is the Group's intention to develop and introduce distinctive new watch collections featuring innovative Italian styling and designs, and thereby further establish Bertolucci as a leading upmarket luxury watch brand.
- * Based on current management expectations, Bertolucci will not be a meaningful contributor during the brand's development period. However, the Group considers Bertolucci to be a tremendously undervalued asset which will achieve a quantum leap in turnover, profits and capital appreciation once the Group has completed the implementation of its development strategies.

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DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司

(incorporated in Bermuda with limited liability)



2. 100,000 S.F. LIFESTYLE STORE TO BE OPENED IN CHENGDU, CHINA

- * The Group has entered into a preliminary agreement to open a 100,000 s.f. lifestyle store in Chengdu, China.
- * The capital of Sichuan province, Chengdu accounts for one third of the GDP of the entire western region of China. As a major industrial and commercial centre, there are nearly 10 million people living in the Chengdu area who are rapidly becoming increasingly affluent. Moreover, Chengdu has many tourist attractions with Sichuan being home to 85 per cent of the world's giant panda population.
- * The large format store will occupy seven floors of prime retail space in the heart of the business and commercial centre of Chengdu, next to the 5-star Holiday Inn Crowne Plaza Hotel. A comprehensive range of menswear, ladieswear, leather goods, accessories and cosmetics from leading international brands will be offered ensuring that the store will be the undisputed leading destination for upmarket retailing in western China.
- * The Group is in the process of applying for a foreign wholly-owned retail licence, and once obtained, it is expected that the store will open around the end of this year achieving breakeven in its first year and profitability in its second year of operations.

3. EXCLUSIVE LICENCE AGREEMENT TO SELL AND DISTRIBUTE MERCHANDISE UNDER THE MICHAEL KORS BRANDS

- * Through a 50/50 joint venture with SHL - Kors Limited, a company owned by affiliates of Mr. Silas Chou and Mr. Lawrence Stroll, which owns the Michael Kors trademarks, the Group has entered into an exclusive long-term Licence Agreement to sell, distribute and promote menswear, womenswear and certain accessories under the Michael Kors brands. The Agreement covers the territories of Hong Kong, China, Taiwan, Singapore, Malaysia, Thailand, Macau, Indonesia and the Philippines.



- * Initially, the Michael Kors brand, MICHAEL Michael Kors, will be launched in Hong Kong with the opening of a 2,200 s.f. shop at The Landmark, Hong Kong in Spring 2005.
- * The Michael Kors collection line will be launched in Fall 2005 with the opening of a shop-in-shop at the new Harvey Nichols store scheduled to open in October 2005.
- * Given the outstanding reputation and popularity of the Michael Kors name, the Group is confident that the new shops opened under this licence agreement will make a meaningful contribution to the Group's turnover and profits in the medium term.

It is envisaged that the Group's initial total investment in the above three major projects will amount to about HK\$100 million and will be funded entirely from internal financial resources.

4. NEW SHOP OPENINGS

- * With a total of 63 shops and shop-in-shops opened this year, the Group's retail network currently totals 388 shops and shop-in-shops. This comprises 52 in Hong Kong, 142 in China, 145 in Taiwan and 49 in Singapore, Malaysia and the Philippines.
- * With an additional 10 new shops and shop-in-shops planned to be opened during the remainder of the current financial year, the Group's retail network will increase to nearly 400 shops and shop-in-shops.

5. HARVEY NICHOLS AT THE LANDMARK

- * Planning for the opening of the eagerly awaited Harvey Nichols store of over 60,000 s.f. at The Landmark is progressing smoothly.
- * The response from business partners has been extremely encouraging, and the Group is confident that after its opening in Fall 2005, this store will set new standards in innovation and style and define the next generation of luxury retailing.



6. NET CASH POSITION

- * After paying for the acquisition of Bertolucci SA and the interim dividend of HK\$36.7 million, the Group still has a net cash position which is currently in excess of HK\$700 million. The Group will be able to comfortably fund from internal resources the development of the Bertolucci brand, the opening of the 100,000 s.f. lifestyle store in Chengdu, China, and the launch of the Michael Kors brands in South East Asia, as well as take advantage of any further investment opportunities of exceptional value which may arise.

The Group's comprehensive retail and wholesale operations will be the foundation for strong earnings growth in the immediate term. And given its continued aggressive store opening programme, together with the implementation of the major business development plans outlined in this press release, the Group is extremely confident about its medium and long term growth prospects.

Commenting on the Group's latest expansion plans, Mr. Dickson Poon, Group Executive Chairman of Dickson Concepts (International) Limited, said :

"I am delighted to announce these three major projects for the Group. They illustrate our unswerving commitment to aggressively expand our operations and, together with the continued rapid development of our existing operations, will ensure that the Group achieves strong sales, profits and earnings growth in the years ahead."

Hong Kong 19th January, 2005