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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Dickson Concepts (International) Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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 TRANSACTIONS

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



PLATINUM
Securities

A “Letter from the Independent Board Committee” containing its recommendation to the Independent Shareholders in respect of the terms of the Agreements Nos. 1 to 4 and their relevant maximum annual caps is set out on page 16 of this circular. A “Letter from Platinum Securities” containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Agreements Nos. 1 to 4 and their relevant maximum annual caps is set out on pages 17 to 32 of this circular.

A notice convening the SGM of the Company to be held at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 5th May, 2009 at 11:00 a.m. is set out on pages 39 to 41 of this circular. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or at any adjournment thereof should you so wish.

17th April, 2009

* For identification purposes only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings :-

“Artland Group”	Artland Watch and Precision Watch, together with their subsidiary companies, which are principally engaged in the sale of watches and jewellery in Hong Kong
“Artland Watch”	Artland Watch Company Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by Mr. Dickson Poon, together with its subsidiary companies, which are principally engaged in the sale of watches and jewellery in Hong Kong. Artland Watch is a member of the Artland Group
“associate(s)”	has the meaning as ascribed under the Listing Rules
“Board”	the board of Directors of the Company
“Bondwood”	Bondwood Investments Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by the Company, the principal activity of which is the sale of leather goods and fashion products
“Castlereagh”	Castlereagh Limited, a company incorporated in the British Virgin Islands with limited liability and directly wholly-owned by the Company, the principal activity of which is the investment holding
“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 Transactions”	the continuing connected transactions as described in this circular which are subject to disclosure under the Listing Rules
“DCL”	Dickson Concepts Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by the Company, the principal activities of which are the investment holding and provision of management and technical advisory services
“Dickson Stores”	Dickson Stores Pte Ltd, a company incorporated in the Republic of Singapore and indirectly wholly-owned by the Company, the principal activity of which is the sale of watches, jewellery and fashion products
“Director(s)”	the director(s) of the Company

DEFINITIONS

“DTA”	Dickson Trading (Asia) Company Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by the Company, the principal activity of which is the sale of fashion products
“DTS”	Dickson Trading (S) Pte Ltd, a company incorporated in the Republic of Singapore with limited liability and indirectly wholly-owned by Mr. Dickson Poon, together with its subsidiary companies, which are principally engaged in the importing, exporting, sale of fashion consumer goods, investment holding and provision of management and supporting services. DTS is a member of the Singapore Group
“Group”	the Company and its subsidiary companies
“Independent Board Committee”	an independent committee of the Board comprising the three independent non-executive Directors, namely, Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches and Mr. Christopher Patrick Langley
“Independent Financial Adviser” or “Platinum Securities”	Platinum Securities Company Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Agreements Nos. 1 to 4, which is licensed to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“Independent Shareholders”	shareholders of the Company, other than Mr. Dickson Poon and his associates
“Latest Practicable Date”	14th April, 2009, being the latest practicable date before the printing of this circular for ascertaining certain information contained in this circular
“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
“PRC”	the People’s Republic of China
“Precision Watch”	Precision Watch Company Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by Mr. Dickson Poon, the principal activity of which is the sale of watches and jewellery in Hong Kong. Precision Watch is a member of the Artland Group

DEFINITIONS

“S&P Agreement”	the Sale and Purchase Agreement dated 27th March, 2009 entered into between STD Investment as vendor and DTA as purchaser regarding purchase by the Group of certain assets comprised of fixed assets (including leasehold improvements, furniture and fixture) and inventory (including lighters, writing instruments, leather goods, accessories, fragrances) bearing the brand name of “S.T. Dupont” in Taiwan (“the Assets”) with effect from the close of business on 31st March, 2009 for a total consideration of NT\$17,407,821 (equivalent to approximately HK\$3,996,000), being the total net asset value of the Assets as at 31st March, 2009
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting, including any adjourned meeting thereof, of the Company to be convened at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 5th May, 2009 at 11:00 a.m. to consider and approve the Agreements Nos. 1 to 4 and their relevant maximum annual caps, notice of which is set out on pages 39 to 41 of this circular
“Singapore Group”	DTS and TCS, together with their group companies
“STD Investment”	STD Investment Pte Ltd, a company incorporated in the Republic of Singapore with limited liability and directly wholly-owned by STDSA, the principal activity of which is investment holding while its Taiwan branch is engaged in importing, exporting and sale of fashion and various types of general commodities bearing the brand name of “S.T. Dupont” in Taiwan. STD Investment is a member of the ST Dupont Group
“STDM”	S.T. Dupont Marketing Limited, a company incorporated in Hong Kong with limited liability and directly wholly-owned by STDSA, the principal activity of which is the sale of S.T. Dupont products including luxury lighters and writing instruments, leather goods, fashion and accessories. STDM is a member of the ST Dupont Group

DEFINITIONS

“STDSA”	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
“ST Dupont Group”	STDSA and its subsidiary companies
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TCS”	Top Creation Singapore Pte. Ltd., a company incorporated in the Republic of Singapore with limited liability and beneficially owned by Mr. Dickson Poon, the principal activity of which is the sale of fashion consumer goods. TCS is a member of the Singapore Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“NT\$”	New Taiwan dollars, the lawful currency of Taiwan
“S\$”	Singapore dollars, the lawful currency of the Republic of Singapore

LETTER FROM THE BOARD



DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

Executive Directors:

Dickson Poon (*Group Executive Chairman*)

Raymond Lee (*Deputy Chairman and
Chief Executive Officer*)

Chan Tsang Wing, Nelson

Edwin Ing

Lau Yu Hee, Gary

Ng Chan Lam

Independent Non-Executive Directors:

Bhanusak Asvaintra

Nicholas Peter Etches

Christopher Patrick Langley, OBE

Registered Office:

Bank of Bermuda Building,
6 Front Street,
Hamilton HM 11,
Bermuda.

Head Office and

Principal Place of Business:

4th Floor, East Ocean Centre,
98 Granville Road,
Tsimshatsui East,
Kowloon,
Hong Kong.

17th April, 2009

To the shareholders of the Company

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

The Board announced on 30th March, 2009, inter alia, that four separate renewal agreements all dated 27th March, 2009 regarding sales and purchases of merchandise and payment of sublicense fees were entered into by the Group with two connected persons, namely :- (I) ST Dupont Group regarding sales of merchandise by the Group (“the Agreement No. 1”), purchases of merchandise by the Group (“the Agreement No. 2”), payment of sublicense fees by the Group (“the Agreement No. 3”); and (II) Artland Group regarding sales of merchandise by the Group (“the Agreement No. 4”). All the agreements were entered into for the purpose of, inter alia, renewing the term of each for a further period of three years in compliance with the requirements of Rule 14A.35 of the Listing Rules.

* For identification purposes only

LETTER FROM THE BOARD

DETAILS OF THE AGREEMENTS NOS. 1 TO 4

(I) CONTINUING CONNECTED TRANSACTIONS WITH THE ST DUPONT GROUP

A. Sales of Merchandise

— Merchandise Sale and Purchase Agreement (the Agreement No. 1)

DCL, an indirect wholly-owned subsidiary company of the Company, as seller and STD M, a member of the ST Dupont Group, as purchaser entered into the Agreement No. 1 on 27th March, 2009 regarding the sales of certain merchandise by the Group to the ST Dupont Group for a period of three years commencing from 1st April, 2009 which superseded the merchandise sale and purchase agreement dated 27th March, 2006 (“the Old Agreement No. 1”) upon its expiry on 31st March, 2009 as detailed below :-

Seller: DCL

Purchaser: STD M

Subject: Pursuant to the Agreement No. 1, the Group will sell to the ST Dupont Group certain merchandise including, but not limited to, luxury lighters, writing instruments, leather goods, accessories, ready-to-wear clothing, watches as well as fragrances under the brand name of “S.T. Dupont” or names of product lines under “S.T. Dupont” (for that merchandise manufactured in the PRC only) (apart from brands and products sold or to be sold to the Singapore Group under the merchandise sale and purchase agreement dated 25th March, 2008 entered into between Castlereagh as seller and DTS and TCS as purchasers (“the Singapore MS&P Agreement”) as disclosed in the announcement of the Company dated 25th March, 2008 and approved by the Independent Shareholders at the special general meeting of the Company held on 30th April, 2008 and brands and products sold or to be sold to the Artland Group under the Agreement No. 4)

Term: The Agreement No. 1 has a fixed term of three years commencing from 1st April, 2009 and ending on 31st March, 2012. Either party may terminate the Agreement No. 1 without cause by serving the other party with not less than three months’ prior written notice. Both parties may agree to and renew the Agreement No. 1 in writing prior to expiry on 31st March, 2012 for another three years subject to compliance with the applicable Listing Rules

LETTER FROM THE BOARD

Selling Price: The selling prices of the obsolete merchandise are set at the Group's purchase cost of the obsolete merchandise while the selling prices of other merchandise are set at the standard wholesale prices of the Group, due upon shipment of the merchandise and to be settled in cash with a credit period of up to 60 days

The details of the Old Agreement No. 1 were disclosed in the announcement of the Company dated 4th April, 2006.

The maximum annual caps received by the Group for the sales of merchandise to the ST Dupont Group under the Old Agreement No.1 for the financial years ended 31st March, 2008 and 31st March, 2009 are HK\$18,280,000 and HK\$23,764,000 respectively as previously disclosed in the announcement of the Company dated 4th April, 2006. The actual transaction amount for the financial year ended 31st March, 2008 was HK\$10,102,000 which was below the maximum annual cap of HK\$18,280,000.

The maximum annual caps receivable by the Group for the sales of merchandise to the ST Dupont Group under the Agreement No. 1 for each of the financial years ending 31st March, 2010, 31st March, 2011 and 31st March, 2012 will be HK\$18,596,000, HK\$22,316,000 and HK\$26,780,000 respectively. The said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31st March, 2008 and for the six months ended 30th September, 2008) of the said sales of merchandise to the ST Dupont Group, the market trend, the estimated annual growth of the said sales, the ST Dupont Group's plan for further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. The estimated annual growth rate representing 20 per cent. of the estimated full year figure of HK\$15,496,000 was based on the actual sales of HK\$7,748,000 for the six months ended 30th September, 2008.

B. Purchases of Merchandise

— Merchandise Sale and Purchase Agreement (the Agreement No. 2)

STDM, a member of the ST Dupont Group, as seller and DCL, an indirect wholly-owned subsidiary company of the Company, as purchaser entered into the Agreement No. 2 on 27th March, 2009 regarding the purchases of certain merchandise by the Group from the ST Dupont Group for a period of three years commencing from 1st April, 2009 which superseded the merchandise sale and purchase agreement dated 27th March, 2006 ("the Old Agreement No. 2") upon its expiry on 31st March, 2009 as detailed below :-

Seller: STDM

Purchaser: DCL

LETTER FROM THE BOARD

- Subject:** Pursuant to the Agreement No. 2, the Group will purchase from the ST Dupont Group certain merchandise including, but not limited to, luxury lighters, writing instruments, leather goods, accessories, ready-to-wear clothing, watches as well as fragrances under the brand name of “S.T. Dupont” or names of product lines under “S.T. Dupont” (for that merchandise manufactured outside the PRC only) (apart from brands and products purchased or to be purchased from the Artland Group under the merchandise sale and purchase agreement dated 27th March, 2009 entered into between Artland Watch and Precision Watch as sellers and DCL as purchaser and the Singapore Group under the merchandise sale and purchase agreement dated 27th March, 2009 entered into between DTS as seller and Dickson Stores as purchaser as disclosed in the announcement of the Company dated 30th March, 2009)
- Term:** The Agreement No. 2 has a fixed term of three years commencing from 1st April, 2009 and ending on 31st March, 2012. Either party may terminate the Agreement No. 2 without cause by serving the other party with not less than three months’ prior written notice. Both parties may agree to and renew the Agreement No. 2 in writing prior to expiry on 31st March, 2012 for another three years subject to compliance with the applicable Listing Rules
- Purchase Price:** The purchase prices of the merchandise are at the standard wholesale prices as set by the ST Dupont Group, due upon shipment of the merchandise and to be settled in cash with a credit period of up to 60 days

The details of the Old Agreement No. 2 were disclosed in the announcement of the Company dated 4th April, 2006.

The maximum annual caps paid by the Group for the purchases of merchandise from the ST Dupont Group under the Old Agreement No. 2 for the financial years ended 31st March, 2008 and 31st March, 2009 are HK\$19,790,000 and HK\$25,727,000 respectively as previously disclosed in the announcement of the Company dated 4th April, 2006. The actual transaction amount for the financial year ended 31st March, 2008 was HK\$10,356,000 which was below the maximum annual cap of HK\$19,790,000.

LETTER FROM THE BOARD

The maximum annual caps payable by the Group for the purchases of merchandise from the ST Dupont Group under the Agreement No. 2 for each of the financial years ending 31st March, 2010, 31st March, 2011 and 31st March, 2012 will be HK\$21,006,000, HK\$25,208,000 and HK\$30,250,000 respectively. The said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31st March, 2008 and for the six months ended 30th September, 2008) of the said purchases of merchandise from the ST Dupont Group, the market trend, the estimated annual growth of the said purchases, the Group's plan for further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. The estimated annual growth rate representing 30 per cent. (of which 10 per cent. for the sale of S.T. Dupont products in Taiwan after the signing of the S&P Agreement as disclosed in the announcement of the Company dated 30th March, 2009) for the first year and then 20 per cent. thereafter of the estimated full year figure of HK\$16,158,000 were based on the actual purchases of HK\$8,079,000 for the six months ended 30th September, 2008.

C. Payment of Sublicence Fees

— Renewal Sublicence Agreement (the Agreement No. 3)

STDM, a member of the ST Dupont Group, as licensor and Bondwood, an indirect wholly-owned subsidiary company of the Company, as licensee entered into the Agreement No. 3 on 27th March, 2009 regarding the renewal of the sublicence agreement dated 1st April, 1999 as amended by a renewal sublicence agreement dated 27th March, 2006 (together "the Old Agreement No. 3") in respect of the granting of a sublicence by the ST Dupont Group to the Group for the use of various S.T. Dupont trademarks and logos under which S.T. Dupont products are marketed, sold and manufactured upon its expiry on 31st March, 2009 for a further period of three years commencing from 1st April, 2009 as detailed below :-

Licensor: STDM

Licensee: Bondwood

Subject: Pursuant to the Old Agreement No. 3, the ST Dupont Group granted to the Group a sublicence for the use of various S.T. Dupont trademarks and logos under which S.T. Dupont products are marketed, sold, and manufactured within the limits of the PRC (excluding Hong Kong). The Group paid to the ST Dupont Group sublicence fees in respect of S.T. Dupont products which the Group distributes in the PRC (excluding Hong Kong) in its capacity as both retailer and wholesaler

The Agreement No. 3 (i) renewed the term of the Old Agreement No. 3 for a further period of three years commencing from 1st April, 2009 upon its expiry on 31st March, 2009; and (ii) expanded the term "Territory" as defined in the Old Agreement No. 3 to include Taiwan

LETTER FROM THE BOARD

Term: The Agreement No. 3 has a fixed term of three years commencing from 1st April, 2009 and ending on 31st March, 2012. Either party may terminate the Agreement No. 3 without cause by serving the other party with not less than three months' prior written notice. Both parties may agree to and renew the Agreement No. 3 in writing prior to expiry on 31st March, 2012 for another three years subject to compliance with the applicable Listing Rules

Sublicence Fee: The sublicence fees are calculated based on certain percentages (which is in line with market practice) on each of the retail and wholesale turnover (excluding sales of imported products purchased from the ST Dupont Group) of S.T. Dupont products per year and the sublicence fees shall be payable in cash on a quarterly basis with a credit period of up to 45 days

The details of the Old Agreement No. 3 were disclosed in the announcement of the Company dated 4th April, 2006.

The maximum annual caps paid by the Group for the payment of sublicence fees in respect of S.T. Dupont products distributed by the Group in the PRC (excluding Hong Kong) under the Old Agreement No. 3 for the financial years ended 31st March, 2008 and 31st March, 2009 are HK\$37,370,000 and HK\$44,097,000 respectively as previously disclosed in the announcement of the Company dated 4th April, 2006. The actual transaction amount for the financial year ended 31st March, 2008 was HK\$19,482,000 which was below the maximum annual cap of HK\$37,370,000.

The maximum annual caps payable by the Group for the payment of sublicence fees in respect of S.T. Dupont products distributed by the Group in the PRC (excluding Hong Kong) and Taiwan under the Agreement No. 3 for each of the financial years ending 31st March, 2010, 31st March, 2011 and 31st March, 2012 will be HK\$33,722,000, HK\$40,467,000 and HK\$48,561,000 respectively. The said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31st March, 2008 and for the six months ended 30th September, 2008) of the said sublicence fees paid by the Group to the ST Dupont Group in respect of S.T. Dupont products distributed by the Group in the PRC (excluding Hong Kong), the market trend, the estimated annual growth of both the retail and wholesale turnover of S.T. Dupont products distributed in the PRC (excluding Hong Kong) and Taiwan, the Group's plan for further expansion of its retail network in the PRC and Taiwan, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. The estimated growth rate representing about 30 per cent. (of which 10 per cent. for the sale of S.T. Dupont products in Taiwan after the signing of the S&P Agreement as disclosed in the announcement of the Company dated 30th March, 2009) for the first year and then 20 per cent. thereafter of the estimated full year figure of HK\$25,940,000 were based on the actual payment of sublicence fees by the Group of HK\$12,970,000 for the six months ended 30th September, 2008.

LETTER FROM THE BOARD

(II) CONTINUING CONNECTED TRANSACTION WITH THE ARTLAND GROUP

A. Sales of Merchandise

— Merchandise Sale and Purchase Agreement (the Agreement No. 4)

Castlereagh, a direct wholly-owned subsidiary company of the Company, as seller and Artland Watch and Precision Watch, both of which are members of the Artland Group, as purchasers entered into the Agreement No. 4 on 27th March, 2009 regarding the sales of certain merchandise by the Group to the Artland Group for a period of three years commencing from 1st April, 2009 which superseded the merchandise sale and purchase agreement dated 27th March, 2006 (“the Old Agreement No. 4”) upon its expiry on 31st March, 2009 as detailed below :-

Seller: Castlereagh

Purchasers: Artland Watch
Precision Watch

Subject: Pursuant to the Agreement No. 4, the Group will sell certain merchandise including, but not limited to, certain prestigious branded watches, timepieces and jewellery under various prestigious international brand names to the Artland Group (apart from brands and products sold or to be sold to the Singapore Group under the Singapore MS&P Agreement as disclosed in the announcement of the Company dated 25th March, 2008 and approved by the Independent Shareholders at the special general meeting of the Company held on 30th April, 2008 and brands and products sold or to be sold to the ST Dupont Group under the Agreement No. 1)

Term: The Agreement No. 4 has a fixed term of three years commencing from 1st April, 2009 and ending on 31st March, 2012. Either party may terminate the Agreement No. 4 without cause by serving the other party with not less than three months’ prior written notice. Both parties may agree to and renew the Agreement No. 4 in writing prior to expiry on 31st March, 2012 for another three years subject to compliance with the applicable Listing Rules

Selling Price: The selling prices of the merchandise are equal to the retail prices less normal trade discounts, due upon shipment of the merchandise and to be settled in cash with a credit period of up to 90 days

The details of the Old Agreement No. 4 were disclosed in the announcement of the Company dated 4th April, 2006.

LETTER FROM THE BOARD

The maximum annual caps received by the Group for the sales of merchandise to the Artland Group under the Old Agreement No. 4 for the financial years ended 31st March, 2008 and 31st March, 2009 are HK\$16,813,000 and HK\$21,857,000 respectively as previously disclosed in the announcement of the Company dated 4th April, 2006. The actual transaction amount for the financial year ended 31st March, 2008 was HK\$12,639,000 which was below the maximum annual cap of HK\$16,813,000.

The maximum annual caps receivable by the Group for the sales of merchandise to the Artland Group under the Agreement No. 4 for each of the financial years ending 31st March, 2010, 31st March, 2011 and 31st March, 2012 will be HK\$18,420,000, HK\$22,104,000 and HK\$26,525,000 respectively. The said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31st March, 2008 and for the six months ended 30th September, 2008) of the said sales of merchandise to the Artland Group, the market trend, the estimated annual growth of the said sales, the Artland Group's plan for further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. The estimated annual growth rate representing 20 per cent. of the estimated full year figure of HK\$15,350,000 was based on the actual sales of HK\$7,675,000 for the six months ended 30th September, 2008.

REASONS FOR THE CONTINUING CONNECTED TRANSACTIONS

Since the founding of the Dickson group in 1980, the Group has on an on-going basis conducted transactions with the ST Dupont Group and the Artland Group. These transactions involve sales and purchases of merchandise and payment of sublicense fees, all of which are conducted on normal commercial terms and in the ordinary and usual course of business of the Group.

Sales of merchandise to each of the ST Dupont Group and the Artland Group under the Agreements Nos. 1 and 4 respectively will ensure steady income to the Group and can minimise the management and operational costs of the Group due to close proximity between the Group and each of the ST Dupont Group and the Artland Group.

Purchases of merchandise from the ST Dupont Group under the Agreement No. 2 can ensure timely and reliable supply of certain luxury goods to the Group and thereby reduce the operational risks and can enhance the daily operation of the Group.

LETTER FROM THE BOARD

In consideration of the granting of a sublicense for the use of various S.T. Dupont trademarks and logos in the PRC (excluding Hong Kong) and Taiwan under the Agreement No. 3, the Group is required to pay to the ST Dupont Group the sublicense fees for distributing S.T. Dupont products by the Group in the PRC (excluding Hong Kong) and Taiwan in its capacity as both retailer and wholesaler. It is believed that the distributing of S.T. Dupont products in the PRC (excluding Hong Kong) and Taiwan can extend the Group's geographical reach and strengthen the Group's retail network in the PRC and Taiwan which can enable the Group to take advantage of any improving domestic consumer spending in those territories.

Given the above, the entering into of each of the Agreements Nos. 1 to 4 is a practical and commercial decision of the Group. Furthermore, the transactions under the Agreements Nos. 1 to 4 are in line with the Group's principal activity of the sales of luxury goods in Asia and will ensure continuous business growth and contribute to the Group's turnover and profits.

The Directors (excluding the independent non-executive Directors whose recommendation in respect of the Agreements Nos. 1 to 4 has been given in the "Letter from the Independent Board Committee" as set out on page 16 of this circular after taking into account the advice of Platinum Securities), consider that the entering into of the Agreements Nos. 1 to 4 is in the ordinary and usual course of business of the Group, on normal commercial terms which are fair and reasonable, were negotiated at arm's length and are no less favourable to the Group than those available to or from (as appropriate) independent third parties and are in the interests of the Company and its shareholders as a whole. The Directors also consider that the relevant maximum annual caps are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As each of the ST Dupont Group and the Artland Group is an associate of Mr. Dickson Poon, a Director and substantial shareholder of the Company, each of these parties is deemed to be a connected person of the Company for the purpose of the Listing Rules. Accordingly, the Agreements Nos. 1 to 4 constitute Continuing Connected Transactions of the Company under Rule 14A.14 of the Listing Rules.

As regards the sales of merchandise by the Group, each of the Agreements Nos. 1 and 4 are viewed separately as different brands and types of products as well as different territories are involved.

In view of the above, the maximum annual caps receivable/payable by the Group under each of the Agreements Nos. 1 to 4 each represents more than 2.5 per cent. of the consideration ratios (though the other applicable percentage ratios are all less than 2.5 per cent.) of the Company. The Agreements Nos. 1 to 4 are therefore subject to reporting, announcement, circular, Independent Shareholders' approval and annual review requirements under Rules 14A.45 to 14A.54 and Rules 14A.37 to 14A.40 of the Listing Rules respectively.

The Company will therefore seek the approval of the Agreements Nos. 1 to 4 and their relevant maximum annual caps by the Independent Shareholders.

LETTER FROM THE BOARD

SPECIAL GENERAL MEETING

Set out on pages 39 to 41 of this circular is a notice convening the SGM to be held at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 5th May, 2009 at 11:00 a.m.. The SGM will be held for the purposes of considering and, if thought fit, approving the Agreements Nos. 1 to 4 and their relevant maximum annual caps. Pursuant to Bye-law 78 of the New Bye-Laws of the Company and as required under the Listing Rules, the vote of the Independent Shareholders at the SGM will be taken by poll. The poll results will be published on the websites of the Stock Exchange and the Company respectively after the SGM.

A proxy form for use at the SGM is enclosed herewith. Whether or not you are able to attend the SGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the Hong Kong Branch Registrar of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or at any adjournment thereof should you so wish.

Having made all reasonable enquires, as at the Latest Practicable Date, Mr. Dickson Poon and his associates are interested in and control the voting rights of 168,777,294 ordinary shares, representing 45.33 per cent. of the issued share capital of the Company. The aforementioned shares are comprised of 149,409,739 ordinary shares disclosed in paragraph 2 of the "Appendix" to this circular as Mr. Dickson Poon's total interests and 19,367,555 ordinary shares attributable to additional persons deemed to be associates of Mr. Dickson Poon pursuant to Rule 14A.11(4) of the Listing Rules. In view of the interest of Mr. Dickson Poon in the Continuing Connected Transactions, he and his associates will abstain from voting at the SGM.

RECOMMENDATIONS

Platinum Securities has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the terms of the Agreements Nos. 1 to 4 and their relevant maximum annual caps. Platinum Securities considers that the entering into of the Agreements Nos. 1 to 4 is in the ordinary and usual course of business, on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole. The maximum annual caps of the Continuing Connected Transaction are also fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and its shareholders as a whole. The full text of the "Letter from Platinum Securities" containing its recommendation and principal factors it has taken into account in arriving at its recommendation is set out on pages 17 to 32 of this circular.

LETTER FROM THE BOARD

The Directors (excluding the independent non-executive Directors whose recommendation has been given in the “Letter from the Independent Board Committee” as set out on page 16 of this circular after taking into account the advice of Platinum Securities), having taken into account various factors including the advice of Platinum Securities to the Independent Board Committee and the Independent Shareholders, consider that the entering into of the Agreements Nos. 1 to 4 is in the ordinary and usual course of business, on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole. The relevant maximum annual caps of each of the Agreements Nos. 1 to 4 are also fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and its shareholders as a whole. Accordingly, the Directors (excluding the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the Agreements Nos. 1 to 4 and their relevant maximum annual caps.

The Independent Board Committee, having taken into account the advice of Platinum Securities, considers the entering into of the Agreements Nos. 1 to 4 is in the ordinary and usual course of business, on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole. The relevant maximum annual caps of each of the Agreements Nos. 1 to 4 are also fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and its shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the Agreements Nos. 1 to 4 and their relevant maximum annual caps. The full text of the “Letter from the Independent Board Committee” is set out on page 16 of this circular.

ADDITIONAL INFORMATION

Your attention is also drawn to the “Letter from the Independent Board Committee”, the “Letter from Platinum Securities”, and the information as set out in the “Appendix” to this circular.

Yours faithfully,
By Order of the Board
Raymond Lee
Deputy Chairman and Chief Executive Officer

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

17th April, 2009

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We have been appointed as members of the Independent Board Committee to advise you in respect of the terms of the Agreements Nos. 1 to 4 and their relevant maximum annual caps, details of which are set out in the “Letter from the Board” in a circular dated 17th April, 2009 (“the Circular”) to the shareholders of the Company, of which this letter forms a part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

Your attention is drawn to the “Letter from Platinum Securities”, concerning its advice to us regarding the fairness and reasonableness of the terms of the Agreements Nos. 1 to 4 and their relevant maximum annual caps as set out on pages 17 to 32 of the Circular. Your attention is also drawn to the “Letter from the Board” as set out on pages 5 to 15 of the Circular and the additional information set out in the “Appendix” to the Circular.

In view of the information contained in the “Letter from the Board” and taking into account the advice and recommendation from Platinum Securities, we consider that the entering into of the Agreements Nos. 1 to 4 is in the ordinary and usual course of business, on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole. The relevant maximum annual caps of each of the Agreements Nos. 1 to 4 are also fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and its shareholders as a whole. We, therefore, recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the Agreements Nos. 1 to 4 and their relevant maximum annual caps.

Yours faithfully,

For and on behalf of

the Independent Board Committee

Bhanusak Asvaintra

Nicholas Peter Etches

Christopher Patrick Langley

Independent Non-Executive Directors

* For identification purposes only

LETTER FROM PLATINUM SECURITIES

The following is the text of the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders for the purpose of incorporation into this circular.



PLATINUM Securities Company Limited

22/F Standard Chartered Bank Building

4 Des Voeux Road Central

Hong Kong

Telephone (852) 2841 7000

Facsimile (852) 2522 2700

Website www.platinum-asia.com

17 April 2009

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of and the annual caps for the continuing connected transactions contemplated under the Agreements Nos. 1, 2, 3 and 4 (the “Transactions”). Details of the Transactions are contained in the letter from the Board as set out in the circular of the Company dated 17 April 2009 (the “Circular”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

In our capacity as the independent financial adviser, our role is to advise the Independent Board Committee and the Independent Shareholders as to whether the Transactions are on normal commercial terms, in the ordinary and usual course of business, fair and reasonable and in the interests of the Company and its shareholders (the “Shareholders”) as a whole and to advise the Independent Board Committee and the Independent Shareholders on whether the Independent Shareholders should vote in favour of the Transactions at the SGM.

In formulating our opinion, we have relied on the information and facts supplied to us by the Company. We have reviewed, among other things: (i) the Agreement No. 1; (ii) the Agreement No. 2; (iii) the Agreement No. 3; (iv) the Agreement No. 4; and (v) the announcement of the Company dated 4 April 2006 in relation to the Old Agreements Nos. 1, 2, 3 and 4.

LETTER FROM PLATINUM SECURITIES

We have assumed that all information, facts, opinions and representations contained in the Circular are true, complete and accurate in all material respects and we have relied on the same. The Directors have confirmed that they take full responsibility for the contents of the Circular and have made all reasonable inquiries that no material facts have been omitted from the information supplied to us.

We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy or completeness of the information of all facts as set out in the Circular and of the information and representations provided to us by the Company. Furthermore, we have no reason to suspect the reasonableness of the opinions and representations expressed by the Company and/or the Directors which have been provided to us. In line with normal practice, we have not, however, conducted a verification process of the information supplied to us, nor have we conducted any independent in-depth investigation into the business and affairs of the Company. We consider that we have reviewed sufficient information to enable us to reach an informed view and to provide a reasonable basis for our opinion regarding the Transactions.

We are independent from, and are not connected with the Company or any other party to the Transactions or any of their respective associates or connected persons as defined under the Listing Rules and accordingly, are considered eligible to give independent advice on the Transactions. We will receive a fee from the Company for our role as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Transactions. Apart from this normal professional fee payable to us in connection with this appointment, no arrangements exist whereby we will receive any fees or benefits from the Company or any other party to the Transactions or any of their respective associates or connected persons as defined under the Listing Rules.

The Independent Board Committee, comprising all of the independent non-executive Directors, namely, Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches and Mr. Christopher Patrick Langley, has been established to advise the Independent Shareholders in relation to the Transactions (including the annual caps).

LETTER FROM PLATINUM SECURITIES

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Details of the Transactions

A. Agreement No. 1

DCL, an indirect wholly-owned subsidiary company of the Company, as seller and STDM, a member of the ST Dupont Group, as purchaser entered into the Agreement No. 1 on 27 March 2009 regarding the sales of certain merchandise by the Group to the ST Dupont Group for a period of three years commencing from 1 April 2009 which superseded the Old Agreement No. 1 upon its expiry on 31 March 2009 as detailed below:

Seller: DCL

Purchaser: STDM

Subject: Pursuant to the Agreement No. 1, the Group will sell to the ST Dupont Group certain merchandise including, but not limited to, luxury lighters, writing instruments, leather goods, accessories, ready-to-wear clothing, watches as well as fragrances under the brand name of “S.T. Dupont” or names of product lines under “S.T. Dupont” (for that merchandise manufactured in the PRC only) (apart from brands and products sold or to be sold to the Singapore Group under the Singapore MS&P Agreement as disclosed in the announcement of the Company dated 25 March 2008 and approved by the Independent Shareholders at the special general meeting of the Company held on 30 April 2008 and brands and products sold or to be sold to the Artland Group under the Agreement No. 4).

Term: The Agreement No. 1 has a fixed term of three years commencing from 1 April 2009 and ending on 31 March 2012. Either party may terminate the Agreement No. 1 without cause by serving the other party with not less than three months’ prior written notice. Both parties may agree to and renew the Agreement No. 1 in writing prior to expiry on 31 March 2012 for another three years subject to compliance with the applicable Listing Rules.

Selling Price: The selling prices of the obsolete merchandise are set at the Group’s purchase cost of the obsolete merchandise while the selling prices of other merchandise are set at the standard wholesale prices of the Group, due upon shipment of the merchandise and to be settled in cash with a credit period of up to 60 days.

We note that the terms of the Agreement No. 1 are the same as the Old Agreement No. 1. Based on our discussion with the management of the Company and as stated in the letter from the Board in the Circular, we understand that the obsolete merchandise are set at the Group’s purchase cost of the obsolete merchandise while the selling prices of other merchandise are set at the standard wholesale prices of the Group. We further understand that it is industry practice to buy and sell the merchandise under the Agreement No. 1 at wholesale prices and that the terms at which the Group sells merchandise to independent third parties are the same as those under the Agreement No. 1, including selling prices which are also set at standard wholesale prices.

LETTER FROM PLATINUM SECURITIES

We have also discussed the pricing of the obsolete merchandise with the management of the Company and we understand that merchandise that are left unsold for 5 to 6 years are considered obsolete and that apart from STDM, the Group does not sell any obsolete merchandise to any other party and it also sells obsolete merchandise on its own. Nevertheless, given that the stocks are considered obsolete, we concur with the view of the management of the Company that it would be difficult to sell these obsolete merchandise at a price above the purchase cost. Also, we understand that full provision for the obsolete merchandise has already been provided for in the accounts of the Group for most of the obsolete merchandise. Moreover, we further understand that based on the Company's own experience in selling obsolete merchandise, the obsolete merchandise has been sold at or below purchase cost. As such, we are of the view that the Group would not suffer any financial disadvantage by selling the obsolete merchandise at their purchase cost and would be able to write back part of the provision by selling the obsolete merchandise.

In addition, we further understand from the management of the Company that the Group's credit policy with regards to credit period ranges from 30 to 90 days, which is in line with industry practice. As a result, we note that the credit period of up to 60 days under the Agreement No. 1 is in line with the credit policy of the Group.

In light of the above, we are of the view that the terms of the Agreement No. 1 are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

B. Agreement No. 2

STDM, a member of the ST Dupont Group, as seller and DCL, an indirect wholly-owned subsidiary company of the Company, as purchaser entered into the Agreement No. 2 on 27 March 2009 regarding the purchases of certain merchandise by the Group from the ST Dupont Group for a period of three years commencing from 1 April 2009 which superseded the Old Agreement No. 2 upon its expiry on 31 March 2009 as detailed below:

Seller: STDM

Purchaser: DCL

Subject: Pursuant to the Agreement No. 2, the Group will purchase from the ST Dupont Group certain merchandise including, but not limited to, luxury lighters, writing instruments, leather goods, accessories, ready-to-wear clothing, watches as well as fragrances under the brand name of "S.T. Dupont" or names of product lines under "S.T. Dupont" (for that merchandise manufactured outside the PRC only) (apart from brands and products purchased or to be purchased from the Artland Group under the merchandise sale and purchase agreement dated 27 March 2009 entered into between Artland Watch and Precision Watch as sellers and DCL as purchaser and the Singapore Group under the merchandise sale and purchase agreement dated 27 March 2009 entered into between DTS as seller and Dickson Stores as purchaser as disclosed in the announcement of the Company dated 30 March 2009).

LETTER FROM PLATINUM SECURITIES

Term: The Agreement No. 2 has a fixed term of three years commencing from 1 April 2009 and ending on 31 March 2012. Either party may terminate the Agreement No. 2 without cause by serving the other party with not less than three months' prior written notice. Both parties may agree to and renew the Agreement No. 2 in writing prior to expiry on 31 March 2012 for another three years subject to compliance with the applicable Listing Rules.

Purchase Price: The purchase prices of the merchandise are at the standard wholesale prices as set by the ST Dupont Group, due upon shipment of the merchandise and to be settled in cash with a credit period of up to 60 days.

As mentioned above, we understand from the management of the Company that it is industry practice to buy and sell the merchandise under the Agreement No. 1, which is the same as the merchandise under the Agreement No. 2, at wholesale prices. From our discussion with the management of the Company, we also understand that the Group purchases merchandise from other independent third parties at the same terms, including purchase costs which are also set at wholesale prices. Also, we note that the Agreement No. 2 contains the same terms as the Old Agreement No. 2 with the exception of the inclusion of Taiwan.

As mentioned above, it is industry practice to provide a credit period from 30 to 90 days. As such, the credit period of up to 60 days under the Agreement No. 2 is in line with this industry practice.

As such, we consider that the terms of the Agreement No. 2 are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

C. Agreement No. 3

STDM, a member of the ST Dupont Group, as licensor and Bondwood, an indirect wholly-owned subsidiary company of the Company, as licensee entered into the Agreement No. 3 on 27 March 2009 regarding the renewal of the Old Agreement No. 3 in respect of the granting of a sublicense by the ST Dupont Group to the Group for the use of various S.T. Dupont trademarks and logos under which S.T. Dupont products are marketed, sold and manufactured upon its expiry on 31 March 2009 for a further period of three years commencing from 1 April 2009 as detailed below:

Licensor: STDM

Licensee: Bondwood

Subject: Pursuant to the Old Agreement No. 3, the ST Dupont Group granted to the Group a sublicense for the use of various S.T. Dupont trademarks and logos under which S.T. Dupont products are marketed, sold, and manufactured within the limits of the PRC (excluding Hong Kong). The Group paid to the ST Dupont Group sublicense fees in respect of S.T. Dupont products which the Group distributes in the PRC (excluding Hong Kong) in its capacity as both retailer and wholesaler.

LETTER FROM PLATINUM SECURITIES

The Agreement No. 3 (i) renewed the term of the Old Agreement No. 3 for a further period of three years commencing from 1 April 2009 upon its expiry on 31 March 2009; and (ii) expanded the term “Territory” as defined in the Old Agreement No. 3 to include Taiwan.

Term: The Agreement No. 3 has a fixed term of three years commencing from 1 April 2009 and ending on 31 March 2012. Either party may terminate the Agreement No. 3 without cause by serving the other party with not less than three months’ prior written notice. Both parties may agree to and renew the Agreement No. 3 in writing prior to expiry on 31 March 2012 for another three years subject to compliance with the applicable Listing Rules.

Sublicence Fee: The sublicence fees are calculated based on certain percentages (which is in line with market practice) on each of the retail and wholesale turnover (excluding sales of imported products purchased from the ST Dupont Group) of S.T. Dupont products per year and the sublicence fees shall be payable in cash on a quarterly basis with a credit period of up to 45 days.

Based on our discussion with the management of the Company, we understand that it is industry practice to charge or pay licensing fees for luxury and fashion brands based on wholesale and retail turnover. As the Group has also entered into sublicensing arrangements for other brands with other independent third parties, we understand from the management of the Company that the licensing fees paid to other independent third parties are also determined by retail and wholesale turnover. In addition, we note that there is no difference between the terms of the Agreement No. 3 and the existing terms under the Old Agreement No. 3 apart from the inclusion of Taiwan.

Again, we are of the view that the credit period of up to 45 days is in line with industry practice.

Having considered the above, we are of the opinion that the terms of the Agreement No. 3 are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

D. Agreement No. 4

Castlereagh, a direct wholly-owned subsidiary company of the Company, as seller and Artland Watch and Precision Watch, both of which are members of the Artland Group, as purchasers entered into the Agreement No. 4 on 27 March 2009 regarding the sales of certain merchandise by the Group to the Artland Group for a period of three years commencing from 1 April 2009 which superseded the Old Agreement No. 4 upon its expiry on 31 March 2009 as detailed below:

Seller: Castlereagh

Purchasers: Artland Watch and Precision Watch

LETTER FROM PLATINUM SECURITIES

- Subject:** Pursuant to the Agreement No. 4, the Group will sell certain merchandise including, but not limited to, certain prestigious branded watches, timepieces and jewellery under various prestigious international brand names to the Artland Group (apart from brands and products sold or to be sold to the Singapore Group under the Singapore MS&P Agreement as disclosed in the announcement of the Company dated 25 March 2008 and approved by the Independent Shareholders at the special general meeting of the Company held on 30 April 2008 and brands and products sold or to be sold to the ST Dupont Group under the Agreement No. 1).
- Term:** The Agreement No. 4 has a fixed term of three years commencing from 1 April 2009 and ending on 31 March 2012. Either party may terminate the Agreement No. 4 without cause by serving the other party with not less than three months' prior written notice. Both parties may agree to and renew the Agreement No. 4 in writing prior to expiry on 31 March 2012 for another three years subject to compliance with the applicable Listing Rules.
- Selling Price:** The selling prices of the merchandise are equal to the retail prices less normal trade discounts, due upon shipment of the merchandise and to be settled in cash with a credit period of up to 90 days.

Based on our discussion with the management of the Company, we understand that it is industry practice for distributors to sell watches, timepieces and jewellery at retail prices less trade discounts and that the terms at which the Group sells watches, timepieces and jewellery to other independent third parties as a distributor are the same, including selling prices which are also based on retail prices less normal trade discounts. Moreover, we note that the Agreement No. 4 was renewed upon the same terms as the Old Agreement No. 4.

Furthermore, we consider that the credit period of up to 90 days is in line with the Group's credit policy.

Based on the foregoing, we consider that the terms of the Agreement No. 4 are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

2. Reasons for the Transactions

A. Agreement No. 1

As stated in the letter of the Board in the Circular, sales of merchandise to the ST Dupont Group under the Agreement No. 1 will ensure steady income to the Group and can minimise the management and operational costs of the Group due to close proximity between the Group and the ST Dupont Group. Furthermore, based on our discussion with the management of the Group, we understand that the Group has the right to manufacture the merchandise sold under the

LETTER FROM PLATINUM SECURITIES

Agreement No. 1 in the PRC. As such, we are of the view that the entering into the Agreement No. 1 would ensure that the merchandise manufactured by the Group would be sold and we concur with the Directors' view that this would consequently provide a steady income to the Group.

As further stated in the letter from the Board in the Circular, since the founding of the Dickson group in 1980, the Group has on an on-going basis conducted transactions with the ST Dupont Group and the Artland Group. These transactions involve sales and purchases of merchandise and payment of sublicense fees, all of which are conducted on normal commercial terms and in the ordinary and usual course of business of the Group. As a luxury goods wholesaler and retailer of international brands, we are of the view that the sales and purchases of merchandise as well as the entering into corresponding licensing arrangements with the brands that the Group sells are crucial to the daily operation of the Group.

Consequently, we consider that the entering into the Agreement No. 1 is not only in the ordinary and usual course of business of the Group, but is also in the interests of the Company and the Shareholders as a whole.

B. Agreement No. 2

Based on our discussion with the management of the Company, we understand that outside of the PRC, the Group only has the right to distribute the merchandise under the brand name of "S.T. Dupont", but not the right to manufacture such merchandise. As a result, the Group would need to buy such merchandise from the ST Dupont Group if it was to sell them outside of the PRC. As such, we concur with the Directors' view as stated in the letter from the Board in the Circular that the purchases of merchandise from the ST Dupont Group under the Agreement No. 2 can ensure timely and reliable supply of certain luxury goods to the Group and thereby reduce the operational risks and can enhance the daily operation of the Group.

In addition, as mentioned above, we are of the view that the sales and purchases of merchandise are crucial to the daily operation of the Group as a luxury goods wholesaler and retailer of international brands.

Based on the foregoing, we are of the opinion that the entering into the Agreement No. 2 is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

C. Agreement No. 3

As stated in the letter from the Board in the Circular, in consideration of the granting of a sublicense for the use of various S.T. Dupont trademarks and logos in the PRC (excluding Hong Kong) and Taiwan under the Agreement No. 3, the Group is required to pay to the ST Dupont Group the sublicense fees for distributing S.T. Dupont products by the Group in the PRC (excluding Hong Kong) and Taiwan in its capacity as both retailer and wholesaler. It is believed

LETTER FROM PLATINUM SECURITIES

that the distribution of S.T. Dupont products in the PRC (excluding Hong Kong) and Taiwan can extend the Group's geographical reach and strengthen the Group's retail network in the PRC and Taiwan which can enable the Group to take advantage of any improving domestic consumer spending in those territories.

Without the sublicensing arrangement under the Agreement No. 3, the Group would not be able to continue to use the various S.T. Dupont trademarks and logos under which S.T. Dupont products are marketed, sold and manufactured in the PRC (excluding Hong Kong) and would also be precluded to extend its use of the various S.T. Dupont trademarks and logos in Taiwan, thereby disallowing the Group to enjoy distribution rights of the S.T. Dupont products in these markets, which we are of the view would negatively impact the Group's position as a retailer and wholesaler.

Furthermore, as noted earlier, the entering into corresponding licensing arrangements with the brands that the Group sells are crucial to the daily operation of the Group as a luxury goods wholesaler and retailer of international brands. Therefore, we consider that the entering into the Agreement No. 3 is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

D. Agreement No. 4

Based on our discussion with the management of the Company, we are informed that there are reciprocal arrangements between the Company and the Artland Group, whereby the Company would sell certain prestigious branded watches, timepieces and jewellery under various prestigious international brand names under the Agreement No. 4 when there are customers requests for particular models of these merchandise which the Artland Group has run out of stocks; and a vice versa arrangement under a separate merchandise sale and purchase agreement whereby the Company would also purchase from the Artland Group the same merchandise when its inventory of particular models falls short in order to meet customers requests. As we further understand that the locations of the Group's outlets and the Artland Group's outlets are at close proximity, we consider that these arrangements are beneficial to the Group as they can ensure that the Group would be able to meet customers' requests in a timely and efficient fashion, which is important to the daily operation of the Group. We also concur with the Directors' view as stated in the letter from the Board in the Circular that sales of merchandise to the Artland Group under the Agreement No. 4 will ensure steady income to the Group and can minimise the management and operational costs of the Group due to close proximity between the Group and the Artland Group.

Therefore, we are of the view that the entering into the Agreement No. 4 is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

3. Annual caps

A. Agreement No. 1

As stated in the letter from the Board in the Circular, the maximum annual caps receivable by the Group for the sales of merchandise to the ST Dupont Group under the Agreement No. 1 for each of the financial years ending 31 March 2010, 31 March 2011 and 31 March 2012 will be HK\$18,596,000, HK\$22,316,000 and HK\$26,780,000 respectively.

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As further stated in the letter from the Board in the Circular, the said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31 March 2008 and for the six months ended 30 September 2008) of the said sales of merchandise to the ST Dupont Group. The estimated annual growth rate representing 20 per cent. of the estimated full year figure of HK\$15,496,000 was based on the actual sales of HK\$7,748,000 for the six months ended 30 September 2008.

In addition, we have reviewed the historical actual transaction amounts for the two financial years ended 31 March 2008 and we note that the annual growth rate during this period was approximately 109 per cent.. The annual caps have also taken into account a range of other factors as stated in the letter from the Board in the Circular including the market trend, the estimated annual growth of the said sales, the ST Dupont Group's plan for further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise, which as we understand from the management of the Company, are common factors to consider in the industry and the same factors that the Group would consider when projecting the level of sales and purchases of merchandise with other independent third parties. Based on our discussion with the management of the Company, we understand that having considered these factors and the historical growth, the management of the Company expects the estimated annual growth rate to be approximately 20 per cent. in the next few years, which we are of the view is fair and reasonable.

Table 1 below sets out the calculation of and the basis for determining the annual cap for the Agreement No. 1 for the three years ending 31 March 2012:

Table 1: Calculation of and the basis for determining the annual cap for the Agreement No. 1

	<i>HK\$</i>	
Actual sales for the six months ended 30 September 2008	7,748,000	
Estimated full year sales for the year ended 31 March 2009 based on actual sales for the six months ended 30 September 2008	15,496,000	
	Estimated annual growth rate	Annual cap
	%	<i>HK\$</i>
For the year ending 31 March 2010	20	18,596,000
For the year ending 31 March 2011	20	22,316,000
For the year ending 31 March 2012	20	26,780,000

Source: Letter from the Board in the Circular.

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Given that the annual caps have been determined based on the latest historical figures, the estimated growth rate based on such historical figures as well as a broad range of other factors that are commonly considered by the industry and the Group, we are of the view that the annual caps for the Agreement No. 1 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

B. Agreement No. 2

As stated in the letter from the Board in the Circular, the maximum annual caps payable by the Group for the purchases of merchandise from the ST Dupont Group under the Agreement No. 2 for each of the financial years ending 31 March 2010, 31 March 2011 and 31 March 2012 will be HK\$21,006,000, HK\$25,208,000 and HK\$30,250,000 respectively.

As further stated in the letter from the Board in the Circular, the said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31 March 2008 and for the six months ended 30 September 2008) of the said purchases of merchandise from the ST Dupont Group. The estimated annual growth rate representing 30 per cent. (of which 10 per cent. for the sale of S.T. Dupont products in Taiwan after the signing of the S&P Agreement as disclosed in the announcement of the Company dated 30 March 2009) for the first year and then 20 per cent. thereafter of the estimated full year figure of HK\$16,158,000 were based on the actual purchases of HK\$8,079,000 for the six months ended 30 September 2008.

Based on our discussion with the management of the Company, we understand that prior to the entering into the Agreement No. 2, the ST Dupont Group had been distributing S.T. Dupont products in Taiwan on its own and that the amount of historical sales of the ST Dupont Group if converted into wholesale prices would represent approximately 10 per cent. of the existing amount of purchases from the ST Dupont Group based on the actual purchases for the six months ended 30 September 2008. Furthermore, we have reviewed the historical actual transaction amounts for the two financial years ended 31 March 2008 and we note that the annual growth rate during this period was approximately 120 per cent.. The annual caps have also taken into account a range of other factors as stated in the letter from the Board in the Circular including the market trend, the estimated annual growth of the said purchases, the Group's plan for further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. As noted above, we understand from the management of the Company that these factors are common factors to consider in the industry and the same factors that the Group would consider when projecting the level of sales and purchases of merchandise with other independent third parties. Based on our discussion with the management of the Company, we understand that having considered these factors, the historical growth and the historical sales performance of the S.T. Dupont products in Taiwan, the management of the Company expects the estimated annual growth rate to be approximately 30 per cent. in the first year and 20 per cent. thereafter, which we are of the view is fair and reasonable.

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Table 2 below sets out the calculation of and the basis for determining the annual cap for the Agreement No. 2 for the three years ending 31 March 2012:

Table 2: Calculation of and the basis for determining the annual cap for the Agreement No. 2

		<i>HK\$</i>
Actual purchases for the six months ended 30 September 2008		8,079,000
Estimated full year purchases for the year ended 31 March 2009 based on actual purchases for the six months ended 30 September 2008		16,158,000
	Estimated annual growth rate	Annual cap
	<i>%</i>	<i>HK\$</i>
For the year ending 31 March 2010	30 ¹	21,006,000
For the year ending 31 March 2011	20	25,208,000
For the year ending 31 March 2012	20	30,250,000

Note:

1. 10 per cent. of the growth relates to the sale of S.T. Dupont products in Taiwan after the signing of the S&P Agreement.

Source: Letter from the Board in the Circular.

As the annual caps have been determined based on the latest historical figures, the estimate annual growth rates based on such historical figures and other factors that are commonly considered by the industry and the Group, we are of the view that the annual caps for the Agreement No. 2 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

C. Agreement No. 3

As stated in the letter from the Board in the Circular, the maximum annual caps payable by the Group for the payment of sublicense fees in respect of S.T. Dupont products distributed by the Group in the PRC (excluding Hong Kong) and Taiwan under the Agreement No. 3 for each of the financial years ending 31 March 2010, 31 March 2011 and 31 March 2012 will be HK\$33,722,000, HK\$40,467,000 and HK\$48,561,000 respectively.

As further stated in the letter from the Board in the Circular, the said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial year ended 31 March 2008 and for the six months ended 30 September 2008) of the said sublicense fees paid by the Group to the ST Dupont Group in respect of S.T. Dupont products

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distributed by the Group in the PRC (excluding Hong Kong). The estimated growth rate representing about 30 per cent. (of which 10 per cent. for the sale of S.T. Dupont products in Taiwan after the signing of the S&P Agreement as disclosed in the announcement of the Company dated 30 March 2009) for the first year and then 20 per cent. thereafter of the estimated full year figure of HK\$25,940,000 were based on the actual payment of sublicense fees by the Group of HK\$12,970,000 for the six months ended 30 September 2008.

As noted above, we understand from the management of the Company that prior to the entering into the Agreement No. 3, the ST Dupont Group had been distributing S.T. Dupont products in Taiwan on its own. As such, in estimating the increase in sublicensing fees as a result of the inclusion of Taiwan in order to determine the annual caps, we understand that the Company has factored in the historical sales figures achieved by the ST Dupont Group in selling the S.T. Dupont products in Taiwan since the sublicense fees are calculated based on retail and wholesale turnover (excluding sales of imported products purchased from the ST Dupont Group), which represent approximately 10 per cent. of the Company's existing turnover. Moreover, we have reviewed the historical actual transaction amounts for the two financial years ended 31 March 2008 and we note that the annual growth rate during this period was approximately 3 per cent.. The annual caps have also been determined with reference to various other factors as stated in the letter from the Board in the Circular including the market trend, the estimated annual growth of both the retail and wholesale turnover of S.T. Dupont products distributed in the PRC (excluding Hong Kong) and Taiwan, the Group's plan for further expansion of its retail network in the PRC and Taiwan, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. As mentioned earlier, we understand from the management of the Company that these factors, excluding the estimated annual growth of both the retail and wholesale turnover of S.T. Dupont products distributed in the PRC (excluding Hong Kong) and Taiwan, are common factors to consider in the industry and the same factors that the Group would consider when projecting the level of sales and purchases of merchandise with other independent third parties. As we understand that the sublicense fees are calculated based on certain percentages of the wholesale and retail turnover, we concur with the view of the management of the Company that these same factors would still apply in determining sublicense fees and that the estimated annual growth of both the retail and wholesale turnover should also be taken into consideration. Based on our discussion with the management of the Company, we understand that the Company plans to further expand its retail network in the PRC. In this regard, we have also reviewed information relating the Group's historical expansion and we note that in the year ended 31 March 2009, the Group has opened 16 shops in the PRC and had a total of 97 shops as at 31 March 2009. We further understand from the management of the Company that having considered the above factors, the historical growth and the Company's expansion plan in the PRC, the management of the Company expects the estimated annual growth rate to be approximately 30 per cent. in the first year and 20 per cent. thereafter, which we are of the view is fair and reasonable.

LETTER FROM PLATINUM SECURITIES

Table 3 below sets out the calculation of and the basis for determining the annual cap for the Agreement No. 3 for the three years ending 31 March 2012:

Table 3: Calculation of and the basis for determining the annual cap for the Agreement No. 3

	<i>HK\$</i>	
Actual payment of sublicense fees for the six months ended 30 September 2008	12,970,000	
Estimated full year sublicense fees payable for the year ended 31 March 2009 based on actual payment of sublicense fees for the six months ended 30 September 2008	25,940,000	
		Estimated annual growth rate %
		Annual cap <i>HK\$</i>
For the year ending 31 March 2010	33,722,000	30 ¹
For the year ending 31 March 2011	40,467,000	20
For the year ending 31 March 2012	48,561,000	20

Note:

1. 10 per cent. of the growth relates to the sale of S.T. Dupont products in Taiwan after the signing of the S&P Agreement.

Source: Letter from the Board in the Circular.

Having considered that the annual caps have been determined with reference to the latest historical figures, the growth based on such historical figures together with numerous factors commonly considered by the industry and the Group, we are of the opinion that the annual caps for the Agreement No. 3 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

D. Agreement No. 4

As stated in the letter from the Board in the Circular, the maximum annual caps receivable by the Group for the sales of merchandise to the Artland Group under the Agreement No. 4 for each of the financial years ending 31 March 2010, 31 March 2011 and 31 March 2012 will be HK\$18,420,000, HK\$22,104,000 and HK\$26,525,000 respectively.

As further stated in the letter from the Board in the Circular, the said maximum annual caps were derived based on the historical figures (including the actual transaction amounts for the financial

LETTER FROM PLATINUM SECURITIES

year ended 31 March 2008 and for the six months ended 30 September 2008) of the said sales of merchandise to the Artland Group. The estimated annual growth rate representing 20 per cent. of the estimated full year figure of HK\$15,350,000 was based on the actual sales of HK\$7,675,000 for the six months ended 30 September 2008.

We have also reviewed the historical actual transaction amounts for the two financial years ended 31 March 2008 and we note that the annual growth rate during this period was approximately 121 per cent.. In determining the annual caps, numerous other factors have also been incorporated as stated in the letter from the Board in the Circular including the market trend, the estimated annual growth of the said sales, the Artland Group's plan for further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise. We note again that based on our discussion with the management of the Company, we understand that these are common considerations used by the industry and the Group when projecting the level of sales and purchases of merchandise. Based on our discussion with the management of the Company, we understand that having considered these factors and the historical growth, the management of the Company expects the estimated annual growth rate to be approximately 20 per cent. in the next few years, which we are of the view is fair and reasonable.

Table 4 below sets out the calculation of and the basis for determining the annual cap for the Agreement No. 4 for the three years ending 31 March 2012:

Table 4: Calculation of and the basis for determining the annual cap for the Agreement No. 4

		<i>HK\$</i>
Actual sales for the six months ended 30 September 2008		7,675,000
Estimated full year sales for the year ended 31 March 2009 based on actual sales for the six months ended 30 September 2008		15,350,000
	Estimated annual growth rate	Annual cap
	%	<i>HK\$</i>
For the year ending 31 March 2010	20	18,420,000
For the year ending 31 March 2011	20	22,104,000
For the year ending 31 March 2012	20	26,525,000

Source: Letter from the Board in the Circular.

Since the annual caps have been determined with reference to the latest historical figures, the growth based on such historical figures as well as numerous factors commonly considered by the industry and the Group, we conclude that the annual caps for the Agreement No. 4 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM PLATINUM SECURITIES

RECOMMENDATION

We have considered the above principal factors and reasons and, in particular, have taken into account the following factors in arriving at our opinion:

- (i) the terms of the Agreements Nos. 1, 2, 3 and 4 are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole;
- (ii) the entering into the Agreements Nos. 1, 2, 3 and 4 is in the ordinary and usual course of business of the Company; and
- (iii) the annual caps for the Agreements Nos. 1, 2, 3 and 4 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Having considered the above, we are of the view that the Agreements Nos. 1, 2, 3 and 4 are on normal commercial terms, in the ordinary and usual course of business of the Company, fair and reasonable and in the interests of the Company and the Shareholders as a whole; and the annual caps of the Agreements Nos. 1, 2, 3 and 4 are fair and reasonable.

Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders and we recommend the Independent Shareholders to vote in favour of the resolutions, which will be proposed at the SGM to approve the Agreements Nos. 1, 2, 3 and 4 and their relevant annual caps.

Yours faithfully,
For and on behalf of
Platinum Securities Company Limited

Larry Chan
Director

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained in this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange :-

Dickson Concepts (International) Limited

Name of Director	Capacity	Ordinary shares of HK\$0.3 each				Total	Percentage ⁽ⁱⁱ⁾
		Personal Interests	Family Interests	Corporate Interests	Other Interests		
Dickson Poon	Beneficial owner and trust founder	14,040	—	—	149,395,699 ⁽ⁱ⁾	149,409,739	40.13
Edwin Ing	Beneficial owner	26,620	—	—	—	26,620	0.0071

Notes :-

(i) These shares are held through two trusts.

(ii) Percentage which the aggregate long position in shares represents to the issued share capital of the Company.

In addition, Mr. Dickson Poon is deemed to be interested in the share capital of all the subsidiary and associated companies of the Company by virtue of his interest in the Company.

3. SUBSTANTIAL SHAREHOLDERS' AND OTHERS PERSONS' INTERESTS

Save as disclosed below, as at the Latest Practicable Date, the Directors are not aware of any other person (other than a Director or chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO :-

Dickson Concepts (International) Limited

Name of shareholder	Ordinary shares of HK\$0.3 each	Percentage ⁽ⁱⁱⁱ⁾	Capacity
Yu Kwai Chu, Pearl	149,409,739 ⁽ⁱ⁾	40.13	Interest of spouse
Dickson Investment Holding (PTC) Corporation (“DIHPTC”)	149,395,699 ⁽ⁱⁱ⁾	40.13	Trustee
Paicolex Trust Company (BVI) Limited (“Paicolex BVI”)	149,395,699 ⁽ⁱⁱ⁾	40.13	Trustee
Paicolex Trust Management AG (“Paicolex AG”)	149,395,699 ⁽ⁱⁱ⁾	40.13	Trustee
INVESCO Hong Kong Limited	21,691,075	5.83	Investment manager

Notes :-

- (i) These shares refer to the family interest attributable to Mr. Dickson Poon, the spouse of Ms. Yu Kwai Chu, Pearl.
- (ii) These shares refer to the same block of shares. DIHPTC, Paicolex BVI and Paicolex AG are trustees of two trusts. These shares are also included in the 149,395,699 shares which were disclosed as “Other Interests” of Mr. Dickson Poon in the “Directors’ and Chief Executive’s Interests” section of this circular. Mr. Dickson Poon is a director of DIHPTC.
- (iii) Percentage which the aggregate long position in shares represents to the issued share capital of the Company.

4. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN OTHER MEMBERS OF THE GROUP

Save as disclosed below, as at the Latest Practicable Date, the Directors are not aware of any other person (other than a Director or chief executive of the Company) who had an interest, directly or indirectly, in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or of any options in respect of such capital :-

Name of member of the Group	Name of shareholder	Number of shares held	Percentage of shareholding
Ining Investments Limited ("Ining")	Golden Eagle Investment Limited	1	10

The Group holds a 90 per cent. interest in Ining through DCL, an indirect wholly-owned subsidiary company of the Company.

5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

The following Director is considered to have interests in the following businesses, which compete or are likely to compete, either directly and indirectly, with the business of the Group as required to be disclosed under Rule 8.10 of the Listing Rules :-

- Certain subsidiary companies of STDSA, 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, carry on the sale of the S.T. Dupont products in Hong Kong, China, Taiwan, Singapore and Malaysia and are deemed as competing with the wholesale and retail businesses of the Group. However, the S.T. Dupont brand is targeted at its own specific customer base which is attracted by its unique history and exclusive product range. Given the distinct features of the S.T. Dupont brand, the Group considers that its interests are adequately safeguarded. The day-to-day operations of the Group and the ST Dupont Group are managed by two distinct management teams based in Hong Kong and France respectively.

In order to further safeguard the interests of the Group, those Directors not interested in this competing business review on a regular basis the businesses and operations of the Group to ensure that its businesses are run on the basis that they are independent of, and at arm's length from, these subsidiary companies of STDSA.
- Mr. Dickson Poon is a director of Artland Watch and Precision Watch and the ultimate shareholder of the Artland Group which is engaged in the sale of watches and jewellery in Hong Kong. These businesses are deemed as competing with the retail business of the Group. However, the Artland Group targets its own specific customer base which is attracted by its unique history, reputation and image. Given the distinct features of the Artland Group's customer base, the Group considers that its interests are adequately safeguarded. The day-to-day operations of the Group and the Artland Group are managed by two distinct management teams except for Mr. Dickson Poon who as aforementioned is one of the four board members of Artland Watch and one of the five board members of Precision Watch.

In order to further safeguard the interests of the Group, those Directors not interested in this competing business review on a regular basis the businesses and operations of the Group to ensure that its businesses are run on the basis that they are independent of, and at arm's length from, the Artland Group.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with the Group's business.

6. DIRECTORS' INTERESTS IN ASSETS

1. On 27th September, 2006, Dickson Investment (Singapore) Pte. Ltd. ("Dickson Investment"), which is directly wholly-owned by Mr. Dickson Poon, as lessor and Dickson Stores, which is indirectly wholly-owned by the Company, as lessee entered into a lease agreement pursuant to which Dickson Investment leased to Dickson Stores a shop space in a shopping mall at #01-05/06, Centrepoint, No. 176 Orchard Road, Singapore for a period of three years commencing from 1st November, 2006 and ending on 31st October, 2009 at a monthly rental of S\$34,450 (about HK\$177,400) for the first year, S\$36,517 (about HK\$188,000) for the second year and S\$37,895 (about HK\$195,100) for the third year.
2. On 27th March, 2009, STD Investment as vendor and DTA as purchaser entered into the S&P Agreement pursuant to which the Group purchase the Assets from STD Investment with effect from the close of business on 31st March, 2009 for a total consideration of NT\$17,407,821 (equivalent to approximately HK\$3,996,000), being the total net asset value of the Assets as at 31st March, 2009, and details of the S&P Agreement was disclosed in the announcement of the Company dated 30th March, 2009.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group since 31st March, 2008, being the date to which the latest published audited accounts of the Company were made up.

7. DIRECTORS' INTERESTS IN MATERIAL CONTRACTS OR ARRANGEMENTS

On 25th March, 2008, Castlereagh as seller and DTS as purchaser entered into the Singapore MS&P Agreement (which was also mentioned on pages 6 and 11 in the "Letter from the Board" of this circular) regarding the sales by the Group to the Singapore Group of certain merchandise of different brand names including apparel, accessories and watches, of which the Group owns the distribution rights of the respective merchandise in Asia, for a period of three years commencing from 1st April, 2008 and ending on 31st March, 2011. The selling prices of the merchandise are at the standard wholesale prices or with a trade discount ranging from 5 per cent. to 10 per cent., due upon shipment of the merchandise and to be settled in cash with a credit

period of up to 60 days. The maximum annual caps received/receivable by the Group for the sales of certain merchandise to the Singapore Group under the Singapore MS&P Agreement for the financial years ended/ending 31st March, 2009, 31st March, 2010 and 31st March, 2011 are HK\$138,000,000, HK\$179,000,000 and HK\$233,000,000 respectively.

Save as disclosed above and the Agreements Nos. 1 to 4 as set out in this circular, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the Group's business.

8. DIRECTORS' SERVICE CONTRACT

None of the Directors has entered into or is proposing to enter into any service contract with any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation other than statutory compensation).

9. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial and trading position of the Group since 31st March, 2008, being the date to which the latest published audited accounts of the Company were made up.

10. EXPERT'S QUALIFICATION, CONSENT AND INTEREST

The following is the qualification of the expert who has given its advice which is contained in this circular :-

Name	Qualification
Platinum Securities Company Limited	A licensed corporation under the SFO licensed to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Platinum Securities does not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Platinum Securities has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or references to its name in the form and context in which it is included.

The letter and recommendation given by Platinum Securities is given as at the date of this circular for incorporation in this circular.

As at the Latest Practicable Date, Platinum Securities does not have any interests, direct or indirect, in any assets which have been acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group since 31st March, 2008, being the date to which the latest published audited accounts of the Company were made up.

11. GENERAL

- (a) The secretary of the Company is Ms. Or Suk Ying, Stella, Fellow of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (b) The registered office of the Company is at the Bank of Bermuda Building, 6 Front Street, Hamilton HM 11, Bermuda and its head office and principal place of business in Hong Kong is at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong.
- (c) The Hong Kong Branch Registrar is Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The English text of this circular and the enclosed proxy form shall prevail over the Chinese text.

12. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours except Saturday, Sunday and public holidays at the office of the Company at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong from the date of this circular up to and including the date of the SGM (and any adjournment thereof) :-

- (a) the Old Agreements Nos. 1 to 4;
- (b) the Agreements Nos. 1 to 4;
- (c) the S&P Agreement;
- (d) the Singapore MS&P Agreement;
- (e) the Memorandum and New Bye-Laws of the Company;
- (f) the Letter from the Independent Board Committee, the text of which is set out in this circular;
- (g) the Letter from Platinum Securities, the text of which is set out in this circular; and
- (h) the written consent given by Platinum Securities referred to in paragraph headed "Expert's Qualification, Consent and Interest" in this appendix.

NOTICE OF SPECIAL GENERAL MEETING



DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“the Meeting”) of the shareholders of Dickson Concepts (International) Limited (“the Company”) will be held at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 5th May, 2009 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions of the Company :-

ORDINARY RESOLUTIONS

“**THAT** :-

1. (i) the Agreement No. 1 and its relevant maximum annual caps (as respectively defined and described in the circular dated 17th April, 2009 to the shareholders of the Company, of which this notice forms a part, and a copy of which has been produced to this Meeting marked “A” and signed by the Chairman of the Meeting for the purpose of identification), and any other actions, agreements and documents and all transactions contemplated thereunder and in connection therewith, be and are hereby generally and unconditionally approved, and the execution of the Agreement No. 1 be and is hereby approved, ratified and confirmed; and (ii) any one Executive Director, or any two Executive Directors if affixing the duplicate seal is necessary, be and are hereby authorised to execute all documents or deeds, do all acts and things and take all steps which in their opinion they may consider necessary, desirable and expedient for the implementation of and giving effect to the Agreement No. 1 and the transactions contemplated thereunder;
2. (i) the Agreement No. 2 and its relevant maximum annual caps (as respectively defined and described in the circular dated 17th April, 2009 to the shareholders of the Company, of which this notice forms a part, and a copy of which has been produced to this Meeting marked “B” and signed by the Chairman of the Meeting for the purpose of identification), and any other actions, agreements and documents and all transactions contemplated thereunder and in connection

* *For identification purposes only*

NOTICE OF SPECIAL GENERAL MEETING

therewith, be and are hereby generally and unconditionally approved, and the execution of the Agreement No. 2 be and is hereby approved, ratified and confirmed; and (ii) any one Executive Director, or any two Executive Directors if affixing the duplicate seal is necessary, be and are hereby authorised to execute all documents or deeds, do all acts and things and take all steps which in their opinion they may consider necessary, desirable and expedient for the implementation of and giving effect to the Agreement No. 2 and the transactions contemplated thereunder;

3. (i) the Agreement No. 3 and its relevant maximum annual caps (as respectively defined and described in the circular dated 17th April, 2009 to the shareholders of the Company, of which this notice forms a part, and a copy of which has been produced to this Meeting marked “C” and signed by the Chairman of the Meeting for the purpose of identification), and any other actions, agreements and documents and all transactions contemplated thereunder and in connection therewith, be and are hereby generally and unconditionally approved, and the execution of the Agreement No. 3 be and is hereby approved, ratified and confirmed; and (ii) any one Executive Director, or any two Executive Directors if affixing the duplicate seal is necessary, be and are hereby authorised to execute all documents or deeds, do all acts and things and take all steps which in their opinion they may consider necessary, desirable and expedient for the implementation of and giving effect to the Agreement No. 3 and the transactions contemplated thereunder; and

4. (i) the Agreement No. 4 and its relevant maximum annual caps (as respectively defined and described in the circular dated 17th April, 2009 to the shareholders of the Company, of which this notice forms a part, and a copy of which has been produced to this Meeting marked “D” and signed by the Chairman of the Meeting for the purpose of identification), and any other actions, agreements and documents and all transactions contemplated thereunder and in connection therewith, be and are hereby generally and unconditionally approved, and the execution of the Agreement No. 4 be and is hereby approved, ratified and confirmed; and (ii) any one Executive Director, or any two Executive Directors if affixing the duplicate seal is necessary, be and are hereby authorised to execute all documents or deeds, do all acts and things and take all steps which in their opinion they may consider necessary, desirable and expedient for the implementation of and giving effect to the Agreement No. 4 and the transactions contemplated thereunder.”

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

Hong Kong, 17th April, 2009

Registered Office:

Bank of Bermuda Building,
6 Front Street,
Hamilton HM 11,
Bermuda.

Head Office and Principal Place of Business:

4th Floor, East Ocean Centre,
98 Granville Road,
Tsimshatsui East,
Kowloon,
Hong Kong.

NOTICE OF SPECIAL GENERAL MEETING

Notes :-

1. A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him. A shareholder may appoint a proxy in respect of part only of his holding of ordinary shares in the Company. A proxy need not also be a shareholder of the Company.
2. To be valid, a proxy form, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be lodged with the Company's Hong Kong Branch Registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 11:00 a.m. on Thursday, 30th April, 2009.
3. Completion and return of the proxy form will not preclude a shareholder from attending in person and voting at the Meeting or any adjournment thereof if he or she so wishes. In that event, the shareholder's proxy form will be deemed to have been revoked.
4. In the case of joint holders of an ordinary share, any one of such persons may vote, either personally or by proxy, in respect of such share. If more than one of such joint holders are present, in person or by proxy, then the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
5. The resolutions to be proposed at the Meeting will be decided by way of a poll.
6. In case of any conflict between any translation and the English text hereof, the English text will prevail.
7. As at the date of this notice, the Board of Directors of the Company comprises :-

Executive Directors:

Dickson Poon (*Group Executive Chairman*)
Raymond Lee (*Deputy Chairman and
Chief Executive Officer*)
Chan Tsang Wing, Nelson
Edwin Ing
Lau Yu Hee, Gary
Ng Chan Lam

Independent Non-Executive Directors:

Bhanusak Asvaintra
Nicholas Peter Etches
Christopher Patrick Langley, OBE



DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

Proxy Form

Special General Meeting to be held on 5th May, 2009

(or any adjournment thereof)

I/We ^(Note 1) _____
of _____
being the registered shareholder(s) of ^(Note 2) _____ ordinary share(s) of HK\$0.3 each in the share capital of Dickson Concepts (International) Limited ("the Company"), hereby appoint ^(Note 3) _____ of _____ or failing him the duly appointed Chairman of the Special General Meeting as my/our proxy to attend, act and, on a poll, vote for me/us and on my/our behalf at the Special General Meeting of the shareholders of the Company to be held on Tuesday, 5th May, 2009 at 11:00 a.m. and at any adjournment thereof and, in particular, to vote in respect of the undermentioned resolutions as indicated :-

ORDINARY RESOLUTIONS		For ^(Note 4)	Against ^(Note 4)
1.	To approve, ratify and confirm the Agreement No. 1 and its relevant maximum annual caps as set out in the notice convening the Meeting		
2.	To approve, ratify and confirm the Agreement No. 2 and its relevant maximum annual caps as set out in the notice convening the Meeting		
3.	To approve, ratify and confirm the Agreement No. 3 and its relevant maximum annual caps as set out in the notice convening the Meeting		
4.	To approve, ratify and confirm the Agreement No. 4 and its relevant maximum annual caps as set out in the notice convening the Meeting		

As witness my/our hand this _____ day of _____ 2009.

Signature(s) _____
Shareholder(s) of the Company

Notes :-

1. Please insert full name(s) and address(es) in **BLOCK CAPITALS**. The names of all joint holders should be stated.
2. Please insert the number of ordinary shares of HK\$0.3 each registered in your name(s) to which this proxy form relates. If no number is inserted, this proxy form will be deemed to relate to all the ordinary shares in the share capital of the Company registered in your name(s).
3. A proxy need not be a shareholder of the Company. A shareholder is entitled to appoint a proxy or proxies of his own choice. If such an appointment is made, delete the words "or failing him the duly appointed Chairman of the Special General Meeting" and insert the name and address of the person appointed as proxy in the space provided. If no name is inserted, the Chairman of the Special General Meeting will act as your proxy.
4. Please indicate with an "X" in the appropriate space beside each of the resolutions how you wish the proxy to vote on your behalf on a poll. If this form is returned duly signed, but without any indication, the proxy will vote for or against the resolutions or will abstain from voting at his discretion.
5. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
6. If the holder is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised to sign the same.
7. To be valid, this proxy form, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be lodged with the Company's Hong Kong Branch Registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 11:00 a.m. on Thursday, 30th April, 2009.
8. Completion and return of this proxy form will not preclude you from attending and voting in person at the Special General Meeting and at any adjournment thereof if you so wish. In that event, your proxy form will be deemed to have been revoked.

* For identification purposes only