



## **PRESS RELEASE**

### **ACQUISITION OF TOMMY HILFIGER ASIA-PACIFIC LIMITED**

#### **RESULT OF SPECIAL GENERAL MEETING**

- \* Dickson Concepts is pleased to announce that the ordinary resolution approving the proposed acquisition of the entire issued share capital of Tommy Hilfiger Asia-Pacific Limited (“THAP”) for a consideration of HK\$396 million (“THAP Acquisition”) was passed by the Independent Shareholders of the Company at the Special General Meeting of Shareholders held on 24<sup>th</sup> August, 2006.
- \* 59,075,512 voted for the THAP Acquisition. 1,979,405 shares voted against the THAP Acquisition. The shares which voted for represented about 96.76 per cent. of the total votes cast at the Special General Meeting, a clear indication of the overwhelming support for the THAP Acquisition by the Independent Shareholders.
- \* Completion of the THAP Acquisition will take place on 25<sup>th</sup> August, 2006.

#### **DICKSON CONCEPTS’ PROSPECTS AFTER COMPLETION OF THE THAP ACQUISITION**

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- \* Since the opening of the first Tommy Hilfiger® retail store in Hong Kong in 1998, the brand has achieved strong recognition and a growing customer base not only in Hong Kong but also in other Asian markets including Taiwan, the PRC, Singapore and Malaysia where retail and wholesale networks have been established.
- \* The THAP group currently operates 89 Tommy Hilfiger® retail stores in Hong Kong, Taiwan, the PRC, Singapore and Malaysia and these markets, especially Hong Kong, Taiwan and the PRC, will continue to offer significant growth potential to Dickson Concepts.

- 1 -

DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司

(incorporated in Bermuda with limited liability)

Head Office: 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong Tel: 2311 3888 Fax: 2311 3323



- \* The continued expansion of the store network and economies of scale arising from incorporating the THAP business within Dickson Concepts' operations in these territories will further enhance Dickson Concepts' earnings growth and financial position.
- \* The combination of Dickson Concepts' existing retail stores with those of THAP will give Dickson Concepts additional leverage in negotiating shop leases and securing shop locations, and has the potential to create cost saving synergies through consolidation of logistics and administration functions.
- \* On the basis that Dickson Concepts will exercise its right to extend the Tommy Hilfiger licence to 31<sup>st</sup> March, 2014 and depending on the then economic and market conditions, it is the present intention of Dickson Concepts to continue to expand the Tommy Hilfiger® retail store network by establishing up to a total of 70 new Tommy Hilfiger® retail stores in Hong Kong, Taiwan, the PRC, Singapore and Malaysia by 2014.
- \* With the profit track record of the THAP business, and the repayment of all outstanding loans of the THAP group before the completion of the THAP Acquisition, it is expected that the THAP Acquisition will significantly benefit Dickson Concepts' cash flow from operations assuming THAP maintains its current level of profitability.
- \* Dickson Concepts has a proven track record in developing and managing the retail and wholesale distribution of brand named lifestyle and fashion apparel and accessories, and given this expertise, is extremely confident that THAP will become an increasingly significant contributor to Dickson Concepts' turnover and profits in the years to come.

Hong Kong, 24<sup>th</sup> August, 2006

- 2 -

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