



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

PRESS RELEASE

SALES UPDATES IN HONG KONG

- * While the Group's retail business has suffered material declines since the second half of last year, the Group's retail business across all categories has deteriorated further significantly since the outbreak of the coronavirus in January 2020. This is driven by the fact that tourist arrivals have literally come to a complete halt, with average daily visitor arrivals falling to below 3,000 in February based on preliminary data according to The Hong Kong Tourism Board, marking a decline of over 98 per cent. when compared to the full month of February 2019.
- * Together with very poor local consumer sentiment, the Group's retail business has been severely affected. In particular, fashion, beauty and accessories sales have declined by 77 per cent. for the period of 25th January, 2020 to 11th February 2020, when compared to the corresponding period last year. The 77 per cent. decline is expected to further deteriorate in the month of February.

MEASURES TO REDUCE COSTS

- * In addition to actively seeking rental relief from landlords, during this critical period, it is necessary for the Group to take all other available measures to reduce costs at all levels of operations. On a temporary basis for a period of three months commencing from 1st March, 2020, all Executive Directors will cut their salaries by 70 per cent., while salaries for other staff at various levels shall be adjusted by 10 to 30 per cent..
- * Operating hours of stores will also be temporarily shortened, resulting in only one shift of staff required. At this stage, the Group has not required staff to take no pay leave, but has requested staff to take paid annual leave. The Group will continue to evaluate all other measures to reduce costs and may also consider closing some of its stores temporarily as an additional short-term cost saving measure.
- * The Group has always treasured the relationship which it has built up with its staff, and in order to protect the welfare of staff at basic levels, only around 40 per cent. of the Group's staff in Hong Kong will be affected by the temporary salary reduction measure. And up to the present, the Group has not considered any staff lay-off plans.

Hong Kong, 20th February, 2020